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PART I

Acts, Ordinances, President's Orders and Regulations

NATIONAL ASSEMBLY SECRETARIAT

Islamabad, the 27th February, 1974

The following Act of Parliament received the assent of the President on the 27th February, 1974, and is hereby published for general information :—

ACT No. VIII OF 1974

An Act further to amend the House Building Finance Corporation Act, 1952

WHEREAS it is expedient further to amend the House Building Finance Corporation Act, 1952 (XVIII of 1952), for the purposes hereinafter appearing ;

It is hereby enacted as follows :—

1. Short title and commencement.—(1) This Act may be called the House Building Finance Corporation (Amendment) Act, 1974.

(2) It shall come into force at once.

2. Amendment of preamble, Act XVIII of 1952.—In the House Building Finance Corporation Act, 1952 (XVIII of 1952), hereinafter referred to as the said Act, in the preamble, for the words “of houses in the towns and cities in Pakistan” the commas and words “, reconstruction, repair and purchase of houses” shall be substituted.

3. Amendment of section 2, Act XVIII of 1952.—In the said Act, in section 2, in clause (c), the words “for the construction or purchase of a house or for the purchase of land for constructing a house thereon” shall be omitted.

4. Amendment of section 7, Act XVIII of 1952.—In the said Act, in section 7, in sub-section (1), the words “of whom one shall be a person belonging to West Pakistan” shall be omitted.

5. Amendment of section 10, Act XVIII of 1952.—In the said Act, in section 10, in sub-section (2), the words, commas, brackets and figure “who, subject to the provisions of sub-section (1), shall hold office for the unexpired period of the term of his predecessor” shall be omitted.

(57)

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6. Amendment of section 14, Act XVIII of 1952.—In the said Act, in section 14, for sub-sections (2) and (3) the following shall be substituted, namely :—

- “(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as such until his successor is appointed.
- (3) In the event of the office of the Chairman falling vacant, the office shall be filled by the appointment of a Chairman from amongst the Directors”.

7. Substitution of section 23, Act XVIII of 1952.—In the said Act, for section 23, the following shall be substituted, namely :—

- “23. *Business which the Corporation may transact.*—Subject to the provisions of this Act, the Corporation may—
- (a) grant loans to borrowers for construction or purchase of houses or for purchase or development of land on which houses are to be constructed or, if so directed by the Federal Government, for repair or re-construction of houses damaged by natural calamities;
 - (b) give, on such terms and conditions as may be prescribed, guarantee in respect of a house-building loan granted by a scheduled bank or by a financial institution approved by the Federal Government; and
 - (c) undertake housing projects, including acquisition of land, planning and development of sites and construction of houses for disposal by sale.”.

8. Amendment of section 24, Act XVIII of 1952.—In the said Act, in section 24,—

- (1) in sub-section (1),—
 - (a) after the word “house” occurring for the first time, the words “constructed or” shall be inserted;
 - (b) after the word “purchase”, the comma and words “, repair or reconstruction” shall be inserted; and
 - (c) after the word “both”, the words “or by such guarantee” shall be inserted; and
- (2) in sub-section (4), in clause (a), after the word “that”, the commas and words “, where the loan is for the construction of a house,” shall be inserted.

9. Amendment of section 25, Act XVIII of 1952.—In the said Act, in section 25, the words, letters, figure and semi-colon “which is less than Rs. 2,000; or” shall be omitted.

10. Amendment of section 27, Act XVIII of 1952.—In the said Act, in section 27,—

- (1) in clause (b), for the semi-colon and word “; or” the following shall be substituted, namely :—

"except, with the prior approval of the Federal Government, a corporation or an agency, whether incorporated or not, set up with the object of construction and management of houses :"; and

(2) clause (c) shall be omitted.

11. **Amendment of section 30, Act XVIII of 1952.**—In the said Act, in section 30,—

- (a) in sub-section (5), after the word "sub-section", the brackets and figure "(4)" shall be inserted; and
- (b) the following explanation shall be added at the end, namely :—

"*Explanation.*—Where the extent of the liability of the borrower and his surety to which the application relates exceeds fifty thousand rupees, this section shall, in its application to the Karachi District, have effect as if references therein to 'District Judge' were references to "High Court"."

12. **Insertion of new section 30-A, Act XVIII of 1952.**—In the said Act, after section 30, the following new section shall be inserted, namely :—

"30A. *Act to override other laws, etc.*—Notwithstanding anything to the contrary contained in any law, custom or usage for the time being in force, it shall be lawful for—

- (a) a person to pledge, mortgage, hypothecate or assign in favour of the Corporation any property, movable or immovable, as a security for the purpose of obtaining loan for the construction, purchase, repair or reconstruction of a house, or for the purchase or development of land for constructing a house thereon; and
- (b) the Corporation to accept such pledge, mortgage, hypothecation or assignment for such purpose and to sell or realise any property pledged, mortgaged, hypothecated or assigned and to enforce its rights in accordance with the provisions of section 30."

13. **Repeal.**—The House Building Finance Corporation (Amendment) Ordinance, 1973 (XXVI of 1973), is hereby repealed.

ASLAM ABDULLAH KHAN,
Secretary.