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GOVERNMENT OF PAKISTAN
MINISTRY OF LAW



A COLLECTION OF
THE
CENTRAL ACTS AND ORDINANCES
FOR THE YEAR
1955

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SHORT TITLES
OF
THE CENTRAL ACTS AND ORDINANCES
FOR THE YEAR 1955

Acts

(No Act was passed during the year 1955)

Ordinances

- I The Pakistan International Airlines Corporation Ordinance, 1955.
- II The Registration of Claims (Displaced Persons) Ordinance, 1955.
- III The Sale of Goods (Amendment) Ordinance, 1955.
- IV The Pakistan Tea Act (Amendment) Ordinance, 1955.
- V The Small Industries Corporation Ordinance, 1955.
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- XXI The Agricultural Development Finance Corporation (Amendment) Ordinance, 1955.
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- XXIX The Karachi Courts Ordinance, 1955.
- XXX The Pakistan (Control of Entry) (Amendment) Ordinance, 1955.
- XXXI The Regulation of Mines and Oil-fields and Mineral Development (Federal Control) (Amendment) Ordinance, 1955.
- XXXII The Small Industries Corporation (Amendment) Ordinance, 1955.
- XXXIII The Insurance Act (Amendment) Ordinance, 1955.
- XXXIV The Tariff Act (Amendment) Ordinance, 1955.

THE PAKISTAN INTERNATIONAL AIRLINES CORPORATION ORDINANCE, 1955.

ORDINANCE No. I OF 1955

[10th January, 1955]

An Ordinance to establish the Pakistan International Airlines Corporation.

WHEREAS an emergency has arisen which renders it necessary to provide for the establishment of a Corporation to facilitate the acquisition by the Corporation of the air-transport undertaking of the Orient Airways Limited, and to make further and better provision for the operation and development of air-transport services and purposes connected therewith;

26
Geo.
5, c. 2. Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, the Governor-General is pleased to make and promulgate the following Ordinance:—

1.—(1) This Ordinance may be called the Pakistan International Airlines Corporation Ordinance, 1955. Short title, extent and commencement.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. In this Ordinance, unless there is anything repugnant in the subject or context,— Interpretation.

(a) "Board" means the Board of Directors of the Corporation;

(b) "Corporation" means the Pakistan International Airlines Corporation established under this Ordinance; and

(c) "prescribed" means prescribed by rules or regulations made under this Ordinance.

3.—(1) As soon as may be after the commencement of this Ordinance, the Central Government shall establish a Corporation to be called the Pakistan International Airlines Corporation. Establishment and incorporation.

(2) The Corporation shall be a body corporate by the name of the Pakistan International Airlines Corporation, having perpetual succession and a common seal with power, subject to the provisions of this Ordinance, to acquire and hold property both movable and immovable and to carry out the functions and duties of the Corporation under this Ordinance, and shall by the said name sue and be sued.

4.—(1) It shall be the function of the Corporation to take over the undertaking of the Orient Airways Limited hereinafter in this Ordinance referred to as the "said Company" and all such undertakings of the Central Government as were undertaken for the purposes of the Corporation and, subject to the Functions of the Corporation.

provisions of the Aircraft Act, 1934, to provide and further develop safe, efficient, adequate, economical and properly co-ordinated air-transport services, internal as well as international; and the Corporation shall so exercise its powers as to secure that air-transport services are developed to the greatest possible advantage in the interests of the country. XXII of 1934.

(2) Without prejudice to the generality of the powers conferred by sub-section (1) the Corporation shall in particular have power,—

- (a) to operate any air-transport service or any flight by aircraft for a commercial or other purpose, and to carry out all forms of aerial work ;
- (b) to provide for the instruction and training in matters connected with aircraft or flight by aircraft of persons employed or desirous of being employed either by the Corporation or by any other person ;
- (c) with the previous approval of the Central Government, to promote any organisation outside Pakistan for the purpose of engaging in any activity of a kind which the Corporation has power to carry on ;
- (d) to acquire, hold or dispose of any property, whether movable or immovable, or any air-transport undertaking ;
- (e) to repair, overhaul, reconstruct, assemble or recondition aircraft, vehicles or other machines and parts, accessories and instruments thereof or therefor and also to manufacture such parts, accessories and instruments, whether the aircraft, vehicles or other machines are owned by the Corporation or by any other person ;
- (f) to do all things incidental to or connected with any of the matters referred to in sub-section (1) and in clauses (a) to (e).

(3) In discharging its functions the Corporation shall have careful regard to business principles.

Administration of the affairs of the Corporation. 5.—(1) The general direction and the administration of the Corporation and its affairs shall vest in the Board of Directors which may exercise all powers and do all acts which may be exercised or done by the Corporation.

(2) The Central Government may, as and when it considers necessary, issue directives to the Corporation on matters of policy, and such directives shall be binding on the Corporation. If a question arises whether any matter is a matter of policy or not, the decision of the Central Government shall be final.

The Board of Directors. 6.—(1) The Board of Directors shall, subject to the provisions of sub-section (2), consist of eleven Directors, of whom seven including the Chairman, shall be appointed by the Central Government and four shall be elected by shareholders other than the Central Government: Provided that when the Board is first constituted after the commencement of this Ordinance the four Directors to be elected as hereinbefore

provided shall be elected by the Directors of the said Company within one month of the date of the commencement of this Ordinance and shall be deemed to be the elected Directors of the Corporation under this sub-section.

(2) If the Central Government subscribe to not less than 51 per cent. of the value of shares referred to in clause (b) of sub-section (2) of section 25, the number of Directors to be appointed by the Central Government under sub-section (1) shall be increased from seven to eight and the number of Directors to be elected thereunder shall be reduced from four to three.

(3) Each Director shall—

(a) perform any special duties as the Board by regulations may assign; and

(b) receive such remuneration, fees or allowances as the Central Government may determine.

7.—(1) An appointed Director shall hold office for a term of three years unless sooner removed by the Central Government, and may be appointed thereafter for a further term or terms of such duration as the Central Government may in appointing him therefor, determine. Terms of office of Directors.

(2) An elected Director or a Director who is deemed to be elected, shall hold office for a term of three years and continue in office after the expiry of his term until his successor is elected, and shall be eligible for re-election.

(3) A casual vacancy in the office of a Director shall be filled by appointment or election, as the case may be, and a Director elected to fill a vacancy shall hold office for the unexpired period of the term of his predecessor:

Provided that it shall not be necessary to elect a Director to fill a casual vacancy of an elected Director occurring within three months of the end of the term in which it occurs.

(4) Directors who are not servants of the Government shall be paid such fees for attending the meetings of the Board or of any executive committee appointed by the Board of which they are members as may be prescribed by the Board.

(5) No act or proceeding of the Board shall be invalid merely on the ground of the existence of any vacancy in, or any defect in the constitution of the Board.

8.—(1) The Central Government shall appoint one of Directors to be Chairman of the Board. Chairman

(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for a period of three years. must be

9.—(1) No person shall be appointed or elected or shall continue to be a Director who— Disqualification of Directors.

(a) is or at any time has been convicted of an offence involving moral turpitude; or

(b) is or at any time has been adjudicated insolvent; or

- (c) is found lunatic or becomes of unsound mind; or
- (d) is a minor.

(2) No person shall be appointed or elected or shall continue to be a Director who is or who becomes a member of the salaried staff of the Corporation.

(3) No Director shall continue in office after absenting himself from three consecutive meetings of the Board without the leave of the Chairman or, in the case of the Chairman, of the Central Government.

Appointment
of officers,
etc.

10. The Corporation may appoint such officers, advisers and employees as it considers necessary for the efficient performance of its functions on such terms and conditions as it may see fit.

Meetings of
the Board.

11.—(1) The meetings of the Board shall be held at such time and such places as may be prescribed:

Provided that a meeting may also be otherwise convened by the Chairman when he so thinks fit and shall be convened if two or more Directors so request in writing addressed to the Chairman.

Quorum.

(2) To constitute a quorum at a meeting of the Board not less than five Directors shall be present.

(3) Each Director including the Chairman shall have one vote, and in the event of an equality of votes the Chairman shall have a casting or a second vote.

(4) If for any reason the Chairman is unable to be present at a meeting, the Directors present shall choose one from among themselves to be the Chairman of the meeting.

Head office.

12. The Corporation shall establish its head office in Karachi and may establish offices within Pakistan and abroad if the Board so thinks fit.

Deposit
account.

13. The Corporation may open an account in the National Bank of Pakistan or in any scheduled Bank in Pakistan or, with the prior approval of the Central Government, in any other Bank in Pakistan. The Corporation may open an account outside Pakistan in any Bank which may be a scheduled Bank according to the law of the country in which the account has to be opened, or with the prior approval of the Central Government in any Bank.

Investment
of funds.

14. The Corporation may invest its funds in any securities of the Central Government or a Provincial Government.

Borrowing
powers.

15. The Corporation may, with the previous sanction of the Central Government and on such terms and conditions as may be approved by the Government, borrow in Pakistan Currency or in foreign currency.

Audit.

16.—(1) The accounts of the Corporation shall be audited by not less than two auditors holding a certificate under section 144

VII of the Companies Act, 1913, who shall be appointed by the Board on such remuneration as it may fix, and such remuneration shall be paid by the Corporation.

(2) Every auditor appointed under sub-section (1) shall be given a copy of the annual balance sheet of the Corporation and shall examine it together with the accounts and vouchers relating thereto, and shall have a list delivered to him of all books kept by the Corporation and shall at all reasonable times have access to the books, accounts and other documents of the Corporation, and may in relation to such accounts examine any Director or officer of the Corporation.

(3) The auditors shall report to the shareholders upon the annual balance sheet and accounts and in their report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing all necessary particulars and properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, and in case they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

(4) The Board may at any time issue directions to the auditors requiring them to report to it upon the adequacy of measures taken by the Corporation for the protection of its shareholders and creditors or upon the sufficiency of the information and other means placed at the disposal of the auditors in auditing the affairs of the Corporation, and may at any time enlarge or extend the scope of the audit or direct that a different procedure in audit be adopted or that any other examination be made by the auditors if in its opinion the public interest so requires.

17. A statement of its accounts audited by the auditors referred to in the preceding section and a report by the Directors thereon shall be furnished to the Central Government by the Corporation as soon as possible after the end of every financial year. Accounts.

18.—(1) A general meeting (hereinafter referred to as the General annual general meeting) shall be held at the head office of the Corporation annually within six months from the date on which the annual accounts of the Corporation are closed, and a general meeting may be convened by the Board at any other time. meetings.

(2) The shareholders present at the annual general meeting shall be entitled to discuss the annual accounts, the annual report of the Board on the working of the Corporation, and the auditors' report on the annual balance sheets and accounts.

(3) Every shareholder holding a share of Rs. 10 shall be entitled to a vote, and to an additional vote for every additional share of rupees ten; and for this purpose two shares of rupees five each shall be reckoned to be the equivalent of a share of rupees ten.

19. Every Director, auditor, officer or servant of the Corporation shall, before entering upon his duties make a declaration of fidelity and secrecy in the form set out in the Schedule to this Ordinance. Declaration of fidelity and secrecy.

Indemnity of
Directors.

20.—(1) Every Director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

(2) A Director shall not be personally responsible for the acts of any other Director or of any officer or servant of the Corporation for any loss or expense resulting to the Corporation by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation, or by the wrongful act of any person under a liability to the Corporation, or by anything done by him in good faith in the execution of the duties of his office.

Transfer to
the Corpora-
tion of the
undertaking
of the
Orient Air-
ways Ltd.

21.—(1) On such date as the Central Government may by notification in the official Gazette appoint (hereinafter in this Ordinance referred to as "the appointed date"), which shall be as soon as may be after the appointment of the first Board of Directors, under sub-section (1) of section 6, the entire undertaking of the said Company shall be transferred to and vested in the Corporation.

(2) The undertaking so transferred and vested shall include all assets, rights, powers, authorities and privileges and all property, movable and immovable, including lands, works, workshops, aircraft, cash balance, reserve funds, investments and book debts and all other rights and interests arising out of such property as were immediately before the appointed date in the ownership, possession or power of the said Company in relation to the undertaking whether within or without Pakistan and all books or account and documents relating thereto, and all borrowings, liabilities and obligations of whatever kind then subsisting of the said Company in relation to the undertaking.

(3) Subject to the other provisions of this Ordinance, all contracts and working arrangements subsisting immediately before the appointed date as affecting the said Company shall, in so far as they relate to the undertaking of the said Company, cease as from the appointed date to have effect or to be enforceable against the said Company or any person who was a surety or had guaranteed the performance thereof, and shall be enforceable and of effect against or in favour of the Corporation in which the undertaking has vested as if instead of the said Company the Corporation has been named therein.

(4) Subject to the other provisions of this Ordinance, any proceeding or cause of action pending or existing immediately before the appointed date by or against the said Company in relation to its undertaking may as from the appointed date be continued or enforced by or against the Corporation in which it has vested by virtue of this Ordinance as it might have been continued or enforced by or against the said Company if this Ordinance had not been passed, and shall cease to be continued or be enforceable by or against the said Company or its surety or guarantor.

Certain
existing

22. All contracts and working arrangements made and all liabilities incurred by the Central Government before the

appointed date in connection with or for the purposes of the Corporation shall be deemed to be made or incurred by the Corporation and have effect accordingly. arrange-
ments to
continuc.

23.—(1) The said Company shall be wound up voluntarily in accordance with the provisions of the Companies Act, 1913, relating to members voluntarily winding up : Winding up
and dissolu-
tion of
Orient Air-
ways
Ltd.

Provided that—

VII of
1913.

- (a) the winding up of the said Company shall commence on the appointed date without the passing by the said Company of any special or other resolution for winding up ;
- (b) the Directors of the said Company shall not be under any obligation to make any such statutory declaration as is required by section 207 of the Companies Act, 1913 ; and
- (c) the winding up of the said Company shall be conducted by the Directors of the said Company in office at the appointed day who shall be deemed to be joint liquidators for the purposes of the said winding up with power to act by a majority of their number. In case of any of the joint liquidators ceasing to hold his office as joint liquidator by reason of his death, resignation or otherwise the remaining joint liquidators shall continue to function as joint liquidators until the winding up of the affairs of the said Company is completed.

(2) For the purposes of the winding up and for any other purpose necessary for enabling it to give effect to the provisions of this Ordinance, the said Company may after the appointed date retain temporarily for its own use such offices, books, accounts and documents and the services of such officers and servants, on such terms and conditions as may be agreed between the Corporation and the said Company, or failing agreement, as may be determined by the Central Government.

24.—(1) So soon as may be after the commencement of this Ordinance, the Central Government shall through such persons and in such manner as it thinks fit, cause as expeditiously as may be a valuation of the net value of the assets of the said Company (after taking into account all the liabilities of the said Company) as on the 30th September, 1953, to be completed, and the valuation so made shall on being approved by the Central Government be notified in the official Gazette and shall be final ; and each shareholder of the said Company shall thereupon be entitled, subject to the provisions of section 25 to receive, in exchange for his shares in the said Company, shares in the Corporation of a value which shall be in proportion to the valuation of the total net assets of the said Company, as approved by the Central Government under this section, to the aggregate amount subscribed on the existing shares of the said Company. Valuation of
assets of
Orient Air-
ways Ltd,
and allot-
ment of
shares to the
shareholders
of Orient
Airways
Ltd.

(2) No shareholder in the said Company shall be entitled to any other or further claim, in respect of the shares held by

him in the said Company, in the winding up of the said Company or against the said Company or the Corporation.

Share
capital.

25.—(1) The authorised share capital of the Corporation shall in the first instance be five crores of rupees.

(2) The subscribed capital of the Corporation shall in the first instance be allotted and subscribed to as follows, that is to say,—

(a) shares of the value of two crores and seventy five lacs of rupees or of the value of the assets resulting from the investments made by the Central Government for the purposes of the Corporation, as on the 30th September 1953 and assessed on the basis agreed upon between the Central Government and the said Company, whichever is less, shall be allotted to the Central Government;

(b) shares of the value of half a crore of rupees shall be offered to the public for subscription; if any shares so offered are not subscribed to by the public under this clause within six months of the date when the shares are so offered, the Central Government shall subscribe to them;

(c) shares of the value of one crore of rupees or of the value of the net assets of the said Company as on 30th September 1953, as determined by the valuation made and approved under section 24, whichever is less shall be allotted to the shareholders of the said Company in consideration of the acquisition of the undertaking of the said Company as fully paid-up shares.

(3) The Corporation may increase its capital whenever it thinks fit with the previous sanction of the Central Government, and the Central Government may impose such conditions as it considers necessary when sanctioning any increase.

(4) The Central Government shall not at any time hold shares of value less than 51 per cent. of the value of the shares issued by the Corporation.

(5) All transfers of the shares of the Corporation shall be subject to the provisions of this Ordinance, and the rules made thereunder.

Limited
guarantee
against
loss.

26. The Central Government shall make good any losses sustained by the Corporation during the three years next after 30th September, 1953, but not thereafter unless otherwise determined by the Central Government.

Liquidation
of Corpora-
tion.

27. No provision of law relating to the winding up of companies or corporations shall apply to the Corporation and the Corporation shall not be wound up save by order of the Central Government and in such manner as the Central Government may direct.

Provisions
relating to

28. For purposes of the Income-tax Act, 1922, the Corporation shall be deemed to be a company within the meaning of 1922.

that Act, and shall be liable to income-tax and super-tax accordingly on its income, profits and gains. income-tax
and super-
tax.

29. The Central Government may make rules not inconsistent with this Ordinance for the purpose of giving effect to the provisions of this Ordinance, and where the rules made under this section are inconsistent with the regulations made under the next succeeding section the rules shall prevail. Power of
Central
Government
to make
rules.

30. The Board may with the previous sanction of the Central Government, make regulations not inconsistent with this Ordinance to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Ordinance. Power of
Board to
make
regulations.

31. All rules and regulations made under this Ordinance shall be published in the official Gazette, and shall come into force upon such publication. Rules and
regulations
to be laid
before the
Legislature.

THE SCHEDULE

(See section 19)

DECLARATION OF FIDELITY AND SECRECY

I.....hereby declare that I will faithfully, truly and to the best of my judgement, skill and ability, execute and perform the duties required of me as a Director, officer, employee or auditor (as the case may be) of the Pakistan International Airlines Corporation, and which properly relate to any office or position in the said Corporation held by me.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Corporation nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Corporation and relating to the business of the Corporation.

Signed before me

Signature.....

.....

Signature.....

.....

Signature.....

Date.....

GHULAM MOHAMMED,
Governor-General.

**THE REGISTRATION OF CLAIMS (DIS-
PLACED PERSONS) ORDINANCE,
1955.**

ORDINANCE NO. II OF 1955

[7th February, 1955]

An Ordinance to provide for the registration and verification of claims of displaced persons in respect of property in India and areas occupied by India.

WHEREAS an emergency has arisen which renders it necessary to provide for the registration and verification of claims of displaced persons in respect of their property in India and areas occupied by India ;

²⁶
^{Geo.}
^{5, c. 2.} Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Registration of Claims (Displaced Persons) Ordinance, 1955. Short title,
extent and
commence-
ment.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. In this Ordinance, unless there is anything repugnant in the subject or context,— Definitions.

(1) “displaced person” means any person who, on account of the setting up of the Dominions of Pakistan and India, or on account of civil disturbances or the fear of such disturbances in any area now forming part of or occupied by India has, on or after the first day of March, 1947, and before the 30th day of June, 1953 left, or been displaced from his place of residence in such area and who has subsequently become a citizen of Pakistan, or is residing therein,

and includes any person who being a resident of any of the territories now comprising Pakistan is for that reason unable or has been made unable to manage, supervise or control any property belonging to him in India or in any area occupied by India ;

(2) “property” includes—

(a) any immovable property situated within the limits of a Corporation, a Municipal Committee, a Notified Area Committee, a Town Area Committee, a Small Town Committee, a Sanitary Committee and a Cantonment as those limits existed on the 15th August, 1947 ;

Price : Annas 3.

- (b) industrial concerns such as factories and workshops outside the limits referred to in clause (a) above and sites thereof;
 - (c) land situated outside the limits referred to in clause (a) above and occupied or let for agricultural purposes or for purposes subservient to agriculture or for pasture including—
 - (i) the sites of buildings and other structures on such lands;
 - (ii) a share in the profits of an estate or holding;
 - (iii) any dues or any fixed percentage of land revenue payable by an inferior landowner to a superior landowner;
 - (iv) a right to receive rent; and
 - (v) any right of occupancy;
 - (d) substantial houses, shops and godowns outside the limits referred to in clause (a) above provided their present value in each case is not less than Rs. 10,000; and
 - (e) any other property or class of property which the Central Government may, by notification in the official Gazette, declare to be property for the purposes of this Ordinance;
- (3) "claim" means the assertion of a right to the ownership of, or to any interest in, any property of any kind whatsoever which has been treated as evacuee property or of which a displaced person has otherwise been deprived in India or in any area occupied by India, except Assam, West Bengal, Tripura and Manipur,
- but excludes the assertion of any such right or interest in any agricultural land within East Punjab, Himachal Pradesh and Delhi, the Patiala and East Punjab States Union, and the States of Alwar, Bharatpur and Bikaner;
- (4) "prescribed" means prescribed by rules made under this Ordinance.

Power to
appoint
Registering
Officers.

3. The Central Government may, by notification in the official Gazette, appoint as many Registering Officers or Additional Registering Officers as may be necessary for the purpose of registering claims and every Registering or Additional Registering Officer shall exercise his functions in such area or areas as may be specified in the notification.

Power to
appoint
Claims Com-
missioners,
etc.

4.—(1) The Central Government may, by notification in the official Gazette, appoint such Claims Commissioners or Additional Claims Commissioners, Deputy Claims Commissioners and Claims Officers as may be necessary for the purpose of discharging the duties imposed on them by or under this Ordinance, and may, by general or special order

provide for the distribution or allocation of work to be performed by them under this Ordinance.

(2) Subject to the provisions of this Ordinance, all Claims Commissioners, Additional Claims Commissioners, Deputy Claims Commissioners and Claims Officers shall discharge the duties imposed on them by or under this Ordinance under the general superintendence and control of the Central Government.

5.—(1) A displaced person may, within such time and Registration in such form and manner as may be prescribed, submit his of claims. claim to a Registering or an Additional Registering Officer.

(2) On receipt of a claim under sub-section (1), the Registering Officer shall register and may publish the claim in the prescribed manner and forward the relevant papers to such authority as the Central Government may prescribe in this behalf.

6.—(1) A Claims Officer shall have jurisdiction to Jurisdiction decide such cases or such class of cases as may, by general of Claims or special order, be prescribed by the Central Government Officers. or by an officer empowered in this behalf by the Central Government.

(2) A Claims Officer shall hold an inquiry into such cases and, after taking such evidence and examining such documents, as he may deem necessary, pass such orders as he thinks fit in relation to the verification of the claim and the valuation of such claim.

7.—(1) Any person aggrieved by an order under sec- Appeal, re- tion 6 passed by a Claims Officer may prefer an appeal to vision and the Deputy Claims Commissioner of the area concerned. review.

(2) The appeal shall be presented in such manner and within such time as may be prescribed.

(3) A Claims Commissioner, or an Additional Claims Commissioner if so empowered in this behalf by the Central Government, may *suo motu* call for the record of any case which has been decided by a Claims Officer or a Deputy Claims Commissioner under his jurisdiction for the purpose of satisfying himself as to the correctness, legality or propriety of any order passed therein and may pass such order in relation thereto as he thinks fit:

Provided that the Claims Commissioner or the Additional Claims Commissioner shall not under this subsection pass an order revising or modifying any order affecting any person without giving such person an opportunity of being heard.

(4) The Claims Commissioner or the Additional Claims Commissioner, may within the prescribed period and after giving notice to the parties concerned, review his own order.

(5) Subject to the foregoing provisions of this section,

any order made by the Claims Commissioner, Additional Claims Commissioner, Deputy Claims Commissioner or Claims Officer shall be final and shall not be called in question in any Court.

Powers of
Claims
Officers, etc.

8.—(1) A Claims Commissioner, an Additional Claims Commissioner, a Deputy Claims Commissioner and a Claims Officer shall have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of any person and examining him on oath or affirmation;
- (b) compelling the discovery and production of any document;
- (c) requisitioning any public record from any Court or office;
- (d) issuing a commission for the examination of witnesses;
- (e) appointing guardians or next friends of any person who is a minor or of unsound mind;
- (f) any other matter which may be prescribed.

(2) A Claims Officer may, if he so thinks fit, and shall, if so required by the Claims Commissioner or Additional Claims Commissioner appoint one or more persons as assessors to advise him in any proceeding before him.

(3) A Claims Commissioner, Additional Claims Commissioner, Deputy Claims Commissioner and a Claims Officer shall be deemed to be a Court for the purposes of sections 480 and 482 of the Code of Criminal Procedure, 1898, and any proceeding before any such officer shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Pakistan Penal Code.

Power to
levy fees.

9. The Central Government may prescribe the fees payable for filing a claim for registration or for filing an appeal or making an application before a Claims Commissioner, an Additional Claims Commissioner, a Deputy Claims Commissioner, a Claims Officer, a Registering or an Additional Registering Officer.

Power to
transfer
cases.

10. The Claims Commissioner or Additional Claims Commissioner may, by order in writing, at any stage transfer any case pending before a Deputy Claims Commissioner or a Claims Officer to another Deputy Claims Commissioner, Claims Officer and the Officer to whom the case is so transferred may, subject to any special direction in the order of transfer, proceed from the stage at which it was so transferred.

Certain
Officers to

11. The Claims Commissioner, the Additional Claims Commissioner, the Deputy Claims Commissioners, the

XLV
of
1860.

Claims Officers, the Registering and the Additional Registering Officers appointed under this Ordinance shall be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code. be public servants.

12. No civil Court shall have jurisdiction in respect of any matter which a Claims Commissioner, an Additional Claims Commissioner, a Deputy Claims Commissioner, or a Claims Officer is empowered by or under this Ordinance to determine, and no injunction or process or order shall be granted by any Court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Ordinance. Bar of jurisdiction of civil Courts.

13. No suit, prosecution or other legal proceeding shall lie against the Central or Provincial Government, or any person appointed under this Ordinance in respect of anything which in good faith is done or intended to be done in pursuance of this Ordinance or of any rules or orders made thereunder. Protection of action taken in good faith.

14.—(1) Any person who—

Penalty.

- (a) submits, in respect of his claim under this Ordinance, any information which he knows to be false or does not believe to be true, or
- (b) fraudulently conceals or misrepresents facts for the purpose of making a claim which he knows to be false, either wholly or in part, or
- (c) submits a claim in respect of the same property to more than one Registering or Additional Registering Officer,

shall be punishable with imprisonment for a term which may extend to three years or with fine, or with both.

(2) The Claims Commissioner, or any other person authorised by the Central Government, in this behalf, may order the forfeiture of any allotment or other benefit obtained as a result of any act which is punishable as an offence under this section.

15. Whoever abets any of the offences punishable under this Ordinance shall be punishable with the punishment provided for the offence. Penalty for abetment.

16. No Court shall take cognizance of any offence punishable under this Ordinance save upon complaint in writing made by an officer authorised by the Central Government by general or special order in this behalf. Cognizance of offences by Courts.

17.—(1) The Central Government may, by general or special order, direct that any power exercisable by it under this Ordinance shall, subject to such conditions, if any, as may be specified in the order, be exercisable also by a Provincial Government or by such authority or person as may be specified in the order. Delegation of powers.

(2) Subject to the provisions of this Ordinance and the rules made thereunder, a Claims Commissioner may delegate all or any of his powers under this Ordinance to any Additional Claims Commissioner as may be specified by him.

Power to
make rules.

18.—(1) The Central Government may, by notification in the official Gazette, make rules to carry out the purposes of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the form and manner in which claims may be submitted by displaced persons to Registering, or Additional Registering Officers;
- (b) the manner in which claims may be registered;
- (c) the manner in which any enquiry may be held by Claims Officers and the procedure to be followed by such officers;
- (d) the powers vested in a civil Court which may be exercised by a Claims Commissioner, an Additional Claims Commissioner, a Deputy Claims Commissioner or a Claims Officer while holding an inquiry under this Ordinance;
- (e) payment of fees, for submission of a claim or for filing an appeal or application before a Registering or an Additional Registering Officer, a Claims Commissioner, an Additional Claims Commissioner, Deputy Claims Commissioner or a Claims Officer;
- (f) any other matter which has to be, or may be prescribed under this Ordinance.

GHULAM MOHAMMED,

Governor-General.

THE SALE OF GOODS (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. III OF 1955

[25th February, 1955]

An Ordinance further to amend the Sale of Goods Act, 1930.

WHEREAS an emergency has arisen which makes it necessary further to amend the Sale of Goods Act, 1930, for the purposes hereinafter appearing;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, the ²⁶ ~~Geo.~~ Governor-General is pleased to make and promulgate 5, c. 2. the following Ordinance :—

1.—(1) This Ordinance may be called the Sale of Goods (Amendment) Ordinance, 1955. Short title and commencement.

(2) It shall come into force at once.

2. In section 64A of the Sale of Goods Act, 1930,— Amendment of section 64A, Act III of 1930.

(a) after the words “any duty of customs or excise” the words “or tax” shall be inserted;

(b) for the words “as to the payment of duty where duty” the words “as to the payment of duty or tax where duty or tax” shall be substituted;

(c) for the words “duty paid where duty” the words “duty-paid or tax-paid where duty or tax” shall be substituted;

(d) in clause (a), for the words “the duty or increased duty” the words “the duty or tax or increased duty or tax” shall be substituted;

(e) in clause (a), for the words “in respect of such duty or increase of duty” the words “in respect of such duty or tax or increase of duty or tax” shall be substituted;

(f) in clause (b), after the word “duty” wherever it occurs, the words “or tax” shall be inserted; and

(g) at the end, the following *Explanation* shall be added, namely,—

“*Explanation.*—The word “tax” in this section means the tax payable under the Sales Tax Act, 1951.”

GHULAM MOHAMMED,

Governor-General.

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THE PAKISTAN TEA ACT (AMENDMENT)
ORDINANCE, 1955.

ORDINANCE NO. IV OF 1955

[25th February, 1955]

An Ordinance further to amend the Pakistan Tea Act,
1950.

XXII WHEREAS an emergency has arisen which renders it
of necessary further to amend the Pakistan Tea Act, 1950,
1950. for the purposes hereinafter appearing;

26 Now, THEREFORE, in exercise of the powers conferred
Geo. by section 42 of the Government of India Act, 1935, and
5, c. 2. of all other powers enabling him in that behalf, the
Governor-General is pleased to make and promulgate
the following Ordinance:—

1.—(1) This Ordinance may be called the Pakistan Tea Act (Amendment) Ordinance, 1955. Short title
and com-
mencement.

(2) It shall come into force at once, and this section and sections 2 and 3 shall be deemed to have taken effect on and from the first day of December 1953.

2. In section 3 of the Pakistan Tea Act, 1950, hereinafter referred to as the said Act,— Amendment
of section 3,
Act XXII of
1950.

(1) in sub-section (1),—

(a) after clause (c), the following new clause (cc) shall be inserted, namely:—

“(cc) one member to be nominated by the Central Government on the recommendation of the Tea Traders Association of Chittagong;”;

(b) after clause (d), the following new clause (dd) shall be inserted, namely:—

“(dd) one officer serving under the Government of Pakistan in the Ministry of Commerce to be nominated by the Central Government;” and

(c) in clause (g), for the word “nominated” the word “appointed” shall be substituted; and

(2) in sub-section (3), after the word “renomination”, the words “or re-appointment” shall be added at the end.

3. In section 7 of the said Act,—

(1) in clause (a) of sub-section (1), for the word “nominated” the word “appointed” shall be substituted; and Amendment
of section 7
Act XXII of
1950.

- (2) in sub-section (3), after the word "resign", the words "and shall be eligible for renomination or re-appointment" shall be added at the end.

Amendment of section 21, Act XXII of 1950. 4. In clause (c) of section 21 of the said Act, after the words "by post", the words "or as air freight" shall be inserted.

Amendment of section 25, Act XXII of 1950. 5. Section 25 of the said Act shall be re-numbered as sub-section (1) of that section, and thereafter the following new sub-section (2) shall be added, namely:—

- "(2) The right of the owner of a tea estate under this section may be transferred in whole or in part, and subject to proof of the transfer to the satisfaction of the Committee and to the completion of the prescribed documents to enable the Committee to give effect to the transfer, the transferee shall have a right to obtain export licences up to the amount covered by the transfer or up to the amount of the unexhausted balance of the quota, whichever may be less."

GHULAM MOHAMMED,

Governor-General.

THE SMALL INDUSTRIES CORPORATION ORDINANCE, 1955.

ORDINANCE NO. V OF 1955

[4th March, 1955]

An Ordinance to establish a Corporation for the purpose of promoting the development of small industries in Pakistan.

WHEREAS an emergency has arisen which renders it necessary to establish a Corporation for the purpose of promoting the development of small industries in Pakistan ;

26 Geo. 5, c. 2. Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Small Industries Corporation Ordinance, 1955. Short title, extent and commencement.

(2) It extends to the whole of Pakistan.

(3) It shall come into force on such day as the Central Government may, by notification in the official Gazette, appoint and the Central Government may appoint different dates for different areas.

2. In this Ordinance, unless there is anything repugnant in the subject or context,— Interpretation.

- (a) "Board" means the Board of Directors of the Corporation ;
- (b) "borrower" means any person or persons or body of persons whether incorporated or not to whom a loan is made by the Corporation under this Ordinance and the successors and assignees of such person or persons ;
- (c) "Corporation" means the Small Industries Corporation established by this Ordinance ;
- (d) "cottage industry" means an industry which is carried on wholly or mainly by the members of a family either as a whole time or as a part time occupation ;
- (e) "prescribed" means prescribed by the rules or regulations made under this Ordinance ;
- (f) "scheduled bank" means a bank for the time being included in the Second Schedule of the State Bank of Pakistan Order, 1948 ;
- (g) "small-scale industry" means an industrial establishment or unit which is run mainly with

hired labour normally not exceeding fifty workmen and not using any mechanical motive power for any operation or an industrial establishment or unit using mechanical motive power which does not employ more than twenty workmen and whose buildings, machinery and other fixed structures do not exceed Rs. 1,00,000 in value ;

- (h) "State Bank" means the State Bank of Pakistan ;
- (i) "subsidiary corporation" means a corporation sponsored by the Small Industries Corporation for the furtherance of its objectives, but operating in a specified area or in respect of one or more specified industry.

Establishment and incorporation of Corporation.

3.—(1) A Corporation to be called the Small Industries Corporation shall be established as soon as may be after the commencement of this Ordinance by the Central Government.

(2) The Corporation shall be a body corporate by the name of the Small Industries Corporation, having perpetual succession and a common seal, with power, subject to the provisions of this Ordinance, to acquire and hold property, both moveable and immoveable and shall by the said name sue and be sued.

Share capital and shareholders.

4.—(1) The authorised capital of the Corporation shall, in the first instance, be one crore of rupees, divided into one lakh fully paid up shares of Rs. 100/- each. These shares may be issued and allotted by the Corporation from time to time with the previous sanction of the Central Government.

(2) The authorised capital may, with the previous approval of the Central Government, be increased from time to time by the Corporation.

(3) The Central Government shall be a shareholder of the Corporation and shall subscribe to and hold not less than fifty-one per centum of the shares issued by the Corporation at any time ; the remaining shares shall be reserved for public subscriptions.

(4) Nothing in this Ordinance shall prevent the Provincial Governments, the Governments of Acceding States, the State Bank, or any scheduled bank, co-operative bank or insurance company or a subsidiary corporation from subscribing to the share capital reserved for public subscription.

(5) If any shares reserved for public subscription remain unsubscribed to for a period of six months from the date of issue, the Central Government shall subscribe to them. The Central Government may transfer any such shares subject to the provisions of sub-section (3) above.

Guarantee

5.—(1) The amount subscribed on the shares of the

Corporation and a minimum annual dividend thereon by Central shall be guaranteed by the Central Government. Before the issue of any shares of the Corporation, the Central Government shall by notification in the official Gazette fix the minimum rates of dividend payable on the shares, and the Corporation shall annually and regularly pay to the shareholders a dividend not less than that fixed by the Central Government.

If at any time the Corporation is wound up, an amount not less than that subscribed on each share shall be payable to the shareholder.

(2) The shares and debentures of the Corporation shall be deemed to be "approved securities" for purposes of the Trusts Act, 1882.

6.—(1) The general direction and administration of the Corporation and its affairs shall vest in a Board of Directors, which, with the assistance of an Executive Committee and a Managing Director, may exercise all powers and do all acts and things which may be exercised or done by the Corporation.

(2) The Board in discharging its functions shall act on commercial considerations and shall be guided on questions of policy by such directions as the Central Government, which shall be the sole judge whether a question is a question of policy, may give it.

(3) If the Board fails to carry out any direction given as aforesaid, the Central Government may remove the Directors, including the Chairman, and, notwithstanding anything in section 7, appoint persons in their place to be Directors temporarily until a fresh Board is constituted in accordance with the provisions of that section.

7. The Board of Directors shall consist of the following, namely:—

- (a) four Directors to be appointed by the Central Government;
- (b) not more than three Directors to be elected in the prescribed manner by the shareholders of the Corporation other than the Central Government, the actual number of such Directors at any time being determined in accordance with the following table:—

If the total number of shares subscribed to by the shareholders other than the Central Government is equal to or exceeds:

The number of elected Directors shall be:

16-1/3 per cent. of the total number of shares issued at the time.

One.

32-2/3 per cent. of the total number of shares issued at the time.

Two.

49 per cent. of the total number of shares issued at the time.

Three.

- (c) the Managing Director to be appointed by the Central Government under section 9:

Provided that when the Board is first constituted the Directors referred to in clause (b) shall be nominated by the Central Government in accordance with the table given in the said clause from amongst the shareholders and shall, for the purpose of this Ordinance be deemed to be elected Directors.

Term of
office of
Directors.

8.—(1) A Director appointed by the Central Government shall hold office during the pleasure of the Central Government.

(2) An elected Director shall hold office for a period of three years, shall continue in office after the expiry of his term until his successor is elected, and shall be eligible for re-election.

(3) A casual vacancy in the office of a Director shall be filled by election or appointment, as the case may be, and the Director elected or appointed to fill the vacancy shall hold office for the unexpired period of the term of his predecessor:

Provided that it shall not be necessary to fill a casual vacancy occurring within three months of the end of the term in which it occurs.

(4) No act or proceeding of the Board shall be invalid merely on the ground of the existence of any vacancy in, or any defect in the composition of, the Board.

Managing
Director.

9. The Managing Director shall be appointed by the Central Government and shall:—

- (a) be an officer devoting his whole time to the Corporation;
- (b) perform such duties as the Board may by regulations assign to him;
- (c) divest himself of any directorship in any other corporation, company or concern;
- (d) hold office, unless removed earlier by the Central Government, for a term of three years and shall be eligible for reappointment for a further term or terms:

Provided that any such further term may be for such period not exceeding three years as the Central Government may determine; and

- (e) be entitled to receive such salary and allowances as the Central Government may determine.

Constitution
and powers
of the Exe-
cutive Com-
mittee.

10.—(1) The Executive Committee shall consist of three members, that is to say, the Managing Director (who shall be the Chairman of the Committee), one Director appointed by the Central Government from amongst the nominated Directors and one Director elected from amongst the elected Directors in the prescribed manner

by the shareholders of the Corporation other than the Central Government:

Provided that—

- (a) if there is only one elected Director at any time, he shall be deemed to have been elected as a member;
- (b) if there is no elected Director at any time, the membership reserved for elected Directors shall be filled, until such time as a Director is elected, by a Director appointed by the Central Government from amongst the nominated Directors.

(2) An elected member shall hold office for three years and shall be eligible for re-election, but shall cease to hold office when he ceases to be an elected Director.

(3) Subject to such general or special directions as may from time to time be given by the Board, the Executive Committee shall be competent to deal with any matter within the competence of the Board.

(4) The minutes of every meeting of the Executive Committee shall be laid before the Board at its next following meeting.

11. No person shall be or shall continue to be a Director who—

- (a) is a salaried official of the Corporation other than the Managing Director or Deputy Managing Director, or
- (b) is or at any time has been adjudicated insolvent, or
- (c) is found to be lunatic or of unsound mind, or
- (d) is or at any time has been convicted of an offence which in the opinion of the Central Government is an offence involving moral turpitude, or
- (e) is a minor.

Disqualification for the office of Director.

12. A person shall cease to be a Director if he absents himself from three consecutive meetings of the Board without leave of absence from the Chairman, or, in the case of the Chairman, from the Central Government.

Directors absent from three consecutive meetings.

13. The Corporation may appoint or employ such persons, including advisers, as it considers necessary for the efficient performance of its functions.

Appointment of officers and advisers.

14.—(1) The Central Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.

(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for

a term of three years and thereafter until his successor is appointed, and shall be eligible for reappointment.

Technical
Advisory
Committee.

15. The Corporation shall appoint a Committee of experts to be called the Technical Advisory Committee to give it technical advice on schemes submitted to the Corporation for financial assistance or on any point that may be referred to the Committee by the Board.

Restriction
on disclosure
of informa-
tion.

16. No information given by a person applying for financial assistance and made known to the Committee shall be disclosed or used by any member of the Committee without the written consent of such person.

Meetings of
the Board
and the
Committee.

17.—(1) The meetings of the Board and the Executive Committee shall be held at such times and at such places as may be prescribed by rules:

Provided that until rules are made in this behalf such meetings shall be convened by the Chairman of the Board or the Committee, as the case may be.

(2) To constitute a quorum at a meeting of—

(a) the Board, not less than three Directors shall be present;

(b) the Executive Committee, not less than two members shall be present.

(3) At a meeting of the Board or of the Executive Committee, each Director or member of the Committee, as the case may be, shall have one vote, and in the event of equality of votes, the Chairman shall have a second or casting vote.

(4) No Director shall vote on any matter relating to an industrial concern in which he is directly or indirectly interested.

(5) If for any reason the Chairman is unable to be present at a meeting—

(a) of the Board, a Director other than the Managing Director authorised in writing by the Chairman shall preside at that meeting and in default of such authorisation the Directors present may elect a Chairman to preside at that meeting;

(b) of the Executive Committee, a Member authorised in writing by the Managing Director shall preside at that meeting, and in default of such authorisation the members present may elect a Chairman to preside at that meeting.

Fees for
attending
meetings.

18. Directors other than the Managing Director and not being servants of the Government shall be paid such fees for attending the meetings of the Board or of the Executive Committee, if they are members of it, as may be prescribed by the Board.

19. The Corporation shall establish its Head Office in ^{Offices and} Karachi. ^{Agencies.}

20. The Corporation may open a deposit account ^{Deposit} with the National Bank of Pakistan or, where there is no ^{Accounts.} branch of that Bank, with such other bank as the Central Government may approve.

21. The Corporation may invest its funds in such ^{Investment} securities or in such other manner as may be prescribed ^{of funds.} by rules.

22.—(1) The Corporation, with the prior approval of ^{Borrowing} the Central Government, may issue and sell bonds and ^{power.} debentures carrying interest at such rates as may be approved by the Government for the purpose of raising its working capital :

Provided that the total of the sums due on such bonds and debentures issued and outstanding and of the contingent liabilities of the Corporation in respect of guarantees or underwriting agreements shall not at any time exceed five times the combined amount of the paid-up share capital and the reserve fund of the Corporation.

(2) The bonds and debentures of the Corporation shall be guaranteed by the Central Government as to the repayment of principal and payment of interest at such rate as may be fixed by the Central Government at the time when the bonds and debentures are issued.

23. The Corporation may accept deposits on such terms and conditions and to such extent as may be approved by the Central Government.

24.—(1) In accordance with the provisions of this Ordinance, the Corporation shall take such measures as it thinks fit to render assistance in the development of cottage and small-scale industries.

(2) In particular and without prejudice to the generality of the foregoing power, the Corporation may, in order to carry out the purposes of this Ordinance :—

- (a) give loans to cottage and small-scale industries ;
- (b) give loans to subsidiary corporations and commercial and co-operative banks for the development of cottage and small-scale industries :

Provided that the loans given or guaranteed under clauses (a) and (b) shall be repayable within a period not exceeding twenty years ;

- (c) (i) prepare and submit to the Central Government schemes for the development of cottage and small-scale industries, including schemes of research and mechanisation ;
- (ii) after these schemes have been approved by the Central Government, proceed to give effect to

them by sponsoring subsidiary corporations or public companies ;

- (iii) act as managing agents of such subsidiary corporations or companies, being, in any case, represented on their Board of Directors ;
- (iv) issue the capital required by the aforesaid subsidiary corporations and companies for public subscription ;
- (v) if any portion of such capital remains unsubscribed for a period of four months from the date of issue subscribe to such portion ;
- (vi) underwrite the whole or any portion of the share capital so issued ; and
- (vii) sell or transfer the shares subscribed to under sub-clause (v) above, provided that no such sale or transfer shall take place at a rate below the market quotation or below the par value of such shares without the previous sanction of the Central Government ;
- (d) arrange for the marketing of articles manufactured by cottage and small-scale industries ; and
- (e) maintain depots for the supply of raw materials to, and purchase of finished products from, cottage and small-scale industries.

Explanation.—Loans may be made by the Corporation in kind and may be in the form of factory buildings, residential houses or machinery and equipment on a hire-purchase basis.

(3) Nothing in section 87A of the Companies Act, 1913, VII of 1913, shall apply to the Corporation.

Limit of accommodation.

25. The Corporation shall not grant or make any such loan or subscription as is mentioned in clause (a) or clause (b) ¹[of] sub-clause (v) of clause (c) of sub-section (2) of section 24 to an extent which in the aggregate exceeds 7½ per centum of the paid-up share capital :

Provided that in individual cases the limit of seven and a half per centum may be relaxed by the Central Government for special reasons on the recommendation of the Corporation, but in no case shall the amount of any loan exceed ten lakhs of rupees.

Security for loans or subscriptions.

26. No loan or subscription shall be made unless it is fully secured by pledge, mortgage, hypothecation or assignment of such property, moveable or immoveable, and of such value in proportion to the loan or subscription as may be prescribed :

Provided that where the loan or subscription is made to an individual and does not exceed one thousand rupees in the aggregate, it may be secured by a bond with one surety.

¹Sic. Should read " or ".

27. The rate of interest chargeable on loans made by Interest on the Corporation shall be determined and notified by the loans. Central Government from time to time.

28. The Corporation shall not make loans or subscrip- Limit of tions in excess of the following aggregate limits, loans. namely:—

- (a) when made to an individual .. Rs. 10,000
- (b) when made to a subsidiary corporation or a company or a bank or a co-operative society .. Rs. 1,00,000:

Provided that the above limits may be relaxed by the Central Government in special cases for special reasons on the recommendation of the Corporation subject to the limit prescribed in the proviso to section 25.

29.—(1) At the time of entering into any transaction under section 24, the Corporation may impose such conditions as it may think necessary or expedient for protecting its own interests and for securing that the loan, underwriting, subscription or other aid shall be put to the best use. Power to impose conditions.

(2) Where aid is granted on the condition that a Director shall be appointed by the Corporation to the Board of Directors of a company or a subsidiary corporation or the Managing Committee of a co-operative society, such condition shall have effect notwithstanding anything VII of contained in the Companies Act, 1913, or any other law 1913. for the time being in force.

30. The Corporation shall not—

- (a) accept deposits except as provided in or under this Ordinance; or
- (b) subscribe directly to the shares or stock of any company having limited liability.

Prohibited business.

31.—(1) For the purpose of granting a loan to a subsidiary corporation or a company or a co-operative society in foreign currency, the Corporation may, with the previous consent of the Central Government, borrow such currency from the International Bank for Reconstruction and Development or from other sources, and may pledge, mortgage, hypothecate or assign to the said bank or other lender all or any part of the security taken by the Corporation for the loan granted in foreign currency. Loans in foreign currency.

(2) All loans granted in foreign currency shall be repayable either—

- (a) in the currency in which they are granted, or
- (b) in Pakistan currency at the rate of exchange prevailing on the date of repayment.

Power to
demand im-
mediate pay-
ment of the
entire sum.

32.—(1) Notwithstanding anything in any agreement,

if—

- (a) it is found that the loan was obtained by information supplied by the borrower which was false or misleading in any material particular; or
- (b) the borrower is found to have committed a breach of the terms of his agreement with the Corporation relating to the loan; or
- (c) the loan or any part of it is found to have been utilized otherwise than for the purpose for which it was made; or
- (d) there is a reasonable apprehension that the borrower will be unable to pay his debts or may go into liquidation; or
- (e) the property pledged, mortgaged, hypothecated or assigned to the Corporation as security for the loan is not kept in a proper condition by the borrower or the property has depreciated in value by more than the prescribed percentage and the borrower is unable to give additional security to the satisfaction of the Corporation; or
- (f) without the permission of the Board, the house, land or other property mortgaged as security for the loan is in any way disposed of or charged by the borrower; or
- (g) without the permission of the Board, machinery or other equipment is removed from the premises of the borrower's industrial establishment without being replaced; or
- (h) for any other reason, it is necessary in the opinion of the Board to do so in order to protect the interests of the Corporation;

any officer of the Board authorised generally or specially in this behalf by the Board may by notice call upon the borrower to pay up the entire sum then remaining unpaid by the borrower in respect of the loan and the interest payable thereon, or any lesser sum, or require the borrower to comply with such directions as the Board may consider it necessary to give in order to safeguard its interests.

(2) Such notice shall specify the time within which the borrower was required to make the payment or to carry out the directions given, and shall also contain a warning that, if the borrower fails to pay the amount demanded or to carry out the directions given within the time specified, the Board may issue a certificate certifying the borrower to be a defaulter and certifying the sum due from the borrower to be recoverable as arrears of land revenue.

Certification
of sums
recoverable.

33.—(1) If the borrower fails to make the payment demanded or to carry out the directions given in a notice under section 32 within the time specified in the notice,

the Board may issue a certificate in the prescribed form and manner certifying the borrower to be a defaulter and certifying the aggregate sum, including interest, payable by the borrower to the Corporation on and up to the date of the certificate and the rate at which interest was payable thereon thereafter.

(2) Subject to the provisions of sub-section (3) a certificate issued under sub-section (1) shall be conclusive evidence that the sums certified in the certificate together with further interest at the rate certified were recoverable by the Corporation from the borrower, and such sums shall be immediately recoverable as arrears of land revenue.

(3) The borrower may appeal to the Central Government against a certificate issued under sub-section (1) within 15 days of its issue and the Central Government may cancel or modify the certificate.

34.—(1) When a certificate under section 33 has been issued and is subsisting against a borrower, any officer nominated for this purpose by the Corporation may file a suit by presenting a plaint in the prescribed manner in the Court within the local limits of whose jurisdiction the loan was made or the industrial concern in respect of which the loan was made or any immoveable property charged as security was situated for any one or more or all of the following reliefs, namely :—

- (a) an order for the recovery of the amount due to the Corporation executable personally against the borrower and by a sale of the properties pledged, mortgaged, hypothecated or assigned by the borrower as security for the loan ;
- (b) an injunction restraining the borrower from in any manner removing, transferring or disposing of any of the properties referred to in clause (a) ;
- (c) an *ad interim* attachment attaching the properties referred to in clause (a) above and such other properties of the borrower as in the opinion of the Court may be sufficient to cover the claim of the Corporation against the borrower.

(2) The plaint under sub-section (1) shall be in the prescribed form and shall state the nature and extent of the liability of the borrower to the Corporation, the grounds upon which it is made and such other particulars as may be prescribed.

(3) Save as otherwise provided by this section, the Code of Civil Procedure, 1908, shall, so far as may be, applicable to the proceedings on such a plaint.

(4) The borrower shall not appear to defend the suit unless he obtains leave from the Court as hereinafter provided so to appear and defend ; and in default of his obtaining such leave or of his appearance and defence in

Special provisions for enforcement of the claims of the Corporation.

V of
1908.

pursuance thereof, the allegations in the plaint shall be deemed to be admitted and the Corporation shall be entitled to a decree accordingly.

(5) If the borrower discloses such facts upon affidavit or otherwise as in the opinion of the court are sufficient to entitle him to leave to appear and defend the suit, the court shall grant him leave to appear and defend. Such leave may be granted unconditionally or subject to such terms as to payment into Court, giving security framing and recording of issues or otherwise as the Court thinks fit.

(6) A decree passed under this section may be executed forthwith.

(7) After the decree the Court may under special circumstances set aside the decree and, if necessary, stay or set aside execution and may give leave to the borrower to appear and defend the suit if it seems reasonable to the court so to do, and on such terms as the Court thinks fit.

(8) A decree passed under this section shall be appealable.

Act XVIII
of 1891 to
apply to the
books of the
Corporation.

35. The Corporation shall be deemed to be a Bank for the purpose of the Bankers' Books Evidence Act, 1891.

Disposal of
profit.

36. After making provision for bad and doubtful debts, depreciation of assets and any other matters which are usually provided for by bankers, the Corporation may, out of its net annual profit, establish a Reserve Fund and declare a dividend:

Provided that as long as the Reserve Fund remains less than the paid-up share capital of the Corporation and as long as any sums paid by the Central Government under any guarantee given in pursuance of section 5 or under any guarantee given in pursuance of sub-section (2) of section 22 are not fully repaid to the Central Government by the Corporation, the rate of such dividend shall not exceed the rate guaranteed by the Central Government under section 5:

Provided further that no such dividend shall exceed the rate of five per cent. per annum, and if in respect of any financial year after the Reserve Fund has become equal to the share capital of the Corporation, there remains after declaring a dividend at the aforesaid rate any surplus, such surplus shall be paid to the Central Government.

General
meetings.

37.—(1) A general meeting (hereinafter referred to as the annual general meeting) shall be held at the office of the Corporation annually within two months from the date on which the annual accounts of the Corporation are closed and a general meeting may be convened by the Board at any other time.

(2) The shareholders present at the annual general meeting shall be entitled to discuss the annual accounts, the annual report of the Board on the working of the Corporation and the auditors' report on the annual balance sheet and accounts, and to express their views in the form of resolutions; and the Corporation shall consider such views and give such effect to them as it considers fit.

38.—(1) The accounts of the Corporation shall be audited by not less than two auditors holding a certificate Audit.
 VII of under section 144 of the Companies Act, 1913, who shall
 1913. be appointed by the Central Government on such remuneration as it may fix, and such remuneration shall be paid by the Corporation.

(2) Every auditor appointed under sub-section (1) shall be given a copy of the annual balance sheet of the Corporation, and shall examine it together with the accounts and vouchers relating thereto, and shall have a list delivered to him of all books kept by the Corporation, and shall at all reasonable times have access to the books, accounts and other documents of the Corporation, and may in relation to such accounts examine any Director or officer of the Corporation.

(3) The auditors shall report to the shareholders upon the annual balance sheet and accounts and in their report they shall state whether in their opinion the balance sheet exhibits a true and correct view of the state of the Corporation's affairs according to the best of their information and the explanations given to them, and as shown by the books of the Corporation, and whether in their opinion books of accounts have been kept by the Corporation in a proper manner and, in case they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

(4) The Central Government may at any time issue directions to the auditors requiring them to report to it upon the adequacy of the measures taken by the Corporation for the protection of the interests of its shareholders and creditors or upon the sufficiency of their procedure in auditing the affairs of the Corporation, and may at any time enlarge or extend the scope of the audit or direct that a different procedure in audit be adopted or that any other examination be made by the auditor if in its opinion the public interest so requires.

39.—(1) The Corporation shall furnish to all shareholders within ten days of the date to which the statement relates, a statement in the prescribed form of its assets and liabilities as they stand at the close of business on the last Thursday of each month, or if that day is a public holiday under the Negotiable Instruments Act, 1881, then as they stand at the close of business on the preceding working day. Returns.
 XXVI of 1881.

(2) The Corporation shall furnish in the prescribed

form to the Central Government such returns and statements at such intervals as the Central Government may require from time to time.

(3) The Corporation shall furnish to the Central Government within two months of the close of the financial year an audited statement in the prescribed form of its assets and liabilities as they stand at the close of that year together with a profit and loss account for the year and a report on the working of the Corporation during the year, and copies of the said statement, account and report shall be published in the official Gazette and shall be laid before the Central Legislature.

Liquidation
of Corpora-
tion.

40. No provision of law relating to the winding up of companies or corporations shall apply to the Corporation and the Corporation shall not be wound up save by order of the Central Government and in such manner as it may direct.

Indemnity of
Directors.

41.—(1) Every Director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

(2) A Director shall not be personally responsible for the acts of any other Director or of any officer or servant of the Corporation for any loss or expense resulting to the Corporation by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation or by the wrongful act of any person under a liability to the Corporation, or by anything done by him in good faith in the execution of the duties of his office.

Declaration
of fidelity
and secrecy.

42. Every Director, auditor, officer or servant of the Corporation shall, before entering upon his duties, make a declaration of fidelity and secrecy.

Provision
relating to
income-tax
and super-
tax.

43. For purposes of the Income-tax Act, 1922, the Corporation shall be deemed to be a company within the meaning of that Act, and shall be liable to income-tax and super-tax accordingly on its income, profits and gains:

Provided that any sum paid by the Central Government under the guarantee given in pursuance of section 5 or under any guarantee given in pursuance of sub-section (2) of section 22 shall not be treated as part of the income, profits and gains of the Corporation, and any interest on debentures or bonds paid by the Corporation out of such sum shall not be treated as expenditure incurred by it.

Offences.

44.—(1) Whoever wilfully makes a false statement or knowingly makes use of any false statement for the purpose of obtaining a loan from the Corporation or of

inducing the Corporation to accept any security in any form or kind shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to two thousand rupees, or with both.

(2) Whoever being a Director, auditor, officer, or servant of the Corporation contravenes his declaration of fidelity and secrecy shall be punishable with imprisonment for a term which may extend to six months or with a fine which may extend to one thousand rupees, or with both.

(3) Whoever being a member of the Board or of any Committee of the Corporation discloses or uses for a purpose not connected with the discharge of his duties as a member of the Board or of such Committee any information supplied to the Corporation or to the Board or to the Committee by a person applying for financial assistance shall be punishable with imprisonment for a term which may extend to six months or with a fine which may extend to one thousand rupees, or with both.

(4) No court shall take cognizance of any offence punishable under this Ordinance otherwise than on a complaint in writing signed by an officer of the Corporation authorised by the Board in this behalf.

45. The Central Government may make rules not inconsistent with this Ordinance for the purpose of giving effect to the provisions of this Ordinance; and where the regulations framed under the next succeeding section are inconsistent with the rules, the rules shall prevail.

Power of Central Government to make rules.

46.—(1) The Board may, with the previous sanction of the Central Government make regulations not inconsistent with this Ordinance or the rules made under this Ordinance to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Ordinance.

Power of the Board to make regulations.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for—

- (a) the holding and conduct of elections under this Ordinance including the final decision of doubts or disputes regarding the validity of elections;
- (b) the manner in which and the conditions subject to which the first allotment of the shares of the Corporation shall be made;
- (c) the manner in which and the conditions subject to which the shares of the Corporation may be held and transferred, and generally all matters relating to the rights and duties of the shareholders;
- (d) the manner in which the general meeting shall be convened, the procedure to be following thereat and the manner in which the right to vote may be exercised;

- (e) the calling of the meetings of the Board and of the Executive Committee, fees for attending the meetings thereof and the conduct of business thereat ;
- (f) the manner and terms of issue and redemption of bonds and debentures by the Corporation ;
- (g) the conditions subject to which the Corporation may grant loans ;
- (h) the form and manner of determining the sufficiency of the security taken under section 26 ;
- (i) the manner in which and the conditions subject to which the Corporation may borrow in foreign currency from foreign lenders ;
- (j) the form of returns and statements required under this Ordinance ;
- (k) the terms and conditions of service, duties and conduct of officers and servants and agents of the Corporation ;
- (l) the disclosure of interest, direct or indirect, of a Director of the Board in any application for loan ;
- (m) the taking over of and the management of the business of a subsidiary corporation or a company or co-operative society committing a breach of its agreement with the Corporation ;
- (n) the preparation of annual estimates of income and expenditure of the Corporation in the prescribed form and their submission to the Board and the Central Government for approval on prescribed dates ;
- (o) the efficient conduct of the affairs of the Corporation generally.

(3) All regulations made under this section shall be published in the official Gazette, and shall come into force on such publication.

GHULAM MOHAMMED,

Governor-General.

THE OFFICIAL SECRETS ACT (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. VI OF 1955

[4th March, 1955]

An Ordinance further to amend the Official Secrets Act, 1923.

WHEREAS an emergency has arisen which makes it necessary further to amend the Official Secrets Act, 1923, for the purposes hereinafter appearing ;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Official Secrets Act (Amendment) Ordinance, 1955.

Short title and commencement.

(2) It shall come into force at once.

2. In the Official Secrets Act, 1923, after section 3, the following new section shall be added, namely :—

Addition of section 3A, Act XIX of 1923.

“3A. *Restriction against photographs, sketches, etc., of prohibited and notified areas.*—(1) No person shall, except under the authority of a written permit granted by or on behalf of the Central Government, make any photograph sketch, plan, model, note or representation of any kind of any prohibited place or of any other place or area, notified by the Central Government as a place or area with regard to which such restriction appears to that Government to be expedient in the interests of the security of Pakistan, or of any part of or object in any such place or area.

(2) The Central Government may by general or special order make provision for securing that no photograph, sketch, plan, model, note or representation of any kind made under the authority of a permit granted in pursuance of subsection (1) shall be published unless and until the same has been submitted to and approved by such authority or person as may be specified in the order, and may retain or destroy or otherwise dispose of anything so submitted.

(3) If any person contravenes any of the provisions of this section, he shall be punished with imprisonment for a term which may extend to three years or with fine or with both.

Price : Anna 1

- (4) The Central Government may by notification in the official Gazette empower any Provincial Government to exercise all or any of the powers exercisable by the Central Government under this section, or under clauses (c) and (d) of sub-section (8) of section 2, or under sub-section (10) of section 2."

GHULAM MOHAMMED,
Governor-General.

**THE INSURANCE ACT (AMENDMENT)
ORDINANCE, 1955.**

ORDINANCE NO. VII OF 1955

[11th March, 1955]

An Ordinance further to amend the Insurance Act, 1938

WHEREAS an emergency has arisen which makes it
IV of necessary to amend the Insurance Act, 1938, for the pur-
1938. poses hereinafter appearing;

Now, THEREFORE, in exercise of the powers conferred
26 by section 42 of the Government of India Act, 1935, and
Geo. of all other powers enabling him in that behalf the
5, c. 2. Governor-General is pleased to make and promulgate the
following Ordinance:—

1.—(1) This Ordinance may be called the Insurance Act (Amendment) Ordinance, 1955. Short title and com-
mencement.

(2) It shall come into force at once and shall be deemed to have taken effect from the 1st day of January, 1955.

2. In clause (15) of section 2 of the Insurance Act, 1938, for the figures "1954" the figures "1956" shall be substituted. Amendment of clause (15) of section 2, Act IV of 1938.

GHULAM MOHAMMED,
Governor-General.

Price : Anna 1

GPPK—207 L-Law—25-7-55—1,500

**THE CAPITAL ISSUES (CONTINUANCE OF
CONTROL) (AMENDMENT) ORDINANCE,
1955.**

ORDINANCE NO. VIII OF 1955

[26th March, 1955]

An Ordinance further to amend the Capital Issues
(Continuance of Control) Act, 1947.

XXIX
of
1947

WHEREAS an emergency has arisen which renders it necessary further to amend the Capital Issues (Continuance of Control) Act, 1947;

26
Geo.
5, c. 2.

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1.—(1) This Ordinance may be called the Capital Issues (Continuance of Control) (Amendment) Ordinance, 1955.

Short title
and com-
mencement.

(2) It shall come into force at once.

2. In sub-section (3) of section 1 of the Capital Issues (Continuance of Control) Act, 1947, for the figures "1955" the figures "1958" shall be substituted.

Amendment
of section 1,
Act XXIX
of 1947.

GHULAM MOHAMMED,

Governor-General.

Price : Anna 1

GPPK—L 2 LD—25-7-55—1,500

THE EMERGENCY POWERS ORDINANCE, 1955.

ORDINANCE No. IX OF 1955

[27th March, 1955]

An Ordinance to validate certain laws and to provide for certain emergency powers.

WHEREAS it has been declared by the Federal Court of Pakistan that all the laws passed by the Constituent Assembly of Pakistan which had not received the assent of the Governor-General are invalid, and whereas it is necessary for the peace, order and good government of Pakistan to validate certain of those laws ;

AND WHEREAS among those laws are enactments which purported to change the composition and powers of the said Constituent Assembly and of the Legislatures of the Provinces, and the said Assembly and the said Legislatures having thus become unconstitutional bodies the constitutional machinery has broken down ;

AND WHEREAS the said Constituent Assembly, having been charged with the duty of making provision as to the Constitution of Pakistan failed to carry out that duty ;

AND WHEREAS the said Constituent Assembly was dissolved by Proclamation on the 24th day of October 1954 and it has become necessary to make provision for the framing of a Constitution on behalf of the people ;

AND WHEREAS a Proclamation of Emergency has been issued for the purposes of section 102 of the Government of India Act, 1935 (26 Geo. 5, Ch. 2) as amended by the India (Proclamations of Emergency) Act, 1946 (9 & 10 Geo. 6, Ch. 23), and it appears to the Governor-General that the provisions hereinafter made are proper provisions in view of the nature of the emergency ;

Now, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935 (26 Geo. 5, Ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

CHAPTER I.—PRELIMINARY

1.—(1) This Ordinance may be called the Emergency Powers Ordinance, 1955. Short title, extent and commencement.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2.—(1) Whereas none of the laws passed by the Constituent Assembly of Pakistan under the provisions of sub-section (1) of section 8 of the Indian Independence Act, 1947, are valid, and whereas it is necessary for the peace, order and good government of Pakistan to validate certain laws, etc.

Price : Annas 3

Act, 1947 (10 & 11 Geo. 6, Ch. 30), hereafter in this section referred to as the said Act, received the assent of the Governor-General in accordance with sub-section (3) of section 6 of the said Act, it is hereby declared and enacted that every law specified in column 1 of the Schedule to this Ordinance shall be deemed to have received the assent of the Governor-General on the date specified in column 2 of that Schedule, being the date on which it was published in the official Gazette, and shall be deemed to have had legal force and effect from that date.

(2) Notwithstanding that the composition of the Constituent Assembly of Pakistan was changed by laws passed by that Assembly which have not received the assent of the Governor-General in accordance with sub-section (3) of section 6 of the said Act and notwithstanding that some or all of the rules of procedure framed by that Assembly may have been *ultra vires* and void,—

- (a) the validity of any law to which sub-section (1) of this section applies shall not be questioned in any court;
- (b) the validity of any law enacted, or purporting to have been enacted, in pursuance of the powers exercisable by the said Assembly under sub-section (2) of section 8 of the said Act shall not, if such law has received the assent of the Governor-General, be questioned in any court on the ground only that the said Assembly was improperly constituted or that it was acting under rules of procedure which it had no power to frame;
- (c) the validity of any resolution passed by the said Assembly to continue in force any temporary law shall not be questioned in any court;
- (d) the validity of any demand for grant approved by the said Assembly in exercise of the powers conferred by sections 33 to 37 of the Government of India Act, 1935 (26 Geo. 5, Ch. 2) and authenticated by the Governor-General shall not be questioned in any Court; and
- (e) no suit, prosecution or other legal proceeding shall lie in any court against the Central Government or a Provincial Government or any servant of the Crown or any other person for or on account of, or in respect of any order passed, rule made, notification issued, thing done or action taken in pursuance of any law or resolution to which this section applies.

(3) For the purposes of this Ordinance other than this section, the Government of India Act, 1935 (26 Geo. 5, Ch. 2), means the Government of India Act, 1935 (26 Geo. 5, Ch. 2), as amended by or under any Act of the Parliament of the United Kingdom or any law to which sub-section (1) of this section applies.

CHAPTER II.—AMENDMENTS TO THE GOVERNMENT OF INDIA
Act, 1935.

3. Until other provision is made sections 19 to 22, 28 to 30, 32, 34, 35, 37, 38, 40 and 41 of the Government of India Act, 1935 (26 Geo. 5, Ch. 2), hereafter in this Chapter referred to as the said Act, shall be omitted.

Temporary omission of provisions relating to Federal Legislature.

4. In section 33 of the said Act,—

(a) for sub-section (1) the following shall be substituted, namely:—

Annual financial statement.

“(1) The Governor-General shall in respect of every financial year cause to be prepared a statement of the estimated receipts and expenditure of the Federation for that year, in this Part of this Act referred to as the “annual financial statement” ;” and

(b) the following shall be added as sub-section (4), namely:—

“(4) The annual financial statement, when authenticated by the signature of the Governor-General, shall be authority for the expenditure of the several sums specified therein.”

5. In section 36 of the said Act, for the words “laid before the Federal Legislature” the word “prepared” and for the words “the preceding sections” the words and figures “section 33” shall be substituted.

Supplementary statement of expenditure.

6. For section 46 of the said Act, the following section shall be substituted, namely:—

“46.—(1) The Governor-General shall have power to declare by public notification that, from a date to be specified in such notification (hereafter in this section referred to as “the appointed day”), the Province of East Bengal shall be renamed the Province of East Pakistan, and such territories as may be specified in the notification shall be incorporated into the Province of West Pakistan.

(2) As from the appointed day, any reference in any Act, rule, regulation, order, byelaw or public notification to the Province of East Bengal shall be construed as a reference to the Province of East Pakistan.

(3) The Governor-General may by order make such provision as appears to him to be necessary or expedient—

(a) for constituting the Province of West Pakistan ;

(b) for making omissions from, additions to, and adaptations and modifications of, any

Act, rule, regulation, order, byelaw or public notification applying to any Governor's Province, Chief Commissioner's Province, the Capital of the Federation or any Federated State immediately before the appointed day ;

- (c) for authorizing the exercise by any person or authority specified in the order of any of the functions of government in any Governor's Province, Chief Commissioner's Province, the Capital of the Federation or any Federated State between the date of this Ordinance and the appointed day.
- (4) The validity of any order made or public notification issued by the Governor-General under this section shall not be called in question in any court.
- (5) In this Act, unless the context otherwise requires, the expression "Province" or "Governor's Province" means—
 - (a) until the appointed day, any of the Provinces of East Bengal, the Punjab, the North-West Frontier, and Sind ; and
 - (b) as from the appointed day, the Province of East Pakistan or the Province of West Pakistan,

and "Provincial" shall be construed accordingly."

Legislation
for States,
etc.

7.—(1) In the said Act, sections 101 and 134 shall be omitted.

(2) Notwithstanding anything in any Instrument of Accession or agreement, the Federal Legislature shall, until the appointed day for the purposes of section 46 of the said Act, have full power to make laws for a Federated State.

Suits and
proceedings.

8. In sub-section (1) of section 176 of the said Act, the following proviso shall be added at the end, namely :—

"Provided however that—

- (a) no suit or proceeding shall be brought against the Federation of Pakistan, a Provincial Government, or any Minister or officer of the Federal Government or of a Provincial Government, in respect of or arising out of anything done or omitted to be done by the Governor-General or by any Government or person by or in consequence of the Governor-General's Proclamation dated the twentyfourth day of October 1954 ; and
- (b) if any such suit or proceeding is pending at the date of the coming into force of the Emergency Powers Ordinance, 1955, such suit or proceeding shall lapse."

9.—(1) In the proviso to sub-section (1), of section 219 of the said Act, in paragraph (b), the word “or” shall be added at the end, and thereafter the following new paragraph (c) shall be inserted, namely:—

“(c) by the Governor-General by order for the establishment of a High Court of East Pakistan or a High Court of West Pakistan to replace any court or courts mentioned in this sub-section;”.

(2) Sub-section (3) of section 219 of the said Act shall cease to have effect on such date as the Governor-General may by order determine.

(3) In the proviso to sub-section (2) of section 220 of the said Act, in paragraph (c), the words “or by the establishment of a High Court to replace the Court of which the Judge is a member” shall be added at the end.

CHAPTER III.—PROVISION FOR FUTURE CONSTITUTION.

10. The Governor-General shall by order make such provision as appears to him to be necessary or expedient for the purpose of making provision as to the constitution of Pakistan and for purposes connected therewith, and any such order may contain such incidental and consequential provisions as the Governor-General may deem necessary or expedient.

SCHEDULE

[See section 2(1)]

Laws which are deemed to have received the Governor-General's assent.

<i>Short Title</i>	<i>Date of publication in the official Gazette.</i>
(1)	(2)
Indian Independence (Amendment) Act, 1948	19th March 1948
Government of India (Amendment) Act, 1948	19th March 1948
Government of India (Second Amendment) Act, 1948.	16th July 1948
Indian Independence (Second Amendment) Act, 1948.	16th July 1948
Government of India (Amendment) Act, 1949	14th January 1949
Government of India (Amendment) Act, 1950	27th January 1950
Indian Independence (Amendment) Act, 1950	27th January 1950
Government of India (Second Amendment) Act, 1950.	1st February 1950

<i>Short Title</i>	<i>Date of publication in the official Gazette.</i>
(1)	(2)
Government of India (Third Amendment) Act, 1950.	1st February 1950
Government of India (Fourth Amendment) Act, 1950.	27th March 1950
Privy Council (Abolition of Jurisdiction) Act, 1950.	22nd April 1950
Government of India (Fifth Amendment) Act, 1950.	15th April 1950
Government of India (Sixth Amendment) Act, 1950.	15th April 1950
Pakistan (Provisional Constitution) Order (Amendment) Act, 1950.	9th October 1950
Government of India (Seventh Amendment) Act, 1950.	9th October 1950
Government of India (Eighth Amendment) Act, 1950.	18th October 1950
Constitution (Amendment) Act, 1950	18th October 1950
Government of India (Ninth Amendment) Act, 1950.	22nd November 1950
Constitution (Amendment) Act, 1951	19th March 1951
Government of India (Amendment) Act, 1951	28th April 1951
Government of India (Second Amendment) Act, 1951.	19th April 1951
Delimitation of Constituencies (Adult Franchise) Act, 1951.	21st April 1951
Rawalpindi Conspiracy (Special Tribunal) Act, 1951.	28th April 1951
Constitution (Second Amendment) Act, 1951	21st November 1951
Delimitation of Constituencies (Adult Franchise) (Amendment) Act, 1951.	21st November 1951
Government of India (Amendment) Act, 1952	25th March 1952
Government of India (Second Amendment) Act, 1952.	15th April 1952
Government of India (Third Amendment) Act, 1952.	26th April 1952
Rawalpindi Conspiracy (Special Tribunal) (Amendment) Act, 1952.	27th November 1952
Government of India (Amendment) Act, 1953	9th March 1953
Government of India (Second Amendment) Act, 1953.	9th March 1953

*Short Title**Date of publication in
the official Gazette.*

(1)

(2)

East Bengal Legislative Assembly (Continu-
ance) Act, 1953.

9th March 1953

Constitution (Amendment) Act, 1953

27th March 1953

Government of India (Second Amendment)
Act, 1954.

17th July 1954

Constitution (Amendment) Act, 1954

5th August 1954

GHULAM MOHAMMED,

Governor-General.

**THE ESSENTIAL SUPPLIES (CONTINU-
ANCE OF TEMPORARY POWERS)
ORDINANCE, 1955.**

ORDINANCE NO. X OF 1955

[30th March, 1955]

An Ordinance to provide for the continuance of powers to control the production, treatment, keeping, storage, movement, transport, supply, distribution, disposal, acquisition, use or consumption of, and trade and commerce in, certain commodities.

WHEREAS an emergency has arisen which renders it necessary to provide for the continuance of powers to control the production, treatment, keeping, storage, movement, transport, supply, distribution, disposal, acquisition, use or consumption of, and trade and commerce in, certain commodities ;

XXIV of 1946. AND WHEREAS the Essential Supplies (Temporary Powers) Act, 1946, provided for the continuance of such powers and that Act expires on the 31st March 1955 ;

26 Geo 5, Ch. 2 9 & 10 Geo. 6, Ch. 23. AND WHEREAS a Proclamation of Emergency has been issued for the purposes of section 102 of the Government of India Act, 1935, as amended by the India (Proclamations of Emergency) Act, 1946, and it appears to the Governor-General that the provisions hereinafter made are proper provisions in view of the nature of the emergency ;

26 Geo. 5, Ch. 2. Now, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Essential Supplies (Continuance of Temporary Powers) Ordinance, 1955. Short title, extent and commencement.

(2) It extends to all the Provinces and all the Acceding States.

(3) It shall come into force at once.

2. In this Ordinance, unless there is anything repugnant in the subject or context,— Definitions.

(a) “essential commodity” means any of the following classes of commodities :—

- (i) foodstuffs ;
- (ii) cotton and woollen textiles ;
- (iii) paper ;

Price : Annas 3

- (iv) petroleum and petroleum products ;
- (v) mechanically propelled vehicles, their spare parts, and tyres and tubes for the same ;
- (vi) coal ;
- (vii) iron and steel ;
- (viii) mica ;
- (ix) drugs and medicines, including those administered by injection ;
- (x) chemicals, including gases ;
- (xi) electrical and radio goods and appliances, including wires and cables ;
- (xii) medical and surgical instruments and appliances ;
- (xiii) glass and glassware, including scientific and laboratory equipment ;
- (xiv) artificial silk yarn ;
- (xv) cycles, their spare parts, and tyres and tubes for the same ;
- (xvi) matches ;
- (xvii) timber ;
- (xviii) sanitary and water supply fittings ;
- (xix) infant and patient foods and allied articles ;
- (xx) cement ;
- (xxi) cigarettes ;
- (xxii) such other classes of commodities as may be declared by the Central Government by notification in the official Gazette to be essential commodities for the purposes of this Ordinance ;
- (b) "food-crops" shall include crops of sugarcane ;
- (c) "foodstuffs" shall include edible oilseeds and oils ;
- (d) "notified order" means an order notified in the official Gazette ;
- (e) "paper" shall include newsprint ;
- (f) "Provincial Government", in relation to a Chief Commissioner's Province, means the Chief Commissioner.

Powers to control production, supply, distribution, etc., of essential commodities.

3.—(1) The Central Government, so far as it appears to it to be necessary or expedient for maintaining or increasing supplies of any essential commodity, or for securing their equitable distribution and availability at fair prices, or, in respect of cloth and yarn for recovering any increase in those prices accruing before the seventeenth day of August, 1949, upon a direction of a competent authority increasing those prices, or, in respect of cloth and yarn, for recovering the margins accruing before the seventeenth day of August, 1949, to a particular class

of dealers upon a direction of such authority eliminating that class, may by notified order provide for regulating or prohibiting the production, treatment, keeping, storage, movement, transport, supply, distribution, disposal, acquisition, use or consumption thereof and trade and commerce therein.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), an order made thereunder may provide—

- (a) for regulating by licences, permits or otherwise the production or manufacture of any essential commodity ;
- (b) for bringing under cultivation any waste or arable land, whether appurtenant to a building or not, for the growing thereon of food-crops generally or of specified food-crops, and for otherwise maintaining or increasing the cultivation of food-crops generally, or of specified food-crops ;
- (c) for controlling the prices at which any essential commodity may be bought or sold ;
- (d) in respect of cloth and yarn, for the payment by a producer or a dealer to the Central Government of—
 - (i) any increase in the price arising upon a direction of a competent authority fixing the price therefor, or
 - (ii) any margins accruing to a particular class of dealers upon a direction of competent authority eliminating that class ;
 and an order under this clause may be given effect from any date after the thirty-first day of December, 1947 ;
- (e) for regulating by licences, permits or otherwise the storage, transport, distribution, disposal, acquisition, use or consumption of any essential commodity ;
- (f) for prohibiting the withholding from sale of any essential commodity ordinarily kept for sale ;
- (g) for requiring any person holding stock of an essential commodity to sell the whole or a specified part of the stock at such prices and to such persons or class of persons or in such circumstances, as may be specified in the order ;
- (h) for regulating or prohibiting any class of commercial or financial transactions relating to foodstuffs or cotton textiles, which, in the opinion of the authority making the order are, or if unregulated are likely to be, detrimental, to public interest ;
- (i) for collecting any information or statistics with a view to regulating or prohibiting any of the aforesaid matters ;

- (j) for requiring persons engaged in the production, supply or distribution of, or trade or commerce in, any essential commodity to maintain and produce for inspection such books, accounts and records relating to their business and to furnish such information relating thereto, as may be specified in the order;
- (k) for any incidental and supplementary matters, including in particular the entering, and search of premises, vehicles, vessels and aircraft, the seizure by a person authorised to make such search of any articles in respect of which such person has reason to believe that a contravention of the order has been, is being or is about to be committed, or any records connected therewith the grant or issue of licences, permits or other documents, and the charging of fees therefor.

(3) An order made under sub-section (1) may confer powers and impose duties upon the Central Government or officers and authorities of the Central Government, notwithstanding that it relates to a matter in respect of which the Provincial Legislature also has power to make laws.

(4) The Central Government, so far as it appears to it to be necessary for maintaining or increasing the production and supply of an essential commodity, may by order authorise any person (hereinafter referred to as an authorised controller) to exercise, with respect to the whole or any part of any such undertaking engaged in the production and supply of the commodity as may be specified in the order, such functions of control as may be provided by the order; and so long as an order made under this sub-section is in force with respect to any undertaking or part thereof—

- (a) the authorised controller shall exercise his functions in accordance with any instructions given to him by the Central Government, so, however, that he shall not have any power to give any direction inconsistent with the provisions of any Act or other instrument determining the functions of the undertakers except in so far as may be specifically provided by the order, and
- (b) the undertaking or part shall be carried on in accordance with any directions given by the authorised controller in accordance with the provisions of the order, and any person having any functions of management in relation to the undertaking or part shall comply with any such directions.

Delegation
of powers.

4. The Central Government may by notified order direct that the power to make orders under section 3 shall, in relation to such matters and subject to such

conditions, if any, as may be specified in the direction, be exercisable also by—

- (a) such officer or authority subordinate to the Central Government, or
- (b) such Provincial Government or such officer or authority subordinate to a Provincial Government,

as may be specified in the direction.

5. The Central Government may give directions to any Provincial Government as to the carrying into execution in the Province of any order made under section 3. Power to issue directions to Provinces.

6. Any order made under section 3 shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Ordinance or any instrument having effect by virtue of any enactment other than this Ordinance. Effect of orders inconsistent with other enactments.

7.—(1) If any person contravenes any order made under section 3, he shall be punishable with imprisonment for a term which may extend to three years or with fine or with both, and if the order so provides, any Court trying such contravention may direct that any property in respect of which the Court is satisfied that the order has been contravened shall be forfeited to the Central Government: Penalties

Provided that where the contravention is of an order relating to foodstuffs which contains an express provision in this behalf, the Court shall make such direction, unless for reasons to be recorded in writing it is of opinion that the direction should not be made in respect of the whole, or, as the case may be, a part, of the property.

(2) The owner of any vessel, conveyance or animal carrying any property in respect of which an order under section 3 is contravened shall, if the carrying is part of the transaction involving the contravention and if he knew or had reason to believe that the contravention was being committed, be deemed to have contravened the order, and in addition to the punishment to which he is liable under sub-section (1) the vessel, conveyance or animal shall, when the order provides for forfeiture of the property in respect of which the order is contravened, be forfeited to the Central Government.

(3) If any person to whom a direction is given under sub-section (4) of section 3 fails to comply with the direction, he shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

8. Any person who attempts to contravene, or abets a contravention of, any order made under section 3 shall be deemed to have contravened that order. Attempts and abetments.

Offences by
Corpora-
tions.

9. If the person contravening an order made under section 3 is a company or other body corporate, every director, manager, secretary or other officer or agent thereof shall, unless he proves that the contravention took place without his knowledge or that he exercised all due diligence to prevent such contravention, be deemed to be guilty of such contravention.

False state-
ments.

10. If any person—

(i) when required by an order made under section 3 to make any statement or furnish any information, makes any statement or furnishes any information which is false in any material particular and which he knows or has reasonable cause to believe to be false, or does not believe to be true, or

(ii) makes any such statement as aforesaid in any book, account, record, declaration, return or other document which he is required by any such order to maintain or furnish,

he shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

Cognizance
of offences.

11. No Court shall take cognizance of any offence punishable under this Ordinance except on a report in writing of the facts constituting such offence made by a person who is a public servant as defined in section 21 of the Pakistan Penal Code. ^{XLV of 1860.}

Power to try
offences sum-
marily.

12. Any magistrate or bench of magistrates empowered for the time being to try in a summary way the offences specified in sub-section (1) of section 260 of the Code of Criminal Procedure, 1898, may, on application in this behalf being made by the prosecution, try in accordance with the provisions contained in sections 262 to 265 of the said Code any offence punishable under this Ordinance. ^{v of 1898.}

Special
provision
regarding
fines.

13. Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898, it shall be lawful for any Magistrate of the First Class specially empowered by the Provincial Government in this behalf to pass a sentence of fine exceeding one thousand rupees on any person convicted or contravening an order made under section 3. ^{v of 1898.}

Presumption
as to orders.

14.—(1) No order made in exercise of any power conferred by or under this Ordinance shall be called in question in any Court.

(2) Where an order purports to have been made and signed by an authority in exercise of any power conferred by or under this Ordinance, a Court shall, within the meaning of the Evidence Act, 1872, presume that such order was so made by that authority. ^{I of 1872}

15. Where any person is prosecuted for contravening any order made under section 3 which prohibits him from doing an act or being in possession of a thing without lawful authority or without a permit, license or other document, the burden of proving that he has such authority, permit, licence or other document, shall be on him. Burden of proof in certain cases.

16.—(1) No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of any order made under section 3. Protection of action taken under the Ordinance.

(2) No suit or other legal proceeding shall lie against the Crown for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of any order made under section 3.

XXIV of 1946. 17.—(1) The Essential Supplies (Temporary Powers) Act, 1946 is hereby repealed. Repeal and saving.

(2) Any order made or deemed to be made under the said Act and in force immediately before the commencement of this Ordinance shall continue in force and be deemed to be an order made under this Ordinance; and all appointments made, licences or permits granted and directions issued under any such order and in force immediately before such commencement shall likewise continue in force and be deemed to be made, granted or issued in pursuance of this Ordinance.

Ord.
XVIII
of
1946.
XXIV
of
1946.

(3) For the removal of doubts it is hereby declared—

(a) that for the purposes of the Essential Supplies (Temporary Powers) Ordinance, 1946, the Essential Supplies (Temporary Powers) Act, 1946, and this Ordinance, an order of the nature referred to in section 5 of the Essential Supplies (Temporary Powers) Ordinance, 1946, made before the commencement of that Ordinance and not previously rescinded shall be deemed to be, and always to have been, an order in force immediately before such commencement, notwithstanding that such order or parts of it, may not then have been in operation, either at all or in particular areas;

XXIV
of
1946.
Ord
XVIII
of
1946.

(b) that for the purposes of the Essential Supplies (Temporary Powers) Act, 1946, and this Ordinance, an order made or deemed to be made under the Essential Supplies (Temporary Powers) Ordinance, 1946, and not rescinded prior to the commencement of the said Act shall be deemed to be an order in force immediately before such commencement, notwithstanding that such order, or parts of it, may not then be in operation, either at all or in particular areas;

XXIV
of
1946.

(c) that for the purposes of this Ordinance, an order made or deemed to be made under the Essential Supplies (Temporary Powers) Act, 1946,

and not rescinded prior to the commencement of this Ordinance shall be deemed to be an order in force immediately before such commencement, notwithstanding that such order, or parts of it, may not then be in operation either at all or in particular areas.

GHULAM MOHAMMED,
Governor-General.

THE REQUISITIONED LAND (CONTINUANCE OF POWERS) ORDINANCE, 1955.

ORDINANCE NO. XI OF 1955

[30th March, 1955]

An Ordinance to provide for the continuance of certain emergency powers in relation to requisitioned land.

XXXV of 1939. WHEREAS an emergency has arisen which renders it necessary to provide in relation to land which, when the Defence of India Act, 1939, expired, was subject to any requisition effected under rules made under that Act, for the continuance of certain powers theretofore exercisable under the said Act or the said rules ;

XVII of 1947. AND WHEREAS the Requisitioned Land (Continuance of Powers) Act, 1947, provided for the continuance of such powers and that Act expires, on the 31st March 1955 ;

26 Geo. 5 ch. 2. 9 & 10 Geo. 6, ch. 23. AND WHEREAS a Proclamation of Emergency has been issued for the purposes of section 102 of the Government of India Act, 1935, as amended by the India (Proclamations of Emergency) Act, 1946, and it appears to the Governor-General that the provisions hereinafter made are proper provisions in view of the nature of the emergency ;

26 Geo. 5, ch. 2. NOW, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

- 1.—(1) This Ordinance may be called the Requisitioned Land (Continuance of Powers) Ordinance, 1955. Short title, extent and commencement.
- (2) It extends to all the Provinces.
- (3) It shall come into force at once.

2. In this Ordinance, unless there is anything repugnant in the subject or context,— Definitions.

- XVII of 1947. (1) "Act" means the Requisitioned Land (Continuance of Powers) Act, 1947 ;
- (2) "appropriate Government" means, in relation to any requisitioned land, the Central or Provincial Government by which or under the authority of which the land has been requisitioned ;
- XIX of 1946. (3) "Ordinance" means the Requisitioned Land (Continuance of Powers) Ordinance, 1946 ;
- (4) "Provincial Government" means, in relation to a Chief Commissioner's Province, the Chief Commissioner ;

- (5) "requisitioned land" means immovable property which at the commencement of this Ordinance is subject to any requisition effected under the rules made under the Defence of India Act, 1939. ^{xxxv of 1939.}

Continuance of requisitions. 3. Notwithstanding the expiration of the Defence of India Act, 1939, and the rules made thereunder and the repeal of the Ordinance, and the Act, all requisitioned lands shall continue to be subject to requisition and the appropriate Government may use or deal with any requisitioned land in such manner as may appear to it to be expedient: ^{xxxv of 1939.}

Provided that the appropriate Government may at any time release from requisition any requisitioned land.

Release from requisition. 4.—(1) Where any requisitioned land is to be released from requisition, the appropriate Government may, after making such inquiry, if any, as it considers necessary, specify by order in writing the person to whom possession of the land shall be given.

(2) The delivery of possession of the requisitioned land to the person specified in an order made under sub-section (1) shall be a full discharge of the Government from all liability in respect of such delivery, but shall not prejudice any rights in respect of the land which any other person may be entitled by due process of law to enforce against the person to whom possession of the land is so delivered.

(3) Where the person to whom possession of any requisitioned land is to be given cannot be found and has no agent or other person empowered to accept delivery on his behalf, the appropriate Government shall cause a notice declaring that the land is released from requisition to be affixed on some conspicuous part of the land and publish the notice in the official Gazette.

(4) When a notice referred to in sub-section (3) is published in the official Gazette, the land specified in such notice shall cease to be subject to requisition on and from the date of such publication and be deemed to have been delivered to the person entitled to possession thereof; and the Government shall not be liable for any compensation or other claim in respect of the land for any period after the said date.

✓ Power to acquire requisitioned land. 5.—(1) Subject to the provisions of sub-section (3), the appropriate Government may, at any time when any requisitioned land continues to be subject to requisition under section 3, acquire such land by publishing in the official Gazette a notice to the effect that such Government has decided to acquire such land in pursuance of this section.

(2) When a notice as aforesaid is published in the official Gazette, the requisitioned land, shall on and from

the beginning of the day on which the notice is so published, vest absolutely in the appropriate Government free from all encumbrances and the period of requisition of such land shall end.

(3) No requisitioned land shall be acquired under this section except in the following circumstances, namely :—

- (a) where any works have during the period of requisition been constructed on, in or over the land wholly or partly at the expense of Government and appropriate Government decides that the value of, or the right to use, such works should be preserved or secured for the purposes of Government ; or
- (b) where the cost of restoring the land to its condition at the time of its requisition would, in the determination of the appropriate Government, be excessive having regard to the value of the land at that time and the owner declines to accept the release from requisition of the land without payment of compensation from Government.

(4) Any decision or determination of the appropriate Government under sub-section (3) shall be final, and shall not be called in question in any Court.

(5) For the purposes of clause (a) of sub-section (3) "works" includes buildings, structures and improvements of every description.

6.—(1) In respect of the continued subjection of requisitioned land to requisition under this Ordinance or under the Ordinance or the Act, compensation shall be determined and paid in accordance with the provisions of section 19 of the Defence of India Act, 1939, and of the rules made thereunder : Payment of compensation.

XXXV
of 1939.

Provided that all agreements and awards under the said section in respect of the payment of compensation for the period of requisition before the expiry of the said Act shall continue to be in force and shall apply to the payment of compensation for the period of requisition after such expiry.

(2) In respect of any acquisition of requisitioned land under this Ordinance or under the Ordinance or the Act, the amount of compensation payable shall be such sum as would be sufficient to purchase at the market rate prevailing on the date of the notice under section 5 a piece of land equal in area to, and situated within a distance of three miles from the acquired land, and suitable for the same use as that to which the acquired land was being put immediately before the date of its requisition, or a sum equivalent to twice the market value of the acquired land on the date of its requisition, whichever is less ; and such amount shall be determined and paid in accordance with the procedure set out in the aforesaid section 19 and the rules made thereunder.

(3) For the purposes of sub-section (1) all the provisions of the aforesaid section 19 and of the rules made thereunder, and for the purposes of sub-section (2) such of those provisions as relate to matters of procedure, shall be deemed to be continuing in force.

Power to
obtain infor-
mation.

7.—(1) The appropriate Government may, with a view to carrying out the purposes of sections 3 to 6, by order require any person to furnish to such authority as may be specified in the order such information in his possession relating to any requisitioned land as may be specified.

(2) Every person required to furnish such information^{XLV of 1860} as is referred to in sub-section (1) shall be deemed to be legally bound to do so within the meaning of sections 176 and 177 of the Pakistan Penal Code.

Delegation
of functions.

8. The Central Government or any Provincial Government may, by order notified in the official Gazette, direct that any power conferred or any duty imposed on it by this Ordinance shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercised or discharged by such officer as may be so specified.

Protection of
action taken
under the
Ordinance.

9.—(1) No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Ordinance or any order made thereunder.

(2) No suit or other legal proceeding shall lie against the Crown for any damage caused or likely to be caused by anything in good faith done or intended to be done in pursuance of this Ordinance or any order made thereunder.

Repeal of
Act XVII
of 1947.

10. The Requisitioned Land Continuance of Powers Act, 1947, is hereby repealed; and anything done in exercise of any power conferred by or under the said Act shall be deemed to have been done in exercise of powers conferred by or under this Ordinance, as if this Ordinance had commenced on the 1st day of October, 1946.

GHULAM MOHAMMED,
Governor-General.

THE FINANCE ORDINANCE, 1955

ORDINANCE NO. XII OF 1955

[31st March, 1955]

An Ordinance to give effect to the financial proposals of the Central Government for the year beginning on the first day of April, 1955.

WHEREAS an emergency has arisen which renders it necessary to fix the duty on certain salt, to fix maximum rates of postage under the Post Office Act, 1898, to continue subject to certain modifications, for a further period of one year additional duties of customs imposed by section 6 of the Finance Act, 1942, and to alter the duty of excise on cigarettes and cotton cloth and to levy duty of excise on artificial silk and rayon cloth, to continue the charge and levy of business profits tax, to make certain provisions relating to income-tax and super-tax, to fix rates of income-tax and super-tax and to continue subject to modifications the taxes and duties imposed for the purpose of meeting expenditure on the rehabilitation of refugees ;

AND WHEREAS a Proclamation of Emergency has been issued for the purposes of section 102 of the Government of India Act, 1935, as amended by the India (Proclamations of Emergency) Act, 1946, and it appears to the Governor-General that the provisions hereinafter made are proper provisions in view of the nature of the emergency ;

NOW, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Finance Ordinance, 1955. Short title and extent.

(2) It extends to all the Provinces and the Capital of the Federation and to all Acceding States.

2. The duty on salt manufactured in, or imported by land into, the Provinces of Pakistan, the Capital of the Federation and the Acceding States shall, for the year beginning on the first day of April, 1955, be at the rate of Rs. 2-8-0 per standard maund. Continuance of duty on salt.

3. For the year beginning on the first day of April 1955, the schedule contained in the First Schedule to this Ordinance shall be inserted in the Post Office Act, 1898, as the First Schedule to that Act. Inland postage rates.

4. The additional duties of customs on certain goods chargeable with a duty of customs under the First duties of

Price : Annas 3.

- customs. Schedule to the Tariff Act, 1934, or under the said Schedule ^{xxxii of 1934.} read with any notification of the Central Government for the time being in force, imposed up to the thirty-first day ^{xii of} of March, 1943, by section 6 of the Finance Act, 1942, and 1942. continued subject to certain modifications up to the thirty-first day of March, 1955, by section 4 of the Finance Act, ^{iv of} 1954, shall continue, subject to the said modifications, to 1954. be levied and collected, as an addition to and in the same manner as the duty chargeable as aforesaid, as provided for in the said section 6, up to the thirty-first day of March, 1956.
- Alteration of duties of excise. 5. The amendments set out in the Second Schedule to I of this Ordinance shall be made in the First Schedule to the 1944. Central Excises and Salt Act, 1944.
- Alteration of duty of customs on cigarettes. 6. Until the thirty-first day of March, 1956, the entry in the fourth column against item 24(2) of the First Schedule to the Tariff Act, 1934, shall have effect as if the ^{xxxii of 1934} words and figures "plus Rs. 1-9-0 per thousand" were added to it.
- Alteration of duty of customs on ale, beer, porter, etc. 7. Until the thirty-first day of March, 1956, the entries in the fourth column against item 22(2) of the First Schedule to the Tariff Act, 1934, shall have effect as if the ^{xxxii of 1934} words and figures "plus 1/3rd of the total duty" were added to it.
- Alteration of duty of customs on brandy, gin, whisky, etc. 8. Until the thirty-first day of March, 1956, the entries in the fourth column against item 22(4) of the First Schedule to the Tariff Act, 1934, shall have effect as if the ^{xxxii of 1934} words and figures "plus Rs. 3 per gallon" were added to it.
- Additional duty of excise on motor spirit. 9. Until the thirty-first day of March, 1956, the entry in the third column against item 4 of the First Schedule to the Central Excises and Salt Act, 1944, shall have effect I of as if the following entry were substituted therefor:— 1944.
"One rupee eight annas and three pies per Imperial gallon."
- Additional duty of excise on cigarettes. 10. Until the thirty-first day of March, 1956, each entry of duty set forth in the third column against sub-item II (2) of item 9 of the First Schedule to the Central Excises I of and Salt Act, 1944, shall have effect as if the words "plus 1944. one-fifth of the total duty" were added to it.
- Amendment of Act XI of 1922. 11. The following amendments shall be made in the Income-tax Act, 1922, namely:—
(1) In section 2—
(a) after clause (5), the following clause shall be inserted, namely:—
" (5A) "company" means a company as defined in the Companies Act, 1913, and VII of includes any foreign association, whether 1913.

incorporated or not, which the Central Board of Revenue may, by general or special order, declare to be a company for the purposes of this Act;”;

- (b) for clause (6), the following clause shall be substituted, namely:—

“(6) “Director of Inspection” means a person appointed to be a Director of Inspection under section 5, and includes a person appointed to be an Additional Director of Inspection, a Deputy Director of Inspection or an Assistant Director of Inspection;”;

- (c) after clause (6D), the following clause shall be inserted, namely:—

“(6E) “Inspector of Income-tax” means a person appointed to be an Inspector of Income-tax under section 5;”.

- (2) In clause (xii) of sub-section (3) of section 4, for the figures “1955”, the figures “1957” shall be substituted.

- (3) In section 5—

- (a) in sub-section (1)—

- (i) after clause (a), the following clause shall be inserted, namely:—

“(aa) Directors of Inspection;”;

- (ii) after clause (d), the following clause shall be inserted, namely:—

“(e) Inspectors of Income-tax.”;

- (b) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The Central Government may appoint as may Directors of Inspection as it thinks fit, and the Directors of Inspection shall perform such functions as may be assigned to them by the Central Board of Revenue.”;

- (c) after sub-section (3), the following sub-section shall be inserted, namely:—

“(3A) Subject to the rules and orders of the Central Government regulating the conditions of service of persons in public services and posts, an income-tax authority may appoint Inspectors of Income-tax and such other executive or ministerial staff as may be necessary.”;

- (d) after sub-section (5), the following sub-section shall be inserted, namely:—

“(5A) Inspectors of Income-tax shall perform such functions in the execution of this Act as may be assigned to them by

the income-tax authority under whom they are appointed to work, and shall be subordinate to such authority.”;

(e) in sub-section (7) —

(i) after the words “subordinate to” the words “the Director of Inspection and” shall be inserted;

(ii) the following proviso shall be inserted at the end, namely:—

“Provided that no orders, instructions or directions shall be given to the Appellate Assistant Commissioners of Income-tax so as to interfere with their discretion in the exercise of their appellate functions.”.

(4) In section 10—

(a) in sub-section (2)—

(i) in clause (vi)—

(a) after the words “further sum”, the words and brackets “(which shall however not be deductible in determining the written down value for the purposes of this clause)” shall be omitted;

(b) in sub-clause (a) for the figures “1955”, the figures “1957” shall be substituted;

(c) in sub-clause (c), for the word “twenty”, the word “twenty-five” shall be substituted;

(ii) in the second proviso to clause (vii), for the word “sold”, the words and commas “sold whether during the continuance of the business or after the cessation thereof,” shall be substituted;

(iii) in clause (xiii) and the proviso thereto, for the word “college”, the words and commas “college, polytechnic, technical school” shall be substituted, and after the words “such scientific research”, occurring in the said clause, the words “or technical training related to the class of business carried on by the assessee” shall be inserted;

(b) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Where for the purpose of computing profits or gains under this section, an allowance or deduction has been made in the assessment for any year in respect of any loss, expenditure or trading liability incurred by the assessee and, subsequently during any previous year, the assessee has

received, whether in cash or in any other manner whatsoever, any amount in respect of such loss or expenditure or has obtained some benefit in respect of such trading liability by way of remission or cessation thereof, the amount received by him, or the value of the benefit accruing to him, shall be deemed to be profits and gains of business, profession or vocation and to have accrued or arisen during that previous year."

(5) In sub-section (2) of section 15B, for the figures "1955", the figures "1958" shall be substituted.

(6) In section 15C—

(a) to clause (b) of sub-section (3), the following proviso shall be added, namely:—

"Provided that as respects any period commencing on the first day of April, 1954, this clause shall have effect as if for the words, figures and brackets "company in which the public are substantially interested within the meaning of the *Explanation* to sub-section (1) of section 23A or a subsidiary company of such a company if the whole of the share capital of such subsidiary company is held by the parent company or by the nominees thereof", the words, figures and brackets "public company as defined in the Companies Act, 1913" were substituted";

(b) in sub-section (6), for the figures "1955", the figures "1957" shall be substituted.

(7) In section 23—

(a) in clause (a) of sub-section (5), for the words "the sum payable by the firm itself shall not be determined but", the words and brackets "super-tax (but not income-tax) payable by the firm itself shall be determined and" shall be substituted, and after the words "such assessment shall", the word "also" shall be inserted;

(b) in sub-section (6), after the words "in writing", a comma and the words "the amount of super-tax payable by it, if any, and" shall be inserted.

(8) At the end of sub-section (3) of section 23B, a comma and the following words shall be added, namely:—

"and where such conditions are fulfilled, the firm may be assessed to super-tax, but not income-tax."

(9) To section 26A, after sub-section (2), the following

new sub-sections and proviso shall be added, namely :—

“(3) Where the Income-tax Officer is satisfied that the application is complete and that there is, or was, as the case may be, a genuine firm in existence constituted as shown in the instrument, or instruments, of partnership executed in writing and in force in the relevant previous year, he may register the firm for the purposes of this Act, or where the firm has already been registered for the immediately preceding year, renew the registration.

(4) If, after an order has been passed under sub-section (3), the Income-tax Officer is satisfied that such order was passed without there being a genuine firm in existence, he may cancel the registration :

Provided that the registration of a firm shall not be cancelled until fourteen days have elapsed from the issue of a notice by the Income-tax Officer to the firm intimating his intention to cancel its registration.”.

(10) In clause (d) of the proviso to sub-section (1) of section 28, the words “and super-tax” after the words “so that the amount of the income-tax” shall be omitted.

(11) In sub-section (1) of section 30, after the words, brackets and figures “registration of a firm under sub-section (4) of section 23”, the words, brackets, figures and letter “or sub-section (4) of section 26A” shall be inserted.

(12) In sub-section (4) of section 31, after the words, brackets and figures “registration of a firm under sub-section (4) of section 23”, the words, brackets, figures and letter “or sub-section (4) of section 26A” shall be inserted.

(13) In sub-section (2) of section 34, after the proviso, the following further proviso shall be added, namely :—

“Provided further that nothing contained in this section limiting the time within which any action may be taken or any order, assessment or re-assessment may be made, shall apply to an assessment or re-assessment, as the case may be, made on the assessee or any person in consequence of, or to give effect to, any finding or direction contained in an order under section 33, section 66 or section 66A.”.

(14) In section 55—

(a) for the words “unregistered firm or other association of persons not being a registered firm”, the words “unregistered firm, registered firm or other association of persons” shall be substituted ;

(b) in the second proviso, after the word "company", a comma and the words "or a registered firm" shall be inserted.

(15) In section 56, after the words "unregistered firm", a comma and the words "registered firm" shall be inserted.

12. In sub-clause (a) of clause (4) of section 2 of the Business Profits Tax Act, 1947, for the figures "1954", the figures "1955" shall be substituted. Amendment of Act XXI of 1947.

13.—(1) Subject to the provisions of sub-sections (3) and (4), for the year beginning on the first day of April, 1955— Income-tax and super-tax.

(a) income-tax shall be charged at the rates specified in Part I of the Third Schedule; and

XI of
1922.

(b) the rates of super-tax shall, for the purposes of section 55 of the Income-tax Act, 1922, be those specified in Part II of the Third Schedule.

XI of
1922.

(2) In making any assessment for the year ending on the thirty-first day of March, 1956, there shall be deducted from the total income of an assessee, in accordance with the provisions of section 15A of the Income-tax Act, 1922, an amount equal to one-fifth of the earned income, if any, included in his total income, but not exceeding in any case four thousand rupees.

(3) In making any assessment for the year ending on the thirty-first day of March, 1956—

(a) where the total income of a company includes any profits and gains from life insurance business, the super-tax payable by the company shall be reduced by an amount computed at the rate of two annas in the rupee on that part of its total income which consists of such inclusion;

XII of
1942.

(b) where the total income of an assessee, not being a company, includes any profits and gains from life insurance business, the income-tax and super-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of such taxes payable on his total income according to the rates applicable under the operation of the Finance Act, 1942, the same proportion as the amount of such inclusion bears to his total income, so however that the aggregate of the taxes so computed in respect of such inclusion shall not in any case exceed the amount of tax payable on such inclusion at the rate of five annas in the rupee.

XI of
1922.

(4) In cases to which section 17 of the Income-tax Act, 1922, applies, the tax chargeable shall be determined as provided in that section, but with reference to the rates imposed by sub-section (1), and in accordance, where applicable, with the provisions of sub-section (3) of this section.

(5) For the purposes of making any deduction of income-tax in the year beginning on the 1st day of April, 1955, under the sub-section (2) or sub-section (2B) of section 18 of the Income-tax Act 1922, from any earned income chargeable under the head "Salaries", the estimated total income of the assessee under this head shall, in computing the income-tax to be deducted, be reduced by an amount equal to one-fifth of such earned income, but not exceeding in any case four thousand rupees.

(6) For the purposes of this section and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Income-tax Act, 1922, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

Continuation of Act LXIV of 1950.

14.—(1) The Finance (Supplementary) Act, 1950 (imposing certain new taxes and duties for the purpose of meeting expenditure on the rehabilitation of refugees) shall, with the omissions and modifications set out in the Fourth Schedule to this Act, continue in operation after the thirty-first day of March, 1955, as if the provisions of the said Act with the aforesaid omissions and modifications were enacted in and formed part of this Ordinance.

(2) The modifications under paragraphs (e) and (f) of the aforesaid Schedule shall be deemed always to have been made in the Finance (Supplementary) Act, 1950.

(3) The rules made under the Finance (Supplementary) Act, 1950, shall, with the necessary modifications, be deemed to be rules made under the provisions of the said Act as continued and made part of this Ordinance and, subject to any omissions, additions and modifications which the Central Government or the Provincial Government may make in them, shall have effect accordingly.

(4) Save as provided in sub-section (2) of this section, nothing in this section shall affect the application of the Finance (Supplementary) Act, 1950, in respect of the taxes and duties imposed thereby in relation to any period before the first day of April, 1955.

THE FIRST SCHEDULE

(Schedule to be inserted in the Post Office Act, 1898)

(See section 3)

THE FIRST SCHEDULE

INLAND POSTAGE RATES

(See section 7)

Letters

For a weight not exceeding one tola	...	...	One and a half annas.
For every tola or fraction thereof exceeding one tola...			One anna.

Post-cards

Single	...	...	...	...	Nine pies.
Reply	...	...	...	...	One and a half annas.

Pattern and Sample Packets

For the first five tolas or fraction thereof	...	...	One anna.
For every additional two and a half tolas or fraction thereof in excess of five tolas	...	...	Six pies.

Book Packets

For the first five tolas or fraction thereof	...	...	One anna.
For every additional two and a half tolas or fraction thereof in excess of five tolas	...	...	Three pies.

Registered Newspapers

(a) Single copies—

For a weight not exceeding ten tolas	...	Quarter of an anna.
For a weight exceeding ten tolas but not exceeding twenty tolas	...	Half an anna.
For every additional twenty tolas or fraction thereof	...	Half an anna.

(b) Packets of registered newspapers—

For a weight not exceeding ten tolas	...	Half an anna.
For every additional five tolas or fraction thereof in excess of ten tolas	...	Quarter of an anna.

Parcels

For a weight not exceeding forty tolas	...	Eight annas.
For every forty tolas or fraction thereof, exceeding forty tolas	...	Eight annas.

THE SECOND SCHEDULE

(See section 5)

Amendment to be made to the Central Excises and Salt Act, 1944

AMENDMENTS TO THE FIRST SCHEDULE

I. In item 9 II (2), for sub-items ¹[i, ii and iii] the following sub-items shall be substituted, namely:—

- “(i) Exceeds Rs. 50 a thousand Nineteen rupees and thirteen annas.
- (ii) Exceeds Rs. 40 a thousand but does not exceed Rs. 50 a thousand. Fifteen rupees and two annas.
- (iii) Exceeds Rs. 30 a thousand but does not exceed Rs. 40 a thousand. Twelve rupees.”

II. In column 2 of item 15, the following shall be substituted, namely:—

“CLOTH PRODUCED IN A FACTORY ORDINARILY USING POWER IN THE COURSE OF PRODUCTION OF CLOTH.

(1) “Cotton Cloth” means cloth of any description manufactured either wholly or partly from cotton and containing not less than 10 per cent. of cotton by weight.

(i) “Coarse cotton cloth” that is to say, all cloth in which the average count of yarn does not exceed 17s ;

(ii) “Cotton cloth” not otherwise specified.

Explanation I.—“Count” means count of grey yarn.

Explanation II.—For the purpose of determining the average count of yarn, the following rules shall apply, namely:—

- (a) Yarn used in the borders or selvages shall be ignored.
- (b) For multiple fold yarn, the count of the basic single yarn shall be taken and the number of ends per inch, in the reed or the number of picks per inch, as the case may be, shall be multiplied by the number of plies in the yarn.
- (c) The average count shall be obtained by applying the following formula, namely:—

“(Count of warp × number of ends per inch in the reed)
plus (count of weft × number of picks per inch)

(Number of ends per inch in the reed) plus (number of picks per inch)”

the result being rounded off, wherever necessary, by treating any fraction which is one-half or more as one, and disregarding any fraction which is less than one-half.

(2) “Rayon or artificial silk cloth” includes all varieties of cloth manufactured either wholly or partly from rayon or artificial silk yarn, but does not include any such cloth if it contains more than 10 per cent. of cotton by weight.”

¹ *Sic.* Should read “(i), (ii) and (iii)”.

THE THIRD SCHEDULE

(See section 13)

PART I

Rates of Income-tax

A.—In the case of every individual, Hindu undivided family, unregistered firm and other association of persons not being a case to which paragraph B of this Part applies—

	Rate
(1) On the first Rs. 1,500 of total income ...	Nil.
(2) On the next Rs. 3,500 of total income ...	Nine pies in the rupee.
(3) On the next Rs. 5,000 of total income ...	One anna and six pies in the rupee.
(4) On the next Rs. 5,000 of total income ...	Three annas in the rupee.
(5) On the next Rs. 5,000 of total income ...	Four annas and six pies in the rupee.
(6) On the balance of total income ...	Five annas in the rupee:

Provided that—

- (i) no income-tax shall be payable on a total income which, before deduction of the allowance, if any, for earned income, does not exceed Rs. 4,200 ;
- (ii) the income-tax payable shall in no case exceed half the amount by which the total income (before deduction of the said allowance, if any, for earned income) exceeds Rs. 4,200 ;
- (iii) the income-tax payable on the total income as reduced by the allowance for earned income shall not exceed either—
 - (a) a sum bearing to half the amount by which the total income (before deduction of the allowance for earned income) exceeds Rs. 4,200 the same proportion as such reduced total income bears to the unreduced total income ; or
 - (b) the income-tax payable on the income so reduced at the rates herein specified ;

whichever is less.

B.—In the case of every company and local authority, and in every case in which under the provisions of the Income-tax Act, 1922, income-tax is to be charged at the maximum rate—

Rate

On the whole of total income Five annas in the rupee :

XI of 1922. Provided that in the case of a company, which is engaged in an industrial undertaking to which section 15B of the Income-tax Act, 1922, applies and which, in respect of its profits liable to tax under the Income-tax Act, 1922, for the year ending on the 31st day of March, 1956, has made such effective arrangements as may be specified by the Central Government in this behalf for the declaration and payment in

the taxable territories of dividends payable out of such profits and for the deduction of super-tax from such dividends, and has accordingly deducted super-tax from such dividends—

- (i) where the total income, as reduced by seven annas in the rupee and by the amount, if any, exempt from income-tax, exceeds the amount of any dividends (including dividends payable at a fixed rate) declared in respect of the whole or part of the previous year for the assessment for the year ending on the 31st day of March, 1956, and the company is a company in which the public are substantially interested within the meaning of *Explanation 1* to sub-section (1) of section 23A of the Income-tax Act, 1922, a rebate shall be allowed at the rate of one anna per rupee on the amount of such excess ;
- (ii) where the amount of dividends referred to in clause (i) above exceeds the total income as reduced by seven annas in the rupee and by the amount, if any, exempt from income-tax, there shall be charged on the total income an additional income-tax equal to the sum, if any, by which the aggregate amount of income-tax actually borne by such excess (hereinafter referred to as "the excess dividend") falls short of the amount calculated at the rate of five annas per rupee on the excess dividend.

For the purposes of the above proviso, the expression "dividend" shall have the meaning assigned to it in clause (6A) of section 2 of the Income-tax Act, 1922, but any distribution, included in that expression, made during the year ending on the 31st day of March, 1956, shall be deemed to be a dividend declared in respect of the whole or part of the previous year.

For the purposes of clause (ii) of the above proviso, the aggregate amount of income-tax actually borne by the excess dividend shall be determined as follows :—

- (i) the excess dividend shall be deemed to be out of the whole or such portion of the undistributed profits of one or more years immediately preceding the previous year as would be just sufficient to cover the amount of the excess dividend ;
- (ii) such portion of the excess dividend as is deemed to be out of the undistributed profits of each of the said years shall be deemed to have borne tax,—
 - (a) if an order had been made under sub-section (1) of section 23A of the Income-tax Act, 1922, in respect of the undistributed profits of that year, at the rate of five annas in the rupee, and
 - (b) in respect of any other year, at the rate applicable to the total income of the company for that year reduced by the rate at which rebate, if any, was allowed on the undistributed profits.

PART II

Rates of Super-tax

A.—In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to

which any other paragraph of this Part applies—

	<i>Rate</i>
(1) On the first Rs. 25,000 of total income ...	<i>Nil.</i>
(2) On the next Rs. 5,000 of total income ...	Two and a quarter annas in the rupee.
(3) On the next Rs. 5,000 of total income ...	Two and a half annas in the rupee.
(4) On the next Rs. 10,000 of total income ...	Three annas in the rupee.
(5) On the next Rs. 10,000 of total income ...	Three and a half annas in the rupee.
(6) On the next Rs. 15,000 of total income ...	Four annas in the rupee.
(7) On the next Rs. 15,000 of total income ...	Four and a half annas in the rupee.
(8) On the next Rs. 15,000 of total income ...	Five annas in the rupee.
(9) On the next Rs. 50,000 of total income ...	Six annas in the rupee.
(10) On the next Rs. 1,00,000 of total income ...	Six and a half annas in the rupee.
(11) On the balance of total income ...	Seven and a half annas in the rupee.
B.—In the case of a registered firm—	
On the first Rs. 25,000 of total income ...	<i>Nil.</i>
On the balance of total income ...	One anna in the rupee.
C.—In the case of every local authority—	
On the whole of total income ...	Two annas in the rupee.

XI of 1912. D.—In the case of an association of persons being a co-operative society for the time being registered under the Co-operative Societies Act, 1912, or under an Act of a Provincial Legislature governing the registration of co-operative societies :—

	<i>Rate</i>
(1) On the first Rs. 25,000 of the total income ...	<i>Nil.</i>
(2) On the balance of total income ...	Two annas in the rupee.
E.—In the case of every company—	
On the whole of total income ...	Four annas in the rupee.

Provided that—

- (i) a rebate at the rate of two annas per rupee of the total income shall be allowed in the case of any company which in respect of its profits liable to tax under the Income-tax Act, 1922, for the year ending on the thirty-first day of March, 1956, has made such effective arrangements as may be specified by the

Central Government in this behalf for the declaration and payment in the taxable territories of the dividends payable out of such profits and for the deduction of super-tax from such dividends ;

- (ii) a rebate at the rate of one anna per rupee of the total income shall be allowed in the case of any company which, not being entitled to a rebate under the preceding clause, is—
- (a) a public company the shares of which were offered for sale in a recognised stock exchange at any time during the previous year, or
 - (b) a company all of whose shares were held at the end of the previous year by one or more such public companies as aforesaid.

Explanation.—For the purposes of clause (ii) of this proviso, a company shall be deemed to be a public company only if it is neither a private company within the meaning of the Companies Act, 1913, nor a VII of company in which shares carrying more than fifty per cent. of the total 1913. voting power were, at any time during the previous year, held or controlled by less than six persons.

THE FOURTH SCHEDULE

(See section 14)

Omissions and Modifications in the Finance (Supplementary) Act, 1950

OMISSIONS

Sections 2, 3, 4, 5, 18 and 21 shall be omitted.

MODIFICATIONS

(a) In section 6, 7, 9, 10, 11, 12, 13, 15 and 19, for the figures "1951" the figures "1956" shall be substituted.

(b) For section 8, the following shall be substituted, namely:—

"8.—(1) For the year ending on the thirty-first day of March, 1956, there shall be levied on every person a tax according to the scale set out in Schedule II on sales of goods made by him within the meaning of the Sales of Goods Act, 1930 :

III of
1930.

Provided that no tax shall be leviable on the sale of actionable claims, money, stocks and shares.

(2) The tax shall be computed on the basis of sales in the next preceding year.

(3) The Central Government may make rules providing for the manner of assessment and recovery of the tax."

(c) In sub-section (2) of section 9, the following shall be added, namely:—

"Any owner or charterer who fails to collect and pay tax as provided herein and the rules made under this section shall be liable to a penalty not exceeding the amount of the tax payable."

(d) The following shall be substituted for sub-sections (1) and (2) of section 14, namely:—

“(1) For the year ending on the thirty-first day of March, 1956, there shall be levied and collected from the owner of every revenue-paying estate in the Province of East Bengal and the holder of every rent-paying tenure held directly under the Provincial Government in that Province a cess at the rates specified in Schedule V to this Act.

(2) The cess shall be levied on the basis of the total land revenue or rent payable in respect of each such estate or tenure for the revenue year ending within the aforesaid financial year.

(2A) Where there are more owners or holders than one of any such estate or tenure the cess shall be levied on the basis mentioned in sub-section (2) as if the estate or tenure were owned or held by a single owner or holder, but all the co-owners or co-holders shall be jointly and severally liable for the payment of the same.”

(e) In sub-section (2) of section 15, for the words “for the revenue year ending within the aforesaid financial year” the words “in respect of the harvests falling in the immediately preceding financial year” shall be substituted.

(f) Sub-section (3) of section 15 shall be omitted.

(ff) For sub-section (1) of section 20, the following two sub-sections shall be substituted, namely:—

“(1) There shall be levied and collected from every person engaged in the import or export trade who holds a licence issued under the Imports and Exports (Control) Act, 1950, a tax on the value of the goods imported or, as the case may be, exported, against such licence, according to the scale set out in Schedule VI to this Act.

(1A) The Central Government may, by notification in the official Gazette, exclude any class of licence issued as aforesaid from the purview of sub-section (1), or, by a general or a special order in writing, exempt a person holding such licence from the payment of the whole or a part of the tax payable by him in respect of the goods imported or exported against such licence.”

(g) The following new section shall be inserted after section 25 as section 25A, namely:—

“25A. If the person on whom the tax is levied or who is responsible for the collection and payment of any tax or toll under sections 19, 20, 23, 24 or 25 fails to pay the tax or toll as provided in the said section and the rules made thereunder, he shall be liable to a penalty not exceeding the amount of the tax or toll payable.”

(h) For Schedule II, the following shall be substituted, namely:—

“SCHEDULE II

(See section 8)

Scale	Amount of tax
Where sales do not exceed Rs. 49,999 ...	Nil.

<i>Scale</i>	<i>Amount of tax</i>
Where sales exceed Rs. 49,999 but do not exceed Rs. 99,999	Rupees twenty.
Where sales exceed Rs. 99,999 but do not exceed Rs. 1,99,999	Rupees one hundred.
Where sales exceed Rs. 1,99,999 but do not exceed Rs. 4,99,999	Rupees three hundred.
Where sales exceed Rs. 4,99,999	Rupees five hundred.

GHULAM MOHAMMED,
Governor-General.

THE INVALID PROVINCIAL ACTS CONFIRMATION ORDINANCE, 1955.

ORDINANCE NO. XIII OF 1955

[16th April, 1955]

An Ordinance to validate certain Acts purporting to have been enacted by the Governors of the Provinces of East Bengal, the Punjab and Sind.

WHEREAS the law passed by the Constituent Assembly of Pakistan and intituled "The Indian Independence (Amendment) Act, 1948", did not receive the assent of the Governor-General;

10&11 Geo. 6, ch. 30. 26 Geo. 5, c. 2. AND WHEREAS by section 2 of an Order of the Governor-General, No. 13 of 1948, purporting to have been issued under section 9 of the Indian Independence Act, 1947, as amended by the Indian Independence (Amendment) Act, 1948, a new section 92A was inserted in the Government of India Act, 1935, and that section has been held by the Federal Court to be invalid;

AND WHEREAS the Governor-General issued proclamations under the said section 92A in the Provinces of the East Bengal, the Punjab and Sind;

AND WHEREAS the Governors of the said Provinces, exercising powers believed to have been assumed by them on behalf of the Governor-General in accordance with the provisions of the said section 92A issued Acts (in this Ordinance referred to as "the Invalid Acts") purporting to amend the laws of their respective Provinces;

26 Geo. 5, c. 2. AND WHEREAS a Proclamation of Emergency has been issued by the Governor-General in exercise of powers conferred upon him by section 102 of the Government of India Act, 1935;

26 Geo. 5, c. 2. Now, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance.

1.—(1) This Ordinance may be called the Invalid Provincial Acts Confirmation Ordinance, 1955.

(2) It extends to the Provinces of East Bengal, the Punjab and Sind.

(3) It shall come into force at once.

2. In this Ordinance, for the avoidance of doubts "the Punjab" may be construed as West Punjab.

Short title, extent and commencement.

Interpretation.

Validity of
certain Pro-
vincial Acts.

3. Each of the Invalid Acts purporting to have been enacted by the Governor of a Province shall be deemed to be and to have been as valid and effectual as part of the law of that Province as if it had been enacted by the Legislature of the Province and had received the assent of the Governor on the date on which the Invalid Act purports to have been made.

Validity of
certain Pro-
vincial Laws.

4. The validity of any Invalid Act or any order made, decision taken, or other act done in pursuance of any Invalid Act shall not be questioned in any court on the ground that the said section 92A was not part of the law of Pakistan.

GHULAM MOHAMMED,
Governor-General.

THE QUESTIONED PROVINCIAL ACTS CONFIRMATION ORDINANCE, 1955.

ORDINANCE NO. XIV OF 1955

[16th April, 1955]

An Ordinance to settle doubts relating to the validity of certain Provincial Acts.

26
Geo. 5,
c. 2. WHEREAS the Constituent Assembly of Pakistan purported to enact certain laws amending the Schedules to the Government of India Act, 1935, and providing for elections to the Provincial Assemblies and such laws did not receive the assent of the Governor-General;

AND WHEREAS the Legislative Assemblies were elected in accordance with such laws and doubts have arisen whether the Acts passed by the Provincial Legislatures after such elections are valid;

AND WHEREAS the law passed by the Constituent Assembly of Pakistan intituled the East Bengal Legislative Assembly (Continuance) Act, 1953, did not receive the assent of the Governor-General and doubts have arisen whether the Acts passed by the Legislature of East Bengal after the 14th day of March 1954 are valid;

26
Geo. 5,
c. 2. AND WHEREAS a Proclamation of Emergency has been issued by the Governor-General in exercise of powers conferred upon him by section 102 of the Government of India Act, 1935;

26
Geo. 5,
c. 2. NOW, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance.

1.—(1) This Ordinance may be called the Questioned Provincial Acts Confirmation Ordinance, 1955.

Short title,
extent and
commence-
ment.

(2) It extends to all the Governors' Provinces.

(3) It shall come into force at once.

2. The validity of any Act purporting to have been passed by any Provincial Legislature, or of any order made, decision taken or other act done in pursuance of any such Act shall not be questioned in any Court on the ground that any law passed by the Constituent Assembly of Pakistan did not receive the assent of the Governor-General.

Validity of
certain
provisional
laws.

GHULAM MOHAMMED,

Governor-General.

Price : Anna 1

GPPK—L-32-Law—9-8-55—1,500

THE SECURITY OF PAKISTAN (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XV OF 1955

[27th April, 1955]

An Ordinance to amend the Security of Pakistan Act, 1952.

WHEREAS an emergency has arisen which renders it necessary to amend the Security of Pakistan Act, 1952, for the purpose hereinafter appearing;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1.—(1) This Ordinance may be called the Security of Pakistan (Amendment) Ordinance, 1955. Short title and commencement.
(2) It shall come into force at once.

2. In sub-section (3) of section 1 of the Security of Pakistan Act, 1952, for the word "three" the word "six" shall be substituted, and shall be deemed always to have been so substituted. Amendment of section 1, Act XXXV of 1952.

GHULAM MOHAMMED,
Governor-General.

Price : Anna 1

GPPK—L-31-Law—9-8-55—1,500

**THE EMERGENCY POWERS (AMENDMENT)
ORDINANCE, 1955.**

ORDINANCE NO. XVI OF 1955

[22nd May, 1955]

**An Ordinance to amend the Emergency Powers
Ordinance, 1955.**

WHEREAS an emergency has arisen which renders it expedient to amend the Emergency Powers Ordinance, 1955;

26 Geo. 5, c. 2. NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Emergency Powers (Amendment) Ordinance, 1955. Short title and commencement.

(2) It shall come into force at once.

2. In the Schedule to the Emergency Powers Ordinance, 1955, the following new entries shall be inserted after the entry relating to the Government of India (Amendment) Act, 1949, and shall be deemed always to have been inserted, namely:— Amendment of Schedule to Ordinance IX of 1955.

“The Constituent Assembly for Pakistan (Increase and Redistribution of Seats) Act, 1949, 14th January, 1949.

The Constituent Assembly of Pakistan (Increase and Redistribution of Seats) (Amendment) Act, 1949, 6th January, 1950.”

GHULAM MOHAMMED,
Governor-General.

Price : Anna 1

CPPK—L64 Law—9-8-55—1,500

THE PAKISTAN REFUGEES REHABILITATION FINANCE CORPORATION (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XVII OF 1955

[1st July, 1955]

An Ordinance to amend the Pakistan Refugees Rehabilitation Finance Corporation Ordinance, 1948.

WHEREAS an emergency has arisen which renders it necessary to amend the Pakistan Refugees Rehabilitation Finance Corporation Ordinance, 1948 ;

26
Geo. 5, c.2. NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf the Governor-General of Pakistan is pleased to make and promulgate the following Ordinance :—

1. This Ordinance may be called the Pakistan Refugees Rehabilitation Finance Corporation (Amendment) Ordinance, 1955. Short title.

2. For section 11 of the Pakistan Refugees Rehabilitation Finance Corporation Ordinance, 1948, the following shall be substituted, namely :— Substitution of new section 11, Ordinance XV of 1948.

“ All sums due to the Corporation shall be recoverable as arrears of land revenue and the Corporation shall be deemed to be a local authority for the purpose of section 7 of the Revenue Recovery Act, 1890.”

GHULAM MOHAMMED,
Governor-General.

Price : Anna 1.

GPPK—L 80 Law—31-10-55—1,500

THE STATE BANK OF PAKISTAN ORDINANCE, 1955.

ORDINANCE NO. XVIII OF 1955

[7th July, 1955]

An Ordinance to provide for the establishment of the State Bank of Pakistan.

WHEREAS an emergency has arisen which renders it necessary to provide for the establishment of the State Bank of Pakistan and for its management and functions;

26
Geo.
5, c. 2. NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

CHAPTER I PRELIMINARY

1.—(1) This Ordinance may be cited as the State Bank of Pakistan Ordinance, 1955.

Short title,
extent and
commence-
ment.

(2) It extends to all the Provinces and the Capital of the Federation and shall extend to the Acceding States whose Rulers shall by their Instruments of Accession accept the subject-matter of this Ordinance as a matter with respect to which the Federal Legislature may make laws for such States.

(3) It shall come into force at once, and shall be deemed to have taken effect on and from the twelfth day of May 1948.

2. In this Ordinance unless there is anything repugnant in the subject or context,—

Definitions.

- (a) "annual general meeting" means the annual meeting of the shareholders of the Bank;
- (b) "approved foreign exchange" means currencies declared as such by any notification under section 19;
- (c) "the Bank" means the State Bank of Pakistan;
- (d) "bank notes" means notes made and issued by the Bank in accordance with section 24 and include Currency notes of the Government of Pakistan issued by the Bank;
- (e) "the Central Board" means the Central Board of Directors of the Bank;
- (f) "Director" means a Director for the time being of the Central Board;
- (g) "general meeting" means the meeting of the shareholders of the Bank convened for transacting such business as may be specified in the notice convening the meeting;

- (h) "Governor" and "Deputy Governor" mean respectively the Governor and Deputy Governor of the Bank;
- (i) "Local Board" means a Local Board of members;
- (j) "member" means a member for the time being of a Local Board;
- (k) "rupee coin" means one rupee coin and one rupee notes which are legal tender in Pakistan;
- (l) "scheduled bank" means a bank for the time being included in the list of banks maintained under sub-section (1) of section 37.

CHAPTER II

ESTABLISHMENT, INCORPORATION AND SHARE CAPITAL OF THE BANK.

Establishment and incorporation of the Bank.

3.—(1) As soon as may be after the commencement of this Ordinance, steps shall be taken to establish, in accordance with the provisions of this Ordinance, a bank to be called the State Bank of Pakistan or Bank-e-Daulat-e-Pakistan, for the purposes of taking over, as from the first day of July, 1948, the management of the currency from the Reserve Bank of India, and carrying on the business of Central Banking.

(2) The Bank shall be a body corporate by the name of the State Bank of Pakistan or Bank-e-Daulat-e-Pakistan, having perpetual succession and a common seal, and shall by the said name sue and be sued.

Share Capital.

4.—(1) The original share capital of the Bank shall be three crores of rupees divided into three hundred thousand fully paid up shares of the nominal value of one hundred rupees each, out of which not less than fifty-one per cent. shall be held by the Central Government and the balance by the public.

(2) The share capital may be increased by a resolution of the Central Board subject to the approval of the Central Government, but not less than fifty-one per cent. of the additional share capital shall be issued to the Central Government.

(3) The nominal value, issue price, the manner in which the new shares may be issued and allotted and their assignment to the registers of shareholders maintained under sub-section (1) of section 7 shall, subject to the approval of the Central Government, be determined by the Central Board.

Guarantee by Central Government.

5. Notwithstanding anything contained in the Acts hereinafter mentioned in this section, the shares of the Bank shall be deemed to be included among the securities enumerated in section 20 of the Trusts Act, 1882 and to be approved securities for the purposes of the Insurance Act, 1938 and the Banking Companies (Control) Act, 1948.

Notice of Trust.

6. No notice of any trust, express, implied or constructive, shall be acted upon or receivable by the Bank.

7.—(1) Separate registers of shareholders to serve the areas specified in sub-section (5) shall be maintained at Karachi, Lahore and Dacca and the shares shall be transferable from one register to another. Register of Share-holders.

(2) A shareholder is qualified to be registered as such in any area in which he is ordinarily resident or has his principal place of business in Pakistan but no person shall be registered as a shareholder in more than one register and no person who is not—

- (a) a citizen of Pakistan;
- (b) ordinarily resident in Pakistan for business or employment;
- (c) a company registered under the Companies Act, 1913, or a society registered under the Cooperative Societies Act, 1912 or any other law for the time being in force in Pakistan relating to cooperative societies or a scheduled bank;
- (d) a bank, company or cooperative society duly registered in an Acceding State; or
- (e) a corporation or company incorporated by or under any law for the time being in force in any other country and having a branch in Pakistan;

shall be registered as a shareholder or be entitled to payment of any dividend on any share, and no person who, having been duly registered as a shareholder ceases to be qualified to be so registered, shall be able to exercise any of the rights of a shareholder otherwise than for the purpose of the sale of his shares.

(3) Nothing in this Ordinance prevents any Provincial Government, or the Government of any Acceding State, or any Corporation incorporated by or under an Act of the Government of Pakistan or an Act of any Provincial Government or an Acceding State from subscribing to the shares reserved for public subscription.

(4) The shares of the Bank may be held under his official designation by the holder of any public office which may be notified in the Gazette by the Local Board and in regard to transfers the following provisions shall apply, namely:—

- (a) when a share is so held it shall be deemed to be transferred without any or further endorsement or transfer deed from each holder of the office to the succeeding holder of the office on and from the date on which the latter takes charge of the office; and
- (b) when the holder of the office transfers the shares to a party not being his successor in office, the transfer shall be made in the prescribed manner.

*Explanation:—*The Provisions of clauses (a) and (b) of this sub-section apply in the case of an office of which there are two or more joint holders in the same manner as they apply to an office of which there is a single holder.

(5) (a) The Dacca area served by the Dacca register, shall consist of the Province of East Bengal ;

(b) the Karachi area, served by the Karachi register, shall consist of the Federal Capital, the Province of Sind and the Province of Baluchistan, Kalat State, Las Bela State, Kharan State, Mekran State and Khairpur State;

(c) the Lahore area, served by the Lahore register, shall consist of the Province of the Punjab and the North-West Frontier Province, Bahawalpur State, Chitral State, Dir State, Swat State and Amb State.

CHAPTER III

MANAGEMENT

Offices,
branches
and agen-
cies.

8.—(1) The head office of the Bank shall be situated in Karachi.

(2) The Bank may establish branches, offices and agencies in Pakistan, or, with the prior approval of the Central Government, anywhere outside Pakistan.

(3) The Bank shall create a special Agricultural Credit Department, the functions of which shall be:—

(a) to maintain an expert staff to study all questions of agricultural credit and be available for consultation by the Central Government, Provincial Governments, Provincial Cooperative Banks and other banking organisations;

(b) to co-ordinate the operations of the Bank in connection with agricultural credit and its relations with the Provincial Cooperative banks and any other organisations engaged in the business of agricultural credit.

Central
Board of
Directors.

9.—(1) The general superintendence and direction of the affairs and business of the Bank shall be entrusted to the Central Board of Directors which may exercise all the powers and do all acts and things that may be exercised or done by the Bank and are not by this Ordinance expressly directed or required to be done by the Bank in general meeting or in annual general meeting.

(2) The Central Board shall consist of—

(a) the Governor;

(b) one or more Deputy Governors, if appointed;

(c) six Directors nominated by the Central Government, one of whom shall be a Government official; and

(d) one Director elected in the manner prescribed by regulations made under this Ordinance from amongst themselves by each group of the shareholders registered in each of the three registers.

Governor
and Deputy
Governor.

10.—(1) The Governor of the Bank shall be the chief executive officer and shall, on behalf of the Central Board, direct and control the whole affairs of the Bank.

(2) In the matters not specifically required by this Ordinance or by regulations made thereunder, to be done by the Central Board or by the Bank in general meeting the Governor shall have

authority to conduct the business, control the functions and manage the affairs of the Bank.

(3) Subject to the provisions of sub-section (11) of this section the Governor shall be appointed by the Central Government for such term (not exceeding five years) and on such salary and terms and conditions of service as the Central Government may determine, except that neither the salary of the Governor nor his other terms and conditions of service shall be varied to his disadvantage after his appointment.

(4) One or more Deputy Governors may be appointed by the Central Government for such period (not exceeding five years) and on such salary and such terms and conditions of service as the Central Government may determine, except that neither the salary of a Deputy Governor nor his other terms and conditions of service shall be varied to his disadvantage after his appointment.

(5) A Deputy Governor shall perform such duties as may be assigned to him by the Central Board.

(6) The Central Government may require the Governor or a Deputy Governor to hold an office other than in the Bank, in which event the Governor or the Deputy Governor shall vacate his office, and the period during which he holds the other office shall not count towards his tenure of office as Governor or Deputy Governor as the case may be.

(7) The Governor and a Deputy Governor shall devote their whole time to the affairs of the Bank.

(8) The Governor, or a Deputy Governor, as the case may be, may, in addition to his duties as the Governor or a Deputy Governor, be entrusted by an order of the Central Government with such duties for such period as may be specified in the order.

(9) The Governor and a Deputy Governor shall on the expiry of their terms of office be eligible for reappointment.

(10) No person shall hold office as Governor or a Deputy Governor:—

- (a) who is a member of the Central or a Provincial Legislature;
- (b) who is employed in any capacity in the public service of Pakistan or of any Province of Pakistan or of any Acceding State or holds any office or position for which any salary or other remuneration is payable out of public funds;
- (c) who is a director, officer or employee of any other bank or of a financial concern or has an interest as a shareholder in any other bank or financial concern; provided that nothing in clause (c) of this sub-section shall apply where the Governor or Deputy Governor is entrusted with additional duties under sub-section (8) above;
- (d) who has reached the age of sixty-five years.

(11) The Central Government may grant leave to the Governor

and a Deputy Governor for such period and on such terms and conditions as may be specified by the Central Government.

(12) Where the Governor or a Deputy Governor during his term of office is incapacitated or is absent on deputation, leave or otherwise, the Central Government may appoint any person qualified under sub-section (10) but who may not be qualified under clause (b) of that sub-section to act for the time being as the Governor or a Deputy Governor as the case may be, in his place.

(13) The Governor or in his absence a Deputy Governor shall preside at meetings of the Central Board and Executive Committee and at general meetings and annual general meetings and in the event of an equality of votes shall have a second or casting vote.

Executive
Committee.

11.—(1) There shall be an Executive Committee consisting of the Governor, Deputy Governor, if any, three directors elected by the Central Board to represent respectively the areas specified in sub-section (5) of section 7 and an officer appointed by the Central Government to act as member of the Executive Committee.

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(2) Except when the Central Board is in session, the Executive Committee shall ~~deal~~ with and decide any matter within the competence of the Central Board.

Local
Boards,
their cons-
titution and
functions.

12.—(1) A Local Board shall be constituted for each of the three areas specified in sub-section (5) of section 7, and shall consist of—

- (a) two members elected in the manner prescribed by regulations made under this Ordinance from amongst themselves by the shareholders registered on the register for that area; and
- (b) not more than three members nominated by the Central Government;

(2) The Central Government shall in exercising this power of nomination endeavour to secure representation of territorial or economic interests not already represented and in particular the representation of agricultural interests and the interests of cooperative banks.

(3) A Local Board shall advise the Central Board on such matters as may be generally or specifically referred to it, and shall perform such duties as the Central Board may, by regulations, delegate to it.

Qualifica-
tions and
disqualifica-
tions of
directors and
members.

13.—(1) No person shall be or shall continue to be a director or member—

- (a) who is a member of the Central or Provincial Legislature; or
- (b) who is a salaried Government official or a salaried official of an Acceding State; or
- (c) who is, or at any time has been, adjudicated an insolvent or has suspended payment or has compounded with his creditors; or
- (d) who is found lunatic or becomes of unsound mind; or

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- (e) who is an officer or employee of any bank; or
- (f) who is a director of any bank other than the Bank, but he shall not be disqualified or cease to be a director if he is a director of a bank which is a society registered under the Cooperative Societies Act, 1912 or any other law for the time being in force in Pakistan relating to cooperative societies; or
- (g) who is not within six months from the date of his becoming a director or member, as the case may be registered as a holder of unencumbered shares of the Bank of the nominal value of five hundred rupees; or
- (h) who absents himself from three consecutive meetings of the Central Board or Local Board without leave from the Central Board or Local Board as the case may be.

(2) Nothing in clauses (b) and (g) of sub-section (1) shall apply to the Government official nominated as a director by the Central Government.

(3) The Central Government shall sell shares at par to a director or a member nominated by it under sections 9 and 12, seeking to obtain the minimum share qualification required under this section, but no such share shall be disposed of by such director or member otherwise than by resale to the Central Government at par, and the Central Government shall have the right to order the retransfer at par of all or any of such shares to itself, whereupon all or any of such shares shall be deemed to have been transferred to it.

14.—(1) The elected directors and members shall hold office for three years and thereafter until their successors shall have been duly elected.

Term of
office of
Directors
and mem-
bers.

(2) The directors and members nominated by the Central Government shall hold office at the pleasure of the Central Government.

(3) Directors and members shall on the expiry of their term of office be eligible for re-election or re-nomination, as the case may be.

15.—(1) Subject to sub-section (2) the Central Government may remove from office—

Removal
from and
vacation of
office of the
Governor,
Deputy
Governor,
Directors
and Mem-
bers.

- (a) the Governor or Deputy Governor if he becomes permanently incapable of performing his duties or subject to any of the disqualifications specified in sub-section (10) of section 10, or has done any act which is a breach of the trust reposed in him, or if his continuance in office is regarded as manifestly opposed to the interests of the Bank; and

- (b) any director or member.

(2) An elected director or member shall not be removed from his office except upon a resolution passed by the Central Board in that behalf by a majority of not less than six directors.

(3) (a) The Governor, a Deputy Governor or a director may resign his office by statement to that effect in writing signed by him and addressed to the Central Government;

(b) A statement of resignation by a Deputy Governor or director shall be addressed as above through the Governor;

(c) A member may resign his office by a statement to that effect in writing signed by him and addressed to the Central Board;

(d) On the acceptance of such a resignation by the Central Government or the Central Board, as the case may be, the office shall become vacant;

(4) Any director or member vacating office under this section shall not be eligible to become a director or member, as the case may be, until the expiry of the term of office for which he was nominated, or elected.

(5) In the event of a vacancy occurring amongst the nominated directors or members, the Central Government shall fill the vacancy by nominating another director or member, as the case may be.

(6) In the event of a vacancy occurring amongst the elected directors or members before the expiry of their term of office, a new director or member, as the case may be shall be elected for the remainder of the term by and from amongst the shareholders registered on the same register as that from which the vacating director or member was elected.

General and
annual general
meetings.

16.—(1) The annual general meeting shall be held annually at Karachi, or a place in Pakistan where there is an office or branch of the Bank, within three months from the date on which the annual accounts of the Bank are closed.

(2) In the said meeting the shareholders present shall be entitled to discuss the annual accounts, the report of the Central Board on the working of the Bank throughout the year, and the auditors' report on the annual balance sheet and accounts.

(3) A general meeting may be convened by the Central Board at any other time.

(4) Every shareholder shall be entitled to attend at any general meeting; and each shareholder who has been registered on a register maintained under section 7 for a period of not less than six months ending with the date of the meeting, as holding five or more shares shall have one vote, and on a poll, each shareholder so registered shall, subject to a maximum of ten votes, have one vote for each five shares, and such votes may be exercised either personally or by proxy; but the Central Government as a shareholder may appoint any authority or person to be present at any general meeting or annual general meeting in which event the restriction of the maximum of ten votes shall not apply to the authority or person so appointed.

CHAPTER IV

BUSINESS AND FUNCTIONS OF THE BANK

Business
which the
Bank may
transact.

17. The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely:—

- (1) The accepting of money on deposit without interest from, and the collection of money for the Central Government, the Provincial Governments, Governments of such

Acceding States as may be approved by the Central Government, Local Authorities, Banks and other persons;

- (2) (a) The purchase, sale and rediscount of bills of exchange and promissory notes drawn on and payable in Pakistan and arising out of *bona fide* commercial or trade transactions bearing two or more good signatures one of which shall be that of a scheduled bank, and maturing within ninety days from the date of such purchase or rediscount, exclusive of days of grace;
- (b) The purchase, sale and rediscount of bills of exchange and promissory notes, drawn on and payable in Pakistan and bearing two or more good signatures one of which shall be that of a scheduled bank and drawn or issued for the purpose of financing seasonal agricultural operations or the marketing of crops, and maturing within fifteen months from the date of such purchase or rediscount, exclusive of days of grace;

Explanation.—For the purposes of this sub-clause:

- (i) the expression “agricultural operations” includes animal husbandry and allied activities jointly undertaken with agricultural operations;
 - (ii) “crops” include products of agricultural operations;
 - (iii) the expression “marketing of crops” includes the processing of crops prior to marketing by agricultural producers or any organisation of such producers.
- (c) The purchase, sale and rediscount of bills of exchange and promissory notes drawn on and payable in Pakistan and bearing the signature of a scheduled bank, and issued or drawn for the purpose of holding or trading in securities of the Central Government, a Provincial Government or the Government of such Acceding States, as may be approved by the Central Government and maturing within ninety days from the date of such purchase or rediscount, exclusive of days of grace.
 - (d) The purchase, sale and rediscount of bills of exchange and promissory notes drawn and payable in Pakistan and bearing two or more good signatures one of which shall be that of a scheduled bank, or any corporation approved by the Central Government and having as one of its objects the making of loans and advances in cash or kind, drawn and issued for financing the development of agriculture, or of agricultural or animal produce or the needs of industry, having maturities not exceeding five years from the date of such purchase or rediscount:

Provided that the total amount of such bills of exchange and promissory notes purchased, sold and rediscounted shall not at any time exceed the limit fixed each year by the Bank:

Provided further that the Bank may from time to time issue to a corporation which may have dealings with the

Bank under this sub-section any directions which can be issued to a banking company under the Banking Companies (Control) Act, 1948 and in the event of anybody, while carrying out any direction hereunder, either wilfully making a false statement or wilfully omitting to make a material statement shall be punishable under sub-section (1) of section 15 of the said Act and in the event of any contravention or default in compliance with any direction, any director or officer who is knowingly a party to the contravention or default shall be punishable under sub-section (2) of section 15 of the said Act, and the provisions of section 16 of the said Act shall apply to such proceedings as if such corporation were a banking company.

- (3) (a) The purchase and sale of approved foreign exchange;
- (b) the purchase, sale and rediscount of bills of exchange including treasury bills, drawn in or on any place in countries whose currency has been declared as approved foreign exchange and maturing within ninety days from the date of purchase, provided that no such purchase, sale or rediscount shall be made in Pakistan except with a scheduled bank;
- (c) the keeping of balances with banks in countries whose currency has been declared as approved foreign exchange.
- (4) The making to Local Authorities or scheduled banks of advances and loans repayable on demand or on the expiry of fixed periods not exceeding ninety days against the security of—
 - (a) stocks, funds and securities, other than immovable property, in which a trustee is authorised to invest trust money by any law for the time being in force in Pakistan;
 - (b) gold or silver or documents of title to the same;
 - (c) such bills of exchange and promissory notes as are eligible for purchase or rediscount by the Bank; and
 - (d) promissory notes of any scheduled bank supported by documents of title relating to goods, such documents having been transferred, assigned or pledged to any such bank as security for a cash credit or overdraft granted for *bona fide* commercial or trade transactions or for the purpose of financing seasonal agricultural operations or the marketing of crops.
- (5) The making to the Central Government, Provincial Governments, or Governments of such Acceding States as may be approved by the Central Government of advances repayable in each case not later than three months from the date of the making of the advance.
- (6) The making to institutions or banks, specifically established for the purpose of promoting agricultural or industrial development in the country of advances and loans for

such amounts and on such terms and conditions as the Central Board may decide from time to time.

- (7) The issue and purchase of telegraphic transfers, demand drafts and other kinds of remittances made payable at its own branches, offices or agencies.
- (8) The drawing, accepting, making and issue, on its own account or on account of the Central Government, as the case may be, of any bill of exchange, hundi, promissory note or engagement for the payment within or without Pakistan, of Pakistan or foreign currency payable to bearer or to a banker on demand; but no such business shall be carried on or transacted without the previous approval of the Central Government.
- (9) (a) Subject to clause (b) the purchase and sale of securities of countries whose currency has been declared as approved foreign exchange with an unexpired currency of not more than ten years.
- (b) The restrictions relating to maturity shall not apply to securities held by the Bank on the date on which this Ordinance comes into force or any securities that may be received as assets under the Pakistan (Monetary System and Reserve Bank) Order, 1947.
- (10) (a) The purchase and sale of securities of the Central Government, a Provincial Government or the Government of an Acceding State of any maturity or of such securities of a Local Authority as may be specified in this behalf by the Central Government by notification in the official Gazette on the recommendation of the Central Board.
- (b) Securities, debentures and shares fully guaranteed as to principal and interest by the Central Government shall be deemed for the purpose of this section to be securities of that Government.
- (c) The amount of such securities held at any time in the Banking Department shall be so regulated that—
 - (i) the total value of such securities shall not exceed the aggregate amount of the share capital of the Bank, the Reserve Fund and three-fifths of the liabilities of the Banking Department in respect of deposits;
 - (ii) the value of such securities maturing after one year shall not exceed the aggregate amount of the share capital of the Bank, the Reserve Fund and two-fifths of the liabilities of the Banking Department in respect of deposits;
 - (iii) the value of such securities maturing after ten years shall not exceed the aggregate amount of the share capital of the Bank and the Reserve Fund and one-fifth of the liabilities of the Banking Department in respect of deposits;
- (11) The custody of monies, securities and other articles of

value and the collection of the proceeds, whether principal, interest or dividends of any such securities.

- (12) The sale and realisation of all property, whether movable or immovable which may in any way come into the possession of the Bank in satisfaction, or part satisfaction of any of its claims.
- (13) The acting as agent to the Central Government, any Provincial Government, the Government of any Acceding State, or any Local Authority in the transaction of any of the following kinds of business, namely:—
 - (a) the purchase and sale of gold or silver or approved foreign exchange;
 - (b) the purchase, sale, transfer and custody of bills of exchange, securities or shares in any company;
 - (c) the collection of the proceeds, whether principal, interest or dividends, of any securities or shares;
 - (d) the remittance of such proceeds at the risk of the principal, by bills of exchange payable either in Pakistan or elsewhere; and
 - (e) the management of public debt.
- (14) The purchase and sale of gold coin and gold or silver bullion.
- (15) The opening of an account with or the making of any agency arrangement with, and the acting as agent or correspondent of a bank incorporated in any country outside Pakistan or the principal currency authority of any country under the law for the time being in force in that country or any international bank formed by such principal currency authorities, and the investing of the funds of the bank in the shares of any such international bank;
- (16) (a) Subject to clauses (b) and (c) the borrowing of money for a period not exceeding three months for the purpose of the business of the Bank, and the giving of security for money so borrowed.
- (b) No money shall be borrowed under this sub-section from any person in Pakistan other than a scheduled bank or from any person outside Pakistan other than a bank which is the principal currency authority of any country under the law for the time being in force in that country.
- (c) The total amount of borrowings from persons in Pakistan shall not at any time exceed the amount of the share capital of the Bank.
- (17) The making and issue of bank notes subject to the provisions of this Ordinance.
- (18) The performance of the functions of the Bank under the International Monetary Fund and Bank Act, 1950.
- (19) Establish credits and give guarantees, and

- (20) Generally, the doing of all such matters and things as may be necessary, incidental to or consequential upon the exercise of its powers or the discharge of its duties or functions under this Ordinance.

18.—(1) Where, in the opinion of the Central Board or of the Governor, circumstances so warrant, the Bank may, notwithstanding any limitation contained in paragraphs (a) and (b) of sub-section (2) or paragraphs (a) and (b) of sub-section (3) or sub-section (4) of section 17— Power of direct discount.

- (a) purchase, sell or discount any of the bills of exchange or promissory notes specified in paragraph (a) or paragraph (b) of sub-section (2) or paragraph (b) of sub-section (3) of section 17, though such bill or promissory note does not bear the signature of a scheduled bank; or
- (b) make advances or loans repayable on demand or on the expiry of fixed periods not exceeding ninety days against the various forms of security specified in sub-section (4) of section 17 or against the security of goods or when the advance or loan is made to a banking company against such other form of security as the Bank may consider sufficient.

(2) Where a banking company, to which an advance or loan has been made under the provisions of paragraph (b) of sub-section (1) of this section; is wound up, any sums due to the Bank in respect of such advance or loan shall, subject only to the claims, if any, of any other banking company in respect of any prior claim or advance made by such banking company against any security, be a first charge on the assets of the banking company.

19. On the recommendation of the Central Board, the Central Government may, by notification in the official Gazette, declare the currency of any country to be approved foreign exchange for all or any of the purposes of this Ordinance. Declaration of approved foreign exchange.

20. The Bank shall not, except as, authorised under this Ordinance— Business which the Bank may not transact.

- (1) engage in trade or otherwise have a direct interest in any commercial, industrial or other undertaking except such interest as it may in any way acquire in the course of the satisfaction of its claims, but all such interest shall be disposed of at the earliest possible moment;
- (2) purchase its own shares or the shares of any other bank or of any company, or grant advances or loans upon the security of any such shares;
- (3) advance money on mortgage of, or otherwise on the security of, immovable property or documents of title relating thereto, or become the owner of immovable property, except so far as such advance or ownership is necessary for its own business premises or residence for its officers and servants;
- (4) make unsecured advances and loans;
- (5) draw or accept bills payable otherwise than on demand; and

(6) allow interest on deposits on current account.

Government
business.

21.—(1) The Bank shall undertake to accept monies for account of the Central Government, Provincial Governments and Governments of such Acceding States as may be approved by the Central Government and to make payments up to the amount standing to the credit of their accounts respectively and to carry out their exchange, remittance and other banking operations, including the management of public debt.

(2) (a) The Central Government and Provincial Governments shall entrust the Bank, on such conditions as may be agreed upon between the Government concerned and the Bank, with all their money, remittances, and banking transactions in Pakistan, and, in particular, shall deposit free of interest all their cash balances with the Bank.

(b) Nothing in this sub-section shall be deemed to prevent the Central Government and any Provincial Government from carrying on money transactions, at places where the Bank has no office, branch or agency or from holding at such places such balances as they may require.

(c) The Central Government and each Provincial Government shall entrust the Bank, on such conditions as may be agreed upon between the Government concerned and the Bank, with the management of the public debt and with the issue of any new loans.

(d) In the event of any failure to reach agreement on the conditions referred to in this section, the Central Government shall decide the conditions and its decision shall be final.

Bank rate.

22. The Bank shall make public from time to time the standard rate at which it is prepared to buy or rediscount bills of exchange or other commercial paper eligible for purchase under this Ordinance.

Obligation
to buy or
sell foreign
exchange.

23. The Bank shall sell to or buy from any Authorised Dealer in Pakistan, approved foreign exchange at such rates of exchange, at such places and on such conditions as the Central Government may from time to time by general or special order determine.

Explanation.—In this section “Authorised Dealer” means a person for the time being authorised under section 3 of the Foreign Exchange Regulations Act, 1947, to deal in foreign exchange.

Sole right to
issue bank
notes.

24.—(1) The Bank shall have the sole right to issue Bank notes made payable to bearer on demand in Pakistan in accordance with the provisions hereinafter made, provided that the currency notes of the Government of Pakistan supplied to the Bank by the Government may be issued by it for a period which shall be fixed by the Central Government on the recommendations of the Central Board.

(2) Any person contravening this authority or committing any other offence specified in section 35, shall be liable to the penalties therein mentioned.

Legal
Tender.

25.—(1) Subject to the provisions of sub-section (2) every bank note shall be legal tender at any place in Pakistan for the

amount expressed therein and shall be guaranteed by the Central Government.

(2) On the recommendation of the Central Board, the Central Government may, by notification in the official Gazette, declare that with effect from such date as may be specified in the notification, any series of bank notes of any denomination shall cease to be legal tender save at such offices, branches and agencies, if any, as may be specified in the notification.

26.—(1) The issue of bank notes shall be conducted by the Bank Issue Department in an Issue Department which shall be separated and kept wholly distinct from the Banking Department and the assets of the Issue Department shall not be subject to any liability other than the liabilities of the Issue Department as hereinafter defined in section 32.

(2) The Issue Department shall not issue bank notes to the Banking Department or to any person except in exchange for other bank notes or for such coin, bullion, approved foreign exchange or securities as are permitted under this Ordinance to form part of the assets of the Issue Department.

27. Bank Notes made and issued by the Bank shall be in such denominations and of such design, form and material as may be approved by the Central Government on the recommendations of the Central Board. Denominations and form of bank notes.

28. The Bank shall not re-issue bank notes which are defaced or excessively soiled. Re-issue of notes.

29. Notwithstanding anything contained in any enactment or rule of law to the contrary, no person shall as of right be entitled to recover from the Central Government or the Bank the value of any lost, stolen, mutilated or imperfect bank note. Lost, stolen, mutilated or imperfect notes.

30.—(1) The assets of the Issue Department shall not be less than the total of its liabilities and shall be maintained as follows:— Assets of the Issue Department.

(a) of the total amount of the assets, not less than thirty per cent. shall consist of gold coin, gold bullion, silver bullion or approved foreign exchange;

(b) the remainder of the assets shall be held in rupee coins, rupee securities, of any maturity and such bills of exchange and promissory notes payable in Pakistan as are eligible for purchase by the Bank, under paragraph (a) and paragraph (b) of sub-section (2) of section 17.

(2) The assets received as the share of the Government of Pakistan under the provisions of the Pakistan (Monetary System and Reserve Bank) Order, 1947, shall form part of the assets.

(3) For the purposes of this section, gold coin and gold bullion shall be valued at 0.268601 grams of fine gold per rupee, silver bullion shall be valued at the market value of the fine silver content thereof, rupee coin shall be valued at its face value and rupee securities and securities specified in sub-section (5) shall be valued at the market rate for the time being obtaining.

(4) Of the gold coin and gold or silver bullion held as assets

not less than seventeen-twentieths shall be held in the custody of the Bank including its branches, offices or agencies, and the gold or silver belonging to the Bank which is in any other Bank or in any mint or treasury or in transit may be reckoned as part of the assets.

(5) For the purposes of this section the approved foreign exchange which may be held as part of the assets shall be in any of the following forms, namely:—

- (a) balances standing to the credit of the Bank at the Central Bank of the country of origin of the currency in question;
- (b) bills of exchange bearing two or more good signatures and drawn on and payable at any place in the country of origin and having a maturity not exceeding ninety days; and
- (c) securities of a Government with an unexpired currency of not more than five years.

(6) Restrictions relating to maturity shall not apply to securities mentioned in sub-section (5) held by the Bank on the date on which this Ordinance comes into force or any securities that may be received as assets under the Pakistan (Monetary System and Reserve Bank) Order, 1947.

Suspension
of Assets
require-
ments.

31. Notwithstanding anything contained in the foregoing provisions, the Bank may with the previous sanction of the Central Government, for periods not exceeding thirty days in the first instance, which may with the like sanction be extended from time to time by periods not exceeding fifteen days, hold as assets gold coin, gold or silver bullion, or approved foreign exchange of less aggregate amount than that required by paragraph (a) of sub-section (1) of section 30.

Liabilities
of the Issue
Department.

32.—(1) The liabilities of the Issue Department shall be an amount equal to the total of the amount of the bank notes for the time being in circulation.

(2) For the purposes of this section any bank note which has not been presented for payment within forty years from the first day of July following the date of its issue shall be deemed not to be in circulation and the value thereof shall notwithstanding anything contained in sub-section (2) of section 26 be paid by the Issue Department to the Banking Department; but any such bank note, if subsequently presented for payment, shall be paid by the Banking Department.

Obligation
to supply
different
forms of
currency.

33.—(1) The Bank shall issue rupee coin on demand in exchange for bank notes and bank notes on demand in exchange for coin which is legal tender under the Pakistan Coinage Act. III of 1906.

(2) The Bank shall in exchange for bank notes of five rupees or upwards supply bank notes of lower value or coins which are legal tender under the said Pakistan Coinage Act, in such quantities as may in the opinion of the Bank be required for circulation. The Central Government shall supply such coins to the Bank on demand and if it fails to do so at any time the Bank shall be released during the period of such failure from its obligation to supply them to the public.

(3) The Central Government shall take over from the Bank at such times and in such quantities as the Bank may with the previous approval of the Central Government determine rupee coins which are not required for purposes of circulation against payment.

34. The Central Government shall not re-issue any rupee Obligation coins taken over under sub-section (3) of section 33 nor put into of the circulation any rupee coin except through the Bank and the Bank Central Gov- shall not dispose of rupee coin otherwise than for purposes of ernment in circulation or by delivery to the Central Government under the respect of preceding section. rupee coin.

35.—(1) No person in Pakistan other than the bank or as Offences and expressly authorised by this Ordinance, the Central Government, penalties re- shall draw, accept, make or issue any bill of exchange, hundi, lating to promissory note or engagement for the payment of money payable unauthorized- to bearer on demand, or borrow, owe or take up any sum or sums ed issue of of money on the bills, hundis or notes payable to bearer on demand bills and bank notes. of any such person, but such cheques, or drafts, including hundi, payable to bearer on demand or otherwise may be drawn on a person's account with a banker, shroff or agent.

(2) Notwithstanding anything contained in the Negotiable Instruments Act, 1881, no person in Pakistan other than the Bank, or as expressly authorised by this Ordinance, the Central Government, shall make or issue any promissory note expressed to be payable to the bearer of the instrument.

(3) Any person contravening the provision of this section shall be punishable upon conviction with fine which may extend to double the amount of the bill, hundi, promissory note or engagement in respect whereof the offence is committed.

(4) No prosecution under this section shall be instituted except on complaint made on behalf of the Bank.

36.—(1) Subject to sub-section (2) every scheduled bank Cash reserve shall maintain with the Bank a balance the amount of which shall of scheduled not at the close of business on any day be less than five per cent. of banks to be the demand liabilities and two per cent. of the time liabilities of kept with such bank in Pakistan. the Bank.

(2) The requirements of this section as to the maintenance of balances in the Bank may from time to time, by notification in the official Gazette, be varied or for such period and subject to such condition as may be specified in the notification, be dispensed with, by the Central Government.

Explanation.—For the purposes of this section liabilities shall not include the paid-up capital or the reserves, or any credit balance in the profit and loss account of such bank or the amount of any loan taken from the Bank.

(3) Every scheduled bank shall send to the Bank returns signed by two responsible officers of such bank containing such information as may be deemed necessary for carrying out the purposes and objects of this Ordinance at such periods of time as the Bank may from time to time direct.

(4) If at the close of business on any day before the day fixed for the next return under the preceding sub-section, the balance held at the Bank by any scheduled bank is below the minimum fixed by sub-section (1) or varied under sub-section (2), such scheduled bank may be ordered by the Bank to pay to the Bank in respect of such day penal interest at a rate three per cent. above the bank rate on the amount by which the balance with the Bank falls short of the fixed minimum, and if on the day on which the next return is due such balance is still below the fixed minimum as disclosed by this return, the rate of penal interest may be increased to a rate five per cent. above the bank rate in respect of that day and each subsequent day on which the balance held at the Bank at the close of business on that day is below the fixed minimum—

(5) When under the provisions of sub-section (4) penal interest at the increased rate of five per cent. above the bank rate has become payable by a scheduled bank, if thereafter on the day fixed for the next return under sub-section (3) the balance held at the Bank is still below the fixed minimum as disclosed by this return.—

(a) every director and officer of the scheduled bank, who is knowingly and wilfully a party to the default, shall by order of the Bank be punishable with fine which may extend to five hundred rupees and with a further fine which may extend to five hundred rupees for each subsequent day on which the default continues; and

(b) the Bank may prohibit the scheduled bank from receiving after the said day any fresh deposit, and if default is made by the scheduled bank in complying with such prohibition, every director and officer of the scheduled bank who is knowingly and wilfully a party to such default or who through negligence or otherwise contributes to such default shall by order of the Bank be punishable in respect of each default with fine which may extend to five hundred rupees for each day after the first on which a deposit received in contravention of such prohibition is retained by the scheduled bank.

Explanation.—In this sub-section 'officer' includes Manager, Secretary, Branch Manager and Branch Secretary.

(6) Any scheduled bank failing to comply with the provisions of sub-section (3) shall by order of the Bank be liable to pay to the Bank a penalty of one hundred rupees for each day during which the failure continues.

(7) Whoever in any return under this section wilfully or recklessly makes a statement false in any material particular or wilfully or recklessly omits to state a material particular shall by order of the Bank be punishable with fine which may extend to one thousand rupees in respect of each such return.

(8) The penalties imposed by sub-sections (4), (5), (6) and (7) shall be payable on demand made by the Bank and in the event of a refusal by the defaulting bank, director or officer to pay on such demand, may be levied by a direction of the principal Civil Court having jurisdiction in the area where an office of the defaulting bank is situated, such direction being made only upon application made in this behalf to the Court by the Bank, with the previous sanction of the Central Government.

37.—(1) The Bank shall maintain at all its offices and branches Scheduled an up-to-date list of banks declared by it to be scheduled banks Banks. under clause (a) of sub-section (2).

(2) The Bank shall, by notification, in the official Gazette,

(a) declare any bank to be scheduled bank which is carrying on the business of banking in Pakistan and which—

(i) is a banking company as defined in section 277F of the Companies Act, 1913, or a co-operative bank registered under the Co-operative Societies Act, 1912, or any other law for the time being in force in Pakistan, relating to cooperative societies, or a corporation or a company incorporated by or established under any law in force in any place in or outside Pakistan;

(ii) has a paid up capital and reserves of an aggregate value of not less than five lakhs of rupees:

Provided that in the case of a co-operative bank, an exception may be made by the Bank;

(iii) satisfies the Bank that its affairs are not being conducted in a manner detrimental to the interests of its depositors;

(b) direct the descheduling of any scheduled bank which ceases to fulfil the requirements mentioned in clause (a) or goes into liquidation or otherwise wholly or partly ceases to carry on banking business:

Provided that the Bank may, on application of the scheduled bank concerned and subject to such conditions, if any, as it may impose, defer the making of a direction under clause (b) for such period as the Bank considers reasonable to give the scheduled bank an opportunity of fulfilling the requirements mentioned in sub-clauses (ii) and (iii) of clause (a);

(c) alter the description in the list of scheduled banks whenever any scheduled bank changes its name.

Explanation.—In sub-section (2) the expression “value” means the real or exchangeable and not the nominal value of the capital and reserves and the valuation made by the Bank shall be final.

38. The Bank may require any Corporation with which it has any transactions under section 17 to furnish returns prescribed under sub-section (3) of section 36, and if it does so require, the provisions of sub-sections (6), (7) and (8) of section 36 shall apply, so far as may be, to such Corporation as if it were a scheduled bank. Power to require returns from Corporations.

39. The Bank shall compile and publish in such manner and at such times as the Central Government may direct, a consolidated statement from such information as may be received under this Ordinance. Publication of consolidated statements by the Bank.

40.—(1) The Bank shall prepare and transmit to the Central Government a weekly account of the Issue Department and of the Banking Department in such form as the Central Government may, Returns.

by notification in the official Gazette, direct. The Central Government shall cause these accounts to be published weekly in the official Gazette.

(2) The Bank shall also, within two months from the date on which the annual accounts of the Bank are closed, transmit to the Central Government a copy of the annual accounts signed by the Governor, the Deputy Governor, if any, and the chief accounting officer of the Bank, and certified by the auditors, together with a report by the Central Board on the working of the Bank throughout the year, and the Central Government shall cause such accounts and report to be published in the official Gazette.

(3) The Bank shall also, within two months from the date on which the annual accounts of the Bank are closed, transmit to the Central Government a statement showing the name, address and occupation of, and the number of shares held by each shareholder of the Bank.

CHAPTER V

General

Contribution by the Central Government to the Reserve Fund.

41. Securities of the value of three crores of rupees allocated for the purpose by the Central Government shall be held by the Bank as the Reserve Fund.

Allocation of surplus.

42. After making provision for bad and doubtful debts, depreciation in assets, contributions to staff and superannuation funds, and such other contingencies as are usually provided for by bankers, there shall be paid to the shareholders out of the net annual profits a dividend on the shares at a rate to be prescribed by the Central Government from time to time, which shall not be less than 4% per annum. Any surplus remaining thereafter shall be paid to the Central Government.

Auditors.

43.—(1) Not less than two auditors shall be elected and their remuneration fixed at the annual general meeting. The auditors may be shareholders, but no director, member or other officer of the Bank shall be eligible during his continuance in office to be so elected. Any auditor so elected shall be eligible for re-election on vacating office.

(2) All auditors elected under this section shall be and continue to act as, auditors until the first annual general meeting after their respective elections.

(3) Any casual vacancy in the office of any auditor elected under this section may be filled by the Central Board.

Government auditors.

44. Without prejudice to anything contained in section 43 the Central Government may at any time appoint the Auditor-General or such auditors as it thinks fit to examine and report upon the accounts of the Bank.

Powers and duties of auditors.

45.—(1) Every auditor shall be supplied with a copy of the annual balance sheet, and it shall be his duty to examine the same together with the accounts and vouchers relating thereto; and every

auditor shall have a list delivered to him of all books kept by the Bank, and shall at all reasonable time have access to books, accounts and other documents of the Bank, and may, at the expense of the Bank, if appointed by it, or at the expense of the Central Government if appointed by that Government employ accountants or other persons to assist him in investigating such accounts and may, in relation to such accounts, examine any director or officer of the Bank.

(2) The auditors shall make a report to the shareholders or to the Central Government, as the case may be, upon the annual balance sheet and accounts, and in any such report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing all necessary particulars and properly drawn up so as to exhibit a true and correct view of the state of affairs of the Bank, and, in case they have called for any explanation or information from the Central Board, whether it has been given and whether it is satisfactory. Any such report made to the shareholders shall be read, together with the report of the Central Board, at the annual general meeting.

46.—(1) For the purposes of section 124 of the Evidence Act, 1872, the provisions of Part IV of the Code of Civil Procedure, 1908, and the provisions of rule 27 of Order V, and rule 52 of Order XXI of the said Code, the Bank and any officer of the Bank acting in his capacity as such shall be deemed to be a public officer. The Bank and its officers to be public officers.

(2) The provisions of section 123 of the Evidence Act shall apply to the unpublished records relating to the affairs of Bank and the Governor shall be deemed to be the officer or head of the department concerned.

47. Notwithstanding anything contained in any law for the time being in force pension granted by the Bank to its officers and servants shall not be liable to seizure, attachment or sequestration by process of any court in Pakistan at the instance of a creditor, for any demand against the pensioner or in satisfaction of a decree or order of any such court.

48. The Bank shall not be liable to the payment of any stamp duty under the Stamp Act, 1899. Exemption from stamp duty.

49.—(1) Notwithstanding anything contained in the Income-tax Act, 1922, or the Business Profits Tax Act, 1947, or any other law for the time being in force in Pakistan relating to income-tax, super-tax or business profits tax, the Bank shall not be liable to pay any income-tax, super-tax, or business profits tax on any of its income, profits or gains. Exemptions from income-tax, super-tax and business profits tax and provision for deductions at source of income-tax on dividends.

(2) For the purposes of section 18 of the Income-tax Act, 1922, or of any other relevant provision of that Act relating to the levy and refund of income-tax any dividend paid under section 42 shall be deemed to be interest on securities:

Provided that nothing in this section shall affect the liability of any shareholder, other than the Central Government, in respect of income-tax, super-tax or business profits tax.

Liquidation of the Bank. 50. The Bank shall not be placed in liquidation save by order of the Central Government and in such manner and on such terms and conditions as it may direct.

51. No act or proceeding of the Central Board or a Local Board shall be questioned on the ground merely of the existence of any vacancy in or any defect in the constitution of such Board.

Powers of Government to supersede the Central Board. 52.—(1) If in the opinion of the Central Government, the Bank fails to carry out any of the obligations imposed on it by or under this Ordinance the Central Government may by notification in the official Gazette declare the Central Board to be superseded, and thereafter the general superintendence and direction of the affairs of the Bank shall be entrusted to such agency as the Central Government may determine and such agency may exercise the power and do all acts and things which may be exercised or done by the Central Board under this Ordinance.

(2) When action is taken under sub-section (1) the Central Government shall cause a full report of the circumstances leading to such action and of the action taken to be laid before the Central Legislature at the earliest possible opportunity and in any case within three weeks of the re-assembly thereof after the issue of the notification superseding the Central Board.

Duty of officers and servants to maintain secrecy. 53.—(1) Except in the performance of his duties under this Ordinance every officer or servant of the Bank shall preserve and aid in preserving secrecy with regard to all matters relating to the affairs of the Bank not published by it, and with regard to all matters relating to the financial or monetary affairs of any institution, person, body of persons, any Government or authority whether in Pakistan or outside that may come to his knowledge in the performance of his duties.

(2) Every such officer or servant who communicates any such matter, except when required by law to do so or in the discharge of his duty as such shall be guilty of an offence and shall on conviction by a court of competent jurisdiction be punished with imprisonment of either description for a term which may extend to six months or with fine which may extend to Rs. 500 or with both.

(3) No court shall take cognisance of any offence punishable under this section except upon complaint in writing by a person authorised in this behalf by the Governor.

Powers of the Central Board to make regulations. 54.—(1) Subject to the approval of the Central Government, the Central Board may make regulations consistent with this Ordinance to provide for all matters for which provision is necessary or convenient for the purpose of giving effect to the provisions of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing provision, such regulations may provide for all or any of the following matters, namely:—

- (a) the manner of holding and conducting of elections under this Ordinance, the votes of shareholders and the manner in which they may be exercised by shareholders at such elections;

- (b) the final decision of doubts or disputes regarding the qualifications of candidates for election or regarding the validity of elections;
- (c) the maintenance of the share registers, the manner in which and the conditions subject to which shares may be held and transferred, suspension and the manner of suspension of transfer of shares from one register to another and generally, all matters relating to the rights and duties of shareholders;
- (d) the manner in which general meetings and annual general meetings shall be convened and held, their quorum, the procedure to be followed thereat, votes of the shareholders and the manner in which they may be exercised;
- (e) the manner in which notices may be served on behalf of the bank upon shareholders or other persons;
- (f) the manner in which meetings of the Central Board, Executive Committee and Local Boards and committees of the Central and Local Boards shall be convened and held, their quorum, the procedure to be followed at such meetings, votes of Deputy Governor, directors and members and the manner in which they may be exercised and the appointment and election of Chairman of such meetings except as otherwise provided by this Ordinance;
- (g) the conduct of business of the Executive Committee and Local Boards and the delegation of powers and functions to Local Boards;
- (h) the delegation of powers and functions of the Central Board, the Governor, Deputy Governor, directors, or officers of the Bank;
- (i) the formation of committees of the Central Board, their supervision by the Central Board, and the conduct of business in such committees;
- (j) recruitment of officers and servants of the Bank including the terms and conditions of their service, constitution of superannuation, beneficial and other funds, with or without bank's contribution, for the officers and servants of the Bank; their welfare; providing amenities, medical facilities, grant of loans and advances; their betterment and uplift;
- (k) the manner and form in which contracts binding on the Bank may be executed;
- (l) the provision of an official seal of the Bank and the manner and effects of its use;
- (m) the manner and form in which the balance sheet of the Bank shall be drawn up, and in which the accounts shall be maintained;
- (n) the remuneration of directors and members;
- (o) the relations of the scheduled banks with the Bank and the returns to be submitted by the scheduled banks to the Bank;
- (p) the regulations of clearing houses for the scheduled banks;

- (q) the circumstances in which, and the conditions and limitations subject to which, the value of any lost, stolen, mutilated or imperfect bank note may be refunded as of grace;
- (r) the denomination, form, issue, negotiability, enfacement and repatriation of the instruments mentioned in subsection (7) of section 17;
- (s) notice of trust; and
- (t) generally for making any provision necessary or convenient for the conduct of the business, discharge of functions and for purposes of management of the Bank.

(3) Copies of all regulations made under this section shall be available to the public on payment.

Repeal.

55.—(1) The State Bank of Pakistan Order, 1948, is hereby repealed.

(2) Any rules or regulations made, order passed, notification issued, thing done, action taken, or proceedings commenced under any of the provisions of the aforesaid Order shall continue in force and be deemed to have been made, passed, issued, done, taken or commenced, as the case may be, under the corresponding provision of this Ordinance.

GAHULAM MOHAMMED,

Governor General.

THE FOREIGN EXCHANGE REGULATION (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XIX OF 1955

[7th July, 1955]

An Ordinance further to amend the Foreign Exchange Regulation Act, 1947.

WHEREAS an emergency has arisen which renders it
VII of necessary further to amend the Foreign Exchange Regu-
1947. lation Act, 1947, for the purposes hereinafter appearing;

26 Now, THEREFORE, in exercise of the powers conferred by
Geo. section 42 of the Government of India Act, 1935, and of all
5, c. 2. other powers enabling him in that behalf, the Governor-
General is pleased to make and promulgate the following
Ordinance:—

1.—(1) This Ordinance may be called the Foreign Ex- Short title
change Regulation (Amendment) Ordinance, 1955. and com-
mencement.

(2) It shall come into force at once.

2. In sub-section (3) of section 20 of the Foreign Ex- Amendment
change Regulation Act, 1947, hereinafter referred to as the of section 20,
said Act, for the words "travel agents or" the following Act VII of
shall be substituted, namely:— 1947.

"travel agents, carriers, whether common or
private,".

3. In the said Act, after section 22 the following new Insertion of
section 22A shall be inserted, namely:— new section
22A, Act
VII of 1947.

"22A. Whoever contravenes, attempts to contra- Penalty and
vene or abets the contravention of any of the procedure.
provisions of this Act or of any rule, direction
or order made thereunder shall be tried or pro-
ceeded against and punished in accordance
with the provisions of section 23, or section
23A, or section 23B."

4. In section 23 of the said Act,— Amendment
of section 23,
Act VII of
1947.

(1) for sub-section (1) the following shall be sub-
stituted, namely:—

"23.—(1) Whoever is tried under this section Trial by
shall, on conviction by a Court, be punish- Magistrate.
able with imprisonment for a term which
may extend to two years or with fine or
with both, and the Court may, if it thinks
fit and in addition to any sentence which
it may impose, direct that any currency,
security, gold or silver, or goods or other
property in respect of which the offence has
been committed shall be confiscated."; and

Price : Annas 2.

- (2) in sub-section (2), for the words "in this behalf by the Central Government or the State Bank" the words "by the Central Government or the State Bank in this behalf" shall be substituted.

Insertion of
new sections
23A, 23B,
23C and
23D. Act
VII of 1947.

5. In the said Act, after section 23, the following new sections 23A, 23B, 23C and 23D shall be inserted, namely :—

Proceedings
before Ad-
judication
Officer.

"23A.—(1) Whoever is proceeded against under this section shall, on an order being passed in writing by an Adjudication Officer, pay as penalty a sum not exceeding three times the value of the amount involved in the offence committed, and the Adjudication Officer may, if he thinks fit and in addition to the penalty imposed as aforesaid, direct that any currency, security, gold or silver, or goods or other property in respect of which the offence has been committed shall be confiscated.

- (2) For the purposes of this section the Central Government shall, on the recommendation of the State Bank, appoint, by notification in the official Gazette, one or more Adjudication Officers for such area or areas as may be specified in the notification.
- (3) No Adjudication Officer shall take cognizance of any offence punishable under this section except on a report in writing of the facts constituting such offence made by a person authorised by the Central Government or the State Bank in this behalf :

Provided that where any such offence is in contravention of any of the provisions of this Act or any rule, direction or order made thereunder which prohibits the doing of an act without permission, no such report shall be made unless the person accused of the offence has been given an opportunity of showing that he had such permission.

- (4) An Adjudication Officer shall, for the purposes of ordering an investigation in respect of a complaint may under sub-section (3) and for the issuing of process, have the same powers as are vested in a Magistrate of the First Class under sections 155 and 204 of the Code of Criminal Procedure, 1898. Act V
of
1898.

- (5) No order under sub-section (1) shall be passed without giving to the person accused of the offence reasonable opportunity of being heard personally or through a duly authorised agent or without taking and recording such evidence

as may be produced and may be considered to be reasonably required for defence.

V of
1908.

- (6) An Adjudication Officer shall, for the purposes of this section, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely:—

- (a) enforcing the attendance of any person and examining him on oath or affirmation;
- (b) compelling the production of documents, articles and things;
- (c) requisitioning any record from any person, office or department;
- (d) issuing commissions for the examination of witnesses;
- (e) any other matter which may be prescribed.

Act
XLV
of
1860.

Act
V of
1898.

- (7) Any proceeding before an Adjudication Officer under this section shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Pakistan Penal Code, and for the purposes of section 196 thereof, and the Adjudication Officer shall be deemed to be a Court for the purposes of sections 172 to 190 of the said Code and sections 480 and 482 of the Code of Criminal Procedure, 1898.

- (8) Any sum payable as penalty under this section shall, if not paid, be recoverable as arrears of land revenue.

“23B.—(1) Whoever is proceeded against under this section shall, on conviction by a Tribunal, be punished with imprisonment which may extend to two years and shall also be liable to fine, and the Tribunal may, if it thinks fit and in addition to any sentence which it may impose, direct that any currency, security, gold or silver, or goods or other property in respect of which the offence has been committed shall be confiscated. Proceedings
before
Tribunal.

- (2) For the purposes of this section, the Central Government shall appoint by notification in the official Gazette, for such area or areas as may be specified in the notification, one or more Tribunals consisting of such member or members as may be prescribed.

- (3) No tribunal shall take cognizance of any offence punishable under this section except upon complaint in writing made, subject to the proviso to sub-section (3) of section 23A, by a person authorized by the Central Government or the State Bank in this behalf.

- (4) A Tribunal shall have in respect of proceedings under this section all the powers of a Magistrate of the First Class in relation to criminal trials and shall follow in all respects the procedure provided for trials before such Magistrates in the Code of Criminal Procedure, 1898, and shall also have powers as provided in the said Code V of 1898. in respect of the following matters, namely:—

- (a) directing the arrest of the accused;
 - (b) issuing search warrants;
 - (c) ordering the police to investigate any offence and report;
 - (d) authorising detention of a person during a police investigation;
 - (e) ordering the release of the accused on bail.
- (5) Any proceeding before a Tribunal under this section shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Pakistan Penal Code and for the purposes of section 196 thereof, and the provisions relating to the execution of sentence of imprisonment as contained in the Code of Criminal Procedure, 1898, shall so far as may be apply to the sentence of imprisonment passed by a Tribunal under this section. Act XLV of 1860. Act V of 1898.
- (6) In passing a sentence of fine a Tribunal shall have the powers of a Court of Sessions.

Appeals.

“23C.—(1) The State Bank or any other person aggrieved by an order passed by an Adjudication Officer under section 23A, and if such person is the accused or his legal representative, then after paying the penalty to the State Bank imposed under the said section, may prefer an appeal to the Central Government from such order.

- (2) The appeal shall be presented in such manner and within such time as may be prescribed.

- (3) In disposing of an appeal preferred under subsection (1), the Central Government, if so satisfied, may enhance the penalty imposed under section 23A to any amount not exceeding three times the value of the amount involved in the offence.

- (4) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, any person convicted by a Tribunal under section 23B may, within three months from the date of the judgment passed by the Tribunal, appeal to the High Court of the Province within which the offence was committed. Act V of 1898.

"23D. Save as provided in the preceding section, no order or judgment passed under section 23A or section 23B, and no order of the Central Government passed in an appeal preferred under sub-section (1) of the preceding section, shall be called in question in any Court."

6. In the said Act, for section 24 the following shall be substituted, namely :—

Substitution
of new
section for
section 24,
Act VII of
1947.

"24.—(1) Where any person is tried or proceeded against for contravening any provision of this Act or of any rule, direction or order made thereunder which prohibits him from doing an act without permission, the burden of proving that he had the requisite permission shall be on him."

Burden of
proof in
certain
cases.

(2) If in a case in which the proof of complicity of a person resident in Pakistan with a person resident outside Pakistan is essential to prove an offence under this Act, then after proof of the circumstances otherwise sufficient to establish the commission of the offence, it shall, without proof of such complicity, be presumed that there was such complicity, and the burden of proving that there was no such complicity shall be on the person accused of the offence."

7. In section 27 of the said Act, in sub-section (1), the figure and brackets "(1)", and the whole of sub-section (2) shall be omitted.

Amendment
of section 27,
Act VII of
1947.

GHULAM MOHAMMED,
Governor-General.

THE HOUSE BUILDING FINANCE CORPORATION (AMENDMENT) ORDINANCE, 1955.

ORDINANCE No. XX OF 1955

[7th July, 1955]

An Ordinance further to amend the House Building Finance Corporation Act, 1952.

XVIII of 1952. WHEREAS an emergency has arisen which renders it necessary further to amend the House Building Finance Corporation Act, 1952, for the purposes hereinafter appearing ;

26 Geo. 5, c. 2. NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the House Building Finance Corporation (Amendment) Ordinance, 1955. Short title and commencement.
(2) It shall come into force at once.

2. In the House Building Finance Corporation Act, 1952, hereinafter referred to as the said Act, for section 4 the following shall be substituted, namely :— Substitution of new section for section 4, Act XVIII of 1952.

“4. (1) The authorised capital of the Corporation shall be five crores of rupees to be subscribed by the Central Government from time to time.

(2) The Corporation shall pay to the Central Government interest at the rate of two per centum per annum on the capital subscribed by the Central Government under sub-section (1).”

3. In the said Act, section 5 shall be omitted.

Omission of section 5, Act XVIII of 1952.

4. In the said Act, for sub-section (1) of section 7 the following shall be substituted, namely :— Amendment of section 7 Act XVIII of 1952.

“(1) The Executive Committee shall consist of four members, that is to say, the Managing Director (who shall be the Chairman of the Committee) and three Directors to be elected by the Board of whom one shall be a person belonging to East Bengal and another to any of the Provinces other than East Bengal.”

Substitution
of new
section for
section 8,
Act XVIII
of 1952.

5. In the said Act, for section 8 the following shall be substituted, namely :—

- "8. (1) The Managing Director shall be appointed by the Central Government for such period and on such salary and terms and conditions of service as the Central Government may determine.
- (2) The Managing Director shall be the Chief executive officer and shall, on behalf of the Board, direct and control the whole affairs of the Corporation.
- (3) In the matters not specifically required by this Act or by regulations made thereunder to be done by the Board, the Managing Director shall have authority to conduct the business, control the functions and manage the affairs of the Corporation."

Substitution
of new
section for
section 9,
Act XVIII
of 1952.

6. In the said Act, for section 9 the following shall be substituted, namely :—

- "9. The Board of Directors shall consist of the following seven Directors, namely :—
- (a) Four Directors to be appointed by the Central Government, two each from East Bengal and Provinces other than East Bengal, and one of each such two shall be a non-official ;
- (b) Two Directors to be appointed by the Central Government from amongst the officials of the Central Government ; and
- (c) The Managing Director."

Amendment
of section 10,
Act XVIII of
1952.

7. In section 10 of the said Act, for sub-sections (1) and (2) the following shall be substituted, namely :—

- "(1) A Director shall continue in office upon the expiry of his term until his successor is appointed.
- (2) A casual vacancy in the office of a Director shall be filled by the appointment of another Director who shall hold post for the unexpired period of the term of his predecessor."

Amendment
of section 14,
Act XVIII
of 1952.

8. In sub-section (1) of section 14 of the said Act, the words "other than the Managing Director" shall be omitted.

Amendment
of section 16,
Act VIII of
1952.

9. In section 16 of the said Act,—

- (1) sub-section (2) shall be omitted ; and
- (2) in clause (a) of sub-section (5), the words "other than the Managing Director" shall be omitted.

10. In section 24 of the said Act,—

- (1) in sub-section (1), after the words "his surety", the words "or of both" shall be inserted;
- (2) in sub-section (4), in clause (b), after the words "his surety", the words "or both, as the case may be"; shall be inserted; and
- (3) for sub-section (6) the following shall be substituted, namely:—

"(6) The loan shall be repayable in monthly instalments sufficient to cover the principal and the interest in such manner as may be prescribed."

Amendment
of section 24,
Act XVIII
of 1952.

10A. In the said Act for the words "less than Rs. 4,000" the words "less than Rs. 2,000" shall be substituted.

Amendment
of section 25,
Act XVIII
of 1952.

11. In the said Act, after section 25, the following new section 25A shall be inserted, namely:—

"25A. The Corporation may require the borrower to pay application and inspection fees at such rates as may be prescribed."

Insertion of
new section
25A, Act
XVIII of
1952.

12. In clause (1) of section 29 of the said Act, after the word "borrower", the words "or his surety" shall be inserted.

Amendment
of section 29
Act XVIII
of 1952.

13. In the said Act, for section 32 the following shall be substituted, namely:—

"32. After making provision for bad and doubtful debts, depreciation of assets and any other matters which are usually provided for by a banker, the Corporation may out of its net annual profits establish a Reserve Fund, and any surplus remaining thereafter shall be paid to the Central Government."

Substitution
of new
section for
section 32,
Act XVIII
of 1952.

14. In the said Act, section 33 shall be omitted.

Omission of
section 33,
Act XVIII
of 1952.

15. In section 34 of the said Act,—

- (1) for sub-section (1) the following sub-section (1) and (1A) shall be substituted, namely:—

Amendment
of section 34,
Act XVIII
of 1952.

"(1) The accounts of the Corporation shall be audited by not less than two auditors holding certificates under section 144 of the Companies Act, 1913 (VII of 1913), who shall be appointed by the Central Government, in consultation with the Auditor General of Pakistan, on such remuneration, to be paid by the Corporation, as the Central Government may fix, and the Auditor General shall

have the power to give directions to the auditors in regard to the extent and method of their audit subject to the provisions of the Companies Act, and to prescribe the forms of accounts to be maintained by the Corporation consistent with the requirements of that Act.

(1A) Notwithstanding the provisions of the preceding sub-section, the Auditor General, where the Central Government is required to make any payment on account of a guarantee given by it under sub-section (2) of section 22, shall, and in other cases may, either of his own motion or upon a request received in this behalf from the Central Government, undertake such audit of the accounts of the Corporation at such time as may be considered necessary, and the Corporation shall, at the time of such audit, produce the account books and connected documents at such place or places as the Auditor General may fix, and furnish such explanations and information as the Auditor General or an officer or officers authorized by him in this behalf may ask for.”;

(2) in sub-section (3), for the word “shareholders” the words “Central Government” shall be substituted; and

(3) in sub-section (4), for the words “its shareholders and creditors” the words “the interests of the Central Government and of the creditors of the Corporation” shall be substituted.

Amendment of section 35, Act XVIII of 1952. 16. In sub-section (1) of section 35 of the said Act, for the words “all shareholders” the words “the Central Government” shall be substituted.

Amendment of section 42, Act XVIII of 1952.

17. In section 42 of the said Act,—

(1) in sub-section (2), clauses (a), (b), (c) and (d) shall be omitted; and

(2) for sub-section (3) the following shall be substituted, namely:—

“(3) All regulations made under this section shall come into force on the date specified in each case, and shall be published in the official Gazette and shall also be laid on the table of the Federal Legislature.”.

GHULAM MOHAMMED,
Governor-General.

ORDINANCE No. XXI OF 1955

An Ordinance further to amend the Agricultural Development Finance Corporation Act, 1952.

26 Geo. 5, c.2. Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

(2) It shall come into force at once.

“ ‘agriculture concern’ means any individual engaged in agriculture or in the development of agriculture or agricultural products, and any private or public limited company or co-operative society incorporated or registered in Pakistan by or under any law of the time being in force and so engaged, or any person, or company or co-operative society incorporated or registered as aforesaid who satisfies the Corporation that the loan to be taken shall be spent on agriculture or the development of agriculture or agricultural products, or on the marketing of agricultural products ;”.

"4(1) The authorized capital of the Corporation shall be five crores of rupees to be subscribed by the Central Government from time to time.

Price : Annas 2.

- (2) The Corporation shall pay to the Central Government interest at the rate of two *per centum* per annum on the capital subscribed by the Central Government under sub-section (1).".

Omission of section 5, Act XVII of 1952.

4. In the said Act, section 5 shall be omitted.

Amendment of section 6, Act XVII of 1952.

5. In sub-section (2) of section 6 of the said Act, after the words "commercial considerations", the words "but with due regard to the interests of agriculture and the public interest generally" shall be inserted.

Amendment of section 7, Act XVII of 1952.

6. In the said Act, for sub-section (1) of section 7 the following shall be substituted, namely :—

- "(1) The Executive Committee shall consist of four members, that is to say, the Managing Director (who shall be the Chairman of the Committee) and three Directors to be elected by the Board of whom one at least shall be a person belonging to East Bengal and another to any of the Provinces other than East Bengal."

Substitution of new section for section 8, Act XVII of 1952.

7. In the said Act, for section 8 the following shall be substituted, namely :—

- "8(1) The Managing Director shall be appointed by the Central Government for such period and on such salary and terms and conditions of service as the Central Government may determine.
- (2) The Managing Director shall be the chief executive officer and shall, on behalf of the Board, direct and control the whole affairs of the Corporation.
- (3) In the matters not specifically required by this Act or by regulations made thereunder to be done by the Board, the Managing Director shall have authority to conduct the business, control the functions and manage the affairs of the Corporation."

Substitution of new section for section 9, Act XVII of 1952.

8. In the said Act, for section 9 the following shall be substituted, namely :—

- "9. The Board of Directors shall consist of the following seven Directors, namely :—

- (a) Four Directors to be appointed by the Central Government, two each from East Bengal and Provinces other than East Bengal, and one of each such two shall be a non-official ;
- (b) Two Directors to be appointed by the Central Government from amongst the officials of the Central Government ; and

(c) The Managing Director.”.

9. In section 10 of the said Act, for sub-sections (1) and (2) the following shall be substituted, namely:—

Amendment
of section 10,
Act XVII of
1952.

“(1) A Director shall continue in office upon the expiry of his term until his successor is appointed.

(2) A casual vacancy in the office of a Director shall be filled by the appointment of another Director who shall hold office for the unexpired period of the term of his predecessor.”.

10. In sub-section (1) of section 14 of the said Act, the words “other than the Managing Director” shall be omitted.

Amendment
of section 14,
Act XVI of
1952.

11. In section 17 of the said Act,—

(1) sub-section (2) shall be omitted; and

Amendment
of section 17
Act XVII of
1952.

(2) in clause (a) of sub-section (5), the words “other than the Managing Director” shall be omitted.

12. In the said Act, section 19 shall be re-numbered as sub-section (1) of that section, and the following shall thereafter be added as sub-section (2); namely:—

Amendment
of section 19,
Act XVII of
1952.

“(2) The Corporation shall establish such other regional or sub-regional offices at such places as the Central Government may direct in the interest of agriculture or its development.”.

13. In section 24 of the said Act,—

Amendment
of section 24
Act XVII
of 1952.

(1) in sub-section (3), for the words “and agricultural products” the words “or agricultural products or the marketing of agricultural products” shall be substituted;

(2) in sub-section (5),—

(a) for the words “property to which it relates or other movable or immovable property of the concerns” the words “movable or immovable property of the borrower or his surety” shall be substituted;

(b) the first proviso shall be omitted;

(c) in the second proviso, the word “further” shall be omitted; and

(d) at the end, the following “Exception” shall be added, namely:—

“Exception.—Any loans which are guaranteed by the Central or any Provincial or State Government in Pakistan may be made without any specific security.”; and

- (3) after sub-section (5), the following new sub-section (5A) shall be inserted, namely :—

“(5A) Notwithstanding anything contained in any law for the time being in force, it shall be lawful for any agricultural concern to pledge, mortgage, hypothecate or assign any kind or quantity of movable or immovable property, including agricultural property, to the Corporation in order to secure the loan, and the Corporation shall, in accordance with the provisions of this Act, be competent to deal with and recover its dues from any property so pledged, mortgaged, hypothecated or assigned :

Provided that no property so pledged, mortgaged, hypothecated or assigned shall be sold or otherwise disposed of except by public auction and only so much of it as is sufficient to recover the dues of the Corporation, and at such auction the Corporation shall not bid.”.

Amendment of section 25, Act XVII of 1952. 14. In section 25 of the said Act, for the first paragraph the following shall be substituted, namely :—

“The Corporation shall not grant any loan which is less than the minimum to be prescribed by rules, nor shall it grant loans or subscribe to any debentures of an agricultural concern in excess of the following limits :—”.

Amendment of section 26, Act XVII of 1952. 15. In section 26 of the said Act, the proviso shall be omitted.

Amendment of section 30, Act XVII of 1952. 16. In clause (a) of section 30 of the said Act, for the words “the loan” the words “the loan or in any communication made in that connection” shall be substituted.

Amendment of section 33, Act XVII of 1952. 17. In the said section, for section 33 the following shall be substituted, namely :—

“33. After making provision for bad and doubtful debts, depreciation of assets and any other matters which are usually provided for by a banker, the Corporation may out of its net annual profit establish a Reserve Fund, and any surplus remaining thereafter shall be paid to the Central Government.”.

Omission of section 34, Act XVII of 1952. 18. In the said Act, section 34 shall be omitted.

19. In section 35 of the said Act,—

Amendment
of section 35,
Act XVII of
1952.

- (1) for sub-section (1) the following sub-sections (1) and (1A) shall be substituted, namely:—

VII of
1913.

“(1) The accounts of the Corporation shall be audited by not less than two auditors holding certificates under section 144 of the Companies Act, 1913, who shall be appointed by the Central Government, in consultation with the Auditor General of Pakistan, on such remuneration, to be paid by the Corporation, as the Central Government may fix, and the Auditor General shall have the power to give directions to the auditors in regard to the extent and method of their audit subject to the provisions of the Companies Act, and to prescribe the forms of accounts to be maintained by the Corporation consistent with the requirements of that Act.

(1A) Notwithstanding the provisions of the preceding sub-section, the Auditor General, where the Central Government is required to make any payment on account of a guarantee given by it under sub-section (2) of section 22, shall, and in other cases may, either of his own motion or upon a request received in this behalf from the Central Government, undertake such audit of the accounts of the Corporation at such time as may be considered necessary, and the Corporation shall, at the time of such audit, produce the account books and connected documents at such place or places as the Auditor General may fix, and furnish such explanations and information as the Auditor General or an officer or officers authorized by him in this behalf may ask for.”.

(2) in sub-section (3), for the word “shareholders” the word “Central Government” shall be substituted; and

(3) in sub-section (4), for the words “its shareholders and creditors” the words “the interests of the Central Government and of the creditors of the Corporation” shall be substituted.

20. In sub-section (1) of section 41 of the said Act, for the words “receipt or other documents given to the Corporation by way of security” the words “receipt, statement, declaration or other documents given to the Corporation” shall be substituted.

Amendment
of section 41,
Act XVII of
1952.

21. In section 42 of the said Act, for the words “the

Amendment

of section 42, next succeeding", occurring for the second time, the word Act XVII of "this " shall be substituted. 1952.

Amendment
of section 43,
Act XVII of
1952.

22. In section 43 of the said Act,—

- (1) in sub-section (2), clauses (a), (b), (c) and (d) shall be omitted; and
- (2) for sub-section (3) the following shall be substituted, namely:—

All regulations made under this section shall come into force on the date specified in each case, and shall be published in the official Gazette and shall also be laid on the table of the Federal Legislature."

GHULAM MOHAMMED,

Governor-General.

**THE PAKISTAN INDUSTRIAL FINANCE
CORPORATION (AMENDMENT)
ORDINANCE, 1955.**

ORDINANCE NO. XXII OF 1955

[7th July, 1955]

An Ordinance further to amend the Pakistan Industrial
Finance Corporation Act, 1949.

I of
1949

WHEREAS an emergency has arisen which renders it necessary further to amend the Pakistan Industrial Finance Corporation Act, 1949, for the purposes hereinafter appearing ;

26
Geo.
5, c. 2,

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1.—(1) This Ordinance may be called the Pakistan Industrial Finance Corporation (Amendment) Ordinance, 1955. Short title and commencement.

(2) It shall come into force at once.

1 of
1949.

2. In section 33 of the Pakistan Industrial Finance Corporation Act, 1949, hereinafter referred to as the said Act, for sub-section (2), the following sub-section shall be substituted, namely :— Amendment of section 33, Act I of 1949.

“2. After making provision for bad and doubtful debts, depreciation in assets, contributions to the Reserve Fund and the staff and superannuation funds, and for such other contingencies as are usually provided for by a banker, there shall be paid to the shareholders out of the net annual profits a dividend on the shares at a rate to be determined by the Central Government from time to time, which shall not be less than $2\frac{3}{4}$ per centum per annum, and any surplus remaining after the payment of such dividend shall be paid to the Central Government.”.

3.—In section 35 of the said Act, for sub-section (1), the following sub-sections (1) and (1A) shall be substituted, namely :— Amendment of section 35, Act I of 1949.

“ (1) The accounts of the Corporation shall be audited by not less than two auditors holding certificates under section 144 of the Companies Act, 1913, who shall be appointed by the Central

VII of
1913.

Price : Anna 1

Government, in consultation with the Auditor General of Pakistan, on such remuneration, to be paid by the Corporation as the Central Government may fix, and the Auditor General shall have the power to give directions to the auditors in regard to the extent and method of their audit subject to the provisions of the Companies Act, and to prescribe the forms of accounts to be maintained by the Corporation consistent with the requirements of that Act.

- (1A) Notwithstanding the provisions of the preceding sub-section, the Auditor General, where the Central Government is required to make any payment on account of a guarantee given by it under section 5 or sub-section (2) of section 22, shall, and in other cases may, either of his own motion or upon a request received in this behalf from the Central Government, undertake such audit of the accounts of the Corporation at such time as may be considered necessary, and the Corporation shall, at the time of such audit, produce the account books and connected documents at such place or places as the Auditor General may fix, and furnish such explanations and information as the Auditor General or an officer or officers authorised by him in this behalf may ask for."

GHULAM MOHAMMED,

Governor-General.

**THE PAKISTAN (RECOVERY OF ABDUCTED PERSONS)
(AMENDMENT) ORDINANCE, 1955.**

ORDINANCE NO. XXIII OF 1955

[11th July, 1955]

An Ordinance further to amend the Pakistan (Recovery of Abducted Persons) Ordinance, 1949.

WHEREAS it is expedient further to amend the Pakistan (Recovery of Abducted Persons) Ordinance, 1949 (VII of 1949), in the manner herein-after appearing;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Pakistan (Recovery of Abducted Persons) (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Amendment of section 2, Ordinance VII of 1949.—In clause (a) of section 2 of the Pakistan (Recovery of Abducted Persons) Ordinance, 1949 (VII of 1949), for the words “a Muslim individual or family” the words “any other family or individual” shall be substituted.

GHULAM MOHAMMED,

Governor-General.

Price : Anna 1

GPPK—L-112-Law—6-2-56—1,500

THE PAKISTAN COMMISSIONS OF INQUIRY ORDINANCE, 1955.

ORDINANCE No. XXIV OF 1955

[10th August, 1955]

An Ordinance to provide for the appointment of Commissions of Inquiry and for vesting such Commissions with certain powers.

WHEREAS an emergency has arisen which renders it necessary to provide for the appointment of Commissions of Inquiry and for vesting such Commissions with certain powers ;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Pakistan Commissions of Inquiry Ordinance, 1955.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. Definitions.—In this Ordinance, unless there is anything repugnant in the subject or context,—

(a) "Commission" means a Commission of Inquiry appointed or deemed to have been appointed under section 3 ; and

(b) "prescribed" means prescribed by rules made under section 12.

3. Appointment of Commission.—(1) The Central Government may, if it is of opinion that it is necessary so to do, by notification in the official Gazette, appoint a Commission of Inquiry for the purpose of making an inquiry into any definite matter of public importance and performing such functions and within such time as may be specified in the notification, and the Commission so appointed shall make the inquiry and perform the functions accordingly.

(2) The Commission may consist of one or more members appointed by the Central Government, and where the Commission consists of more than one member, one of them may be appointed as the President thereof.

4. Powers of Commission.—The Commission shall have the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908, (Act V of 1908), in respect of the following matters, namely :—

(a) summoning and enforcing the attendance of any person and examining him on oath ;

(b) requiring the discovery and production of any documents ;

(c) receiving evidence on affidavits ;

(d) issuing commissions for the examination of witnesses or documents.

Price : Annas 2.

5. Additional powers of Commission.—(1) Where the Central Government is of opinion that, having regard to the nature of the inquiry to be made and other circumstances of the case, all or any of the provisions of sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) or sub-section (6) should be made applicable to a Commission, the Central Government may, by notification in the official Gazette, direct that all or such of the said provisions as may be specified in the notification shall apply to that Commission and on the issue of such a notification, the said provisions shall apply accordingly.

(2) The Commission shall have power to require any person, subject to any privilege which may be claimed by that person under any law for the time being in force, to furnish information on such points or matters as, in the opinion of the Commission, may be useful for, or relevant to, the subject matter of the inquiry.

(3) The President or any officer, not below the rank of a gazetted officer, specially authorised in this behalf by the President may enter any building or place where the Commission has reason to believe that any books of account or other documents relating to the subject matter of the inquiry may be found, and may seize any such books of account or documents or take extracts or copies therefrom, subject to the provisions of section 102 and section 103 of the Code of Criminal Procedure, 1898 (Act V of 1898), in so far as they may be applicable.

(4) The Commission shall be deemed to be a civil court and when any offence as is described in section 175, section 178, section 179, section 180 or section 228 of the Pakistan Penal Code (Act XLV of 1860), is committed in the view or presence of the Commission, the Commission may, after recording the facts constituting the offence and the statement of the accused as provided for in the Code of Criminal Procedure, 1898 (Act V of 1898), forward the case to a magistrate having jurisdiction to try the same and the magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case had been forwarded to him under section 482 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(5) Any proceeding before the Commission shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Pakistan Penal Code (Act XLV of 1860).

(6) The Commission shall have the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 (Act V of 1908), in respect of requisitioning any public record or copy thereof from any court or office.

6. Statements made by persons to the Commission.—No statement made by a person in the course of giving evidence before the Commission shall subject him to, or be used against him in, any civil or criminal proceeding except a prosecution for giving false evidence by such statement:

Provided that the statement—

- (a) is made in reply to a question which he is required by the Commission to answer; or
- (b) is relevant to the subject matter of the inquiry.

7. Commission to cease to exist when so notified.—The Central Government may, if it is of opinion that the continued existence of a Commission is unnecessary, by notification in the official Gazette, declare

that the Commission shall cease to exist from such date as may be specified in this behalf in such notification, and thereupon, the Commission shall cease to exist.

8. Procedure to be followed by the Commission.—The Commission shall subject to any rules that may be made in this behalf, have power to regulate its own procedure (including the fixing of places and times of its sittings and deciding whether to sit in public or in private) and may act notwithstanding the temporary absence of any member or the existence of a vacancy among its members.

9. Protection of action taken in good faith.—No suit or other legal proceedings shall lie against the Central Government, the Commission or any member thereof, or any person acting under the direction either of the Central Government or of the Commission in respect of anything which is in good faith done or intended to be done in pursuance of this Ordinance or of any rules or orders made thereunder or in respect of the publication, by or under the authority of the Central Government or the Commission, of any report, paper or proceedings.

10. Members, etc., to be public servants.—Every member of the Commission and every officer appointed or authorised by the Commission to exercise functions under this Ordinance shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

11. Ordinance to apply to other inquiring authorities in certain cases.—Where any authority (by whatever name called), other than a Commission appointed under section 3, has been or is set up under any resolution or order of the Central Government for the purpose of making an inquiry into any definite matter of public importance and the Central Government is of opinion that all or any of the provisions of this Ordinance should be made applicable to that authority, the Central Government may, by notification in the official Gazette, direct that the said provisions of this Ordinance shall apply to that authority, and on the issue of such notification, that authority shall be deemed to be a Commission appointed under section 3 for the purpose of this Ordinance.

12. Power to make rules.—The Central Government may, by notification in the official Gazette, make rules to carry out the purposes of this Ordinance.

ISKANDER MIRZA,
Acting Governor-General.

THE MANŒUVRES, FIELD FIRING AND ARTILLERY PRACTICE (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XXV OF 1955

[10th August, 1955]

An Ordinance further to amend the Manœuvres, Field Firing and Artillery Practice Act, 1938.

WHEREAS an emergency has arisen which renders it necessary further to amend the Manœuvres, Field Firing and Artillery Practice Act, 1938 (V of 1938), for the purposes hereinafter appearing ;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance :—

1. Short title and commencement.—(1) This Ordinance may be called the Manœuvres, Field Firing and Artillery Practice (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Amendment of section 2, Act V of 1938.—In section 2 of the Manœuvres, Field Firing and Artillery Practice Act, 1938 (V. of 1938), hereinafter referred to as the said Act,—

(a) the proviso to sub-section (1) shall be omitted ; and

(b) in sub-section (2), for the words “ three months ” the words “ six weeks ” shall be substituted.

3. Amendment of section 9, Act V of 1938.—In sub-section (3) of section 9 of the said Act, for the words “ two months ” the words “ six weeks ” shall be substituted.

ISKANDER MIRZA,
Acting Governor-General.

Price : Anna 1

THE CANTONMENTS (WAH AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XXVI OF 1955

[10th August, 1955]

An Ordinance further to amend the Cantonments Act, 1924 (II of 1924), in its application to the Wah Cantonment.

II of 1924. WHEREAS an emergency has arisen which makes it necessary further to amend the Cantonments Act, 1924, in its application to the Wah Cantonment;

26 Geo. 5, c. 2. NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935, the Governor-General is pleased to make and promulgate the following Ordinance:—

1.—(1) This Ordinance may be called the Cantonments Short title and commencement.
(Wah Amendment) Ordinance, 1955.

(2) It shall come into force at once.

II of 1924. 2. To sub-section (2) of section 14 of the Cantonments Act, 1924 (hereinafter referred to as the "said Act"), the following proviso shall be added, namely:— Amendment of section 14 Act II of 1924.

"Provided that in its application to the Wah Cantonment this sub-section shall be read as if in clause (a), at the end thereof, the words "or, if the Central Government so directs, any civil or military officer nominated by the Officer Commanding-in-Chief of the Command" were added, and in clause (b) for the words "military officer" the words "civil or military officer" were substituted."

3. In sub-section (2) of section 20 of the said Act, for the proviso the following shall be substituted, namely:— Amendment of section 20, Act II of 1924.

"Provided that in the Wah Cantonment the President of the Board shall be the Officer Commanding the station or the civil or military officer nominated under clause (a) of sub-sections (3), (4) or (5) of section 13 or under clause (a) of sub-section (2) of section 14 as the case may be."

4. The Board as constituted and all acts done, appointments, rules and orders made and proceedings taken in or in relation to the Wah Cantonment by or under the authority of the Board or any other authority purporting to act under the said Act before the passing of this Ordinance, if not inconsistent with the provisions of the said Act as amended by sections 2 and 3, shall be deemed to have been constituted, made or taken under that Act as so amended and have effect accordingly. Validation of acts, appointments, rules and orders under Act II of 1924.

ISKANDER MIRZA,
Acting Governor-General.

Price : Anna 1

THE MOTOR VEHICLES (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XXVII OF 1955

[12th August, 1955]

An Ordinance further to amend the Motor Vehicles Act, 1939

WHEREAS an emergency has arisen which renders it necessary further to amend the Motor Vehicles Act, 1939 (IV of 1939), for the purpose hereinafter appearing;

NOW THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Motor Vehicles (Amendment) Ordinance, 1955.

(2) It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint.

2. Amendment of section 80, Act IV of 1939.—In section 80 of the Motor Vehicles Act, 1939, hereinafter referred to as the said Act, the words “with a left hand steering control” shall be omitted.

3. Amendment of the First Schedule, Act IV of 1939.—In the First Schedule to the said Act,—

(a) in Form E, after column 2, the following additional column shall be inserted, namely:—

“2A. Right hand drive or left hand drive.”; and

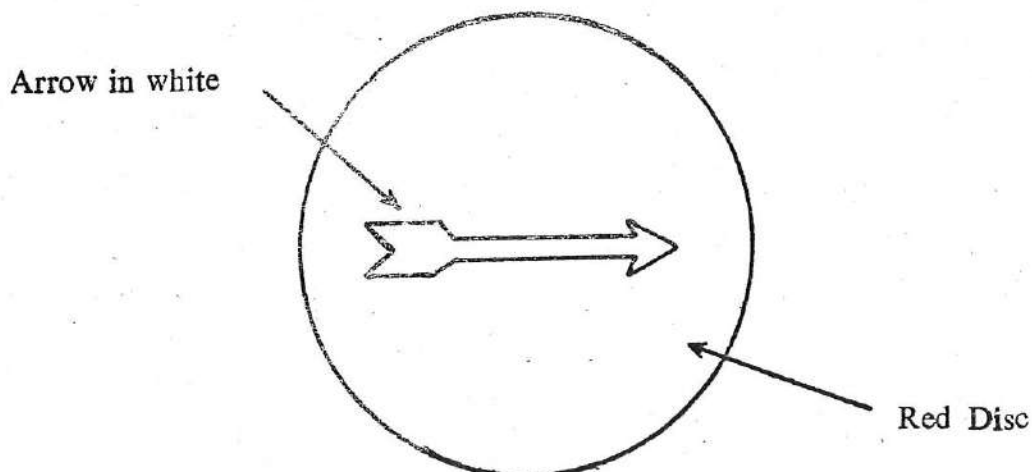
(b) in Form G, after column 1, the following additional column shall be inserted, namely:—

“1A. Right hand drive or left hand drive.”.

4. Amendment of the Ninth Schedule, Act IV of 1939.—In the Ninth Schedule to the said Act, under the heading “Part A-Mandatory Signs”, for Signs Nos. 4 and 6 the following Signs shall respectively be substituted, namely:—

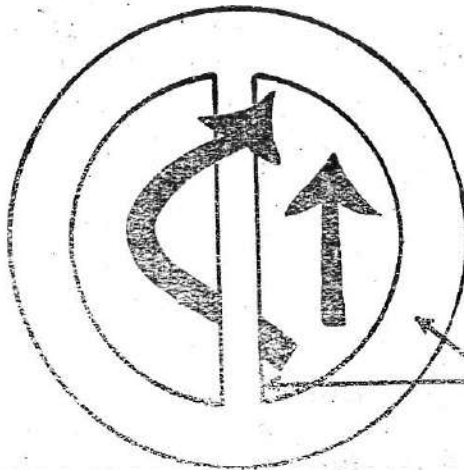
“No. 4

DIRECTION SIGN



Price : Anna 1

OVERTAKING PROHIBITED



Red Border
and Band".

5. Amendment of the Tenth Schedule, Act IV of 1939.—In the Tenth Schedule to the said Act, for the word "left" and the word "right", wherever they occur, the word "right" and the word "left" shall respectively be substituted.

6. Amendment of the Eleventh Schedule, Act IV of 1939.—In the Eleventh Schedule to the said Act,—

- (a) for the word "right" and the word "left", wherever they occur, the word "left" and the word "right" shall respectively be substituted; and
- (b) in clause 2, for the word "anti-clockwise" the word "clockwise" shall be substituted.

ISKANDER MIRZA,
Acting Governor-General

**THE PAKISTAN INTERNATIONAL AIRLINES
CORPORATION (AMENDMENT)
ORDINANCE, 1955.**

ORDINANCE NO. XXVIII OF 1955

[12th August, 1955]

An Ordinance to amend the Pakistan International Airlines Corporation Ordinance, 1955.

WHEREAS an emergency has arisen which renders it necessary to amend the Pakistan International Airlines Corporation Ordinance, 1955 (I of 1955), for the purpose hereinafter appearing;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Pakistan International Airlines Corporation (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Amendment of section 16, Ordinance I of 1955.—In the Pakistan International Airlines Corporation Ordinance, 1955 (I of 1955), in section 16,—

(1) for sub-section (1) the following two sub-sections (1) and (1A) shall be substituted, namely:—

“ (1) The accounts of the Corporation shall be audited by not less than two auditors holding certificates under section 144 of the Companies Act, 1913 (VII of 1913), who shall be appointed by the Central Government, in consultation with the Auditor General of Pakistan, on such remuneration, to be paid by the Corporation, as the Central Government may fix, and the Auditor General shall have the power to give directions to the auditors in regard to the extent and method of their audit subject to the provisions of the Companies Act, and to prescribe the forms of accounts to be maintained by the Corporation consistent with the requirements of that Act.

(1A) Notwithstanding the provisions of the preceding sub-section, the Auditor General, where the Central Government is required under section 26 to make good any losses sustained by the Corporation shall, and in other cases may, either of his own motion or upon a request received in this behalf from the Central Government, undertake such audit of the Accounts of the Corporation at such time as may be considered necessary, and the Corporation shall, at the time of such audit, produce the account books and connected documents at such place or places as the Auditor General may fix, and furnish such explanations and information as the Auditor General or an officer or officers authorized by him in this behalf may ask for.”; and

Price : Anna 1

- (2) in sub-section (4), the following shall be omitted, namely:—
“and may at any time enlarge or extend the scope of the audit or direct that a different procedure in audit be adopted or that any other examination be made by the auditors if in its opinion the public interest so requires”.

ISKANDER MIRZA,
Acting Governor-General.

THE KARACHI COURTS ORDINANCE, 1955

ORDINANCE NO. XXIX OF 1955

[18th August, 1955]

An Ordinance to consolidate and amend the law relating to Courts in Karachi.

WHEREAS an emergency has arisen which renders it necessary to consolidate and amend the law relating to Courts in Karachi;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Karachi Courts Ordinance, 1955.

(2) It extends to the Capital of the Federation.

(3) It shall come into force on such date as the Provincial Government may by notification in the official Gazette appoint in this behalf, which date hereafter in this Ordinance is referred to as the "appointed day".

2. Amendment of the Sind Courts Act, 1926 (Bom. Act VII of 1926).—On and from the appointed day, the Sind Courts Act, 1926 (Bom. Act VII of 1926), shall, in its application to the Capital of the Federation, be subject to the amendments set out in the Schedule to this Ordinance.

3. Establishment of the Court of the District Judge, etc.—On and from the appointed day, there shall be deemed to have been established in the Capital of the Federation the following classes of Civil Courts, namely :—

- (1) The Court of District Judge; and
- (2) The Courts of Subordinate Judges.

DISTRICT AND ADDITIONAL DISTRICT JUDGES

4. Appointment of District Judge.—The Provincial Government shall appoint a person to be a District Judge for the Province of Karachi.

5. The Court of District Judge to be Court of original civil jurisdiction.—(1) The Court of the District Judge shall be deemed to be the District Court or principal Civil Court of original jurisdiction.

(2) Except as otherwise provided by any enactment for the time being in force the Court of District Judge shall have jurisdiction in original civil suits without limit as regards the value.

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6. Appointment, powers and jurisdiction of Additional Judges.—(1) The Provincial Government may, when the business pending before the District Judge requires the aid of an Additional District Judge or Judges, appoint such Additional District Judges as may be necessary.

(2) An Additional District Judge so appointed shall discharge such of the functions of the District Judge as the District Judge may assign to him and in the discharge of these functions he shall exercise the same powers as the District Judge.

(3) The Court of such Additional District Judge shall be deemed to be a court established under section 3 of this Ordinance.

SUBORDINATE JUDGES

7. Appointment of Subordinate Judges.—(1) The Provincial Government shall appoint as many persons as it thinks necessary to be Subordinate Judges for the Province of Karachi.

(2) A Subordinate Judge shall dispose of such civil business as may be determined by the Chief Court within the pecuniary limits of his jurisdiction.

8. Limits of Jurisdiction of Subordinate Judges.—(1) The ordinary jurisdiction of a Subordinate Judge of the first class shall extend to all original suits and proceedings of a civil nature, without limit as regards value.

(2) The ordinary original jurisdiction of a Subordinate Judge of the second class shall extend to all such suits and proceedings wherein the subject-matter does not exceed five thousand rupees in amount or value.

9. Local limits of jurisdiction.—The Local limits of the jurisdiction of a Subordinate Judge shall be such as the Chief Court may define.

10. Appellate powers of the District Judge and Subordinate Judges.—The Chief Court may invest the District Judge or any Subordinate Judge of the first class with powers to hear appeal from the decrees and orders of a Subordinate Judge of the second or any other class, and the appellate decision in any such case shall have the same force as if made by the District Judge or as the case may be, the Subordinate Judge of the first class.

11. Power to invest Subordinate Judges with Jurisdiction under certain Acts.—The Chief Court may by general or special order invest any Subordinate Judge of the first class with all or any of the powers of a District Judge under the Succession Act, 1925 (XXXIX of 1925), or under any law for the time being in force.

12. Control of Courts.—Subject to the general superintendence and control of the Chief Court, the District Judge shall have control over all the civil courts in Karachi.

13. Power to distribute business.—Notwithstanding anything contained in the Code of Civil Procedure, 1908 (Act V of 1908), every District Judge may, by written order, direct that civil business cognizable by his Court and Courts under his control shall be distributed among Additional District Judges and Subordinate Judges in such manner as he thinks fit :

Provided that no direction issued under this section shall empower any court to exercise any powers or deal with any business beyond the limits of his jurisdiction.

14. Appeals from District Judges or Additional Judges.—Save as otherwise provided by any other enactment for the time being in force, an appeal from a decree or order of the District Judge or an Additional District Judge exercising original jurisdiction shall lie to the Chief Court.

15. Appeal from Subordinate Judges.—(1) Save as aforesaid an appeal from a decree or order of a Subordinate Judge shall lie—

(a) to the District Judge where the value of the original suit in which the decree or order was made does not exceed five thousand rupees ; and

(b) to the Chief Court in any other case.

(2) Where the function of receiving any appeals which lie to the District Judge under sub-section (1) has been assigned to an Additional District Judge, the appeals may be preferred to the Additional District Judge.

16. Appellate powers of Subordinate Judges.—The Chief Court may by notification direct that appeals lying to the District Court from all or any of the decrees or orders passed in an original suit by any Subordinate Judge shall be preferred to such other Subordinate Judge as may be specified in the notification, and the appeals shall thereupon be preferred accordingly and the Court of such other Subordinate Judge shall be deemed to be a District Court for the purpose of all appeals so preferred.

17. Power to transfer to a Subordinate Judge appeal from other Subordinate Judges.—(1) The District Judge may transfer any appeals pending before him from the decrees or orders of Subordinate Judges to any Additional District Judge or Subordinate Judge under his administrative control competent to dispose of them.

(2) The District Judge may withdraw any appeal so transferred, and either hear and dispose of it himself or transfer it to a Court under his administrative control competent to dispose it.

(3) Appeals transferred under this section shall be disposed of subject to the rules applicable to like appeals when disposed of by the District Judge.

(4) The powers conferred by this section shall be exercised subject to such general or special orders as may from time to time be issued in this behalf by the Chief Court.

18. Second appeals.—(1) An appeal shall lie to the Chief Court from every decree passed in appeal by any Court subordinate to the Chief Court on any of the following grounds, namely :—

(a) the decision being contrary to law or to some custom or usage having the force of law ;

(b) the decision having failed to determine some material issue of law or custom or usage having the force of law ;

(c) a substantial error or defect in the procedure provided by the Code of Civil Procedure, 1908 (Act V of 1908), or by any other law for the time being in force, which may possibly have produced error or defect in the decision of the case upon the merits.

(2) An appeal may lie under this section from an appellate decree passed *ex-parte*.

19. Second appeal on no other grounds.—No second appeal shall lie except on the grounds mentioned in the last preceding section.

20. Revision.—The Chief Court may call for the record of any case which has been decided by any Court subordinate to it and in which no appeal lies thereto, and if such subordinate Court appears—

- (a) to have exercised a jurisdiction not vested in it by law ; or
- (b) to have failed to exercise a jurisdiction so vested ; or
- (c) to have acted in the exercise of its jurisdiction illegally or with material irregularity ;

the Chief Court may make such order in the case as it thinks fit.

SUPPLEMENTAL

21. Mode of conferring power.—Except as otherwise provided any powers that may be conferred by the Chief Court on any person may be conferred on such person either by name or by virtue of office.

22. Conferment of jurisdiction.—(1) The Chief Court may, by notification in the official Gazette, confer within such local writs, as it thinks fit upon any Subordinate Judge the jurisdiction of a Judge of a Court of Small Causes under the Provincial Small Causes Courts Act, 1887 (IX of 1887), for the trial of suits cognizable by such courts up to such value not exceeding two thousand rupees as it thinks fit and may withdraw any jurisdiction so conferred.

(2) The Court of the Judge upon whom jurisdiction has been conferred under sub-section (1) of this section shall be deemed to be a Court of Small Causes within the meaning of the aforesaid Act, and shall be subject to the provisions of that Act as if it were a court constituted under that Act.

23. Seal of the Court.—Every Court shall use a seal on which shall be engraved the title of such Court.

24. Control of list of holidays.—(1) The Chief Court shall, subject to such general orders as may be made by the Provincial Government, prepare a list of days to be observed in each year as holidays in the Civil Courts subordinate to it.

(2) Every such list shall be published in the official Gazette.

25. Appointment and removal of court officials.—(1) The District Judge shall appoint such ministerial officers and other staff as may be required for the District Court and the subordinate courts.

(2) The District Judge may transfer any ministerial officer of any subordinate court to another such court.

26. Power to make rules.—The Chief Court may, with the previous sanction in writing of the Provincial Government, make rules consistent with this Ordinance and any other enactment for the time being in force to regulate any of the following matters, that is to say,—

- (a) the supervision of all courts subject to the control of the Chief Court and their visitation and inspection ;

- (b) the exercise by the District Judge of the general control vested in him over the Civil Court ;
- (c) all matters relating to the officers of courts ;
- (d) the translation of any papers filed in the Chief Court and the preparation of paper books for the hearing of appeals and the copying, typing or printing of any such papers or translations, and the recovery from the persons at whose instance or on whose behalf papers are filed, of the expenses thereby incurred ;
- (e) the holidays and vacations of the Chief Court and the courts subordinate to it ;
- (f) the place and times for the holding of courts ;
- (g) the qualifications and admission of proper persons to be petition-writers in courts, the issue of licenses to such persons, the fees to be charged by such persons and conduct of business by such persons, the punishment by a fine of any such rules, and the authority by which such breaches shall be investigated and fines imposed ; and the recovery of any such fine ;
- (h) the fees to be charged for processes issued by civil courts, or by any officer of any such court and the fees payable in any suit or proceeding in respect of the fees of the pleader of any other party to such suit or proceeding ;
- (i) the manner in which the proceedings of civil courts shall be kept and recorded, the manner in which paper books for the hearing of appeals shall be prepared and the granting of copies.

27. Temporary vacancy of office of District Judge.—In the event of the death of a District Judge or of his being prevented from performing his duties by reason of illness, absence from station or other cause, the Additional District Judge, if any, or a Subordinate Judge of the first class to be authorized in this behalf by the Chief Court shall assume charge of the duties of the District Judge without interruption to his ordinary duties and while so in charge shall perform the duties of the District Judge with respect to the filing of suits and appeals, receiving pleadings, execution of processes, return of writs and the like and shall be designated Additional District Judge or Subordinate Judge, as the case may be, in charge of the district and shall continue in such charge until the office of the District Judge has been resumed or assumed by an officer duly appointed thereto.

28. Provision regarding pending proceedings, appeals, revisions and reviews.—Save as otherwise provided in section 45 of the Sind Courts Act, 1926 (*Bom. Act VII of 1926*), all proceedings, appeals, revisions and reviews pending in the Chief Court immediately before the appointed day shall be disposed of by the Chief Court in the manner provided by law in force on the subject immediately before the commencement of this Ordinance as if in relation to such proceedings, appeals, revisions and reviews this Ordinance had not been made.

29. Provision relating to execution of decrees passed by the Chief Court.—All decrees and orders passed before the appointed day by the Chief Court shall be deemed for the purposes of executions to have been passed by the District Judge and any application made under this

provision of law shall be disposed of by the District Judge in a manner provided in this Ordinance :

Provided that nothing in the section shall be construed to extend the period of limitation to which application for execution may be subject.

30. Provision regarding suits and other proceedings.—(1) All suits, executions and other proceedings other than appeals, revisions and reviews pending in the Chief Court immediately before the appointed day in which no evidence has been recorded shall be transferred to the court of the District Judge who shall dispose of such suits, executions and other proceedings in the manner as if they had been instituted in his court ; and all such suits, executions and other proceedings in which evidence has been commenced to be recorded shall, notwithstanding anything in this Ordinance, be disposed of in the manner prescribed by law in force on the subject immediately before the appointed day as if this Ordinance had not been made.

(2) All suits, executions and other proceedings including applications pending in the Karachi Small Causes Court immediately before the appointed day shall be transferred to the Court of the District Judge who shall dispose of the same in the manner as if they had been instituted in his Court :

Provided that, notwithstanding the repeal of the Karachi Small Causes Court Act 1929 (*Bom. Act IV of 1929*), by the next succeeding section, and the other provisions of this Ordinance, such applications as aforesaid falling under Chapter V of the said Act shall be disposed of by the Court of the District Judge in the manner provided in that Chapter.

(3) All decrees and orders made by the Karachi Small Causes Court under the Karachi Small Causes Court Act, 1929 (*Bom. Act IV of 1929*), shall be deemed for the purpose of execution to have been passed by the District Judge.

31. Repeal, etc.—The Karachi Small Causes Courts Act, 1929, is hereby repealed and the Provincial Small Causes Court Act, 1887 (*IX of 1887*), repealed in its application to Karachi by section 3 of the aforesaid Act shall come into operation.

SCHEDULE

(See section 2)

Amendments in the Sind Courts Act, 1926

(1) In section (8), the words "and the principal civil court of original jurisdiction for the civil district of Karachi and shall be the Court of Session and shall exercise the powers and perform the duties of a Sessions Judge in the Sessions Division of Karachi" shall be omitted.

(2) Section 10 shall be omitted.

(3) In sub-section (1) of section 14, the words "from any original decree or" shall be omitted.

(4) In sub-section (1) of section 22, the words "other than that of Karachi" shall be omitted.

(5) Section 29 shall be omitted.

(6) In sub-section (1) of section 36, the word "Indian" shall be omitted.

(7) In sub-clauses (ii) and (iii) of clause (b) of sub-section (3) of section 37, the word "Indian" shall at both places be omitted.

(8) For section 45 the following shall be substituted, namely:—

"45.—(1) Every proceeding pending immediately before the appointed day in the Chief Court functioning as the Court of Sessions and exercising the powers and performing the duties of a Sessions Judge in the Sessions Division of Karachi shall be deemed to be transferred to the Court of Sessions of Karachi, and such Court shall proceed to try and determine or otherwise deal with such proceeding as if it had been instituted in such Court.

(2) The Chief Court may transfer any proceeding pending immediately before the appointed day in the Chief Court functioning as the principal civil court of original jurisdiction for the Civil District of Karachi to the District Court of Karachi, and such Court shall proceed to hear and determine the matter or otherwise deal with such proceedings as if it had been instituted in such Court.

(3) Appeals from decrees, sentences and orders passed and not appealed against before the appointed day, which would have lain to the Chief Court functioning or exercising powers and performing duties as aforesaid, shall lie to the District Court of Karachi or, as the case may be, to the Court of Sessions of Karachi.

(4) All decrees, sentences and orders passed before the appointed day by the Chief Court functioning or exercising powers and performing duties as aforesaid shall be deemed for the purposes of execution to have been passed by the District Court of Karachi or, as the case may be, the Court of Sessions of Karachi.

(5) Nothing in this section shall be construed to extend the period of limitation to which any suit or appeal may be subject."

ISKANDER MIRZA,
Acting Governor-General.

THE PAKISTAN (CONTROL OF ENTRY) (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XXX OF 1955

[22nd August, 1955]

An Ordinance to amend the Pakistan (Control of Entry) Act, 1952

WHEREAS an emergency has arisen which renders it necessary to amend the Pakistan (Control of Entry) Act, 1952 (LV of 1952), for the purposes hereinafter appearing;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Pakistan (Control of Entry) (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. In section 3 of the Pakistan (Control of Entry) Act, 1952 (LV of 1952), hereinafter referred to as the said Act,—

(a) in sub-section (5), the words “during the period of his stay in Pakistan” shall be omitted; and

(b) after sub-section (5) the following new sub-section (6) shall be added, namely:—

“(6) No Indian citizen having entered any part of Pakistan and being in possession of a valid passport duly visaed for Pakistan shall remain therein after the expiry of the period of stay authorised in the visa unless it is extended or renewed by an authority to be specified in the rules made under this Act.”.

3. Amendment of section 8, Act LV of 1952.—In section 8 of the said Act,—

(a) in clause (f) of sub-section (2), the words “during their stay in Pakistan” shall be omitted; and

(b) after sub-section (2), the following new sub-section (3), shall be added, namely:—

“(3) Rules made under this section may provide that any contravention thereof or of any order issued thereunder shall be punishable with imprisonment for a term which may extend to one year, or with a fine which may extend to one thousand rupees, or with both.”.

ISKANDER MIRZA,
Acting Governor-General.

Price : Anna 1

**THE REGULATION OF MINES AND OIL-FIELDS AND
MINERAL DEVELOPMENT (FEDERAL CONTROL)
(AMENDMENT) ORDINANCE, 1955.**

ORDINANCE No. XXXI OF 1955

[22nd August, 1955]

**An Ordinance to amend the Regulation of Mines and Oil-fields and
Mineral Development (Federal Control) Act, 1948.**

WHEREAS an emergency has arisen which renders it necessary to amend the Regulation of Mines and Oil-fields and Mineral Development (Federal Control) Act, 1948 (XXIV of 1948), in the manner hereinafter appearing :

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Acting Governor-General is pleased to make and promulgate the following Ordinance :—

1. Short title and commencement.—(1) This Ordinance may be called the Regulation of Mines and Oil-fields and Mineral Development (Federal Control) (Amendment) Ordinance, 1955.

(2) It shall come into force at once, and shall be deemed to have taken effect on and from the first day of June, 1949.

2. Insertion of new section 1A, Act XXIV of 1948.—In the Regulation of Mines and Oil-fields and Mineral Development (Federal Control) Act, 1948 (XXIV of 1948), hereinafter referred to as the said Act, after section 1, the following new section 1A shall be inserted, namely :—

“1A. It is hereby declared to be expedient in the public interest that the regulation of mines and oil-fields and mineral development shall, as from the commencement of this Act, be under Federal control.”.

Declara-
tion.

3. Amendment of section 2, Act XXIV of 1948.—In section 2 of the said Act, for the words “It is hereby declared to be expedient in the public interest that the Central Government shall have power to” the words “The Central Government may” shall be substituted.

4. Insertion of new section 4A, Act XXIV of 1948.—In the said Act, after section 4, the following new section 4A shall be inserted, namely :—

“4A. Any prospecting licence, mining lease or mining concession granted or renewed by any authority prior to the date of the coming into force of this Act and in operation on the said date shall, so far as may be, be deemed to have been granted or, as the case may be, renewed in accordance with the provisions of the rules made under section 2 as if such rules had been in force at the time such licence, lease or concession was granted or renewed and shall be treated accordingly.”.

Treatment
of existing
licences, etc.

ISKANDER MIRZA,
Acting Governor-General.

Price : Anna 1

**THE SMALL INDUSTRIES CORPORATION
(AMENDMENT) ORDINANCE, 1955.**

ORDINANCE NO. XXXII OF 1955

[23rd August, 1955]

An Ordinance to amend the Small Industries Corporation Ordinance, 1955

WHEREAS an emergency has arisen which renders it necessary to amend the Small Industries Corporation Ordinance, 1955 (V of 1955), for the purpose hereinafter appearing ;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make the following Ordinance :—

1. Short title and commencement.—(1) This Ordinance may be called the Small Industries Corporation (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Substitution of new section for section 30, Ordinance V of 1955.—In the Small Industries Corporation Ordinance, 1955 (V of 1955), for section 30 the following shall be substituted, namely :—

“30. *Prohibited business.*—Except as provided in or under this Ordinance, the Corporation shall not—

(a) accept deposits ; or

(b) subscribe directly to the shares or stock of any company having limited liability.”.

ISKANDER MIRZA,
Acting Governor-General.

Price : Anna 1

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THE INSURANCE ACT (AMENDMENT) ORDINANCE, 1955.

ORDINANCE NO. XXXIII OF 1955

[1st September, 1955]

An Ordinance further to amend the Insurance Act, 1938

WHEREAS an emergency has arisen which renders it necessary further to amend the Insurance Act, 1938 (IV of 1938), for the purposes herein-after appearing;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Insurance Act (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Amendment of section 2, Act IV of 1938.—In section 2 of the Insurance Act, 1938 (IV of 1938), in clause (2A), after the words “Pakistan nationals”, the following shall be added at the end, namely:—

“ but the Central Government may, by like notification, exempt any corporation or joint stock company from the provisions of either sub-clause (a) or sub-clause (b) or those of both sub-clauses of this clause; ”.

ISKANDER MIRZA,
Acting Governor-General.

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THE TARIFF ACT (AMENDMENT) ORDINANCE, 1955

ORDINANCE NO. XXXIV OF 1955

[21st October, 1955]

An Ordinance further to amend the Tariff Act, 1934

WHEREAS an emergency has arisen which renders it necessary further to amend the Tariff Act, 1934 (XXXII of 1934) for the purpose hereinafter appearing;

Now, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, ch. 2), and of all other powers enabling him in that behalf, the Governor-General is pleased to make and promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be called the Tariff Act (Amendment) Ordinance, 1955.

(2) It shall come into force at once.

2. Amendment of Second Schedule, Act XXXII of 1934.—In the Second Schedule to the Tariff Act, 1934 (XXXII of 1934), against item 5 relating to tea, in the third column, for the words "Three annas per lb.", the words "Six annas per lb." shall be substituted.

ISKANDER MIRZA,

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