

SIND ACT NO.XXII OF 1974
THE SIND LOANS FOR AGRICULTURAL PURPOSES ACT, 1974

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SIND ACT NO.XXII OF 1974

THE SIND LOANS FOR AGRICULTURAL PURPOSES ACT, 1974

[234 November, 1974]

An Act to provide for credit facilities to members of the co-operative societies and co-operative banks in Sind for agriculture purposes.

WHEREAS it is expedient to provide for credit facilities to members of the co-operative societies and co-operative banks in Sind for agricultural purposes;

It is hereby enacted as follows: —

1. (1) This Act may be called the Sind Loans for

Agricultural Purposes Act, 1974.

(2) It shall come into force at once.

2. (1) In this Act, unless the context otherwise requires, the

following expressions shall have the meaning hereby
respectively assigned to them, that is to say—

(a) "advance" means an advance made under this
Act for agricultural purposes;

(6) "bank" means a co-operative bank;

(c) "borrower" means a bonafide member of a bank
or society whose total land holding does not
exceed an economic holding;

(d) "Government" means the Government of Sind;

(e) "land" means land used for agricultural purposes or
for purposes subservient to agriculture;

(f) "loan" means a loan granted under this Act for
agricultural purposes;

(g) "pass-book" means a pass-book prepared and
maintained under the Loans for Agricultural
Purposes Act, 1973 (Act XLII of 1973);

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(h) "prescribed" means prescribed by rules made under this Act;

(i) "Society" means a co-operative society.

(2) Any expression used but not defined in this Act shall have the meaning assigned to it in the Co-operative Societies Act, 1925 (Sind Act VII of 1925) and the West Pakistan Co-operative Societies and Co-operative Banks (Re-payment) of Loans) Ordinance, 1966 (West Pakistan Ordinance XIV of 1966).

3. The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.

5. (1) The borrower may deliver agricultural produce of the land to the bank or the society, as the case may be, or to its authorised agent, towards repayment of loan or advance or any installment thereof.

(2) The agricultural produce delivered under sub-section (1) shall be sold in open market and the sale proceeds shall be adjusted against any installment or other amount of the loan or advance, due for payment in accordance with loan agreement.

6. All payment made in cash or by delivery of agricultural produce towards repayment of the installments or other amounts of the loan or advance shall in prescribed manner be entered in the pass-book of the borrower and on payment of the whole amount of the loan or advance the borrower shall stand absolved of his obligation under this Act.

7. If the borrower fails to re-pay the amount of the loan or advance in accordance with the terms of his agreement with the bank or society, such bank or society may, without prejudice to any other legal remedy available to it, apply to the Collector or an officer of the Co-operative Department invested with the powers of Collector under the Co-operative Societies Act, 1925 (Sind Act VII of 1925) for the recovery of the amount in default as arrears of land revenue.

Act
override
laws.

Delivery

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to

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8 (1) Government may by notification in the official Rules.

Gazette rules for carrying out the purposes of this Act.

(2) | A borrower shall be entitled to apply and take loan or advance from only one bank or society at one time on the same property.

Explanation.— In Act, “economic holding” has the same meaning as in the Land reforms Regulation, 1972.

(3) The ratio specified in the rules shall not be varied—

(i) to the dis-advantage of borrowers having land not exceeding a subsistence holding and to the advantage of borrowers having land exceeding a subsistence holding; and

(ii) to the dis-advantage of borrowers having land less than an economic holding and to the advantage of borrowers having land exceeding economic holding.

9. No suit, prosecution or other legal proceedings shall lie in Indemnity. respect of anything done in good faith, under this Act or any rule made thereunder.

10. The Sind Loans for Agricultural Purposes Ordinance, 1974, Repeal of is hereby repealed. Sind Ordinance

XVI of 1974.