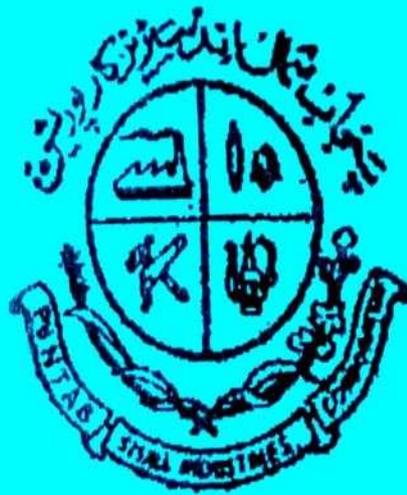


# PSIC ACT 1973



**DIRECTORATE OF ADMN & COORD**  
**4<sup>TH</sup> FLOOR LDA PLAZA, EGERTON ROAD, LAHORE.**

# THE PUNJAB GAZETTE PUBLISHED BY AUTHORITY

LAHORE, MONDAY, AUGUST 13, 1973

	<p><b>PROVINCIAL ASSEMBLY OF THE PUNJAB</b></p> <p><b>NOTIFICATION</b></p> <p>The 13th August, 1973</p> <p>No. PAP/Legis-2 (10)/73/158. The Punjab Small Industries Corporation Bill, 1973 having been passed by the Provincial Assembly of the Punjab on the 13th day of July, 1973 and assented to by the Governor of the Punjab on the 12th day of August, 1973, is hereby published as an Act of the provincial legislature of the Punjab.</p> <p>THE PUNJAB SMALL INDUSTRIES CORPORATION</p> <p><b>ACT, 1973</b></p> <p><b>PUNJAB ACT NO.XV OF 1973</b></p> <p>(First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary), dated the 13th August, 1973).</p> <p>AN ACT</p> <p>to provide for the establishment of a Small Industries Corporation in the Province of the Punjab.</p>	
	<p>WHEREAS it is expedient to make provisions for the establishment of a Corporation to succeed to the business, projects, undertakings and properties of the defunct West Pakistan Small Industries Corporation to the extent such business, projects, undertakings and properties stand transferred to the Punjab Province on the dissolution of the West Pakistan Small Industries Corporation by the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972, and for promoting the development of Industries in the province of the Punjab with particular reference to small and cottage industries, and matters incidental and supplemental thereto:-</p> <p>It is hereby enacted as follow:</p>	Preamble

Short title extent and commencement.	<p>1216-B</p> <p style="text-align: center;"><b>CHAPTER - I</b> <b>PRELIMINARY</b></p> <p>1. (1) This act may be called the Punjab Small Industries Corporation Act, 1973.  (2) It extends to the whole of the Province of the Punjab.  (3) It shall come into force at once and shall be deemed to have taken effect on and from the day the Punjab Small Industries Corporation Ordinance, 1972 (Punjab Ordinance No.XVIII of 1972), ceased to operate in accordance with the Provision of clause (2) of Article 135 of the Interim Constitution of the Islamic Republic of Pakistan.</p>	
Definitions	<p>2. In this Act, unless there is anything repugnant in the subject or context:-</p> <p>(a) <b>"Board"</b> means the Board of Members of the Corporation;</p> <p>(b) <b>"Borrower"</b> means any person or persons or body of persons whether incorporated or not, to whom a loan is given by the Corporation or by a scheduled Bank on the guarantee of the Corporation under this Act and includes the successors and assignees of such person or persons or body of persons;</p> <p>(c) <b>"Corporation"</b> means the Punjab Small Industries Corporation established under this Act;</p> <p>(d) <b>"Cottage Industry"</b> means an industry which is carried on wholly or primarily with the help of the members of the family as a whole time or part time occupation;</p> <p>(e) <b>"Managing Director"</b> means the Managing Director of Corporation;</p> <p>(f) <b>"Government"</b> means the Government of the Punjab;</p> <p>(g) <b>"Member"</b> means a Member of the Board and includes its Chairman;</p> <p>(h) <b>"Other Industry"</b> means any industry, other than cottage or small industry, approved by the Government and set up or established in a small industries estate;</p> <p>(i) <b>"Prescribed"</b> means prescribed by the rules,</p> <p>(j) <b>"Regulations"</b> means regulations made under this Act;</p> <p>(k) <b>"Rules"</b> means rules made under this Act;</p> <p>(l) <b>"Scheduled Bank"</b> means a bank for the time being included in the list of banks maintained</p>	

	<p>under sub-section (1) of section 37 of the State Bank of Pakistan Act, 1956;</p> <p>(m) "Small Industry" means an industry engaged in the handicrafts or manufacture of consumer or producer goods, the value of the total fixed assets whereof (excluding land) does not exceed rupees twenty lacs;</p> <p>(n) "Small Industries Estate" means an estate established and or managed by the Corporation to provide land and facilities for the establishment and development of small, cottage and other industries;</p> <p>(o) "Specified" means specified by regulations; and</p> <p>(p) "State Bank" means the State Bank of Pakistan.</p>	
	<p><b>CHAPTER - II</b></p> <p><b>CONSTITUTION OF THE CORPORATION</b></p>	
	<p>3. (1) As soon as may be after the Government of this Act, there shall be established a Corporation to be known, as "the Punjab Small Industries Corporation".</p> <p>(2) The Corporation shall be a body corporate, shall have the power to acquire and hold property, both movable and immovable, subject to the provisions of this Act and shall have perpetual succession and a common seal and shall by the said name sue and be sued.</p> <p>(3) The Head Office of the Corporation shall be in Lahore.</p>	Constitution of the Corporation
<p><i>R. S. J.</i> <i>Coart.</i></p>	<p>4. (1) The administration and management of the Corporation and its affairs shall vest in the Board which may exercise powers and do all acts and things that may be exercised or done by the Corporation in accordance with the provisions of this Act.</p> <p>(2) The Board in discharging its functions, shall act on commercial and national considerations and <del>shall be guided</del> by such directions as the Govt. may give to it from time to time.</p> <p>(3) Government may suspend the execution of any such resolution or order of the Board as, in the opinion of Government, contravenes the directions mentioned in sub-section (2) or prohibit the doing of any act which is to be done or is being done in pursuance of the said resolution or order, or if the act has been accomplished, order its rectification in such manner as may be directed.</p>	Management

	<p>5. (1) Subject to the provisions of sub-section (2) the Board shall consists of:-</p> <ol style="list-style-type: none"> <li>1. Minister for Industries Government of the Punjab.</li> <li>2. Additional Chief Secretary, Planning &amp; Development Department, Government of the Punjab.</li> <li>3. Secretary, Industries Department, Government of the Punjab.</li> <li>4. Secretary, Finance Department, Government of the Punjab.</li> <li>5. Managing Director, Punjab Small Industries Corporation</li> <li>6. Three non-official members to be nominated by the Government, one of whom at least shall be a Banker or a Chartered Accountant or a Management Consultant.</li> </ol>	<p>Board</p> <p>Chairman</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p>
<p>Managing Director</p>	<p>(2) <u>Government</u> shall have the power to alter the membership of the Board as and when considered necessary.</p> <p>6. (1) Government shall appoint Managing Director of the Corporation who shall be its Chief Executive.</p> <ol style="list-style-type: none"> <li>(2) The Managing Director shall; <ol style="list-style-type: none"> <li>(a) be a whole time officer of the Corporation;</li> <li>(b) perform such duties as may be specified or as the Board may assign to him;</li> <li>(c) subject to the provisions of sections 8,9 and 10, hold office as Managing Director for a term of three years and subject as aforesaid:- <ol style="list-style-type: none"> <li>(i) shall remain in office as Managing Director thereafter until his successor in that office is appointed; and</li> <li>(ii) may be appointed to hold that office for such further term as Government may, in appointing thereto, determine;</li> </ol> </li> <li>(d) received such salary and allowances as Government may determine; and</li> <li>(e) divest himself of any directorship of, or other interest held by him in, any other Corporation, company or concern;</li> </ol> </li> </ol>	

	<p>Provided that nothing in this clause shall prevent the Managing Director from holding shares in any public company acquired by him before his appointment as Managing Director, or acquiring during his term of office as Managing Director shares in any public company which is not a borrower:</p> <p>Provided further that Government may, in exceptional circumstances, where it considers necessary to do so in the public interest, exempt by a special order, any person who has been appointed or is about to be appointed as Managing Director from the application of this clause.</p>	
Terms of office of nominated members.	7. Subject to the provisions of sections 8, 9 and 10, a nominated Member shall hold office for such terms, not exceeding three years, as may be determined by Government and may be nominated thereafter for a further term of terms of such duration as Government may, in nominating him thereto, determine;	
Disqualifications of Managing Director and nominated Members	<p>8. No person shall be appointed as of Managing Director or nominated as Member, or as the case may be, shall continued to be a Managing Director and Director or Member, who:-</p> <p>(a) is, or at any time has been, convicted of any offence involving moral turpitude;</p> <p>(b) is, or at any time has been, adjudged insolvent;</p> <p>(c) is found a lunatic or becomes of unsound mind;</p> <p>(d) is, or at any time has been, disqualified for appointment in or dismissed from the service of Pakistan;</p> <p>(e) is under the age of twenty one years; or</p> <p>(f) is not a citizen of Pakistan.</p>	
	<p>9. Government may, by order in writing, remove the Managing Director or a nominated member, as the case may be, if he:-</p> <p>(a) refuses or fails to discharge or becomes, in the opinion nominated of Government, incapable of discharging his responsibilities under this Act;</p> <p>(b) has, in the opinion of Government, abused his position as Managing Director or nominated Member;</p> <p>(c) has knowingly acquired or continued to hold, without the permission in writing of Government, directly or indirectly, or through a partner, any share or interest in any contract or employment with, by or on behalf of the Corporation, or in any property, which in his knowledge, is likely to benefit or has benefited as a result of the operations of the Corporation;</p>	Removal of Managing Director or nominated members.

	<p>(d) has, in the opinion of Government, violated the declaration of fidelity and secrecy provided under section 12; or</p> <p>(e) has, absented himself from three consecutive meetings of the Board without the leave of the Board.</p>	
	<p>10. Notwithstanding any thing contained in this Act, the Managing Director or a nominated Member may, at anytime before the expiry of his term, upon three months notice, resign his office, or upon similar notice, be removed from office by Government without assigning any reason:</p> <p>Provided that Government may, in case of managing Director upon payment of three months salary and allowances in lieu of the notice remove him immediately without assigning any reason.</p>	Resignation by or removal of the Managing Director or a nominated Member.
	<p>11. (1) The Corporation may, subject to such general or special orders, as Government may give to it from time to time, appoint such officers, advisers and employees, as it considers necessary for the efficient performance of its functions, on such terms and conditions as it may deem fit.</p> <p>(2) The Corporation shall appoint such officers, experts, advisers, consultants and other persons as may be transferred to it by Government on such terms and conditions as may be determined by Government.</p>	Appointment of Officers etc.
	<p>12. (1) Every member, advisor, officer and other employee of the Corporation shall, before entering upon his office, make such declaration of fidelity and secrecy as may be specified</p> <p>(2) Any advisor, officer or other employee of the Corporation who, in the opinion of Government or a person authorized by Government in this behalf, has violated the declaration of fidelity and secrecy made by him under sub-section (1) shall be liable, after being given a reasonable opportunity of showing cause against the action proposed to be taken with respect to him be forthwith removed from his office or post.</p>	Declaration of fidelity and secrecy,
Financial, Technical and advisory committee	13. The Board may constitute such financial, technical and advisory committees as may be deemed necessary for carrying out the purposes of his Act.	
Immunity of the Corporation and its Employees.	<p>14. (1) Every Member, adviser, officer and employee of the Corporation shall be indemnified by the Corporation against all losses and expenses sustained or incurred by him in the discharge of his duties, save such losses and expenses as are sustained and incurred as a result of his own willful act or default.</p> <p>(2) The Managing Director shall not be personally responsible for the acts of any other Member, adviser, officer or employee of the Corporation which he could not have reasonably prevented by the due exercise of his powers and functions under this act and the rules and regulations made there under or for any</p>	

	<p>loss or expenses resulting to the Corporation by reasons of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation or any thing done by him in good faith in execution of the duties of his office.</p>	
Delegation of Powers	<p>15. The Board may, by general or special order delegate to the Managing Director, a Member Officer or employee of the Corporation any of its powers, duties or functions under this Act, the rules and regulations, subject to such conditions as it may deem fit to impose.</p>	
Meetings of the Board	<p>16. (1) The meetings of the Board shall be held at such times and places as may be specified</p> <p style="padding-left: 40px;">Provided that at least one meeting shall be held during each quarter of the year.</p> <p style="padding-left: 40px;">Provided further that until regulations are made in this behalf, such meetings shall be held at such times and places as may be determined by the Chairman.</p> <p>(2) The quorum required for transacting business at a meeting of the Board shall be four.</p> <p>(3) Each Member, including the Chairman, shall have one vote but in the event of equality of votes the Chairman shall have a casting vote</p> <p>(4) The meetings of the Board shall be presided over by the Chairman and in his absence by the senior most ex-officio Member present at the meeting.</p> <p>(5) No act or proceeding of the Board shall be invalid merely on the ground of the existence of any vacancy in, or any defect in the constitution of the Board.</p> <p>(6) The minutes of every meeting, stating among other things, the names of the Members present, shall be drawn up and recorded in a book to be kept for the purpose and shall be signed by the person presiding over the meeting and such book shall, at all reasonable times and without payment of any fee, be open to inspection by any Member.</p> <p>(7) If Government so directs in any case, the Managing Director shall forward to it copies of all papers laid before the Board for consideration at a meeting.</p> <p>(8) Government may require the Managing Director furnish to it:</p> <p style="padding-left: 20px;">(a) any return, statement, estimate, statistics or other information regarding any matter under the control of the Corporation.</p> <p style="padding-left: 20px;">(b) a report on any such matter; or</p> <p style="padding-left: 20px;">(c) a copy of any document in his charge, and the Managing Director shall comply with any such requisition without any undue delay.</p>	

	<p>17. (1) The Board, may associate with itself, in such manner, on such terms and for such period as it may deem fit; any person whose assistance or advice it may desire in carrying out any of the provisions of this act.</p> <p>(2) A person associated under sub-section (1) for any purpose shall have a right to take part in the discussion relating to such purpose in the Board's meeting but shall not have a right to vote, and shall not be deemed to be a Member for that or any other purpose.</p>	Power of Board to associate other persons.
	<p><b>CHAPTER-III</b> <b>POWERS, DUTIES AND FUNCTIONS OF THE CORPORATION</b></p>	
	<p>18. (1) In accordance with the provisions of this Act, the Corporation shall take such measures as it deems fit to render assistance in the establishment and development of small, cottage and other industries.</p> <p>(2) In particular and without prejudice to the generality of the fore-going function, the Corporation may, in order to promote and carry out the purposes of this Act:</p> <p>(a) give loans in cash, or in kind or in the form of buildings, developed plots of lands in the small industries estates or machinery and equipment on lease or on hire-purchase basis, to borrowers for the purpose of small, cottage and other industries; and</p> <p>(b) furnish guarantees to the Scheduled Banks for the repayment of loans to borrowers for the development of industries and to share losses on account of bad debts in accordance with the agreements executed or made in this behalf between the Corporation and such Banks.</p> <p>(3) The loans given under clause (a) or guaranteed under clause (b) of sub-section (2) shall repayable within a period not exceeding twenty years.</p>	Functions of the Corporation
	<p>19. No loan shall be given by Corporation until it is secured by pledge, mortgage, hypothecation or assignment of such property, movable or immovable, and of such value in proportion to the loan, as the Corporation may deem fit:</p> <p>Provided that when the Loan is given to an individual and does not exceed two <u>thousand rupees in the aggregate</u>, it may be secured by bond with at least two solvent sureties.</p>	Security for Loans.
Interest on loans etc.	<p>20. The rate of interest chargeable on loans given by the Corporation shall be determined and notified by Government from time to time.</p>	

Limit on loans etc.	<p>21. (1) The Corporation shall not give loan, make subscription or furnish guarantee to small or cottage industries located outside the small industries estates in excess of the following aggregate limits, namely:-</p> <ul style="list-style-type: none"> <li>(a) when made to an individual, rupees one lac; and</li> <li>(b) when made to any borrower, other than individual, rupees ten lacs.</li> </ul> <p>(2) The Corporation shall not give loans or furnish guarantees in case of industries located in the small industries estates in excess of such limits as may be notified by Government from time to time.</p>	
Relaxation	<p>22. Government may, from time to time, on the recommendations of the Corporation, relax the aggregate limits of loans, subscriptions, or guarantees, provided under Section 21.</p>	
Powers to impose conditions.	<p>23. At the time of settlement of any transaction, the Corporation may attach such conditions as it may deem necessary or expedient for protecting its own interest and for securing that the loan, under-writing or other aid shall be put to the best use.</p>	
Power to demand payment of entire sum.	<p>24. (1) Notwithstanding anything to the contrary contained in any agreement or law for the time being in force, if:</p> <ul style="list-style-type: none"> <li>(a) it is found that the loan was obtained by information supplied by the borrower which was false or misleading in any material particular;</li> <li>(b) the borrower is found to have committed the breach of any term of his agreement with the Corporation relating to the loan;</li> <li>(c) the loan or any part of its is found to have been utilised for a purpose other than for which it was given;</li> <li>(d) there is reasonable apprehension that the borrower will be unable to pay his debt or may go into liquidation;</li> <li>(e) the property pledged, mortgaged, hypothecated or assigned to the Corporation as security for the loan is not maintained in proper condition by the borrower or the property has depreciated in value by more than the prescribed percentage and the borrower is unable to furnish additional security to the satisfaction of the Corporation;</li> <li>(f) without the permission of the corporation, machinery or other equipment is removed from the premises of the borrower's industrial establishment without being adequately replaced;</li> </ul>	

	<p>(g) without the permission of the Corporation, the building, land or other property mortgaged as security for the loan is in any way disposed of or charged by the borrower, or for any other reason, it is necessary, in the opinion of the Board, to do so in order to protect the interest of the Corporation; or</p> <p>any officer authorised generally or specially in this behalf by the Board may, by notice, call upon the borrower to pay up the entire sum then remaining unpaid by the borrower in respect of the loan and the interest payable thereon or any lesser sum as the case may be, or require the borrower to surrender the building, machinery and equipment and other material given to him by way of loan or require him to comply with such directions as the Board may consider necessary to give in order to safeguard the interest of the Corporation:</p> <p>(2) The notice referred to in sub-section (1) shall indicate the time within which the borrower is required to make the payment or to surrender the factory building, machinery and equipment and other material or to carry out the directions given and shall also contain a warning that if the borrower fails to pay the amount demanded or to surrender factory, building, machinery and equipment and other material or carry out the directions given, as the case may be, within the time indicated, the Board may issue a certificate declaring the borrower to be a defaulter and certifying the sum due from the borrower to be recoverable as arrears of land revenue.</p>	
	<p>25. (1) If the borrower fails to pay the amount demanded or to carry out the directions given in the notice within the time indicated therein, the Board may issue a certificate in the prescribed form and manner declaring the borrower to be a defaulter and certifying the aggregate sum, including interest, due to the Corporation from the borrower upto the date of issuance of the certificate and mentioning the rate at which future interest shall be paid thereon.</p> <p>(2) Subject to the provisions of sub-section (3), a certificate issued under sub-section (1) shall be conclusive evidence that the sums certified in the certificate, together with future interest to be determined at the rate mentioned therein, are recoverable by the Corporation from the borrower.</p> <p>(3) The borrower may, within fifteen days of the issuance of a certificate under sub-section (1) appeal to Government and thereupon Government may cancel or modify the certificate.</p> <p>(4) Notwithstanding anything to the contrary contained in the agreement or in any law for the time being in force:</p>	<p>Certification of sum recoverable.</p>

	<p>(a) the Corporation shall have the option to recover the amount due from a borrower either from him or from his security and a certificate issued under sub-section (1) shall also be executable against the surety as if he himself were the borrower:-</p> <p>(b) any transfer of property pledged, mortgaged, hypothecated or assigned by the borrower as security for the repayment of the loan, so long as the loan or the interest thereon or any part thereof remains unpaid to the Corporation shall be void as against the Corporation and such property shall be liable to attachment and sale as if no such transfer has taken place;</p> <p>(c) where a loan has been advanced in the form of building or machinery and equipment on hire-purchase basis and the borrower has committed a breach of the terms and conditions of the agreement or otherwise violated any provision of this Act or failed to comply with a notice issued under sub-section (1) the Corporation shall be entitled to take possession of the building, machinery and equipment, as the case may be; and</p> <p>(d) all sums due to the Corporation from the borrower or any other person shall be recoverable as arrears of land revenue.</p>	
<p>Loan in Foreign Currency</p>	<p>26. (1) The Corporation may, with the previous approval of Government and the Government of Pakistan, and on such terms and conditions as may be approved by Government, borrow in foreign currency from the International Bank for Reconstruction and Development or other agencies, moneys required for the development of small, cottage and other Industries. In the case of loan secured for the purpose of section 18, the Corporation may pledge, mortgage, hypothecate or assign to the said International Bank or other agency, as the case may be, all or any part of security taken by the Corporation for the loan obtained in foreign currency.</p> <p>(2) All loans obtained in foreign currency shall be repayable:-</p> <p>(a) in the currency in which they are obtained;</p> <p>(b) in any other currency which is agreed upon by the loan-giving agency, Government and Government of Pakistan; or</p> <p>(c) In Pakistan currency at the rate of exchange prevailing at the date of repayment.</p>	

	<p>27. The Corporation shall also be responsible for:-</p> <ul style="list-style-type: none"> <li>(a) preparing and submitting schemes to Government for the development of cottage, small and other industries including schemes for research and mechanization of such industries;</li> <li>(b) giving effect to approved schemes;</li> <li>(c) sponsoring industries to be set up in the small industries estates and outside the estates;</li> <li>(d) taking over, implementing and running schemes, projects and training institutions, as may be transferred to the Corporation by Government;</li> <li>(e) organising co-operative societies in furtherance of the purposes of this Act;</li> <li>(f) taking appropriate measures for integration of small industries with medium and large industries;</li> <li>(g) undertaking, census and survey of cottage, small and other industries;</li> <li>(h) organising trade associations and taking other appropriate measures for promoting and marketing the products of cottage and small industries;</li> <li>(i) organizing fairs, pavilions, sales and display of products of cottage and small industries.</li> <li>(j) establishing service centres and common facility centres for specific industries or group of industries;</li> <li>(k) establishing, in special cases and with the prior approval of Government, small and cottage industries in less developed areas;</li> <li>(l) establishing small industries estates;</li> <li>(m) establishing artisan colonies, design centres, workshops and institutes for promotion and development of handicrafts;</li> <li>(n) procuring and distributing raw material machinery and spare parts to cottage and small industries;</li> <li>(o) establishing institutes for promotion and development of cottage, small and other industries;</li> <li>(p) maintaining and running depots for the supply of raw material and for the purchase and sale of finished goods from cottage and small industries and projects run by it;</li> </ul>	<p>Other functions of the Corporation.</p>
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	<ul style="list-style-type: none"> <li>(q) introducing better means of production and new designs including proto-types;</li> <li>(r) formulating and implementing schemes for training to artisans and small industrialists;</li> <li>(s) arranging for gradation and standardisation of products of small and cottage industries;</li> <li>(t) working out entitlement to raw material of cottage, small and other industries;</li> <li>(u) sanctioning, balancing, modernizing, etc; of cottage, small and other industrial units in accordance with the instructions of Government or in exercise of powers that may be delegated in this behalf by Government; and</li> <li>(v) undertaking such other functions, measures or steps as may be directed by Government.</li> </ul>	
Corporation to be deemed a Bank	28. The Corporation shall be deemed to be a Bank for the purposes of the Banker's Books Evidence Act, 1891.	
	<b>CHAPTER – IV (FINANCES)</b>	
Corporation Funds	<p>29. (1) There shall be a fund to be known as the "Corporation Funds" vested in the Corporation, which shall be utilised by the Corporation to meet charges in connection with its functions under this Act including salaries and other remunerations of the Managing Director, Officers and other employees of the Corporation</p> <ul style="list-style-type: none"> <li>(2) The Corporation funds shall consist of:- <ul style="list-style-type: none"> <li>(a) investment made by Government;</li> <li>(b) grants made by Government;</li> <li>(c) revolving funds placed by the Government at the disposal of the Corporation for preparing feasibility studies for the scheme;</li> <li>(d) loans obtained from Government;</li> <li>(e) grants made by the Local Bodies;</li> <li>(f) sale proceeds of raw material and finished goods;</li> <li>(g) loans obtained from the Scheduled Banks;</li> <li>(h) foreign loans obtained by the Corporation;</li> </ul> </li> </ul>	

	<p>(i) charges for the plots of land and other facilities provided in the small industries estates;</p> <p>(j) funds of the defunct West Pakistan Small Industries Corporation to the extent such funds have been transferred to the Punjab Province in accordance with the provision of the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972; and</p> <p>(k) all other sums received by the Corporation.</p>	
	<p>30. The Corporation shall be deemed to be a Local Body under the Local Authorities Loans Act, 1914 for the purposes of borrowing money under the said Act and the making and execution of any scheme under this Act (IX of 1914) shall be deemed to be work which such authority is legally authorised to carry out.</p>	Corporation to be deemed a Local Body.
	<p>31. (1) All moneys at the credit of the Corporation shall be kept in such manner as may be prescribed.</p> <p>(2) Nothing in sub-section (1) shall be deemed to preclude the Corporation from investing any such moneys which are not required for immediate expenditure, in any of the securities described in section 20 of the Trusts Act, (ii of 1882), 1882, in fixed deposit with a bank approved by Government, or in such other manner as may be approved by Government.</p>	Custody and investment of Corporation fund.
	<p>32. The Corporation shall maintain complete and accurate accounts in such manner as may be prescribed.</p>	Maintenance of Accounts.
	<p>33. The accounts of the Corporation shall be audited in such manner as may be directed by Government from time to time.</p>	Auditors.
	<p>34. (1) The Corporation shall furnish to Government, as far as possible, within four months of the close of each financial year an audited statement in the prescribed form of its assets and liabilities of commercial undertakings and transactions as they stand at the close of that year, together with a profit and loss account for the year and a full report on the working of the Corporation during the year, and copies of the said statements, account and report shall be published in the official Gazette.</p> <p>(2) The Corporation shall submit to Government its proposals for the ensuing financial year at such time and in such manner as may be prescribed.</p>	Reports to be furnished by Government.

## CHAPTER - V

### TRANSFER OF ASSETS, PROJECTS, UNDERTAKINGS, LIABILITIES, EMPLOYEES, ETC., OF THE DEFUNCT WEST PAKISTAN SMALL INDUSTRIES CORPORATION

	<p>35. Notwithstanding any arrangement made by Govt. to administer the business, projects, undertaking and properties of the defunct West Pakistan Small Industries Corporation necessitated by the enforcement of the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972, as from the coming into force of this Act:-----</p> <p>(a) All business, projects, undertakings and properties of the defunct West Pakistan Small Industries Corporation transferred to and vesting in the Punjab Province in accordance with the order made by the President in pursuance of section 4 of the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972, shall stand transferred to the Corporation;</p> <p>(b) all debts, liabilities and obligations incurred, contracts entered into, and matters and things engaged to be done by, with or for, and all suits and other proceedings by or against the West Pakistan Small Industries Corporation to the extent such debts, liabilities and obligations, stand transferred to the Punjab Province in accordance with the President's Order referred to in clause (a) and in so far as the contracts, matters and things, suits and other proceedings arise out of the business. Projects, undertakings and properties so transferred to the Punjab Province shall be deemed to be debts, liabilities and obligations incurred contracts entered into, or, as the case may be, matters and things engaged to be done by, with or for, and suits and other proceedings by or against the Corporation.</p> <p><b>Explanation--</b> The expressions "Project", "undertakings" and "properties" as used in this section shall have the same meanings as assigned to them in the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972.</p>	<p>Transfer of assets etc., of the defunct west Pakistan Small Indus. Corporation.</p>
<p>Officers and employees of the defunct West Pakistan Small Industries Corporation.</p>	<p>36. Officers and other employees of the defunct West Pakistan Small Industries Corporation to be transferred to the Punjab Province in pursuance of the provisions of Section 5 of the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972 may be appointed for service under the Corporation on such terms and conditions as may be determined by Government.</p>	

**CHAPTER - VI  
(MISCELLANEOUS)**

	<b>CHAPTER - VI (MISCELLANEOUS)</b>	
Winding up	37. No provision of law relating to the Winding up of companies and Corporation shall apply to the Corporation and the Corporation shall not be wound up except by an order of Government and in such manner as it may direct.	
	38. For the purposes of carrying into effect the provisions of this Act Government may, in such manner as it may consider necessary or expedient, provide for:-  (a) the removal of difficulties arising out of, or in connection with the transfer of assets and liabilities vesting in it, of the defunct West Pakistan Small Industries Corporation; and  (b) other matters supplemental or incidental to or consequential upon the transfer of such assets and liabilities.	Supplemental Powers
	39. The Managing Director shall regularly submit a quarterly report to the Board on the working of the Corporation	Quarterly report by Managing Director
	40. (1) Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.  (2) In particular and without prejudice to the generality of the foregoing provision, such rules may provide for:  (a) the manner and form of keeping the accounts of the Corporation;  (b) recruitment of officers, advisers and other employees of the Corporation;  (c) terms and conditions of service of the officers, advisers and other employees of the Corporation;  (d) functions of the advisers;  (e) borrowings by the Corporation;  (f) the date on which and the form in which the annual budget statement of the Corporation is to be submitted each year;  (g) procedure for appropriation and re-appropriation of moneys at the credit of the Corporation;  (h) manner and form in which and the authorities to whom returns, reports for statements shall be submitted;	Power to make Rules.

	<ul style="list-style-type: none"> <li>(i) investment of Corporation funds and surplus moneys;</li> <li>(j) sale or transfer of industrial units and other immovable property of the Corporation; and</li> <li>(k) such other matters relating to the administration and other affairs of the Corporation as Government may think fit to regulate by rules.</li> </ul>	
	<p>41. (1) The Board may, with the previous approval of Government regulations for all matters not provided for in the rules for which provision is necessary or expedient for carrying out the purposes of the Act and the rules.</p> <p>(2) In particular and without prejudice to the generality of the foregoing provisions, such regulations may specify for:-</p> <ul style="list-style-type: none"> <li>(a) meetings of the Board;</li> <li>(b) constitution, power and terms and conditions of the Committees;</li> <li>(c) building bye-laws, agreements and lease deeds pertaining to small industries estates;</li> <li>(d) conditions subject to which the Corporation may grant loans; and</li> <li>(e) manner and form of determining the sufficiency of security taken for loans or for granting loans.</li> </ul>	Power to make Regulations.
Savings	<p>42. Notwithstanding the repeal of the West Pakistan Small Industries Corporation Ordinance, 1965 (W.P. Ordinance XXX of 1965), by the West Pakistan Small Industries Corporation (Dissolution) Ordinance, 1972 any form rule, regulating, or scheme made or issued under the repealed Ordinance, shall, so far as it is not inconsistent with the provisions of this Act, continue in force and be deemed to have been made or issue under the provisions of this Act unless or until it is superseded by any form, rule, regulation or scheme made or issued under the provisions of this Act.</p>	
Repeal and validation.	<p>43. (1) The Punjab Ordinances Temporary Enactment Act, 1973, in so far as it enacts the provisions of the Punjab Small Industries Corporation Ordinance, 1972 (Punjab Ordinance No.XVIII of 1972), is hereby repealed.</p>	

(2) Everything done, action taken or order made by the Government of the Corporation or the Chairman or the Managing Director or any officer of the Corporation in exercise of the powers vested in Government or the Corporation or the Chairman or the Managing Director or any officer of the Corporation, as the case may be, under the Punjab Small Industries Corporation, Ordinance 1972 (Punjab Ordinance No. XVIII of 1972) and its provisions as enacted by the Punjab Ordinances Temporary Enactment Act, 1973, on or after the 9th October, 1972, and before the commencement of this Act, shall be deemed to have been validly done, taken or made.

**BY ORDER OF THE SPEAKER**

**Provincial Assembly of the Punjab  
SH. MUHAMMAD ASADULLAH  
SECRETARY,  
Provincial Assembly of the Punjab**

**S E A L**

**THE PUNJAB GAZETTE  
PUBLISHED BY AUTHORITY**

**LAHORE, TUESDAY, JUNE, 21, 1977**

**PROVINCIAL ASSEMBLY OF THE  
PUNJAB**

**NOTIFICATION  
The 21th June, 1973**

No.PAP/Legis-2(19)/77/34

The Punjab Small Industries Corporation (Amendment) Bill 1977 having been passed by the Provincial Assembly of the Punjab on the fifteenth day of June, 1977 and assented to by the Governor of the Punjab on the 21st day June, 1977 is hereby published as an Act of the Provincial Legislature of the Punjab.

**THE PUNJAB SMALL INDUSTRIES  
CORPORATION  
(AMENDMENT) ACT, 1977.**

**PUNJAB ACT NO. XIII, OF 1977.**

(First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary), dated the 21st June, 1977).

**THE PUNJAB GAZETTE**  
**(EXTRAORDINARY)**  
**JUNE 21, 1977.**

AN  
ACT

to further amend the Punjab Small Industries Corporation Act, 1973,  
in the manner hereinafter appearing.

Preamble.

WHEREAS it is expedient to amend the Punjab Small Industries Corporation Act, 1973 (Act No. XV of 1973).

It is hereby enacted as follows:-

Short title and commencement

1. (1) This Act may be called the Punjab Small Industries Corporation (Amendment) Act, 1977.

(2) It shall come into force at once.

Amendment in Section 2 of Punjab Act No XV of 1973

2. In the Punjab Small Industries Corporation Act, 1973, on Section 2 for the existing clause (m), the following shall be substituted:-

(m) "small industries" means an Industry engaged in the handicrafts or manufacture of consumer or producer goods, the value of the total fixed assets whereof (excluding land) does not exceed rupees thirty lacs or such higher limit as may be fixed by the Government from time to time by a notification in the Gazette".

BY ORDER OF THE SPEAKER

Provincial Assembly of the Punjab  
SH. MUHAMMAD ASADULLAH  
SECRETARY,  
Provincial Assembly of the Punjab

Amendment in  
Section 2 of  
Punjab Act  
No.XV of 1973.

**THE PUNJAB GAZ. (EXTY), APRIL 13, 1983.**

2. In the Punjab Small Industries Corporation Act 1973 in Section 2 for clause (m), the following shall be substituted:

"Small Industry means an industry engaged in the handicraft or manufacture of consumer or producer goods, the value of the total fixed assets whereof (excluding land & building) does not exceed rupees fifty lacs".

Dated Lahore  
the 11<sup>th</sup> April, 1983

Lt. G. Ghulam Jilani Khan  
Governor of the Punjab

SII. IJAZ NISAR  
Secretary to Government of the Punjab  
Law Department.

**PUNJAB SMALL INDUSTRIES CORPORATION**  
**SMALL INDUSTRIES ADVISORY SERVICE.**

NO.PSIC/SIAS/APPR/

dated \_\_\_\_\_

A copy of the above is forwarded to the following for information and necessary action:

- 01) All Directors, PSIC, Head Office, Lahore.
- 02) All Joint Directors, PSIC, Head Office, Lahore.
- 03) All Joint Directors, Zonal Office, PSIC.
- 04) The Joint Director, SPLC, PSIC, Lahore.
- 05) The Joint Director (Dehi Mazdoor), PSIC, Lahore.
- 06) The Joint Director (S&S), PSIC, Lahore.
- 07) The Joint Director (Design), PSIC, Lahore.
- 08) The Deputy Secretary (Admn()) and (Estb.), PSIC, Lahore.
- 09) All heads of attached projects, Shops, Estates, Centres, Institute etc.

Sd/-  
(NASIR SAEED KHAN)  
Joint Director (SIAS)

c.c.to:-

01. P.S. to managing Director, PSIC, Lahore.
02. P.A. to Deputy Managing Director, PSIC, Lahore.

**GOVERNMENT OF THE PUNJAB  
INDUSTRIES & MINERAL DEVELOPMENT  
DEPARTMENT**

Dated Lahore, the 2<sup>nd</sup> October, 1999.

## NOTIFICATION

NO.S.O(TECH)2-96/94; In exercise of the powers conferred under Section 5(2) of the Punjab Small Industries Corporation (PSIC) Act, 1973 the Competent Authority is pleased to alter the membership of the PSIC Board as given below:

1.	Chief Minister of the Punjab	Chairman
2.	Minister for Industries, Punjab	Vice Chairman
3.	Chairman, P&D Department, Government of the Punjab.	Member.
4.	Secretary, Finance Department, Government of the Punjab.	Member
5.	Secretary, Industries & Mineral Development Department, Government of the Punjab.	Member.
6.	Managing Director, Punjab Small Industries Corporation	Member
7.	Three non-official members to be nominated by the Government, one of whom at least shall be a Banker or a Chartered Accountant or a Management Consultant.	

**ORDERS OF SECRETARY, INDUSTRIES**

Sd/-

**(SAJID JAVED AKBAR)**

Additional Secretary,  
Industries & Mineral Development,  
Department

**No. & Date Even.**

A copy is forwarded for information and necessary action to the:-

1. Secretary to Chief Minister, Punjab.
2. All Administrative Secretaries, Government of the Punjab.
3. P.S. to Minister for Industries, Punjab.
4. P.S. to Chief Secretary, Punjab.
5. All members of the PSIC Board.

Sd/-

**(JAHANZEB KHAN)**

Deputy Secretary,  
Industries & Mineral Development,  
Department