

**GOVERNMENT OF THE PUNJAB
COOPERATIVES DEPARTMENT**

Dated Lahore, April 2010

NOTIFICATION

No. In exercise of the powers conferred under Article 13 of the Co-operative Societies (Reforms) Order, 1972 (President's Order No.9 of 1972), the Governor of the Punjab is pleased to make the following rules:

1. Short title and commencement.— (1) These rules may be cited as the Punjab Provincial Cooperative Bank Limited (Board of Directors' Election) Rules, 2010.

(2) These shall come into force at once.

(3) These rules shall apply to the election of the Directors of the Bank and shall have effect notwithstanding anything to the contrary contained in any other rules or bye-laws of the Bank.

2. Definitions.— (1) In these rules:

(a) "Act" means the Co-operative Societies Act, 1925 (VII of 1925);

(b) "Bank" means the Punjab Provincial Cooperative Bank Limited, a cooperative society registered under the Act;

(c) "Board of Directors" means the Board of Directors of the Bank;

(d) "candidate" means a district delegate who desires to contest election of the Director from a region;

(e) "Director" means an elected member of the Board of Directors of the Bank;

(f) "district delegate" means a representative of a member society of a district elected in accordance with the bye-laws of the Bank and shall be the member of the General Body of the Bank;

(g) "region" means an area consisting of two or more zones, declared as region by the Board of Directors for the purpose of regional meetings and election of the Director from amongst the district delegates;

(h) "Registrar" includes a person upon whom powers of Registrar have been conferred under section 4 of the Act; and

(i) "society" means a cooperative society registered under the Act.

(2) An expression used in these rules but not defined shall mean the same as defined in the Act or the Cooperative Societies Rules, 1927 or the bye-laws of the Bank.

3. One elected Director from each region.— (1) The district delegates of a region shall elect one Director from the region for a period of three years.

(2) If an elected Director resigns or is removed because of any other cause, the Regional Election Sub-Committee shall fill the casual vacancy in accordance with these rules and the elected Director shall be elected for the remainder of the term of the outgoing Director.

(3) The Regional Election Sub-Committee shall conduct election of the Director from the region.

4. Eligibility criteria of a candidate.— A candidate shall not be eligible to contest election unless he:

(a) is a district delegate;

(b) has attained the age of twenty five years; and

(c) fulfils the fit and proper test prescribed for Directors by the State Bank of Pakistan through BPD Circular No.13 of 2004 dated 17 March 2004 or any other subsequent circular on the subject issued by the State Bank of Pakistan.

5. Disqualification of a candidate.— A person shall be disqualified to be a validly nominated candidate or to remain as an elected Director, if he suffers from any of the following disqualifications:

- (a) he is a defaulter regarding his personal loans or loans due from any of his dependents to the Bank or the society he represents;
- (b) he or any of his dependents owe any loan to the society above the maximum limits duly sanctioned by the society;
- (c) he is relative of any employee of the Bank within the meanings of rule 55 of the Co-operative Societies Rules, 1927;
- (d) he is interested directly or indirectly in any contract or employment with or under or by or on behalf of the Bank;
- (e) he has remained a member of the Board of Directors for more than two consecutive terms or part thereof and a period of twelve months has not expired after the conclusion of the two consecutive terms;
- (f) he is a surety or a guarantor of any defaulter to the Bank;
- (g) the society, he represents, does not hold shares of the Bank of the paid up value of at least five thousand rupees;
- (h) the society he represents is a defaulter to the Bank;
- (i) he has been convicted of an offence involving moral turpitude;
- (j) he represents the society which stands superseded under rule 48 of the Co-operative Societies Rules, 1927;
- (k) he is declared as un-discharged insolvent by the competent forum or court;
- (l) he is declared as a person of unsound mind by the competent court; and
- (m) he is a salaried employee of any Government or any body or authority owned or controlled by any Government unless permitted in writing by the Government.

Explanation.— The word "defaulter" for the purpose of this rule shall mean a person who has failed to pay the debt or installment on the date specified in the bond or any other instrument evidencing the loan but if a person who clears the debt on or before the submission of his nomination papers shall not be treated as defaulter.

6. Election Sub-Committees.— (1) There shall be a Provincial Election Sub-Committee for the Province and a Regional Election Sub-Committee for a region.

(2) The Provincial Election Sub-Committee shall consist of:

- (a) President of the Bank; (Convener)
- (b) Deputy Registrar (Judicial), Cooperatives, Punjab, Lahore; and
- (c) Secretary, Board of Directors.

(3) The Regional Election Sub-Committee shall consist of:

- (a) officer of the Cooperative Department nominated by the Registrar; (Convener)
- (b) District Officer Cooperatives nominated by the Registrar;
- (c) Zonal Head of the Bank or any other officer of the Bank nominated by the President of the Bank.

(4) The Provincial Election Sub-Committee shall make all arrangements for holding elections including:

- (a) notification of the schedule of elections; and
- (b) supply of election material to the Regional Election Sub-Committee.

(5) The Regional Election Sub-Committee shall notify the programme of elections to all the district delegates of the region under a postal certificate and also publish the programme in the press at least fifteen days before the date fixed for the regional meeting for election of the Director.

7. Nomination papers.— The Regional Election Sub-Committee shall ensure supply of election material including nomination papers and eligibility criteria prescribed in rule 4 to the candidates in accordance with the schedule of election.

8. Scrutiny and withdrawal of nomination papers.— (1) A candidate shall submit the nomination papers, complete in all respects, to the Regional Election Sub-Committee.

(2) The Regional Election Sub-Committee shall scrutinize the nomination papers, in consultation with the field staff of the Cooperative Department, as it may deem necessary, and in the presence of the candidates who want to be present.

(3) The Regional Election Sub-Committee shall announce the result of the scrutiny in the presence of the candidates, who want to be present, and shall publish the final list of validly nominated candidates in such manner as it deems appropriate.

(4) A validly nominated candidate may withdraw his candidature by written intimation to the Regional Election Sub-Committee.

(5) The Regional Election Sub-Committee shall, at least seven days before the polling day, publish the final list of validly nominated candidates.

9. Admission to the regional meeting.— (1) The Regional Election Sub-Committee shall regulate admission to the regional meeting and shall provide admission card to every district delegate.

(2) The Assistant Registrar or any authorized official sub-ordinate to him shall verify the admission cards of the district delegates.

10. Chairman of the meeting.— The convener of the Regional Election Sub-Committee shall preside the regional meeting.

11. Quorum.— (1) The quorum for the regional meeting shall not be less than one fifth of the total number of the district delegates from the region.

(2) In the absence of quorum within one and half hour after the time fixed for holding of a regional meeting, the district delegates present and entitled to vote shall form the quorum.

12. Other issues.— All questions in respect of quorum or other issues relating to conduct of regional meetings shall be decided by the convener of the Regional Election Sub-Committee in accordance with these rules and bye-laws of the Bank and his decision shall be final.

13. Ballot paper.— Ballot papers shall be in such printed form as may be specified by the Provincial Election Sub-Committee and shall bear the seal of the Bank.

14. Election by secret ballot.— Election under these rules shall be held by secret ballot.

15. Result of the election.— (1) The convener of the Regional Election Sub-Committee shall declare the name of the return or elected candidate who has obtained the highest number of votes.

(2) In case of equality of votes between two or more candidates, the convener of the Regional Election Sub-Committee shall decide the matter by drawing of lots in the presence of such candidates who want to be present.

16. Appeal.— An aggrieved candidate may, within thirty days of the decision of the Regional Election Sub-Committee, file an appeal before the Registrar.

17. Repeal.— The Punjab Co-operative Banks (Committees) Election Rules, 1972 are hereby repealed.

BY ORDER OF THE GOVERNOR OF THE PUNJAB

SECRETARY TO THE GOVERNMENT
COOPERATIVES DEPARTMENT