

**AZAD GOVT. OF THE STATE OF JAMMU & KASHMIR,  
LAW & PARLIAMENTARY AFFAIRS SECRETARIAT,  
MUZAFFARABAD.**

Muzaffarabad the 31st December, 1976.

The following Act of the Assembly received the assent of the President on the 31st day of December, 1976, and is hereby published for general information:-

**(ACT XIII OF 1976)**

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. **Short Title, extent and commencement.-** (1) This Act may be called the Azad Jammu and Kashmir Loans for Agricultural Purposes Act, 1976.
  - (2) It extends to the whole of Azad Jammu and Kashmir.
  - (3) It shall come into force at once.
2. **Act to override other laws.-** The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.
3. **Definitions.-** 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 (XXXIII of 1956), and includes the Agricultural Development Bank of Pakistan established under the Agricultural Development Ordinance 1961 (VI of 1961), as in force in Azad Jammu and Kashmir ;
  - (b) 'Economic holding' means an area of 50 Acres;
  - (c) 'Government' means the Azad Government of the State of Jammu and Kashmir;

- (d) 'Land' means land used for agricultural purposes or for purposes subservient to agriculture;
  - (e) 'Land-owner' has the same meaning as in the Land Revenue Act, but does not include a lessee or a mortgagee;
  - (f) 'Loans or Advances' means loans or advances for agricultural purposes;
  - (g) 'Prescribed' means prescribed by rules made under this Act; and
  - (h) 'Revenue Officer' has the same meaning as in the Land Revenue Act, as in force in Azad Jammu and Kashmir;
  - (i) 'Subsistence holding' has the same meaning as in the Azad Jammu and Kashmir Land Reforms Act, 1960.
4. **Presentation of Pass Book.**- (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.
- (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 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, without prejudice to any other legal remedy the amount shall be recoverable by the Collector as arrears of Land Revenue on the application by the Bank.

5. **Power to make rules.-** (1) The Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

(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-owner having land not exceeding a subsistence holding, those having land not exceeding such holding but not exceeding an economic holding and those having land exceeding an Economic holding.

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

(i) to the disadvantage of land-owners having Land not exceeding a subsistence holding and to the advantage of land-owners having land exceeding a subsistence holding ; or

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

6. **Repeal.-** The Azad Jammu and Kashmir Loans for Agricultural purposes Ordinance, 1976 (Ordinance VII of 1976) is hereby repealed.

Sd/-  
(Syed Mohammad Akram Shah)  
Deputy Secretary,  
Law & Parliamentary Affairs,  
Azad Government of the State of  
Jammu and Kashmir.