

THE BANGLADESH KRISHI BANK ORDER, 1973

PRESIDENT'S ORDER NO. 27 OF 1973

[31st March, 1973]

WHEREAS it is expedient to establish a Krishi Bank to provide credit facilities to agriculturists and persons engaged in cottage industries and to provide for the vesting in that bank of the undertakings of the Agricultural Development Bank of Bangladesh and for matters connected therewith or incidental thereto;

NOW, THEREFORE, in pursuance of paragraph 3 of the Fourth Schedule to the Constitution of the People's Republic of Bangladesh, and in exercise of all powers enabling him in that behalf, the President is pleased to make the following Order:-

1. (1) This Order may be called the Bangladesh Krishi Bank Order, 1973.

(2) It extends to the whole of ¹[Bangladesh except the ²[Rajshahi and Rangpur] Division].

(3) It shall come into force at once and shall be deemed to have taken effect on the 16th December, 1971.

2. In this Order, unless there is anything repugnant in the subject or context,-

- (a) "agriculture" includes the raising of crop of any kind, horticulture, forestry, fishery, animal husbandry, poultry farming, dairying, bee-keeping and sericulture and other agro-industries;
- (b) "agriculturist" means any individual engaged in agriculture or in the development of agriculture or agricultural products or in storage, warehousing, marketing or processing of agricultural produce, and

¹ The words "Bangladesh except the Rajshahi Division" were substituted for the word "Bangladesh" by section 35 of the Rajshahi Krishi Unnayan Bank Ordinance, 1986 (Ordinance No. LVIII of 1986).

² The words "Rajshahi and Rangpur" were substituted for the word "Rajshahi" by section 41 of রাজশাহী কৃষি উন্নয়ন ব্যাংক আইন, ২০১৪ (২০১৪ সনের ১৯ নং আইন)।

any public or private limited company or co-operative society incorporated or registered by or under any law for the time being in force and so engaged, and any person, company or co-operative society incorporated or registered as aforesaid, who satisfies the Bank that the loan to be taken shall be spent on agriculture or the development of agricultural products or on the storage, warehousing, or marketing of agricultural products;

- (c) “Agricultural Development Bank of Pakistan” means the Agricultural Development Bank of Pakistan established by the Agricultural Development Bank of Pakistan Ordinance, 1961;
- (d) “Agricultural Development Bank of Bangladesh” means the Agricultural Development Bank of Bangladesh which took up the functions of the Agricultural Development Bank of Pakistan within the territory of Bangladesh immediately on the liberation of Bangladesh on the 16th December, 1971;
- (e) “Auditor-General” means the Comptroller and Auditor-General of Bangladesh;
- (f) “Bank” means the Bangladesh Krishi Bank established under this Order;
- (g) “Board” means the Board of Directors of the Bank;
- (h) “Bangladesh Bank” means the Bangladesh Bank established under the Bangladesh Bank Order, 1972 (P. O. No. 127 of 1972);
- (i) “Chairman” means the Chairman of the Board;
- (j) “co-operative society” means a society registered in Bangladesh under any law for the time being in force relating to registration of co-operative societies;
- (k) “cottage industry” means any 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 or by a group of such persons who have formed themselves into a co-operative society;
- (l) “Government” means the Government of the People’s Republic of Bangladesh;

- (m) “Managing Director” means the Managing Director of the Bank;
- (n) “prescribed” means prescribed by rules or regulations made under this Order;
- (o) “small agriculturist” means an agriculturist in occupation of a holding which is normally tilled by himself and the members of his family.

3. (1) On the commencement of this Order, there shall be established a Bank to be called the Bangladesh Krishi Bank to carry out the purposes of this Order.

(2) The Bank shall be a body corporate by the name of Bangladesh Krishi Bank, having perpetual succession and a common seal with power to hold and dispose of property and shall by the said name sue and be sued.

(3) The Bank shall be deemed to be a banking company for the purpose of the ¹[Banking Companies Ordinance, 1962 (Ord. LVII of 1962),] and the Bangladesh Bank Order, 1972 (P. O. No. 127 of 1972) and any other law for the time being in force relating to banking companies.

(4) Notwithstanding anything contained in any of the laws mentioned in clause (3), the Bank may refer to the Bangladesh Bank for reconsideration of any directives issued under any of the said laws by the Bangladesh Bank and in the event of a difference of opinion between the Bank and the Bangladesh Bank, the matter shall be referred to the Government whose decision thereon shall be final.

4. The authorised capital of the Bank shall be twenty crore taka to be subscribed by the Government from time to time according to the requirements of the Bank and in such form and manner as may be prescribed:

¹ The words, commas, figures and brackets “Banking Companies Ordinance, 1962 (Ordinance No. LVII of 1962),” were substituted for the words, commas, figures and brackets “Banking Companies (Inspection) Ordinance, 1946 (Ordinance No. IV of 1946), the Banking Companies (Control) Act, 1948 (Act No. XXII of 1948)” by section 2 and the Schedule of the Banks and Financial Institutions Laws Amendment Act, 1980 (Act No. IX of 1980).

Provided that the Government may increase the authorised capital of the Bank from time to time.

5. (1) The Head Office of the Bank shall be at Dhaka and may be shifted to such other place as the Government may direct.

(2) The Bank may open such other offices and branches at such places as it may consider necessary.

6. (1) Subject to the rules made under this Order, the general direction and administration of the affairs and business of the Bank shall be entrusted to a Board of Directors, to be constituted in accordance with the provisions of Article 7 and such Board may exercise all such powers and do all such acts and things as may be exercised or done by the Bank.

(2) The Board, in discharging its functions, shall act on commercial considerations but with due regard to the interest of agriculture and development of agriculture and cottage and other allied industries in the rural as well as urban areas and to the public interest generally and shall be guided on questions of policy by the instructions, if any, given to it by the Government which shall be the sole judge as to whether a question is a question of policy or not.

(3) Until the first Board is constituted under Article 7, the Managing Director appointed under the said Article shall exercise all powers and do all acts and things as may be exercised or done by the Board.

¹[**7.** (1) The Board shall consist of the following Directors to be appointed by the Government, namely:-

- (a) the Chairman;
- (b) the Managing Director;
- (c) seven officials; and
- (d) two non-officials.

¹ Article 7 was substituted by section 2 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

(2) The Chairman shall be appointed from amongst persons who are not in the service of the Republic.]

8. (1) The ¹[Chairman, Managing Director] and other Directors shall hold office for such period and on such terms and conditions as the Government may determine.

(2) The Government may, at any time, terminate the appointment of the ²[Chairman, Managing Director] or any other Director without assigning any reason.

(3) The ³[Chairman, Managing Director] or any other Director may, at any time, resign his office by notice in writing addressed to the Government:

Provided that no resignation shall take effect until it has been accepted by the Government.

9. (1) The Managing Director shall be the chief executive officer of the Bank.

(2) The ⁴[Chairman,] Managing Director and other Directors shall exercise such powers, perform such functions and discharge such duties as may be prescribed or assigned to them by the Board.

10. ⁵[(1) There shall be an Executive Committee consisting of the Chairman, Managing Director and another Director.

¹ The words and comma “Chairman, Managing Director” were substituted for the words “Managing Director” by section 3 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

² The words and comma “Chairman, Managing Director” were substituted for the words “Managing Director” by section 3 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

³ The words and comma “Chairman, Managing Director” were substituted for the words “Managing Director” by section 3 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

⁴ The word and comma “Chairman,” was inserted by section 2 and the Schedule of the Banks and Financial Institutions Laws Amendment Act, 1980 (Act No. IX of 1980).

⁵ Clauses (1) and (2) were substituted by section 2 and the Schedule of the Banks and Financial Institutions Laws Amendment Act, 1980 (Act No. IX of 1980).

¹[* * *]

(2) The members of the Executive Committee, other than the Chairman and the Managing Director, shall be elected by the Board.]

(3) Subject to the rules made in this behalf, the Executive Committee shall deal with any matter within the competence of the Board.

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

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

- (a) is a salaried official of the Bank, other than the Managing Director; or
- (b) is or has at any time been adjudicated an insolvent; or
- (c) is found lunatic or becomes of unsound mind; or
- (d) is or has at any time been convicted of an offence involving moral turpitude; or
- (e) is a minor; or
- (f) absents himself from three consecutive meetings of the Board or, if he is a member of the Executive Committee, from three consecutive meetings of the Committee, without leave of absence from the Chairman or, in the case of the Chairman, from the Government.

11A. [Omitted by section 5 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (XLIII of 1983).]

¹ The proviso was omitted by section 4 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

12. (1) No business of the Board or of the Executive Committee shall be transacted except at a meeting at which a quorum of four Directors in the case of the Board and two members in the case of the Executive Committee is present.

(2) The meetings of the Board and of the Executive Committee shall be held at such time and at such places as may be prescribed by regulations.

(3) If a Director appointed under ¹[sub-clause (c) or sub-clause (d) of clause (1)] of Article 7 is unable to attend for unavoidable reasons a meeting of the Board or of the Executive Committee of which any such Director is a member, the Government may, by order in writing, appoint another person in his place for the purpose of such meeting.

(4) All meetings of the Board or of the Executive Committee shall be presided over by the Chairman and in his absence by a Director or member chosen for that purpose by the Directors or members present from amongst their number.

(5) 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.

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

13. ²[(1) The Directors, other than the Managing Director, shall be paid such fees for attending the meetings of the Board and the Executive Committee as may be prescribed by rules.]

¹ The words, brackets, letters, and figure “sub-clause (c) or sub-clause (d) of clause (1)” were substituted for the words, brackets and figures “clause (ii) or clause (iii)” by section 6 of the Bangladesh Krishi Bank (Second Amendment) Ordinance, 1983 (Ordinance No. XLIII of 1983).

² Clause (1) was substituted by section 2 of the Bangladesh Krishi Bank (Amendment) Ordinance, 1983 (Ordinance No. VIII of 1983).

(2) The Directors shall be reimbursed such travel costs and other expenditure for attending the meetings of the Board and the Executive Committee as may be prescribed by rules.

(3) All fees, travel costs and other expenses under this Article shall be payable by the Bank.

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

15. (1) The Bank shall provide credit in cash or in kind and credit facilities including the hiring and renting of anything which it may advance by way of loan and the provision for ware housing facilities, for such term and subject to such conditions as may be prescribed by rules, to agriculturists for the purpose of agriculture and to persons engaged in cottage and other allied industries in rural as well as urban areas for the purpose of such industries as may carry on and transact the several kinds of business hereinafter, specified, that is to say,-

- (a) the accepting of money on deposit;
- (b) the borrowing of money for the purposes of the Bank's business against the security of its assets or otherwise;
- (c) the issuing and selling of bonds and debentures;
- (d) for the purpose of securing loans and advances made by the Bank, accepting pledge, mortgage, hypothecation or assignment to the Bank of any kind of movable and immovable property or unconditional Bank guarantee of a scheduled bank or drawing, accepting, discounting, buying and selling or rediscounting bills of exchange and promissory notes bearing two or more good signatures, one of which shall be that of a scheduled bank or other negotiable instruments:

Provided that where a loan not exceeding two thousand taka in the aggregate is made to an individual agriculturist, it may be secured by a bond with one or more sureties as the Bank may deem necessary if such agriculturist makes an agreement with the Bank creating a charge on any of his specified property to secure the performance of the stipulations of the bond;

- (e) the buying, stocking and supplying on credit, of seeds, agricultural machinery, implements and equipments, fertilizers and chemicals and any other material used in agriculture and acting as agent for any organisation for such goods;
- (f) the subscribing to the debentures, being debentures repayable within a period not exceeding ten years of any body corporate concerned with agriculture or the financing of agriculture, the financing of cottage and other allied industries in rural as well as urban areas;
- (g) the custody of gold ornaments, jewels, securities, saving certificates, title deeds and other valuable articles and the collection of the proceeds, whether principal, interest or dividends of any such securities or saving certificates;
- (h) the administration of estates for any purpose whether as executor, transferee or otherwise;
- (i) the paying, receiving, collecting and remitting of money and securities;
- (j) the acquiring, maintaining and transferring of all movable and immovable property, including residential premises, for carrying on its business;
- (k) the taking over of business, including the capital, assets and liabilities of any other Bank or financial corporation, with the previous approval of the Government;
- (l) the guaranteeing against the security of agricultural property of loans granted by scheduled banks;
- (m) the opening of accounts or the making of any agency arrangement with, and the acting as agent or correspondent of, any Bank or financial corporation;
- (n) the investing of its funds in Government securities as a purely temporary measure:

Provided that the investment of fund exceeding fifty lacs of taka shall not be made except with the prior approval of the Government;

- (o) the selling and realising of all properties, 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 claim and the acquisition and the holding of, and generally the dealing with, any right, title or interest in any property, movable or immovable, which may be the Bank's security;
- (p) generally the doing of all such acts and things as may be necessary, incidental or conducive to the attainment of the object of the Bank.

(2) Notwithstanding anything in clause (1), any loan guaranteed by the Government may be made without any specific security.

(3) Notwithstanding anything contained in any law for the time being in force, it shall be lawful for any agriculturist or persons engaged in cottage industry or in any other allied industries in the rural as well as urban areas to pledge, mortgage, hypothecate or assign any kind or quantity of movable or immovable property to the Bank, or otherwise to create a charge on any such property in order to secure the repayment of the loan and the Bank shall, in accordance with the provisions of this Order, 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, assigned or otherwise charged shall be sold or otherwise disposed of except by public auction and then only so much of it as is sufficient to recover the dues of the Bank and the Bank shall not bid at such auction except in cases where the bid is not sufficient to pay up the Bank's dues or there are no bidders.

(4) Notwithstanding anything contained in any law for the time being in force, any charge created on any property to secure the repayment of the loan of the Bank or to secure performance of the stipulations of any bond executed in favour of the Bank shall be enforced against such property in the hands of any person to whom it may have been transferred including the person who has acquired the property for consideration and without notice of the charge.

(5) The Bank may make use of any agency prescribed by rules for watching the expenditure from its loans and making recoveries.

(6) Subject to such directions, if any, as may be given by the Government, the Bank may carry on and transact outside Bangladesh all or any of the business specified in clause (1).

(7) Notwithstanding anything in clause (1) or elsewhere in this Order, loans for purposes other than agricultural may be advanced to any deposit holder with the Bank against his own deposit as and when required.

16. The Bank may undertake, if necessary, in collaboration and consultation with official or non-official agencies,-

- (a) any research on agricultural credit, marketing or agricultural products, agricultural credit to co-operative societies, cottage industries and other allied industries in rural as well as urban areas, and other allied subject, and the establishment of research institutions in that connection; and
- (b) the provision of training facilities, including the establishment of training institutions, for the benefit of its personnel and that of co-operative societies and other bodies corporate which may have financial relations with the Bank.

17. In transacting the business of the Bank, the Board shall, as far as possible, give preference to credit needs of small agriculturists, including any such agriculturist who engages a crop sharer (*bargader*).

18. (1) The Bank shall not undertake any kind of business other than that authorised by or under this Order and, in particular, it shall not –

- (a) discount or buy or advance or lend or open any credit on the security of any negotiable instrument payable in the town or at the place where it is presented for discount, which does not carry on it the several responsibilities of at least to persons unconnected with each other;

- (b) purchase or subscribe to shares of any company or other body corporate or otherwise acquired any such share except in the course of the satisfaction of any of its claims;
- (c) 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.

(2) Any share or interest acquired under sub-clause (b) or sub-clause (c) of clause (1) shall be disposed of by the Bank as early as possible.

19. The Bank shall require, and, as far as possible, ensure that a loan is spent on the purpose for which it is made, and if this requirement is not complied with by the borrower, the Bank may require the repayment of the loan forthwith.

20. Notwithstanding any agreement to the contrary, the Bank may, by notice, require any borrower forthwith to pay his debt to the Bank in full, if –

- (a) he has failed to comply with any terms of the agreement under which the relevant loan, advance or credit has been granted;
- (b) the Bank reasonably apprehend that he is unable to pay his debt;
- (c) in the opinion of the Bank false or misleading information on any material particular has been given in the application for the relevant loan, advance or credit or in any other statement or communication made in connection with any loan, advance or credit granted to him;
- (d) the property mortgaged, hypothecated or assigned to the Bank as security for the advance, loan or credit is not kept in proper conditions to the satisfactions of the Bank, or the value as estimated by the Bank has depreciated by more than 20 per cent. and further security to the satisfaction of the Bank is not given within the time specified by the Bank;

- (e) without the permission of the Bank, any property pledged, mortgaged, hypothecated or assigned to the Bank, is leased or rented to third parties or is in any way charged, disposed of or removed from the place where it was at the time the loan, advance or credit was granted;
- (f) for any other reason it is necessary in the opinion of the Bank to protect its interest.

21. (1) Where any agriculturist who is liable to the Bank under any agreement makes default in repayment or otherwise fails to comply with the terms of his agreement with the Bank, such default or failure not being due to natural calamity, the Bank may, subject to any rules made in this behalf, take over the management of the concern of the agriculturist and sell or realise any property pledged, mortgaged, hypothecated or assigned by the agriculturists to secure his liability to the Bank.

(2) All sums due to the Bank shall be recoverable as arrears of land revenue.

(3) In the application of the Public Demands Recovery Act, 1913 (Bengal Act III of 1913), for the purpose of the recovery of the dues of the Bank, the provisions of sections 7, 9, 10 and 13 of that Act shall not apply and the certificates issued under section ¹[6] of the said Act shall be conclusive proof that the amount specified therein is due to the Bank.

(4) Sums due from a co-operative society and recoverable under clause (1) may be recovered in accordance with the provisions of law for the time being in force relating to the recovery of such sums due from a co-operative society to the Government.

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¹ The figure "6" was substituted for the figure "4" by section 2 of the Bangladesh Krishi Bank (Amendment) Act, 1975 (Act No. XXIX of 1975).

² Clause (5) was omitted by section 2 of the Bangladesh Krishi Bank (Amendment) Act, 1975 (Act No. XXIX of 1975).

(6) An officer (of the rank of Manager or above) of the Bank may exercise all the powers exercisable by a certificate officer under the Public Demands Recovery Act, 1913 (Bengal Act III of 1913), within his jurisdiction for the purpose of recovery of the dues of the Bank only.

22. The Bank shall establish a fund to be called the General Reserve Fund and create from time to time such other reserves as the Government may direct.

23. After making adequate provision for bad and doubtful debts, depreciation of assets or any other matters which are usually provided for by bankers, the net annual profit of the Bank shall be disposed of as follows, that is to say,-

- (a) a percentage of the net profit to be determined every year by the Board shall be transferred to the General Reserve Fund until the Fund is equal to the subscribed share capital of the Bank;
- (b) the remaining net profit shall be paid to the Government.

24. (1) The Bank shall maintain proper accounts and prepare annual statement of accounts, including the profit and loss account and balance-sheet, and shall comply in respect of such accounts with such general directions as may be issued by the Government from time to time.

(2) The accounts of the Bank shall be audited by not less than two auditors being chartered accountants within the meaning of the ¹[Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)], who shall be appointed by the Government.

(3) Every auditor appointed under clause (2) shall be given a copy of the annual balance-sheet and other accounts of the

¹ The words, comma, figures, brackets and letters “Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)” were substituted for the words, comma, figures and brackets “Chartered Accountants Ordinance, 1961 (Ordinance No. X of 1961)” by section 2 and the Schedule of the Banks and Financial Institutions Laws Amendment Act, 1980 (Act No. IX of 1980).

Bank 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 Bank, and shall at all reasonable times have access to the books, accounts and other documents of the Bank, and may, in relation to such accounts, examine any Director or officer of the Bank.

(4) The auditors shall report to the Government upon the annual balance-sheet and accounts, and in their report they shall state whether, in their opinion, the balance-sheet contains all necessary particulars and is 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 Board, whether it has been given and whether it is satisfactory.

(5) The Government may, at any time, issue directions to the auditors requiring them to report to it upon the adequacy of measures taken by the Bank for the protection of the interest of the Government and of the creditors of the Bank or upon the sufficiency of the procedure in auditing the affairs of the Bank, and may, at any time, enlarge or extend the scope of the audit or direct that different procedure in audit shall be adopted or that any other examination shall be made by the auditors or any other person or persons, if, in its opinion, the interest of the Government so requires.

25. (1) The Bank shall furnish to the Government such returns, reports and statements as the Government may from time to time require.

(2) The Bank shall, as soon as possible, after the end of every financial year but not later than four months, furnish to the Government a statement of accounts audited by the auditors under Article 24 together with an annual report on the working of the Bank during the year.

(3) The copies of the audit accounts and annual report received by the Government under clause (2) shall be published in the *official Gazette* and shall be laid before Parliament.

26. ¹[(1)] The Bank may ²[, subject to the provisions of clause (2),] appoint or employ such persons including advisers as it considers necessary for the efficient performance of its operation on such terms and conditions as may be prescribed by regulations.

³[(2) Notwithstanding anything contained in clause (1), or in clause (1) of Article 38, the Government may appoint ⁴[a Deputy Managing Director and] a General Manager of the Bank on such terms and conditions as it may determine.]

27. (1) Every Director shall be indemnified by the Bank 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 employee of the Bank for any loss or expense resulting to the Bank by reason of the inefficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Bank or by the wrongful act of any person under a liability acquired or taken on behalf of the Bank or by anything done by him in good faith in the execution of the duties of his office.

28. (1) Every Director, member of the Technical Advisory Committee, auditor or employee of the Bank shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the schedule to this Order.

¹ Existing provision of Article 26 was numbered as clause (1) by section 2 and the Schedule of the Financial Institutions Laws Amendment Ordinance, 1977 (Ordinance No. LXI of 1977).

² The commas, words, brackets and figure “, subject to the provisions of clause (2),” were inserted by section 2 and the Schedule of the Financial Institutions Laws Amendment Ordinance, 1977 (Ordinance No. LXI of 1977).

³ Clause (2) was added by section 2 and the Schedule of the Financial Institutions Laws Amendment Ordinance, 1977 (Ordinance No. LXI of 1977).

⁴ The words “a Deputy Managing Director and” were inserted by section 2 of the Bangladesh Krishi Bank (Amendment) Ordinance, 1984 (Ordinance No. LVIII of 1984).

(2) Whoever contravenes his declaration of fidelity and secrecy shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand taka, or with both.

29. Whoever in any application for obtaining a loan, advance or credit or in any balance-sheet, statement of profit and loss, declaration or any other document submitted to the Bank in respect of any financial aid sought or granted under this Order, wilfully makes a false statement or knowingly permits any false statement to be made or to remain or uses or permits to be used any loan, advance, or credit for any purpose other than that for which it is granted by the Bank shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand taka, or with both.

30. (1) No information given by a person applying to the Bank for financial assistance, or based on data furnished by such person, shall be disclosed or used for a purpose not connected with the discharge of his duties by any Director, or member of the Technical Advisory Committee or of any Committee or by any employee of the Bank.

(2) Whoever contravenes any of the provisions of clause (1) shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand taka, or with both.

31. Whoever without the consent in writing of the Bank uses its name in any prospectus or advertisement shall be punishable with the imprisonment for a term which may extend to six months, or with fine which may extend to one thousand taka, or with both.

32. No court shall take cognizance of any offence punishable under this Order otherwise than on a complaint in writing signed by an officer of the Bank authorised in this behalf.

33. No provision of law relating to the winding up of banking companies shall apply to the Bank and the Bank shall not be wound up save by order in writing of the Government and in such manner as the Government may direct.

34. (1) The Government may make rules for carrying out the purposes of this Order and where the regulations framed under the succeeding Article are inconsistent with the rules made under this Article the rules shall prevail.

(2) Without prejudice to the provision of clause (1), such rules may provide for-

- (a) the duties and powers of the Managing Director;
- (b) the manner, conditions and terms of issue and redemption of bonds and debentures;
- (c) the conditions subject to which advances, loans and credit may be granted to-
 - (i) the Director;
 - (ii) the member of the Technical Advisory Committee;
 - (iii) the employee of the Bank;
 - (iv) the relatives of the persons mentioned in this clause;
 - (v) the individuals, co-operative societies and other bodies corporate with whom these persons or their relatives are connected as partners, directors, managers, servants, or otherwise.

35. (1) The Board may, with the previous approval of the Government, make regulations not inconsistent with this Order or the rules to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Order and the efficient conduct of the affairs of the Bank.

(2) Without prejudice to the generality of the provision of clause (1), the regulations may provide for-

- (a) the conduct of the business and the meetings of the Board and of the Executive Committee or any other Committee or Sub-committee;

- (b) the procedure for recovery of loans and other dues of the Bank;
- (c) the disclosure of interest, direct or indirect, of a Director in any application for loan;
- (d) the recruitment of the employees of the Bank, the terms and conditions of their services, the constitution and management of Provident Fund for the employees of the Bank and all other matters connected with any of these things;
- (e) the duties and conduct of employees and agents;
- (f) the forms of returns and statements;
- (g) preparation of annual estimates of income and expenditure of the Bank and their submission to the Board and the Government.

36. All rules and regulations made under this Order shall be published in the *official Gazette*.

37. (1) On the commencement of this Order, the entire undertakings of the Agricultural Development Bank of Pakistan shall stand transferred to, and vested in, the Bank.

(2) The undertaking of the Agricultural Development Bank of Pakistan shall be deemed to include all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property as were immediately before the commencement of this Order in the ownership, possession, power or control of the Agricultural Development Bank of Pakistan in relation to the undertaking within the territory of Bangladesh and all books of accounts, registers, records and all other documents of whatever nature

relating thereto and shall, unless the Government otherwise directs, also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the Agricultural Development Bank of Pakistan in relation to such undertaking in the territory of Bangladesh.

(3) Unless otherwise expressly provided by this Order and unless the Government otherwise directs, all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature subsisting or having effect immediately before the commencement of this Order and to which the Agricultural Development Bank of Pakistan is a party or which are in favour of the Agricultural Development Bank of Pakistan, in so far as they relate to the undertaking of the Agricultural Development Bank of Pakistan which has vested in the Bank under clause (2), be of as full force and effect against or in favour of the Bank, and may be enforced or acted upon as fully and effectually as if in the place of the Agricultural Development Bank of Pakistan the Bank had been a party thereto or as if they had been issued in favour of the Bank.

(4) Subject to the other provisions of this Order and unless the Government otherwise directs, any suit, appeal or other proceeding of whatever nature pending on the date of commencement of this Order by or against the Agricultural Development Bank of Pakistan in relation to the undertaking which has been vested in the Bank under clause (2) shall be deemed to be suit, appeal or other proceeding by or against the Bank, and may be continued or prosecuted and enforced by or against the Bank.

38. (1) The Bank may ¹[, subject to other provisions of this Order,] appoint or employ such persons as it considers necessary for the efficient performance of its functions on such terms and conditions as it may determine.

(2) Every officer or other employee of the Agricultural Development Bank of Pakistan who is a citizen of Bangladesh and who owes allegiance to Bangladesh shall become, on the commencement of this Order, an officer or other employee, as the case may be, of the Bank and shall hold office in the Bank on the same terms and conditions and with the same rights and privileges as to the provident fund, gratuity, pension and other matters as were enjoyed by him immediately before such commencement and shall continue to do so unless and until his employment in the Bank is terminated or until his remuneration or terms and conditions are duly altered by the Bank:

Provided that an officer or other employee may, within such time as may be specified by the Bank, exercise his option not to continue in the service of the Bank.

(3) Notwithstanding anything contained in any terms and conditions of service or in any award, settlement or agreement for the time being in force, the Bank may, with the prior approval of the Government, alter the remuneration (whether by way of reduction or otherwise) and other terms and conditions of service of any officer or other employee of the Bank, and if such alteration is not acceptable to an officer or other employee, the Bank may terminate his employment by giving him compensation equivalent to three months' remuneration in the case of a permanent officer or other employee and one month's remuneration in the case of a temporary officer or other employee.

¹ The commas and the words “, subject to other provisions of this Order,” were inserted by section 2 and the Schedule of the Financial Institutions Laws Amendment Ordinance, 1977 (Ordinance No. LXI of 1977).

Explanation.- The compensation to an officer or other employee under clause (3) shall be in addition to any pension, gratuity or other benefit to which the officer or other employee may be entitled under the terms and conditions of his service.

(4) No officer or other employee of the Agricultural Development Bank of Pakistan whose service is, by this Order, transferred to the Bank shall, notwithstanding anything contained in any law for the time being in force, be entitled to any compensation because of such transfer.

(5) Every officer or other employee of the Bank, while performing duties under this Order, shall be deemed to be public servant within the meaning of section 21 of the Penal Code (Act No. XLV of 1860).

39. (1) On the commencement of this Order, the Agricultural Development Bank of Pakistan Ordinance, 1961 (Ord. IV of 1961), hereinafter referred to as the said Ordinance, shall stand repealed.

(2) Subject to the provisions of this Order, any appointment, order, rule or regulation made or issued under any provision of the said Ordinance and in force immediately before the repeal of the said Ordinance shall, so far as it is not inconsistent with the provisions of this Order, be deemed to have been made or issued under this Order as if this Order was in force at the time at which such appointment, order, rule or appointment were made or issued.

(3) Any reference to the Agricultural Development Bank of Pakistan or, as the case may be, in any law other than the said Ordinance and this Order, or in any order, rule or notification or in any contract or other instrument shall, except as otherwise in any order, general or special, made by the Government, be construed as a reference to the Bank.

THE SCHEDULE

[See Article 28]

Declaration of Fidelity and Secrecy.

I, , hereby declare that I will faithfully, truly and to the best of my judgment, skill and ability, execute and perform the duties required of me as a Director, member of the Technical Advisory Committee, Auditor or employee (as the case may be) of the Bangladesh Krishi Bank and which relate to any office or position in the said Bank 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 and business of the Bank 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 Bank and relating to the business of the Bank.

Signature

Signed before me:

Signature

Designation with address

Date
