

that Council, the Federal Government may, by order published in the official Gazette, make such provisions, not inconsistent with the purposes of this Act, as appear to it to be necessary or expedient for removing the difficulty.

THE CHEMICAL FERTILIZERS (DEVELOPMENT SURCHARGE) ACT, 1973.

ACT No. XLI OF 1973

[27th June, 1973]

An Act to provide for the levy and collection of a development surcharge on chemical fertilizers and for matters connected therewith.

WHEREAS it is expedient to provide for the levy and collection of a development surcharge on chemical fertilizers and for matters connected therewith;

It is hereby enacted as follows:—

1.—(1) This Act may be called the Chemical Fertilizers (Development Surcharge) Act, 1973.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

Definitions.

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

(a) "company" means any company engaged in the business of manufacturing chemical fertilizers;

(b) "development surcharge" means the surcharge payable under section 3;

(c) "differential margin", in relation to a chemical fertilizer, means the amount by which the maximum sale price of that fertilizer exceeds its maximum retail selling price as in force immediately before the commencement of the Chemical Fertilizers (Development Surcharge) Ordinance, 1973, hereinafter referred to as the said Ordinance, or, as the case may be, the amount by which its maximum sale price exceeds the aggregate of its ex-factory price and the incidental charges;

(d) "ex-factory price", in relation to a chemical fertilizer produced by a factory, means such ex-factory price of that fertilizer as the Federal Government may, by notification in the official Gazette, declare to be the ex-factory price having regard to the cost of production of such factory;

VI of 1973.

(e) "incidental charges" means the aggregate of the freight by rail or road and such distribution costs as the Federal Government may, by notification in the official Gazette, fix;

(f) "landed cost" in relation to any chemical fertilizer, means the aggregate of *c.i.f.* value, duties, taxes, fees and other charges payable on or after the import of that fertilizer into Pakistan;

(g) "maximum sale price", in relation to a chemical fertilizer, means such retail price of that fertilizer, not exceeding 125 per cent. of its landed cost, as the Federal Government may, by notification in the official Gazette, declare to be the maximum sale price.

3.—(1) Subject to the provisions of this Act, every company shall pay to the Federal Government a development surcharge equal to the differential margin in respect of a chemical fertilizer produced by it, including a chemical fertilizer so produced and held-in-stock immediately before the commencement of the said Act.

(2) Subject as aforesaid, every stockist shall pay to the Federal Government a development surcharge equal to the differential margin in respect of a chemical fertilizer held by him in stock immediately before commencement of the said Ordinance.

4.—(1) Subject to such conditions, limitations or restrictions as it may think fit to impose, the Federal Government may, in such general cases as it may prescribe by rules or in particular cases by special order, exempt a company from the payment of the development surcharge in respect of all or any of the fertilizers or authorise the refund in whole or in part of the development surcharge paid by a company.

(2) Subject to any rules made under this Act, the development surcharge shall be collected in the same manner as a duty of excise leviable under the Central Excises and Salt Act, 1944, is collected.

I of 1944.

5.—(1) Notwithstanding anything contained in any other law, no company or stockist shall sell any chemical fertilizer at a price higher than the maximum sale price.

(2) A contravention of sub-section (1) shall be deemed to be a contravention of an order made under the Essential Commodities Act, 1957, and all the provisions of that Act, shall have effect accordingly.

III of 1957.

6. Notwithstanding anything contained in any other law, the amount of the development surcharge paid by a company or stockist under section 3 shall be an expenditure for which allowance is to be made in computing profits or gains under sub-section (2) of section 10 of the Income-tax Act, 1922.

XI of 1922.

7. The Federal Government may, by notification in the official Gazette, make rules¹ for carrying out the purposes of this Act.

¹ For the Chemical Fertilizers (Development Surcharge) Rules, 1973, vide S.R.O. No. 1011 (I)/73, dt. 6-7-73, see Gaz. of P., 1973 (Ext.) (Islamabad), Pt. II, pages 1461—1463.

¹ For Statement of Objects and Reasons, see Gaz. of P., 1973, Ext., Pt. III, p. 1093.

Levy of development surcharge.

Power to grant exemption from payment of surcharge and refund and procedure for collection and refund of surcharge.

Maximum sale price.

Allowance to be made for development surcharge for purposes of income-tax.

Power to make rules.

Delegation of Powers.

8. The Federal Government may, by notification in the Official Gazette, direct that all or any of its powers under this act or the rules made thereunder shall, in such circumstance and under such conditions, if any, as may be specified in the direction, be exercised also by an officer or authority subordinate to the Federal Government.

9. The Chemical Fertilizers (Development Surchage) Ordinance, 1973, is hereby repealed.

VI of 1973.

THE LOANS FOR AGRICULTURAL PURPOSES

ACT, 1973.

ACT No. XLII OF 1973

(27th June, 1973)

An Act to provide for credit facilities for persons engaged in agriculture.

WHEREAS it is expedient to provide for credit facilities for persons engaged in agriculture ;

It is hereby enacted as follows :—

1.—(1) This Act may be called the Loans for Agricultural Purposes Act, 1973.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

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

3. In this Act, unless there is anything repugnant in the subject or context,—

(a) "bank" means a scheduled bank within the meaning of the State Bank of Pakistan Act, 1956, and includes the Agricultural Development Bank of Pakistan established under the Agricultural Development Bank Ordinance, 1961 ;

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

(c) "land-owner" has the same meaning as in the West Pakistan Land Revenue Act, 1967, but does not include a lessee or a mortgagee ;

(d) "loans or advances" means loans or advances for agricultural purposes ;

XXXI of 1956. IV of 1961.

W.P. Act XVII of 1967.

For Statement of Objects and Reasons, see Gaz. of P. 24973, Part III, p. 1001.

Short title, extent and commencement.

Act to override other laws.

Definitions.

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

(f) "Revenue Officer" has the same meaning as in the West Pakistan Land Revenue Act, 1967, and includes a Naib Tehsildar and Head Munshi.

W.P. Act No. XVII of 1967.

4.—(1) A Land owner applying to any bank for the grant of a loan or advance may, for the purpose of enabling the bank to take action in accordance with sub-section (4), produce before the bank a pass book prepared in the prescribed form and manner setting out particulars of the land owned by him.

Presentation of pass book.

(2) The entries in the pass book shall be authenticated by the Revenue Officer and shall be prima facie evidence of the title of the holder of the pass book to the parcels of land entered in the pass book, free of any prior encumbrance, unless otherwise specified therein.

(3) The pass book shall be deemed to be a title deed and accepted as such by the bank for granting a loan or advance to a land-owner on the security of such land entered therein as he may indicate.

(4) If the bank grants a loan or advance to the land-owner on the production of the pass book, the bank shall endorse the pass book against the entry relating to the land on the security of which the loan or advance is granted by it.

(5) The endorsement made in the pass book under sub-section (4) shall create a charge in favour of the bank on the land against the entry relating to which the endorsement has been made and the land-owner shall be debarred from alienating the land until the outstanding amount of the loan or advance granted by the bank has been repaid.

(6) Any alienation of land in contravention of sub-section (5) shall be void.

(7) If the land-owner fails to repay the amount of the loan or advance in accordance with the terms of his agreement with the bank, the bank may, without prejudice to any other legal remedy available to it, apply to the Collector for the recovery of the amount in default as an arrear of land revenue and thereupon all the provisions of the Revenue Recovery Act, 1890, shall apply to the recovery of the amount in default as they apply to the recovery of an arrear of land revenue.

I of 1890.

5.—(1) The Federal Government or, if the Federal Government so directs, the Provincial Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may specify the ratio to be maintained by the scheduled banks between loans and advances granted to land-owners having land not exceeding a subsistence holding, those having land exceeding such holding but not exceeding an economic holding and those having land exceeding an economic holding.