

**THE BANGLADESH HOUSE BUILDING FINANCE  
CORPORATION ORDER, 1973**

PRESIDENT'S ORDER NO. 7 OF 1973

[3<sup>rd</sup> February, 1973]

WHEREAS it is expedient to provide for the establishment of the Bangladesh House Building Finance Corporation for the purposes of providing financial facilities for the construction, repair and remodelling of houses <sup>1</sup>[and purchasing of flats or apartments] <sup>2</sup>[at any place] in Bangladesh;

NOW, THEREFORE, <sup>3</sup>[in pursuance of] paragraph 3 of the Fourth Schedule to the Constitution of the People's Republic of Bangladesh and in exercise of all powers enabling him in that behalf, the President is pleased to make the following Order:-

**1.** (1) This Order may be called the Bangladesh House Building Finance Corporation Order, 1973.

(2) It extends to the whole of Bangladesh.

(3) It shall come into force on such date as the Government may, by notification in the *official Gazette*, appoint.

**2.** In this Order, unless there is anything repugnant in the subject or context:-

- (a) "Board" means the Board of Directors of the Corporation;
- (b) "Borrower" means any person or persons or body of persons whether incorporated or not to whom a loan is made by the Corporation for the construction, repair or remodelling of a house;

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<sup>1</sup> The words "and purchasing of flats or apartments" were inserted after the word "houses" by section 2 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> The words "at any place" were substituted for the words "in the cities, towns, thana Headquarters and any other important places" by section 2 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1984 (Ordinance No. XIV of 1984).

<sup>3</sup> The words "in pursuance of" were substituted for the words "in pursuance or " by section 2 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>1</sup>[(bb) “Chairman” means the Chairman of the Board;]

(c) “Corporation” means the Bangladesh House Building Finance Corporation established under this Order;

<sup>2</sup>[(cc) “Director” means a Director of the Board;]

(d) “Government” means the Government of the People’s Republic of Bangladesh;

(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 <sup>3</sup>[flats, apartments or other] housing units, and structures appurtenant thereto;

<sup>4</sup>[\* \* \* ]

(f) “Managing Director” means the Managing Director appointed under Article 6 of this Order;

(g) “Order” means the Bangladesh House Building Finance Corporation Order, 1973; and

(h) “Prescribed” means prescribed by rules or regulations under this Order.

<sup>5</sup>[2A. Notwithstanding anything contained in any other law for the time being in force, the provisions of this Order shall prevail.]

**3.** (1) A Corporation to be called the Bangladesh House Building Finance Corporation shall be established as soon as may be to carry out the purposes of this Order.

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

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<sup>1</sup> Clause (bb) was inserted by section 3(a) of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> Clause (cc) was inserted by section 3(b) of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>3</sup> The words and comma “flats, apartments or other” were substituted for the word “family” by section 2 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1976 (Ordinance No. XXXIX of 1976).

<sup>4</sup> Sub-clause (ee) was omitted by section 2 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1977 (Ordinance No. XVIII of 1977).

<sup>5</sup> Article 2A was inserted by section 4 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>1</sup>[4. (1) The authorized capital of the Corporation shall be taka one thousand crores to be subscribed by the Government from time to time :

Provided that the Government may, from time to time, by notification in the official gazette, increase the authorized capital of the Corporation.

(2) The paid-up capital of the Corporation shall be taka five hundred crores to be subscribed and increased by the government from time to time.]

**5.** (1) The general direction and administration of the Corporation and its affairs shall vest in a Board of Directors which, with the assistance of the Managing Director, may exercise all powers and do all acts and things which may be exercised or done by the Corporation.

(2) The Board in discharging its functions shall act on commercial considerations and shall be guided on questions of policy by such directions as the Government, which shall be the sole judge whether a question is a question of policy, may give it.

(3) If the Board fails to carry out any direction as aforesaid, the Government may remove the Directors and, notwithstanding anything in Article 7, may appoint other persons in their place to be Directors temporarily until a fresh Board is constituted in accordance with the provisions of that Article.

**6.** (1) The Managing Director shall be appointed by the Government for such period and on such salary and terms and conditions of service as the Government may determine.

(2) The Managing Director shall be the Chief Executive Officer and shall, on behalf of the Board, direct and control the whole affairs of the Corporation.

<sup>2</sup>[(3) The Managing Director may sanction, in respect of each house or a unit thereof, loans not exceeding such ceiling as the Government may, from time to time, fix in this behalf and shall place before the meeting of the Board a list of all loans sanctioned by him for information.]

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<sup>1</sup> Article 4 was substituted by section 5 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> Clause (3) was substituted by section 3 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1977 (Ordinance No. XVIII of 1977).

(4) The Managing Director shall have authority to cancel, sanction and reduce the sanctioned amount and recall loans under Article 25.

(5) In the matters not specifically required by this Order or by rules or regulations made thereunder to be done by the Board, the Managing Director shall in relation to such matter have authority to conduct the business, control functions and manage the affairs.

<sup>1</sup>[6A. The Board may, as and when required, delegate any of its powers under this Order or the rules or regulations to the Managing Director or any Director or any officer of the Corporation.]

<sup>2</sup>[7. The Board of the Corporation shall consist of the following Directors, namely :—

- (a) the Chairman;
- (b) the Managing Director;
- (c) a representative, not below the rank of a Joint Secretary, to be nominated by the Finance Division of the Ministry of Finance;
- (d) a representative, not below the rank of a Joint Secretary, to be nominated by the Financial Institutions Division of the Ministry of Finance;
- (e) a representative, not below the rank of a Joint Secretary, to be nominated by the Ministry of Housing and Public works;
- (f) an Additional Chief Engineer to be nominated by the Ministry of Housing and Public works; and
- (g) a Professional Accountant to be appointed by the Government.]

<sup>3</sup>[8. A Director shall hold office during the pleasure of the Government.]

<sup>4</sup>[9. (1) No person shall be or shall continue to be a Chairman or Director who—

- (a) is not a citizen of Bangladesh;

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1 Article 6A was inserted by section 6 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

2 Article 7 was substituted by section 7 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

3 Article 8 was substituted by section 8 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

4 Article 9 was substituted by section 9 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

- (b) is subject to a disqualification imposed by or under any law for the time being in force to hold any public office;
- (c) is or has at any time been convicted of an offence involving moral turpitude;
- (d) is or has at any time been adjudged insolvent;
- (e) is found to be a lunatic or becomes of unsound mind; or
- (f) is or has been absent from three consecutive meetings of the Board without leave of absence of the Government in the case of Chairman or of the Chairman in the case of a Director.

(2) The Government may remove the Chairman or any Director from the Board, if—

- (a) he refuses, or fails to discharge, or becomes, in the opinion of the Government, incapable of discharging his responsibilities under this Order;
- (b) the government is satisfied that he is abusing or has abused his powers; and
- (c) he has knowingly acquired or continued to hold, without the permission in writing of the Government, directly or indirectly or through a partner any share or interest in any contract or employment with or by or on behalf of the corporation, or in any land or property which, in his knowledge, is likely to benefit him or has benefited him as a result of the operation of the Corporation.]

[Article 10 was omitted by section 10 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).]

<sup>1</sup>[**10A.** (1) The Chairman shall be appointed by the Government on such terms and conditions as may be determined by it.

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<sup>1</sup> Article 10A was substituted by section 11 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

(2) If a vacancy occurs in the office of the Chairman or if the Chairman is unable to discharge the functions of his office on account of absence, illness or any other causes, the Government shall appoint a person for discharging the functions of the Chairman until a newly appointed Chairman has taken over or until the Chairman has resumed his duties.]

<sup>1</sup>[**11.** (1) The Government may appoint such number of Deputy Managing Director and of General Manager as per the organogram of the Corporation and the terms and conditions of their services shall be determined by it.

(2) The Corporation may appoint such number of officers and employees as it may consider necessary for the efficient performance of its functions, according to the organogram approved by the Government and the terms and conditions of their services shall be prescribed by regulations.]

**12.** The Corporation may appoint a Standing Committee of <sup>2</sup>[experts] to be called the Technical Advisory Committee to give it technical advice on schemes submitted to the Corporation for financial assistance or on any point that may be referred to the Committee by the Board.

<sup>3</sup>[**13.** (1) Subject to other provisions of this Article, the Board may determine the rules of procedures of its meeting.

(2) The meeting of the Board shall be held at such time and place, as may be determined by the Chairman :

Provided that at least one meeting of the Board shall be held in every 3 (three) months :

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1 Article 11 was substituted by section 12 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

2 The word “experts” was substituted for the word “exports” by section 4 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

3 Article 13 was substituted by section 13 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

Provided further that emergency meeting of the Board may be convened with a short notice.

(3) The Chairman shall preside over the meeting of the Board and if for any reason, the office of the Chairman is vacant or he is unable to be present at a meeting, a Director, other than the Managing Director, nominated by the Directors present, shall preside over the meeting.

(4) At a meeting of the Board, each Director present shall have one vote and in the event of an equality of votes, the Chairman shall have a second or casting vote.

(5) No Director shall vote on any matter in which he is directly or indirectly interested.

(6) To constitute a quorum at a meeting of the Board, at least 4 (Four) Directors shall have to be present :

Provided that no quorum will be required for an adjourned meeting.

(7) No act or proceeding of the Board shall be invalid or be called in question merely on the ground of any vacancy in, or any defect in the constitution of, the Board or any error in the appointment of the Directors.]

**14.** The non-official Director, if any, shall be paid such fees for attending meetings of the Board as may be prescribed.

**15.** The Corporation shall have its Head Office at Dhaka and shall establish Zonal, Regional and Sub-Regional Offices and <sup>1</sup>[Branch offices] at such places as the Board, with the concurrence of the Government may determine.

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<sup>1</sup> The words “Branch offices” were substituted for the word “agencies” by section 14 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>1</sup>[16. The Corporation may open its deposit accounts with any Scheduled Bank or Banks as may be decided by the Managing Director.

**Explanation.**— “Scheduled Bank” means Scheduled Bank as defined in Article 2(j) of the Bangladesh Bank Order, 1972 (P.O. No. 127 of 1972).]

17. The Corporation may invest its funds in such securities or in such other manner as may be prescribed and may sell or mortgage such securities.

<sup>2</sup>[18. (1)The Corporation may, for the purpose of carrying out its functions, raise fund in the following manners, namely :—

- (a) accepting deposits or any other fund in such terms and conditions as may be determined by the Government; and
- (b) with the prior approval of the Government, raise funds by issuing bonds and debentures carrying interest at such rates as may be approved by the Government :

Provided that the total amount due by the Corporation on such bonds and debentures and on other liabilities, contingent or otherwise of the Corporation, shall not at any time be allowed to exceed fifteen times of the aggregate amount of the paid-up share capital and the reserve fund of the Corporation.

(2) The repayment of the principal and the payment of interest due on the bonds and debentures issued by the Corporation shall be guaranteed by the Government.]

<sup>3</sup>[19. The Corporation may, for the purpose of carrying out its functions, take loan in the following manners, namely :—

- (a) taking long-term loan from the Government on such terms and conditions as may be determined by the Government;

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1 Article 16 was substituted by section 15 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

2 Article 18 was substituted by section 16 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

3 Article 19 was substituted by section 17 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).



- (b) taking loans from Bangladesh Bank or any other nationalized or foreign bank or financial institutions with the prior approval of the Government; and
- (c) receiving refinance and other loan facilities from the Bangladesh Bank for the purpose of expanding its loan activity.]

<sup>1</sup>[19A. The Corporation may, for the purpose of this Order, subject to the approval of the Board, enter into Agreements or Memorandum of Understanding (MoU) with domestic institutions, and upon prior approval of the Government, with the international banks or financial institutions.]

**20.** Subject to the provisions of this Order, the Corporation may grant loans to borrowers for the purpose of constructing, repairing and remodelling houses <sup>2</sup>[or purchasing flats or apartments.]

**21.** <sup>3</sup>(1) No loan shall be made unless it is fully secured by a mortgage, hypothecation or assignment of the land and the house to be constructed, repaired, purchased or remodeled thereon or by such other immovable or movable property of the borrower or of his surety or of both as may be prescribed :

Provided that where the land on which the house is proposed to construct, repair or remodel, is held by the borrower not as owner but as lessee or in any other legal capacity, then, notwithstanding anything to the contrary contained in any other law for the time being in force, loan may be made against the security of such land and the house to be constructed, repaired, purchased and remodeled thereon.

(2) All loans shall be made in suitable installments concomitant with the construction, repair or remodel of the house or in one installment for purchasing flats or apartments.]

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<sup>1</sup> Article 19A was inserted by section 18 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> The words “or purchasing flats or apartments” were inserted after the word “houses” by section 19 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>3</sup> Clauses (1) and (2) were substituted by section 20(a) of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

(3) No property shall be accepted as security unless it is free from all encumbrances and charges, and it shall be one of the terms upon which the loan shall be made that the property and the house in respect of which the loan is made shall not be sold or charged without the prior approval of the Corporation <sup>1</sup>[and any sale, transfer made or charge or encumbrance created without the approval of the Corporation in respect of such property shall be null and void].

<sup>2</sup>[(4) Notwithstanding anything contained in clause (3), the Corporation may, subject to the maximum limit fixed by Government, from time to time, grant additional loans to any borrower on the security of any property already mortgaged with the Corporation, and offered by the borrower and accepted by the Corporation as security for the purpose.

(5) No loan shall be made to any borrower unless he or, where the borrower is more than one person, any one or more of such persons is a member of a registered Housing Society, or unless the borrower satisfies the Corporation that the terms upon which he had acquired the land on which the house was to be constructed, repaired, purchased or remodeled, or the terms of the lease under which the land was made available were satisfactory and that the area in which the house was to be situated had been adequately planned.

(6) No loan shall be made unless the Corporation is satisfied—

- (a) that the borrower will be able to provide the necessary funds which to be added to the loan made by the Corporation, that cover the entire cost of the construction, repairing, purchasing or remodeling of the house;
- (b) that the borrower or his surety or both as the case may be and where the borrower is more than one person, any one or more of such persons or their sureties, will have sufficient means to repay the loan during the prescribed period in the prescribed manner; and

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<sup>1</sup> The words and comma “and any sale, transfer made or charge or encumbrance created without the approval of the Corporation in respect of such property shall be null and void” were inserted by section 6 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>2</sup> Clauses (4), (5) and (6) were substituted by section 20(b) of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

- (c) that adequate care has been taken to ensure that the house would be of an economical and suitable design and of a sound construction, and of a type which would assure a minimum of practicable expenditure for repairs and maintenance during the term of the loan.]

(7) Before accepting any movable or immovable property as security, due allowance shall be made for depreciation and probable fall in value and whenever such property is found to fall in value below the margin allowed, additional security shall be obtained.

(8) The loan shall be repayable in monthly installments sufficient to cover the principal and the interest in such manner as may be prescribed.

(9) No loan shall be given for a period exceeding <sup>1</sup>[32] years.

(10) The rate of interest chargeable on loans made by the Corporation shall be determined by the Government from time to time.

(11) Every agreement between the borrower and the Corporation shall provide for the period within which the construction, repairing or remodelling of the house shall be commenced and completed.

(12) No information given by any person applying for financial assistance and communicated to any of the Directors or employees of the Corporation shall be disclosed by or used by such Directors or employees except for the lawful purposes of the Corporation without the written consent of such person.

(13) No loan shall be given to any <sup>2</sup>[borrower unless he] conforms to such conditions as may be prescribed.

[Article 22 was omitted by section 21 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021)]

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<sup>1</sup> The figure “32” were substituted for the figure “30” by section 3 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1984 (Ordinance No. XIV of 1984).

<sup>2</sup> The words “borrower unless he” were substituted for the words “Housing Society unless it” by section 4 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1977 (Ordinance No. XVIII of 1977).

**23.** (1) The Corporation shall make such agreements with borrowers as it may deem necessary or expedient to safeguard its interest.

(2) The Corporation may require the borrower to pay application and inspection fees at such rates as may be prescribed.

**24.** The Corporation shall not-

- (a) accept any deposits except as provided by this Order; or
- (b) subscribe directly to the shares or stock of any company; or
- (c) undertake construction, repairing or re-modelling of houses except with prior approval of the Government:

Provided that nothing in clause (b) shall affect the right of the Corporation to acquire the shares or stock of any company accepted as security from the borrower.

**25.** Notwithstanding any agreement to the contrary, the Corporation may by notice require any borrower to whom it has granted any loan or his surety forthwith to repay the loan in full-

- (a) if the borrower or his surety defaults in payment of loan<sup>1</sup>[\* \* \* ];
- (b) if it is found that the loan was obtained by information supplied by the borrower or his surety which was false or misleading in any material particular; or
- (c) if the borrower has committed a breach of the terms of his agreement with the Corporation relating to the loan; or
- (d) if the loan is not being utilised for the purpose for which it was made; or
- (e) if the house is not constructed or as the case may be, repaired or remodelled within the period allowed in the agreement between the borrower<sup>2</sup>[and the] Corporation and the failure is not due to causes beyond the control of the borrower;

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<sup>1</sup> The words “for more than 24 monthly installments” were omitted by section 7 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1976 (Ordinance No. XXXIX of 1976).

<sup>2</sup> The words “and the” were substituted for the words “and he” by section 8 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

- (f) if there is a reason to apprehend that the borrower or his surety will be unable to pay his debts or may go into liquidation;
- (g) if the property pledged, mortgaged, hypothecated or assigned to the Corporation as security for the loan is not kept in a proper condition by the borrower or his surety or if the property has depreciated in value by more than the prescribed <sup>1</sup>[percentage] and the borrower is unable to give additional security to the satisfaction of the Corporation; or
- (h) if without the permission of the Board, the house, land or other mortgaged property as security for the loan is in any way disposed of or charged by the borrower or his surety; or
- (i) if 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.

**26.** (1) When a borrower or his surety makes default in repayment <sup>2</sup>[\* \* \*] or otherwise fails to comply with the terms of the agreement or letter of guarantee with the Corporation, the Corporation notwithstanding the provisions of any other law may, without the intervention of any Court, sell any property pledged, mortgaged, hypothecated or assigned by the borrower or his surety, to the Corporation by way of security.

(2) Any transfer of property made by the Corporation in exercise of its powers under clause (1) shall vest in the transferee all rights in or to the property transferred as if the property had been sold to the transferee by the owner.

(3) All sums due to the Corporation from the borrower or his surety shall be recoverable as arrears of land revenue.

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<sup>1</sup> The word “percentage” was substituted for the word “percentage” by section 8 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>2</sup> The words and figure “beyond 24 monthly installments” were omitted by section 8 of the Bangladesh House Building Finance Corporation (Amendment) Ordinance, 1976 (Ordinance No. XXXIX of 1976).

27. (1) Where by reason of the breach of any agreement by the borrower the Corporation becomes entitled to require the immediate payment of the amount due by the borrower to the Corporation, any officer of the Corporation authorised generally or specially by the Board in this behalf may apply to the District Judge within the local limits of whose jurisdiction the borrower's house is situated for any one or more of the following reliefs, namely:-

- (a) an order for the sale of any property or properties pledged, mortgaged, hypothecated or assigned to the Corporation as security for the sums due by the borrower;
- (b) for an injunction restraining the borrower or his surety from in any manner removing, transferring or disposing of any of the properties referred to in sub-clause (a);
- (c) for an *ad-interim* attachment attaching the properties referred to in sub-clause (a) above and such other properties of the borrower or his surety as in the opinion of the District Judge were sufficient to cover the claim of the Corporation against the borrower including costs and interest.

(2) An application under clause (1) shall state the nature and extent of the liability of the borrower and his surety to the Corporation, the grounds on which it is made and such other particulars as may be prescribed.

(3) The District Judge may if he thinks fit hear the applicant and where the reliefs mentioned in sub-clauses (b) and (c) of clause (1) are prayed for in the application shall pass *ad-interim* orders granting such reliefs as in the opinion of the District Judge are sufficient to safeguard the full claim of the Corporation against the borrower.

(4) At the time of passing his orders under clause (3) the District Judge shall order notice of the application to issue to the borrower and his surety together with copies of the applications, the order passed by the District Judge under clause (3), and any evidence which may have been recorded at the time of the order under clause (3), calling upon the borrower and his surety to show cause on a date to be specified in the notice, why the interim orders passed should not be confirmed and the reliefs sought in the application be granted.

(5) If no cause is shown on or before the date specified in the notice under clause (4), the District Judge shall dispose of the application.

(6) If the borrower and his surety appear and show cause, the District Judge shall grant them and the Corporation reasonable opportunity to produce their evidence relating to the reliefs claimed in the application, and after considering such evidence and hearing the parties, the District Judge shall pass his orders disposing of the application.

(7) When passing his order under clause (5) or clause (6), the District Judge shall-

- (a) record his finding as to the amount due by the borrower to the Corporation, and the interest payable thereon;
- (b) direct or refuse to direct the sale of the properties attached;
- (c) confirm, discharge or vary any *ad-interim* orders passed restraining the borrower and his surety or attaching their properties; and
- (d) pass any other incidental orders.

(8) No order passed by the District Judge ordering the release of any property of the borrower or his surety from attachment shall be given effect to until after the expiry of 30 days from the date of that order except with the written consent of the Corporation, or where an appeal has been preferred to the High Court Division, under the orders of the High Court Division.

(9) An order under this Article for the <sup>1</sup>[attachment or sale] of property shall be carried into effect as far as may be in the manner provided in the Code of Civil Procedure, 1908, for the <sup>2</sup>[attachment or sale] of property in execution of a decree as if the Corporation were the decree-holder.

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<sup>1</sup> The words “attachment or sale” were substituted for the words “attachment of sale” by section 9 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>2</sup> The words “attachment or sale” were substituted for the words “attachment of sale” by section 9 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

(10) Any party aggrieved by an order under clause (5) or clause (6) may within thirty days from the date of the order appeal to the High Court Division, and upon such appeal the High Court Division may after hearing the parties pass such orders as it thinks proper.

<sup>1</sup>[**Explanation.**—For the purpose of this Article, “District Judge” includes Additional District Judge.]

**28.** The Corporation shall be deemed to be a Bank for the purposes of the Bankers Books Evidence Act, 1891.

**29.** After making provision for bad and doubtful debts, depreciation of assets and any other matters which are usually provided for by a banker, the Corporation may out of its net annual profits establish a Reserve Fund or Funds, and any surplus remaining thereafter shall be paid to the Government.

<sup>2</sup>[**29A.** For the purpose of the Income- Tax Ordinance, 1984 (Ordinance No. XXXVI of 1984), the Corporation shall be deemed to be a Company within the meaning of that Ordinance, and shall be liable to Income-tax and minimum tax accordingly on its income, profits and gains.]

<sup>3</sup>[**30.** (1)The Corporation shall maintain its accounts and prepare and annual statement of accounts.

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<sup>1</sup> Explanation was inserted by section 22 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> Article 29A was substituted by section 23 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>3</sup> Article 30 was substituted by section 24 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).



(2) The Comptroller and Auditor-General of Bangladesh, hereinafter referred to as the Auditor-General shall audit the accounts of the Corporation each year and shall submit audit reports in accordance with the provisions of existing law in Bangladesh.

(3) Notwithstanding the audit done by the Auditor-General under clause (2), the accounts of the Corporation may be audited by two chartered accountants defined in Article 2 (1) (b) of the Bangladesh Chartered Accountants Order, 1973 (P.O. No. II of 1973) and for this purpose, the Government may appoint one or more Chartered Accountants and the Corporation shall provide their honorarium as may be decided by the Government.

(4) For the purpose of the audit, the Auditor-General or any person authorized by him in this behalf or the Chartered Accountant appointed under clause (3) may have access to all records, documents, cash or deposits in bank, securities, stores and other property of the Corporation and may examine the director or any employee of the Corporation.

(5) After completion of the audit, the Chartered Accountant appointed under clause (3), shall submit the audit report to the Government, Corporation and relevant agencies, where applicable.]

<sup>1</sup>[**31.** (1)The Corporation shall, within 6 (six) months of the ending of a financial year, furnish to the Government an annual statement on the conduct of its affairs for that year.

(2) The Government may require the Corporation to furnish any report, statement or other information regarding any matter under the control of the Corporation and it shall comply with every such requisition.]

**32.** No provision of law relating to the winding up of companies or Corporation shall apply to the Corporation and the Corporation shall not be wound up save by order of the Government and in such manner as it may direct.

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<sup>1</sup> Article 31 was substituted by section 25 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

**33.** (1) Every Director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

(2) A Director shall not be personally responsible for the acts of any other Director or of any officer or servant of the Corporation for any loss or expense resulting to the Corporation by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation, or by the wrongful act of any person under a liability to the Corporation, or by anything done by him in good faith in the execution of the duties of his office.

**34.** Every Director, auditor, officer or servant of the Corporation shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the Schedule to this Order.

**35** <sup>1</sup>[(1) Whoever willfully makes a false statement or intentionally uses any false statement for the purpose of obtaining a loan from the Corporation or of inducing the Corporation to accept security of any form or kind shall be punishable with imprisonment for a term which may extend to five years or fine which may extend to five lakh taka or with both.

(2) Whoever without the consent in writing of the Corporation uses the name of the Corporation in any prospectus or advertisement shall be punishable with imprisonment for a term which may extend to six month or with fine which may extend to fifty thousand taka or with both.

(3) Whoever being a director or employee of the Corporation contravenes his declaration of fidelity and secrecy, shall be punishable with imprisonment for a term not exceeding one year or with fine which may extend to taka one lakh or with both.]

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<sup>1</sup> Clauses (1), (2) and (3) were substituted by section 26 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

(4) Whoever being a member of the Board discloses or uses for a purpose not connected with the discharge of his duties as a member of the Board any information supplied to the Corporation or to the Board by a person applying for financial assistance shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to one thousand Taka or with both.

(5) No Court shall take cognizance of any offence punishable under this Order otherwise than on a complaint in writing signed by an officer of the Corporation authorised by the Board in this behalf.

<sup>1</sup>[**35A.** (1) Offences committed under this Order shall be non-cognizable.

(2) Offences committed under this Order shall be bailable except the offence specified in clause (1) of Article 35.

**35B.** The provisions of the Code of Criminal Procedure, 1898 (Act No. V of 1898) shall apply for filing a complaint, investigation, trial, appeal and other relevant matters under this Order.

**35C.** Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898 (Act No. V of 1898), a first class magistrate or a Metropolitan Magistrate, as the case may be, may impose the fine specified in the relevant Articles of this Order.]

**36.** The Government may make rules not inconsistent with this Order for the purpose of giving effect to the provisions of this Order, and where the rules framed under this Article are inconsistent with the regulations framed under the next succeeding Article the rules shall prevail.

**37.** (1) The Board may, with the previous sanction of the Government, make regulations not inconsistent with this Order

to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of

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<sup>1</sup> Article 35A, 35B and 35C were inserted by section 27 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

this Order.

(2) In particular and without <sup>1</sup>[prejudice] to the generality of the foregoing power, such regulations may provide for-

- (a) the calling of the meeting of the Board, fees for attending the meetings thereof and the conduct of business thereat;
- (b) the manner and terms of issue and redemption of bonds and debentures by the Corporation;
- (c) the conditions subject to which the Corporation may grant loans;
- (d) the form and manner of determining the sufficiency of the security taken under clause (7) of Article 21;
- (e) the form of returns and statements required under this Order;
- (f) the recruitment of officers and staff of the Corporation, the terms and conditions of their service, the duties and conduct of such officers and staff and of the agents of the Corporation, the Constitution and management of provident funds for such officers and staff and all matters connected with any of these things;
- (g) the disclosure of interest, <sup>2</sup>[direct or] indirect of a Director of the Board in any application for loan;
- (h) preparation of annual estimates of income and expenditure of the Corporation in the prescribed form and their submission to the Board and the Government for approval on prescribed date;
- (i) the efficient conduct of the affairs of the Corporation generally.

(3) All regulations made under this Article shall come into force on the date specified in each case, and shall be published in the *official Gazette* and shall also be laid on the table of the Parliament.

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<sup>1</sup> The word “prejudice” was substituted for the word “projudice” by section 12 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>2</sup> The words “direct or” were substituted for the words “direct of” by section 12 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>1</sup>[37A. If any difficulty arises in giving effect to any provision of this Order, the Government may, by order and in consistence with the provisions of this Order, take necessary measures for removing such difficulty.]

**38.** Notwithstanding anything contained in any other law for the time being in force, on the commencement of this Order,

- (a) all assets, rights, powers, authorities and privileges and all properties, movable and immovable, cash balances, bank deposits and all other rights and interests in or arising out of, such property of the House Building Finance Corporation established under the House Building Finance Corporation Act, 1952 (XVIII of 1952), shall stand transferred to and vested in the Corporation;
- (b) all liabilities and obligations of whatever kind of the said House Building Finance Corporation subsisting within the territory of Bangladesh immediately before the commencement of this Order shall, unless the Government otherwise directs, be the liabilities and obligations of the Corporation;
- (c) all suits and other legal proceedings instituted by or against the said House Building Finance Corporation unless the Government otherwise directs be deemed to have been instituted by or against the Corporation and may be continued or proceeded with accordingly; and
- (d) all rules framed and regulations made, in exercise of powers conferred under the House Building Finance Corporation Act, 1952, hereby repealed, <sup>2</sup>[shall,] unless repugnant to the subject or context, be deemed to have been framed or made under this Order.

<sup>3</sup>[38A. The Government may, by notification in the official gazette, publish an Authentic Bangla text of this Order.]

**39.** The House Building Finance Corporation Act, 1952 (XVIII of 1952), is hereby repealed.

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<sup>1</sup> Article 37A was inserted by section 28 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

<sup>2</sup> The word and comma “shall,” was substituted for the word “shall” by section 13 of the Bangladesh House Building Finance Corporation (Amendment) Act, 1975 (Act No. XXVII of 1975).

<sup>3</sup> Article 38A was inserted by section 29 of the Bangladesh House Building Finance Corporation (Amendment) Act, 2021 (Act No. XXV of 2021).

**THE SCHEDULE**  
(See Article 34)

**Declaration of Fidelity and Secrecy**

I, ..... hereby declare that I will faithfully, truly and to the best of my judgment, skill and ability, execute and perform the duties required of me as a Director, Officer, employee or auditor (as the case may be) of the Bangladesh House Building Finance Corporation and which properly relate to any office or position in the said Corporation held by me.

I further declare that I will not communicate to any person not legally entitled thereto any information relating to the affairs of the Corporation nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Corporation and relating to the business of the Corporation.

Signed before me.

*Signature* .....  
*Signature* .....  
*Signature* .....

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