



# THE HOUSE BUILDING FINANCE CORPORATION ACT, 1952



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# THE HOUSE BUILDING FINANCE CORPORATION ACT, 1952.

## <sup>1</sup>ACT NO. XVIII OF 1952

[18<sup>th</sup> April, 1952]

### **An Act to establish a House Building Finance Corporation.**

WHEREAS it is expedient to establish a House Building Finance Corporation for the purpose of providing financial facilities for the construction <sup>2</sup>[, reconstruction, repair and purchase of houses].

It is hereby enacted as follows:—

**1. Short title, extent and commencement.**—(1) This Act may be called the House Building Finance Corporation Act, 1952.

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<sup>1</sup> For Statement of Objects and Reasons, see Gaz. of P., Ext., 1952, pp. 310 and 311.

The Act was brought into force in Baluchistan (with effect on and from the 8<sup>th</sup> day of November, 1952), see Gaz. of P., 1952, Pt. I, p. 236; and extended to the Leased Areas of Baluchistan, by the Leased Areas (Laws) Order, 1950 (G.G.O. 3 of 1950).

It has been applied also in the Federated Areas of Baluchistan, see Gaz. of P., 1953, pt. I, p. 152.

It has also been extended to —

(i) the Baluchistan States Union, by the Baluchistan States Union (Federal Laws) (Extension) Order, 1953 (G.G.O. 4 of 1953); and

(ii) the Khairpur State by the Khairpur (Federal Laws) (Extension Order, 1953 (G.G.O. 5 of 1953).

The Act has been and shall be deemed to have been brought into force in Gwadur (with effect from the 8<sup>th</sup> September, 1958), by the Gawadur (Application of Central Laws) Ordinance, 1960 (37 of 1960).

The Act and the rules, notifications and orders made thereunder have been applied to the whole of the Federally Administered Tribal Areas or to the parts of those Areas to which they do not already apply, by Regulation No. 1 of 1975, s. 2 and the Sch.

The Act and the rules, notifications and orders made thereunder, is in force in N.W.F.P. before the 15<sup>th</sup> July, 1975, have been applied to the Districts of Chitral, Dir, Swat and Malakand Protected Area of the N.W.F.P. by Regulation No. III of 1975, s. 2 and the Sch.

<sup>2</sup> Subs. by the House Building Finance Corporation (Amdt.) Act, 1974 (8 of 1974) (w.e.f. 27-2-1974), for "of house in the towns and cities in Pakistan".

<sup>1</sup>[(2) It extends to the whole of Pakistan <sup>2</sup>[and also applies to the business of the Corporation transacted outside Pakistan and to persons conducting such business].]

(3) It shall come into force on such date<sup>3</sup> as the <sup>4</sup>[Federal Government] may, by notification in the Official Gazette, appoint.

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

(a) “Act” means the House Building Finance Corporation Act.

(b) “Board” means the Board of Directors of the Corporation

(c) “Borrower” means any person or persons or body of persons whether incorporated or not to whom a loan is made by the Corporation <sup>5</sup>\* \* \*.

<sup>6</sup>[(cc) “certificate” means a certificate issued by the Corporation to a bank or institution entitling that bank or institution to participate in the profits and losses of the Corporation on specified terms and conditions;]

(d) “Corporation” means the House Building Finance Corporation.

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<sup>1</sup> Subs. by the Central Laws (Statute Reform) Ordinance, 1960 (21 of 1960), s.3 and 2<sup>nd</sup> Sch., for the original sub-section (2) (w.e.f. 14-10-1955).

<sup>2</sup> Added by the House Building Finance Corporation (Amdt.) Act, 1975 (80 of 1975), s. 2 (w.e.f. 13-12-1975).

<sup>3</sup> i.e. the 8<sup>th</sup> November, 1952, see Gaz. of P., Ext., 1952, p. 1199.

<sup>4</sup> Subs. by the House Building Finance Corporation (Amdt.) Act, 1973 (9 of 1973) s. 13 (w.e.f. 1-2-1973), for “Central Government”.

<sup>5</sup> The words “or the construction [or purchase] of a house or for the purchase of land for constructing a house thereon” omitted by the House Building Finance Corporation (Amdt.) Act, 1974 (8 of 1974), s. 3. (w.e.f. 27-2-74) The words in crotchets were ins. by Act 9 of 1973, s. 2.

<sup>6</sup> Ins. by the House Building Finance Corporation (Amdt.) Ordinance, 1979 (40 of 1979), s. 2.

(e) “House” means any building intended for human habitation together with the land upon which it is situated and may comprise of one or more family housing units, and structures appurtenant thereto.

<sup>1</sup>[(ee) “investment” means the money advanced by the Corporation to a partner for construction or purchase of a house or for purchase or development of land, or, if so directed by the Federal Government, for repair or reconstruction of houses damaged by natural calamities; and

(eee) “partner” means any person or persons or body of persons, whether incorporated or not, with whom the Corporation enters into an agreement of partnership;]

(f) “prescribed” means prescribed by rules or regulations under this Act.

**3. Establishment and incorporation of the Corporation.**—(1) A Corporation to be called the House Building Finance Corporation shall be established as soon as may be to carry out the purposes of this Act.

(2) The Corporation shall be a body corporate by the name of the House Building Finance Corporation having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire and hold property, both movable and immovable, and shall by the said name sue and be sued.

<sup>2</sup>**4. Authorised capital and return payable.**—(1) The authorised capital of the Corporation shall be two hundred million rupees divided forty fully paid up shares of the value of five million rupees each to be subscribed from time to time by the Federal Government or any bank or financial institution with the previous approval of the Federal Government:

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<sup>1</sup> Ins. by the House Building Finance Corporation (Amendment) Ordinance, 1979 (40 of 1979), s. 2.

<sup>2</sup> Section 4 was previously amended by Act 35 of 1953, s. 2 and 27 of 1956, s. 2 has been subs. by the House Building Finance Corporation (Amdt.) Ordinance, 1983 (21 of 1983), s. 2.