



# THE WEST PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION (TRANSFER OF PROJECTS AND COMPANIES) ACT, 1974



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### SCHEDULE.

# THE WEST PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION (TRANSFER OF PROJECTS AND COMPANIES) ACT, 1974.

<sup>1</sup>[ACT NO. XXVIII OF 1974

[24<sup>th</sup> April, 1974]

## **An Act to provide for the transfer of certain projects and companies of the West Pakistan Industrial Development Corporation to certain specified corporations.**

WHEREAS it is expedient to provide for the transfer of certain projects and companies of the West Pakistan Industrial Development Corporation to certain specified corporations and for matters connected therewith or incidental thereto;

It is hereby enacted as follows:—

**1. Short title, extent and commencement.** —(1) This Act may be called <sup>2</sup>[Pakistan Industrial Development Corporation (Transfer of Projects and Companies) Act, 1974].

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

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

(a) "corporation" means a company formed and registered under the Companies Act, 1913 (VII of 1913), the entire issued and subscribed share capital of which is held by the Federal Government and its nominees;

(b) "managed company" means a company formed and registered under the Companies Act, 1913 (VII of 1913) of which the principal Corporation is the managing agent and of the issued and subscribed share capital of which the whole or a part is held by that Corporation and its nominees;

(c) "managed establishment" has the same meaning as in the Economic Reforms Order, 1972 (P.O. 1 of 1972);

(d) "principal Corporation" means the <sup>3</sup>[Pakistan Industrial Development Corporation] established under section 3 of the <sup>3</sup>[Pakistan Industrial Development Corporation Ordinance, 1962 ([XXXVIII of 1962](#))];

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<sup>1</sup> For Statement of Objects and Reasons, see Gaz. of P., 1974, Ext. Pt. III. p. 486.

<sup>2</sup> Subs. by the Federal Laws (Revision and Declaration) Ordinance, 1981, (27 of 1981), s. 3 and Sch., II.

<sup>3</sup> Subs. by the Federal Laws (Revision and Declaration) Ordinance, 1981, (27 of 1981), s. 3 and Sch., II.

- (e) "project" means a project in the possession, ownership, power or control of the principal Corporation and includes the assets, rights, authorities, powers, privileges, properties, lands, buildings, mines, leases, leaseholds, licences, works, workshops, any related office, shop, factory, godown, yard, stocks, stores, reserve fund, cash and bank balances, investments, security, bookdebts, and all rights, interests and benefits in assignable contracts and choses in action relating to the project, and all books of accounts, registers, records and all other documents of whatever nature relating thereto and all borrowings, liabilities and obligations of whatever kind of or relating to the project;

*Explanation.*—"security" includes share, scrip, stock, bond, debenture, debenture stock or other marketable security of a like nature in or of any body corporate and a Government security;

- (f) "vesting of a managed company in a corporation", with its grammatical variations, means the transfer to, and vesting in, a corporation of the shares held by the Principal Corporation in a managed company, in pursuance of sub-section (1) of section 4 or of an order under clause (b) of sub-section (2) of that section.

**3. Act to override other laws.** The provisions of this Act and any rule or order made thereunder shall have effect notwithstanding anything contained in any other-law for the time being in force, or in any contract, agreement, award, memorandum or articles of association or other instrument whatsoever.

**4. Vesting of projects and managed companies.**—(1) On and from the 13<sup>th</sup> day of August 1973, hereinafter referred to as the appointed day, the projects specified in column 1 of the Schedule, and the shares held by the principal Corporation and its nominees in the capital of the managed companies so specified, shall stand transferred to, and vest in, the corporation specified in column 2 of the Schedule.

(2) The Federal Government may, by order, direct that—

- (a) a project shall stand transferred to a corporation specified in the order on such day, in such manner and to such extent as may be so specified, and thereupon the project so transferred shall vest in and be managed by such corporation; and
- (b) all the shares held by the principal Corporation and its nominees in the capital of a managed company shall stand transferred to, and vest in, a corporation specified in the order on such day as may so specified and thereupon the corporation shall become the registered holder of such shares and have the same rights under the Companies Act, 1913 (VII of 1913), or any other law or the articles of association of the managed company as the principal Corporation and its nominees had immediately before the said day.

(3) On the appointed day or, as the case may be, the day specified in the order made under clause (b) of sub-section (2) for the transfer of the shares of a managed company to a

corporation, such corporation shall become the managing agent of the company and the principal Corporation shall cease to be its managing agent.

**5. Contracts and proceedings.**—(1) Unless otherwise expressly provided in this Act, on the vesting of a project or a managed company in a corporation, all orders, contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature subsisting or having effect immediately before the appointed day or, as the case may be, the day specified in the order made under sub-section (2) of section 4, executed or issued by or in favour of the principal Corporation in relation to such project or managed company shall be of as full force and effect against or in favour of the corporation, and may be enforced or acted upon as fully and effectually, as if instead of the principal Corporation such corporation had been a party thereto or as if the same had been issued by or in favour of that corporation.

(2) If any suit, appeal or other proceeding of whatever nature in relation to any project or managed company vested in a corporation is pending by or against the principal Corporation the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the vesting or of anything done under this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against such corporation.

**6. Continuance in service, and transfer, of employees etc.**—(1) Every Officer, workman or other employee employed in a project specified in column 1 of the Schedule and transferred to the corporation specified against it in column 2 of the Schedule shall be deemed to have become an officer, workman or other employee, as the case may be, of such corporation on the day of the transfer of the project to it.

(2) Every Officer, workman or other employee employed in a project vested in a corporation, by whomsoever appointed, shall, on the day of the vesting of the project in the corporation, become an officer, workman or other employee, as the case may be, of the corporation.

(3) The Federal Government may, by order in writing, direct that the services of any officer, workman or other employee of the principal Corporation employed in its Head Office or any of its Branch Offices or in connection with its functions as Managing Agents of companies shall, on such day as may be specified in the order, stand transferred to the corporation, managed company vesting in a corporation or managed establishment so specified.

(4) An officer, workman or other employee who becomes an officer, workman or other, employee of, or whose service are transferred to, a corporation, managed company vesting in a corporation or managed establishment under sub-section (1) sub-section (2) or sub-section (3) shall, in such corporation, managed company or managed establishment, as the case may be, be entitled to terms and conditions which are not less favourable to him than those to which he was or may be entitled immediately before the day on which he becomes an officer, workman or