



THE COOPERATIVE SOCIETIES (REPAYMENT OF LOANS) ORDINANCE, 1960



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THE CO-OPERATIVE SOCIETIES (REPAYMENT OF LOANS) ORDINANCE, 1960.

¹ORDINANCE No. XXXIV OF 1960

[15th August, 1960]

An Ordinance to provide for the repayment of certain unsecured loans or loans insufficiently secured.

WHEREAS it is expedient to provide for the repayment of such loans taken from Co-operative Banks and other Cooperative Societies as have not been secured or are insufficiently secured;

NOW, THEREFORE, in pursuance of the Proclamation of the seventh day of October 1958, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance:—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Cooperative Societies (Repayment of Loans) Ordinance, 1960.

(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) “Cooperative Bank” means a Cooperative Society established for carrying on banking business and having as its principal object the financing of other Cooperative Societies, and includes cooperative societies known as Banking Unions and Zamindari Banks;
- (b) “Cooperative Society” means a society which, having as its object the promotion of the common interests of its members in accordance with cooperative principles or having been established with the object of facilitating the operation of such a society, is registered under the Cooperative Societies Act, 1912 ([II of 1912](#)), or under any other law for the time being in force relating to the registration of cooperative societies;

¹This Ordinance has been amended to the extent of Islamabad Capital Territory, see Ordinance No. XXVII of 1981, s.5 and Sch.IV.

- (c) “loan” means loan, whether of money or in kind, which has not been secured or is insufficiently secured and taken—
- (i) from a cooperative society, not being a Cooperative Bank, by any person other than a member of such society, or
 - (ii) from a Cooperative Bank by any person, including any member thereof, but not a cooperative society, and includes any transaction which, in the opinion of the Registrar, is in substance a loan as aforesaid;

Explanation.—A loan is “insufficiently secured” if it is not secured by mortgage, pledge, hypothecation or assignment of such property of the borrower or of his surety or of both as, in the case of a loan not exceeding thirty thousand rupees, the cooperative society concerned, and, in the case of a loan exceeding thirty thousand rupees, the Registrar, may think adequate.

¹[(d) “Registrar” means.—

- (i) in relation to a cooperative society in the Islamabad Capital Territory, the Registrar of Cooperative Societies appointed by the Federal Government for that territory; and
- (ii) in relation to a co-operative Society in a Province, the Registrar of Cooperative Societies of the Province.]

3. Repayment of Loans. etc. Notwithstanding anything contained in any other law for the time being in force, or in any agreement or other instrument, every loan repayable on any day earlier than one year preceding the commencement of this Ordinance and every loan any instalment whereof was payable as aforesaid and has not been so paid, shall unless repaid earlier, be repaid and secured in the following manner, that is to say—

¹ Subs. by the Federal Laws (Revision and Declaration) Ordinance 1981 (27 of 1981), s.5. and Sch.IV.