

**THE NATIONALISED BANKS (TRANSFER OF
BUSINESS) ACT, 1975**

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**THE NATIONALISED BANKS (TRANSFER OF
BUSINESS) ACT, 1975**

ACT NO. XXXIV OF 1975

[18th July, 1975]

**An Act to provide for the transfer of certain business
and functions of specified banks to the Sonali Bank.**

WHEREAS it is expedient in the public interest to provide for the transfer of certain business and functions in the United Kingdom of the Janata Bank, Pubali Bank and Uttara Bank to the Sonali Bank and for matters ancillary thereto;

It is hereby enacted as follows:-

Short title and
commencement

1. (1) This Act may be called the Nationalised Banks (Transfer of Business) Act, 1975.

(2) It shall be deemed to have come into force on the 27th day of February, 1975.

Definitions

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

- (a) "appointed date" means the date appointed under section 4;
- (b) "branch", in relation to a specified bank, includes a sub-branch booth, or office in or through which the business and functions of such bank is carried on or performed;
- (c) "Sonali Bank" means the Sonali Bank constituted under the Bangladesh Banks (Nationalisation) Order, 1972 (P.O. No. 26 of 1972);
- (d) "Specified bank", with its grammatical variations and cognate expressions, means, according to the context, all or any of the Janata Bank, Pubali Bank and Uttara Bank constituted under the Bangladesh Banks (Nationalisation) Order, 1972 (P.O. No. 26 of 1972); and
- (e) "transferred branch", with its grammatical variations, means a branch of a specified bank whose business and functions have been transferred under section 4.

3. The provisions of this Act shall have effect notwithstanding anything contained in the Bangladesh Banks (Nationalisation) Order, 1972 (P.O. No. 26 of 1972), or in any other law for the time being in force.

Act to override the laws

4. On such date as the Bangladesh Bank may, by notification in the *official Gazette*, appoint in this behalf, the business and functions of all the branches in the United Kingdom of the specified banks shall stand transferred to the Sonali Bank; and different dates may be appointed in respect of different specified banks.

Transfer of certain banking business to Sonali Bank

5. On the appointed date-

Effect of transfer of business

- (a) the specified banks shall cease to have any branch in the United Kingdom;
- (b) the transferred branches shall, until the Sonali Bank otherwise directs, be deemed to be, and continue to function and transact business as, branches of the Sonali Bank;
- (c) all assets, rights, powers, authorities and privileges and All properties, movable and immovable, cash and bank balances, reserve funds, investments, securities, letters of credit, bills sight and usance, negotiable instruments, advances and all other rights and interests in or arising out of such property, of, or in the possession, power or control of, the specified banks, for the purpose of, or in relation to, the business and functions of the transferred branches shall stand transferred to and vest in the Sonali Bank;
- (d) all debts and liabilities incurred, all obligations undertaken, all contracts entered into and all agreements made by or with, and all matters and things engaged to be done by, with or for, any of the specified banks for the purpose of, or in relation to, the business and functions of any transferred branch shall stand transferred to, and be deemed to have been incurred, undertaken, entered into or made by, with, or for the Sonali Bank;
- (e) any sum payable to or recoverable by any of the specified banks for the purpose of, or in relation to, any of the transferred branches shall be deemed to be payable to, or recoverable by, the Sonali Bank;

- (f) any reference to a specified bank in any deed, bond, power-of-attorney, grant of legal representation and other instrument of whatever nature for the purpose of, or in relation to, the business and functions of any transferred branch shall, except where the context otherwise requires be construed as reference to the Sonali Bank and such deed, bond, power, grant or instrument shall have effect accordingly;
- (g) all suits, appeals and other legal proceedings instituted by or against any of the specified banks for the purpose of, or in relation to, the business and functions of any transferred branch before the appointed date shall be deemed to be suits, appeals and legal proceedings by or against the Sonali Bank and may be continued or proceed with accordingly;
- (h) notwithstanding anything contained in any contract or agreement or in the conditions of service, services of the officers and other employees of the specified banks for the purpose of, or in relation to, the transferred branches shall stand terminated:

Provided that the Sonali Bank may appoint any such officer or employee as its own officer or employee on such terms and conditions as it may deem fit.

Transfer of possession of properties, etc., of the transferred branches

6. (1) As soon as may be after the commencement of this Act, each of the specified banks and the officers and employees concerned of such bank shall take all such steps as may be necessary to hand over, and the Sonali Bank shall take all such steps as may be necessary to take, possession and control of All properties, movable and immovable, records and documents of the specified banks as are relatable to the business and functions of the transferred branches so that such transfer of possession is completed, so far as may be, by the appointed date.

(2) Any dispute arising out of, or in the course of, the transfer of properties, records and documents between any of the specified banks and the Sonali Bank shall be referred to the Government whose decision thereon shall be final and binding upon the parties to the dispute.

(3) For the purpose of settling any dispute referred to in sub-section (2), the Government may call for or require submission of any information, account, statement, record or document from the specified bank concerned or any of its officers or employees.

7. (1) Whereupon the assessment of the value of the assets and liabilities of a specified bank transferred to the Sonali Bank under or in pursuance of the provisions of this Act it is found-

Compensation

(a) that the value of the assets exceeds the value of the liabilities, the Sonali Bank shall pay to the specified bank concerned a compensation equivalent in value to such excess; and

(b) that the value of the liabilities exceeds the value of the assets, the specified bank concerned shall pay to the Sonali Bank a compensation equivalent in value to such excess.

(2) The manner of assessment of the assets and liabilities and of payment of compensation referred to in sub-section (1) shall be settled by agreement between the Sonali Bank and the specified bank concerned, and in case of failure or absence of such agreement shall be determined by the Government.

8. Where any difficulty arises on account of any law in force in the United Kingdom in giving effect to the provisions of this Act, the specified banks and the Sonali Bank shall take all such steps in accordance with such law as may be necessary to give effect to the provisions of this Act or any order or direction made or issued under this Act.

Removal of difficulty

9. The Government may, for carrying out the purposes, or for removing any difficulty in giving effect to the provisions of this Act, make such orders or issue such directions to the specified banks, Sonali Bank or any of their officers and employees as it may deem fit.

Power to make orders, etc.

10. (1) The Nationalised Banks (Transfer of Business) Ordinance, 1975 (Ord. XI of 1975), is hereby repealed.

Repeal and savings

(2) Notwithstanding such repeal, anything done or any action taken including any order or notification made or direction issued under any provision of the said Ordinance, shall be deemed to have been done, taken, made or issued, as the case may be, under the corresponding provision of this Act.
