



# THE REGIONAL DEVELOPMENT FINANCE CORPORATION AND SMALL BUSINESS FINANCE CORPORATION (AMALGAMATION AND CONVERSION) ORDINANCE, 2001



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**THE REGIONAL DEVELOPMENT FINANCE CORPORATION AND SMALL BUSINESS FINANCE CORPORATION (AMALGAMATION AND CONVERSION) ORDINANCE 2001**

**ORDINANCE No. LVI OF 2001**

*[19th October, 2001]*

***An Ordinance to amalgamate the Regional Development Finance Corporation and the Small Business Finance Corporation and to convert them into a public limited company***

WHEREAS it is expedient to provide for the amalgamation and conversion of the Regional Development Finance Corporation and the Small Business Finance Corporation into a public limited company and for matters connected therewith or ancillary thereto;

AND WHEREAS the President is satisfied that the circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

**1. Short title, extent and commencement.**— (1) This Ordinance may be called the Regional Development Finance Corporation and Small Business Finance Corporation (Amalgamation and Conversion) Ordinance, 2001.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

**2. Definitions.**—(1) In this Ordinance, unless there is anything repugnant in the subject or context,—

(a) "assets" means rights, and powers of every description and includes all properties, movable or immovable, tangible or intangible, mortgages, charges and claims in the name of the RDFC or SBFC, as the case may be;

(b) "company" means the company, formed and registered pursuant to section 4;

(c) "contracts" means all contracts, agreements, bonds, guarantees, indemnities, representations, obligations, undertakings and other legal documents and instruments of every description executed by or on behalf of the R.D.F.C. or S.B.F.C., as the case may be, including employment, investment, sales and financial contracts with whomsoever;

(d) "effective date" means the date specified in the Order;

- (e) "liabilities" means all liabilities lawfully incurred by the RDFC or SBFC, as the case may be, and includes duties of every kind imposed thereon;
- (f) "order" means an order made by the Federal Government under sub-section (1) of section 5;
- (g) "proceedings" includes applications, appeals, awards, reviews and revisions filed or pending in any suit, arbitration or other legal or administrative proceedings;
- (h) "RDFC" means the Regional Development Finance Corporation established under the Regional Development Finance Corporation Ordinance, 1985 ([XXXII of 1985](#));
- (i) "SBFC" means the Small Business Finance Corporation established under the Small Business Finance Corporation Act, 1972 (XXIX of 1972);
- (j) "transfer" means the transfer of assets, contracts, liabilities, proceedings and undertakings of the RDFC or SBFC, as the case may be, to the company; and
- (k) "undertaking" includes all projects, ventures and any other operations undertaken by the RDFC or SBFC, as the case may be, individually or in collaboration with some other person,

(2) All expressions and words used but not defined in this Ordinance shall have the same meanings as in the Companies Ordinance, 1984 ([XLVII of 1984](#)).

**3. Amalgamation of the RDFC and SBFC.** Within ninety days of the promulgation of this Ordinance, the Federal Government shall, in consultation with the RDFC and SBFC and their shareholder, prepare a scheme for the amalgamation of the RDFC and SBFC into a company.

**4. Registration of the company.** —(1) Pursuant to the scheme for amalgamation made under section 3, the Federal Government shall, in collaboration with the shareholders of the RDFC and SBFC, form a public limited company and register the same under the Companies Ordinance, 1984 ([XLVII of 1984](#)).

(2) Notwithstanding anything contained in section 470 of the Companies Ordinance, 1984 ([XLVII of 1984](#)), and the Sixth Schedule thereto, the company shall be exempt from the payment of any registration fee or any other charges for the purpose of its registration.

(3) The value ascribed to the assets and liabilities transferred to, and vested in the company by the Federal Government under the order shall represent the fair net value of the assets for taxation, depreciation or any other purposes.

(4) No stamp duty or any other charges shall be payable by the company under any law for the time being in force for the transfer and vesting of the assets, contracts, liabilities, proceedings or undertakings of the RDFC and SBFC to the company or any shares or