

## THE '[KHYBER PAKHTUNKHWA] CO-OPERATIVE SOCIETIES (REFORMS)

ORDINANCE, 1982.

?IKHYBER PAKHTUNKHWA] ORDINANCE NO. III OF 1982.

[20<sup>TM</sup> JANUARY, 1982]

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THE '[KHYBER PAKHTUNKHWA] CO-OPERATIVE SOCIETIES (REFORMS)  
ORDINANCE, 1982.

?IKHYBER PAKHTUNKHWA] ORDINANCE NO. III OF 1982.

[20" JANUARY, 1982]

AN  
ORDINANCE

to Provide for the improvement of the constitution and working of certain Co-operative  
Societies in the ?[Khyber Pakhtunkhwa]

WHEREAS it is expedient to provide for the improvement of the Preamble.  
constitution and working of certain Co-operative Societies in the "[Khyber  
Pakhtunkhwa] for the purpose hereinafter appearing;

AND WHEREAS the Governor of the \*[Khyber Pakhtunkhwa] is  
satisfied that circumstances exist which render it necessary to take  
immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of the fifth  
day of July, 1977, and in exercise of all powers enabling him in that  
behalf, the Governor of the '[Khyber Pakhtunkhwa] is pleased to make  
and promulgate the following Ordinance:—

1. (1) This Ordinance may be called the '[Khyber Pakhtunkhwa] Co- Short title,

operative Societies (Reforms) Ordinance, 1982. extent  
ani

commencement.

(2) It extends to whole of the \* {Khyber Pakhtunkhwa] Province.

1 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

2 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

3 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

4 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

5 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

6 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

7 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

8 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

2.

3.

notwithstanding anything to the contrary contained in any other law for the

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(3) It shall come into force at once.

(1) In this Ordinance, unless the context otherwise requires,—

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

(b) "apex society" means—

(i)

(ii)

(iii)

(iv)

the Frontier Provincial Co-operative Bank  
Limited;

the Sarhad Co-operative Union, Peshawar;

the Sarhad Rural Supply Co-operative Limited  
Corporation, Peshawar; and

any other co-operative society which  
Government may, by notification in the official  
Gazette, declare to be an apex society for the  
purposes of this Ordinance; and

(c) "Government " means the Government of the '[Khyber  
Pakhtunkhwa].

(2) The words and expressions used but not defined in this  
Ordinance shall have the same meanings as are respectively assigned to  
them in the Act.

The provisions of this Ordinance shall have an overriding effect

time being in force, or in the constitution or bye-laws of an apex society,  
or in any agreement, award, or decree, judgment, injunction or orders of  
any court.

4.

(1) An apex society shall continue to be regarded as a society and  
shall remain subject to the provisions of the Act in so far as they are not

1 Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

Definitions.

Ordinance to  
override other  
laws, etc.

Act to continue  
to remain  
applicable to

inconsistent with the provisions of this Ordinance.

(2) The Registrar shall have power to carry into effect the provisions of this Ordinance in relation to an apex society.

5. (1) No person other than a co-operative society shall be a member of an apex society.

(2) Any person other than a co-operative society who, immediately before the commencement of this Ordinance or at the time of declaration of a co-operative society as an apex society, happens to be a member of such society, shall forthwith cease to be a member of the apex society.

(3) Notwithstanding the cessation of membership under sub-section (2), a person ceasing to be a member of an apex society shall not be absolved of any liability incurred by him as a member of the society before such cessation.

(4) Where a person has ceased to be a member of an apex society under sub-section (2), the price paid by him for the shares held by him in the society shall be refunded to him.

6. (1) No person shall be elected to or hold the office of a member of the Managing Committee of an apex society, unless he has been duly elected or nominated by the society represented by him, in accordance with the bye-laws of that society, and any person who, at the commencement of this Ordinance or at the time of declaration of a co-operative society as an apex society, as the case may be, happens to be a member of the Managing Committee of such a society without having been elected or nominated as such, shall forthwith cease to be a member of the Managing Committee of that society.

(2) A member of the Managing Committee of an apex society shall not hold office for more than two consecutive terms or parts thereof and shall not be eligible for membership of that committee except after the expiration of a period of thirty-six months immediately following the two consecutive terms.

(3) A person who has been a member of the Managing Committee of an apex society immediately preceding the commencement of this Ordinance, or in the case of an apex society declared as such under section 2 (b) (iv), immediately preceding such declaration, for a continuous period

apex societies.

Membership of  
apex society.

Members of  
managing  
committee.

of six years or more shall forthwith cease to be a member of such committee.

(4) No person ceasing to hold office of a member of the Managing Committee of an apex society in pursuance of sub-section (3) shall be eligible for membership of the Managing Committee of that society except after the expiration of a period of thirty-six months from the date of such cessation.

(5) No person shall, at the same time, be in the Managing Committee of more than one apex society.

(6) Where a person happens to be a member of the Managing Committee of more than one apex society on or after the commencement of this Ordinance, he shall forthwith resign from the membership of the Managing Committee of all such societies other than the one in which he wishes to retain such office and if he does not so resign within a period of fifteen days he shall be deemed to have retained the office in the apex society in which he was elected or nominated late and shall cease to be a member of the Managing Committee of the other apex society or societies forthwith.

(7) Where a person is a member of the Managing Committee of an apex society, he shall not seek election to the membership of the Managing Committee of another apex society unless he first resigns his office in the Managing Committee of the apex society of which he is a member.

(8) Nothing contained in this section shall apply to any person who is a member of the Managing Committee of an apex society by virtue of his holding an office in the service of Pakistan.

7. (1) Where the vacancies caused by the members of the Managing Committee of an apex society by reason of their ceasing to hold office in pursuance of sub-sections (1), (3) and (6) of section 6 do not exceed one-third of the total number of members of the Managing Committee, the vacancies shall be filled in accordance with the bye-laws of the society.

(2) Where the vacancies referred to in sub-section (1) exceed one-third of the total number of members of the Managing Committee, it shall forthwith stand superseded and the affairs of the apex society shall be managed, and all powers and functions of the Managing Committee shall be exercised and performed, by an Administrator, who shall be appointed

Filling up of  
vacancies in the  
Managing  
Committee and  
appointment of  
an  
Administrator  
in certain cases.

by the Registrar. The Administrator so appointed shall hold office until the persons elected as members of the Managing Committee at the election held in pursuance of sub-section (3) have assumed office.

(3) Where the Managing Committee of an apex society stands superseded in pursuance of sub-section (2), another committee shall be constituted by holding an election in a general meeting of the society to be called by the Registrar. Such election shall be held not later than a period of six months from the date of such super session unless extended by Government for another period not exceeding six months.

8. (1) Any person who—

(a) has taken a loan from any society which has been outstanding against him for six months or more after it has become payable; or

(b) has taken a loan from any society which is repayable by installments and the amount of three or more installments has been outstanding for six months or more from the date on which the amount of the last installment becomes payable; may be declared to be a defaulter by the Registrar.

(2) Any person aggrieved by an order of the Registrar under sub-section (1) may, within thirty days of the date of the order, prefer an appeal to Government and the decision of Government on such appeal shall be final.

'[Provided that no decision under this sub-section shall be made without giving the appellant an opportunity of being heard].

(3) Any person who is a member of the Managing Committee of an apex society and is declared to be a defaulter under sub-section (1) shall forthwith cease to hold such office.

9. No compensation shall be payable for the removal from or cessation of membership or termination of any office or supersession of

1 Inserted vide Khyber Pakhtunkhwa Act. No. II of 1985 read with Schedule.

Declaration as  
a defaulter and  
its

consequences.

No  
compensation  
for termination

any committee by virtue of operation of any of the provisions of this Ordinance.

10. (1) No court, including the High Court or Supreme Court, shall call in question, or permit to be called in question, any provision of this Ordinance, or any rule or order made or anything done or action taken or purporting to be made, done or taken thereunder.

(2) No court, including the High Court or Supreme Court, shall grant an injunction or make any order or entertain any proceedings in relation to anything done or intended or purporting to be done under this Ordinance.

11. No suit, prosecution or other legal proceedings shall lie against Government or the Registrar or any other person for anything in good faith done under this Ordinance or any rules made there under.

12. Government may, by notification in the official Gazette, make such rules as appear to it to be necessary or expedient for carrying out the purposes of this Ordinance.

13. If any difficulty arises in giving effect to any of the provisions of this Ordinance, Government may make such order not inconsistent with the provisions of this Ordinance, as may appear to it to be necessary for the purposes of removing the difficulty:

Provided that no such order shall be made after the expiration of one year from the commencement of this Ordinance.

of office.

Jurisdiction of  
courts barred.

Indemnity.

Power to make  
rules.

Removal of  
difficulties.

LIEUTENANT GENERAL FAZLE HAQ  
GOVERNOR OF THE KHYBER PAKHTUNKHWA

Peshawar,  
Dated the  
20TH JANUARY, 1982