

REGISTERED No. ese

EXTRAORDINARY:
PUBLISHED BY AUTHORITY

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ISLAMABAD, SLNDAY, JANUARY 9,

PART |

NATEONAL ASSEMBLY SECRETARIAT
fsleniciadd, the She faanary, €977

The following Acizs of Parliment received the assent of the President on
the 9th Junuary, L877. anc wre hereby published for general inforoiation —

ACT Na. | ne igpy

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ait Aerio provide tor taveten of agricultural income and ta giv effect fo ober
freaci protects af the Jederal Covernam ar.

WHEREAS 1 is eXpedicns to provide for raxation of agricultural income is
the country on a uniform basis and w give effect to other financial proposals af
the Federal Government :

It as hereby cnacted as follows :

L. Shirt difle and commencement. iL) This Act may be called the Finance
(Supplementary) Act, 1977.

(2) Jt extend. luo the whole of Pakislin.
\$3) Th shall came inte force at ane. so however thal income te which the

Sixth Schedule applies, shall be liable to tax for Une lirst time in any assessment
for the year beginning on ihe first day ol duty, 1997.

2. Amendment of Act X1 wf (922. The followme amendments shall be made
in the Income-tax Act, 1922 (XI of 1922), numely ;—
(1) tn sektion 2. in clause (1) in sub-cluuse (a)

(h) after the words “used for agricultural purposes” a full-stop shall
be added, anil

(Ui} the words “and is cither assessed ta land revenue in Pakistan or
Subject te a local rule assessed and enliected by allivers of abe
Government as such.” shall be omitted ;

(77)
Pete: Ey. GG
f244 Ex, Gaz.]

te

Explanation —In this section, “Mfiee: hearer of a ate [airs ‘
Means an office-bearer at the Nutional ar Provireial <a: s5

party olherwise than as a mere member of the Workine. t unt rol
vineial or other Committes of the party ~

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4u Act ie provide jor the establisitnen: ef a Pideral Bait ua Cowinerestive sy ctne?
revutation ay Cooperitive Ranker:

WHEREAS ik is expedient co provide Tor the estebksaminc oi 2 i cileral
Bank for Cooperatives and Reguiaton of Covneriive Bankine, and cos teciar.
uncillary thereta ;

AND WHEREAS the Provincial Assemblics ol tae Norla West broctier Pr: -
vince, the Punjab and Sind and Parliament, exercising the pawers of she Pre
yincial Assembly of Baluchistan under Article 234 es ihe Coistinucen of the
Islamic Republic of Pakistan, have passed resolutions under Aricic 144 of lie -
Constitution to the effect that Parliament may by lew rowulitle the muller of coe:
viperative banking ;

hh is hereby enacted as ratliws :

1, Short tithe, extent and commencement.—i}] Jinis Agi stay de cultgd: the
Establishment of the Federat Bank for Cooperatives aml Reeuliben of Ce peca
live Banking Aci, 1977.

(2) It extends lo the whole of Pakistan and ile applic. tthe bastes. ol
the Bank transacied outside Pakistan and to persons conducting such lasness

43) H shall come into foree al ante and shall be deemwal i live takeu ches.
on the Mh day of October, 1976,

2. Definition. —In this Act, unless there ts anything repugaant oe the satypret
or comlest-

ia} “approved securities means secur tics dn watch aw Unde aie Pt ses.
money under clause jai, clause (6), clates ibd) eliuse reir vhyuse
(d} of section 20 of che Trusts Act, 1882 (1h ef PSs2)) nace such ther
securities as the Federal Government may. oy melita ir the
official Gazette. declare to be upproved securities fer pur css at ches
Act:

th) “ Bank” means the Federal Bark lor Cempersives estabtisssl epider
section 4S,

ic) “ Board ” means the Board vl Directors camsttiled anier seer
id) “Chairman means the Chairman of the Boars:

fe} “cooperative bunk” means a * bankis: i

Explanation io sub-section (27 el sec Por de Cunagratin Sucre.

lies Act, 1925 (VHT ol 1925), other than a Previa Cooperntins

Bank :

if} cooperative sociely * means a sociely teginered ie Munising uals
any Jaw for the time being ja lerce relates IOoTHEISES hepa gelinern
tive Socicties and a “primary coopenrtlive spetely 7 reeds each
society of which ao other society is a member ,

semtels Gis al “ie

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"harrower " gies a person whe has obtained a hair toa the Bak
or it Provincial Cooperative Rank and includes 1 surety or an idetani-
fier. but dees not include the Feceral Government or a Provine 'ul
Government -

"demand liabilites " eans Tab:lides which are wong tact en demand
and "time liabilities 7 means liabilities which sare mot cderand Habe-
ties :

" Director * means a Director for the time being of the Bourd ;

1

" District fudge " includes. in respect of areas whers @ strict fudes
does not have unlimited pecuniary jurisdiction in original civil suits.
a High Court exereistay original civil jurisdiction

"family members " in relation fo uw pers means kis spouse, depen-
dent linea] ascendents and descendants unc dependent brathers and
gs sters

"Tonun" inchides an advanes. aw cash eredi.. va averdral, 2 mucking
credit, a bull dircgunted and purchased, letrer of credit er anv ether
findocal aecomoxalation or enuagemerri provided oy che Shunk or a
Pravindal Cooperalive Bank to a borrower ;

~ Managing Dircetor? means Managing Dircetor of the Bank and

includes any person Tuy the lime bein discharging che funtions of the Minasing Director :

“anallieuml coopertlive soecieiy * means a covpetitive socie lo which the Multi-Coit Cooperative Societies Act, P43 1V0 of i9424 applies and which----

(i) is maton basking society as defined in the Fenlanatan ii sub-
4

section (2) af scedior Toad the Caoperative Secieies Act. 125 (VIL of 1925): and

(ii) does not use as a parl ol ws name the word “ Bunk * er Rank-
img? or uny af its derivatives ;

“nrescribedl ” means presribed by rules ;

* Provincial Cooperative Bank” mcans 4 cooperative society the primary object of which is lo anake Jeans to the coneralive sesio-
tes winch are ils members and which is moiified, for (re purposes of this Aci. to the Benk by the Previnen, Governuent of the Province within which the cnoneralive society us repintered or, unt tl a cue operative spciely is so nacified, any one of the following, namely : -

(1) the Bilughistun Provinel Cooperative Bank Juid .

Hii} the Precautier Provincial Cooperative Bank lsd :

Mi the Punjab Prowinei#d Couperative Bunk C.Id: and

itv) the Sind Provincia] Couperative Bank f.td -

“reularion means a regalation made under this Ac

“rule” means a rule made under this Act;

“scheduled bank ™ has the same meaning sg in the State fink of Pak stan Act, 1936 (XXXII of 19561.

“State Bank “ means the State Bink of Pakistan estehtisecd under dhe Stale Bank of Pakistan Act, 1956 (XX XITE of 19454)

Act to over-ride other Laws.- it Except as provided in sub-section (2),
this 'hal shall have clget notwithstanding anything contamed in the Banks

ate

Ordinance. 1962 G1 VU or 1962), as amended hy this Act. For the tinte 'Beng in
lores & amy instrument having cflect by virtue of any law or any agreement,
contract, ward or memorandum or articles of association or other instrument.

12} Nowhing in

i) seetion 360 af the Stale Bank wi Pakistan Act. 1956 (XXXIU of (956),

shall apply to the Chairman oy « Director, other than the Managing
JFirecler :

th) eluuse civ) of subsseetion if) al section 14 of the Banking Compames
Ordinance, 1962 (LYID of 1962), shall apply wo shares of the Bank
held by the State Bank ;

ic) section 27. section 28. clause db) of sub-seclign &6) of section 40,
chitlse (&) of sub-section (1) of section 42, Parts HI and TV, or section
49 af the Banking Compunies Ordinance, 1962 (LVILT of 1962}, shalt
uppty ut the Bank ;

idi glanse fe) of sub-section (1) oar sub-sections (7). (3). (4) and (\$) of
aceon 19, sub-section (3) of section §4, sectivns LS. 15-A, 15-B,
13-€ or 20. sub-seclion {3} ay (6) af seclion 25, sub-secttion (4) or
(5) of section 40, or section 41-A, 41-B, 41-C, or 83 of the Banking Com-
panics Ordinance. 1962 (LYN of 1962), shall apply to the Chairman
at a Direclot other than the Munieing Director,

4. Power to exempt. and suspend operation of Act, in certain cases.—The
Federal Government may. by notification in the official Gazetle, and subject ia
such conditions us may be specified in the notification, exempt the Bank from.
or suspend the application 10 the Bank ef, ull or any ef the provisions of this
Act. either generally ar for such period us may be so specified.

5. Establishment of the Bank.—(1) As soon as may be after the coming wlo
farce ol uhis Act. the Federtl Government shail take steps fo establish, in
aecordince with the provistons of this Act, u bank to be called ~ The Federal
Bak for Cooperatives 7 fo curry oul the purposes of this Act.

12 The Bank stall be a body corporate having perpetual succession and a
commen seal, wilh powers lo acquire, own. held and dispose of any property,
anal shall by the name assigned to ut by sub-section (f} suc and be sued.

{3} Vhe Bank shill he deemed to be w banking company for the purposes of
the State Bunk of Pakistan Act, 1956 (XXXII of 1956), the Bunking Companies
Ordinance. 1962 (LYE of 1967). and any other law for the time being in force
reluling to bunking companses. excepting the Banks (Nationalization) Act, 1974
INTX of L974).

6, Share capital. (1) The initia] shure capitul of the Bank shall be twenty

crores of rupees divided into two thousand fully paid up shares of the nominal value of one hundred thousand rupees each and shall be fully subscribed by the Federal Government, the Provincial Governments and the State Bank of Pakistan in the following manner :

- ia) Federal Government. Rs. 2.00 crores
- ib) State Bank. Rs. 18.00 crores

PART I' THE GAZRTTE OF PARISLAN, LATKA. JS. cuye VI

lc) Government of the Punjab. Rs LOO grures.

td) Government of Sind. Rs. \$00 cranes.

fe) Government of N.W.E.P. Rs 0.50 crores.

(6) Government of Baluchistan. Rs. QA crores.

(2) The share cupius avay be imcreased from jime to time by a resolution al the Board wth the approval of the Federal Government , usd the capital sp increased shall be fully subscribed by the Federil Giovernment, the Provinctul Governments and the Stale Bank of Pakistan.

J. Offices and branches. -(l) The bead oftee of the Bank shal] be at Islamabad.

(2) Vhe Bank shall estabiish one Regional Ollec in cach Provines and ey establish Offices, Branches and Agencies at such places us che Board may divnk til.

%. Direction and superintendence. The peneral direction and superunendence of the affairs and business of the Bank shall vesl in a Board of Directors cosituted in accordance with section %, which may cxercines all such po.wers, und dv all such acts and things a, muy be exercised ar done by the Bunk, subject to the provisions of this Act.

¥. Board. 41} 'The Board shall consist of—

fa} the Chairmun ;

(b) aii che directors jor the time being af the Central Bounl or Durectars of the State Bank :

tc) the Managing Direchur ;

id) two directors io be nominated by the Federal Governingny tl whom im'e shall be an ollicer of the Mitostry a the Gaveruuent al Pakistan concerned with the subject of cooperatives ume the other a nan-official ; and

te} two direclors fram each Pravings wo be neminawd by ite bederal Government an the reconunendation of cich Proviacit Guvernuent, of whom one shall be a non-official,

(2) The Governor for the time beg af the Stile Bark shall ae ule Oiaiz-man Of the Board.

(3) Unless the Federal Government ikherwise direcls in aus cise. a oon-official Director referred to in eliuse id} or cluuse fel ot audesecborg fT ta

hold office for u period of ibree yeary and shall, subicet to the provisions of this Act he eligible jor re-appointment :

Provided that such a Varector shall aot bold uthee for more than ss yonsecutive years, and in computing the period of six years. any beenk af less than three years in continuity of office shulf be disregarded.

(4) A Director referred to in eluuse 1b) of sub-section Laat in efticer whe
is nominuled Director under clause cal} or cliuse ted af that suis seca, sted} hot
office during the pleasure of the Federe! Goveramei,

(5) No wet or peocecdeng of ihe Bosud shall he invalid hy ceasan ents ai
the existence of any vacaocy in, or defect in the constitucion sd the Hour.

lit THE GAZETTE OF PAKISTAN, EXTRA. JAN. 9 1977) [Pari a:

10. Managing Director. (1) The Managing Director shall be appointed by the Federal Government upon such terms and conditions as the Federal Government may determine and shall hold office during the pleasure of the Federal Government.

at such place, Ge suaesecution (in the case of a Director, 2s will be made by his hand addressed to the Federal Government. resign his service,

» Deceitful staff will be dismissed without notice if he is assigned to any other post under this

D4) List of:

all other posts

Such as those the Managing Director is absent or is unable to perform his functions due to any cause, the Federal Government may authorise any other person to be appointed under section 11 to discharge the functions of the Manager: Declaring any other terms and conditions as the Federal

Certainly: in my opinion, we,

11. Dis-qualifications of Managing Director and Directors. No person shall bear shall continue to be the Managing Director or a Director who--- is a member of the Parliament or a Provincial Assembly; or has been declared an undesirable or suspended or has suspended his position? or has compounded with his creditors or

(c) if a minor: or

Who is guilty of being a member of the Parliament or a Provincial Assembly; or has been convicted for any offence which includes the violation of the Federal Government's standards of moral conduct or has been suspended or removed from his post or has been declared undesirable or suspended or has compounded with his creditors or

Who is guilty of being a member of the Parliament or a Provincial Assembly; or has been convicted for any offence which includes the violation of the Federal Government's standards of moral conduct or has been suspended or removed from his post or has compounded with his creditors or

Those who are members of the Parliament or a Provincial Assembly; or

Who is guilty of being a member of the Parliament or a Provincial Assembly; or has been convicted for any offence which includes the violation of the Federal Government's standards of moral conduct or has been suspended or removed from his post or has compounded with his creditors or

* Meetings of the Board, 1) Seven Directors shall form a quorum for a meeting unless the Board is present.

21. Subject to sub-section (1), the meetings of the Board shall be held in accordance with the rules prescribed by the Board.

Provided that: usual rules are made in our behalf, such notices shall be given to the Board.

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the gienh at epialit, ob vanes the Chairman shill bere a scene ar LasHine vie

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(4) All meetings of the Board shall be presided at by the Chairman and, in his absence, by a successor chosen for the purpose by the Directors present from amongst them.

13. Fees for attending meetings.—A non-official Director shall be paid such fees, travel costs and other expenses for attending the meetings of the Board as the Board may determine.

14. Indemnity of Directors—(1) A Director shall not be personally responsible for the acts of any other Director or of any other officer or servant of the Bank or for any loss or expense resulting to the Bank by reason of insufficiency or deficiency in value of any title to any property acquired or taken on behalf of the Bank, or by wrongful act of any person under a liability to the Bank, or for anything done by him in good faith in the discharge of his duties.

(2) Every Director shall be indemnified by the Bank against all losses and expenses reasonably incurred by him in the discharge of his duties except such as are caused by his willful conduct or default.

18. Advisory Committee. (1) The Bank may constitute an Advisory Committee consisting of—

(a) the Managing Director, who shall be the Chairman thereof;

(b) one representative each of the Ministries of the Government of Pakistan concerned with the subjects of finance and cooperatives;

(c) the President of each of the Provincial Governments, of whom one shall be a non-official

(d) the chief executive of each of the Provincial Cooperative Banks; and

(e) the Executive Director in charge of the Agricultural Credit Department of the State Bank.

(2) All meetings of the Advisory Committee shall be presided over by the Chairman thereof and, in his absence, by a Member chosen for the purpose by the Members present from amongst them,

13. The Advisory Committee shall advise the Bank on such matters as may be referred to it by the Board from time to time and may make recommendations to its own Motion to facilitate areas of improvement in service, facilities to customers of cooperative societies, including measures for meeting regional credit requirements.

14. The meetings of the Advisory Committee shall be convened by the Chairman thereof at such time and place as he may deem fit, and the non-official members of the Advisory Committee shall be paid such fees, travel costs and other expenses for attending the meetings as may be determined by the Board.

lo. Officers and servants —(1) The Bank may appoint or employ such officers and servants as it considers necessary for the efficient performance of its functions on such terms and conditions as may be laid down by regulations :

Provided that, until regulations are made in this behalf, the conditions may be determined by the Board or by the Managing Director, to the extent he is authorized by the Board.

(2) the Managing Director and every officer and employee of the Bank shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

43) For the purpose of section 124 of the Evidence Act, 1872 (11 of 1872), the provisions of Part IY of the Code of Civil Procedure, 1408 (Act V of £908}, and the provisions of rule 27 of Order Y. and rule 52 of Order XXI of the said Code, the Bank and any officer and employee of the Bank acting in his officia] capacity 4s such shall be deemed to be a public officer.

(4) The provisions of section 123 of the Evidence Act. 1872 (11 of 1872), shall apply to the unpublished records relating to the affairs of the Bank and the Managing Director shall be deemed to be the officer or head of the department concerned.

17. Business and functions.—(1) The Bank shall be the principal financing institution for meeting the credit needs of Provincial Cooperative Banks and multi-unit cooperative societies.

(2) The Bank may carry on, transact or do the several kinds of business and acts hereinafter specified, namely :—

{i) accept money on deposit ;

Gi? borrow funds from the Federal Government, financial institutions as defined in clause if) of section 2? of the National Development Finance Corporation Act. 1973 (XI) of J973), and such other financing institutions in or outside Pakistan as are approved in this behalf by the Federal Government, against the security of 1, assets or otherwise ;

{iii) raise funds for the purpose of the Bank's operation through issue and sale of bonds and debentures ;

(iv) make secured loans and advances to Provincial Cooperative Banks, multi-unit cooperative societies and, subject to the regulations framed for the purpose, to the officers and staff of the Bank .

tv} for the purpose of securing its loans and advances, accept pledge, mortgage, hypothecation or assignment of any kind of movable or immovable property or documents of title or guarantee of the Federal Government or a Provincial Government and such other securities as the Bank may deem fit ;

(vi) draw, accept, discount, buy or sell or rediscount bills of exchange or promissory notes bearing two or more good signatures, one of which shall be that of a scheduled bank or a Provincial Cooperative Bank ;

tvit) issue guarantees and give indemnities in relation to its business ;

{viii} subscribe to the debentures, being debentures repayable within a period not exceeding ten years, of any body corporate specially established for the promotion of business of cooperative societies ,

(ix) deliver, receive, collect and remit any securities ;

(x) acquire, maintain and transfer all movable or immovable properties, including residential premises, for carrying on business :

(xi) Open accounts or enter into any agency arrangement with any bank or financial institution in or outside Pakistan ;

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invest its funds in Government Securities and other approved securities and if so directed by the Board and with the approval of the Federal Government. in the share capital of—

{a} a Provincial Cooperative Bank upto an amount not exceeding twenty-five per cent of the fresh capital contributed by the Provincial Government of the Province within which that Provincial Cooperative Bank is registered > and

(b) a multi-unit cooperative society upto an amount not exceeding twenty-five per cent of its paid-up capital ;

sell and realise property, movable or immovable, which may in any way come into the ownership, possession or control of the Bank in the satisfaction or part satisfaction of any of its claims and the acquisition and the holding of, and generally the dealing with, any right, title or interest in any property, movable or immovable, which may be

the Bank's security for any advance or loan or connected with any such security :

assist the Federal Government and the Provincial Governments in formulating schemes for the development and revitalisation of the cooperative movement in the country in general and the Provincial Cooperative Banks in particular ;

assis: Provincial Cooperative Banks in preparing the seasonal and developmental loaning programmes and conduct appraisal and undertake feasibility study of projects covered by such loaning programmes:

encourage the development of special cooperative projects the objects or area of operation of which may extend to more than one Province;

organise training in cooperation and cooperative banking for the employees of the Provincial Cooperative Banks and other cooperative societies;

ensure proper utilisation of loans obtained from the Bank;

carry out research on problems of rural credit and on such other

maters as have a bearing on the development of the cooperative movement in the country;

lend money in the inter-bank call money market;

issue letters of credit;

appoint attorneys and agents:

subject to regulations framed for the purpose, maintain and operate the provident fund and other funds created for the benefit of its employees;

perform such functions and exercise such powers as may be entrusted to or conferred upon it by or under any law; and

generally do all such matters and things as may be necessary, incidental to or consequential upon exercise of its powers or the discharge of its duties or functions under this Act or any other law.

18. Prohibited business.—The Bank shall not undertake any kind of business other than that authorised by or under this Act, and in particular it shall not—

(i)

engage in any trade or otherwise have a direct interest in any commercial, industrial or other undertaking except such interests as it may

any way acquire 'in the course of satisfaction of any of its claims, but all such interests shall be dispensed with at the earliest — possible moment.

(ii) purchase its own shares or purchase or subscribe to the shares of any bank or cooperative bank or of any company or make any advance or loan or open any credit or give any financial accommodation upon due securities of its shareholders and allow any debtor to set off his debts or part of his debts, before the bank requires such shares:

(iii) accept, buy, discount, or advance, lend or open any credit or give accommodation by cash or by a Bill of exchange or promissory note bearing 'wo or more good signatures, one of which is that of the managing director or of a Provincial Cooperative Bank.

(iv) make unsecured advances and loans.

19. Borrowing powers: (i) The Bank may, for the purpose of its business, borrow from all or any of the persons mentioned in clause (i) of sub-section (2) of section 17 and raise nominees by issue and sale of bonds or debentures carrying interest at such rate as may be approved by the Board:

Provided that the amount of the sums due on such bonds and debentures issued and outstanding and the contingent liabilities of the Bank in respect of guarantees shall not, at any time, exceed ten times the aggregate of the amount of the paid-up share capital and reserves of the Bank.

(2) The bonds and debentures of the Bank may be guaranteed by the Federal Government as to the repayment of the principal and payment of interest.

20. Power to impose conditions.—For the purpose of transacting any business under this Act with any Provincial Cooperative Bank or a multi-unit cooperative society, the Bank may impose such conditions as it may consider necessary or expedient for protecting its interest and securing that its security, advance, loan or other assistance is put to such use by the Provincial Cooperative Bank or the multi-unit cooperative society as it has agreed to and any condition so imposed shall, notwithstanding anything contained in any other law for the time being in force, be valid and enforceable.

21. Power to call for payment before agreed period.—Notwithstanding any agreement to the contrary, the Bank may, by notice, require any borrower to which it has granted any loan, or any person liable for payment of such loan, forthwith to repay the loan in full if—

(a) it appears to the Board that information false or misleading in any material particular was given in the application for advances, then,

credit or any financial accommodation » or

(b) the borrower has failed to comply with the terms of any agreement with the Bank in the matter of the advances, loan, credit or financial accommodation, or

fe) there is reasonable apprehension in the opinion of the Managing Director that the borrower is unable to pay his debts as and when they fall due or

(4) the property pledged, mortgaged, hypothecated or assigned to the Bank as security for the advance, loan or credit or financial accommodation is not in proper condition to the satisfaction of the Bank or its

value a5 estimated by she Bank has depreciated by more than twenty per cent, and further security to the satisfaction of ahe Gank 16 avi given within the time specificid by the Bank: or

fe} without the permission oof she Bank. uny preper — pledied. moriiged, hypotheculect ar issinged ta ihe Bank is leased or rented lo third purlies Gr is in any way charge, disposed of or removed from the place where it was ue the tune when the loan, advaace. credit or financial accomadation was graniad : ar

(f) for any olher reason iL is neesssary un the opinion of the Board to Prolecl ils interest,

22. Special provision for enforcement oi claimis by the Rawk,—11) Where the Bank beenmes entitled to require che immediate paymen: af any Joan before Lhe due dale by reason of breach of any condition of any ugrcement. hebween Ue Bank and a berrower lo whom: en udvanee, ian or eredit has been granted ar any person liable for payment of that advance, lайн, ar eredit, or where a borrower to whom any advance, lown, or credit hus hae sraived or any persen liahle for Payment af ihat advance. Joan or credit fis to repay it by the dus date or in compliance of uw notice wader scclion 21. un officer of the Bank generally or specially authorised by the Board in this behalf may apply to the District Judge within the local limits of whose jurisdiction the borrower carries on the whole or a subs:antie]l part of his business or the office er branch of vie Bank Irom which the loan was disbursed is situated. far any ons ur more of the fotowing teliels, namely :—

(a) an order for the sale of Lie properly pledged, mortgaged, hypiiheeated or ussened to the Bunk as security for the advance, kyan or eredit yor

{by un injunciion ad jiteriv: where here is apprehension that the properly pledged. mortgage jypathecated or assivmed ta the Bank may be leased or rented ty a third party or in any way charged, disposed of or oremived from ihe phice where ji was al the time the advances, nan, or credit was weunmtd, wiehoul the permission of

the Board.

(2) An application under sub-section (1) shall state Uke oaiurs und extent of the Srubility of the horrower to thy Bunk, the growad an which it is made and such other puriiculars as may be prescribed hy rules,

(7) When the applicatiens for the rele! mentioned in chinse ia} ar th) of sub-section (8), the Districn dudae shall piss an order ad éfevia attaching the property referred to in clause (0) at sub-section ¢1) oor such other properiy of the borrower or of the persons liable for payment of the advance, Joan ar eredit or olf both as is I:key in hos estomtien ia fe ch. an being suld) an amount equivalent to the outstanding fiab:fily of the herrower 1a the Bark together with costs of the proceedires taken under this seelion with or wilheut an injunction ad inferina restraining the borrawer from = leusing or renting the property or in any way charging, disposing of ar transferring or removing any

property without the consent of the Board.

(4) Before passing an order under sub-section (3), the District Judge may, if he thinks fit, examine the person making the application,

(5) At the time of passing an order under sub-section (3), the District Judge shall issue to the borrower a notice accompanied by a copy of the order, the application and evidence, if any, recorded by him and calling upon him to

show cause on a date to be specified in the notice why the order of attachment ad interim should not be made absolute or the defendant be not committed.

sub-section (5), the District Judge shall either will make the order absolute, and direct the sale of the attached property or confirm the cajunction,

(7) If cause is shown, the District Judge shall proceed to investigate the claim of the Bank and the provisions of the Code of Civil Procedure, 1905 (Act of 1908). shall as far as practicable apply to such proceedings.

(8) On completing an investigation under subsection (7), the District Judge shall pass an order—

(a) confirming the order of attachment or directing the sale of the attached property : or

(b) varying the order of attachment so as to refuse a portion of the property from attachment and directing the sale of the remainder of the attached property : or

(c) releasing the property from attachment, if he is satisfied (that it is not necessary in the interest of the Bank to retain it under attachment ; or

i) confirming or rejecting the injunction :

Provided that when making an order under clause (e), the District Judge may make such further orders as he thinks necessary to protect the interest of the Bank and may apportion the costs of the proceedings in such manner as he thinks fit:

Provided further that, unless the Bank intimates in the District Judge that it will not appeal against the order releasing any property from attachment, such order shall not be executed until the expiry of the period mentioned in subsection (19), or an appeal is preferred, unless the High Court otherwise directs, until the appeal is disposed of.

9. An order under this section for the attachment or sale of the property shall be carried into effect as far as may be in the manner provided in the Code of Civil Procedure, 1908 (Act of 1908), for attachment or sale of property in execution of a decree as if the Bank were the decree-holder,

(10) Any party aggrieved by an order under subsection (6) or subsection (K) may, within thirty days from the date of the order, appeal to the High Court or, where the order is of a Judge of a High Court exercising original civil jurisdiction, to the Court to which an appeal from the judgement of such Judge lies, and upon such appeal the appellate court may, after hearing the parties, pass such orders as it thinks fit,

23. Recovery of Bank's dues.—Without prejudice to the provisions of sections 21 and 22, all sums due to the Bank shall be recoverable as an arrear of land revenue :

Provided that no sum shall be recovered unless more than fifteen days' notice has been given by the Bank to the borrower that the sum will be recovered 5

Provided further that, in so giving notice, the Bank shall notify the borrower that he may pay the Bank such instalments as may be fixed in the notice and that

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upon his so paying every instalment ou or before Lic due dave the recovery will be suspended but that it will othenvise proceed us Lo the entire sum outstanding in case ol any dejauil in umy instalment including the firs!.

24. General jien and preierential ireaiment to the clues of the Bank. -Where a Provincial Couperative Bank or a imvhu-unik copperative socigly to which an advance, loun or credit wr aay Imaaciul aceommodalian has been made is wound Up. any slut due to tie Bark in respect of such advance. loan, credit or financial accommodation shall, subject ta any claim of Lhe Medederal Government, be the first charge on the assels of the Provineial Coperative Bank or multi-unit co-Operative saciely.

25. Pewer te inspect—i) Natwithslanding uny law to the contrary, the Bank may at any lime and, on being clirected s0 Lo da by the Staie Bank, shall inspect any Provineial Cooperative Bunk or multi-unit couperative society, mclud- ing jis branches snd ollives, und its books, accounts and documents,

(2) The inspection shal] be curred gut by such officers of the Bank as the Bank may direct.

(3) Hoehall be the duly of every Director or ather officer or employee of the Provinefal €camperuliv: Bank or multi-unit cnuperuliye seciely to produce to any officer. hereafter in this section called Inspectimy Officer, making an Lospection, under this seciion. al] such heoks, accounts and ather documents m his custody or power and to furnish him with such informulsin, statesaen, and documents and copies thereof, reluling to the affairs of the Provincial Cooperative Bank or, us the case may be. mulle-udit coonervative society and within such dime as the inspecting Olfeer may require.

(9) The Inspecting Officer tray examine on oath any Direclor or other officer et employee af the Provincial Cayperative Bunk or mutlieunit cooperative society in relation to its business and may acminisicr an oath accordingly.

(3) The Bank shill supply to the Provincia) Government concerned, the State Bank and the Provineial Couperautise Bank or. as the case may be, the muti-unit cooperative sociaty a copy af ils report on the inypeclion made under this society,

{6} The property m the report supplied to the Provincial Cooperative Bank or multi-unit cooperative seciely under sub-seclsen (5) shall always lie in the Bank and the provisions of sectian 34 shill appl with equal force to the Bank. the State Bank, the Provincial Government and the Provincial Coopzralive Bank or, as the case may be, the multi-unit cooperative saciely and the officers and servants of the Bunk. the Stute Bunk. the Provincial Government and the Pro- vineial Coaperative Bank or. as the casc may be, ihe mulii-unil cooperative society,

34. Power fu probhibit acceptance of deposits.—If the State Bank, after considering the cecommendation af the Bank an the report referred to in section 25 or othenwise, at any lime is uf Ue opinion that the affairs of a Provincial Co- peralive Bank or multi-unit cooperative society ure beiny conducted against the

public interest or to the detriment of the interest of its depositors, or in a manner detrimental to the interest of the Provincial Cooperative Bank or multi-unit cooperative society, it may, after giving such opportunity to the Provincial Cooperative Bank or, as the case may be, a mutual cooperative society to make a

representaion in @wmection with the report as to the opinion of the State Bank
stems teasmable. by order in waiting—
fal prohibit the Provincial Cooperative Bank or multi-unit cooperative
soeely fram accepting deposits . ar

thi restrict the acceptaice of such deposits only upon such terms and
cund:licns es may be specified in the order:

Providect (nat

{1} one such order sia!) be passed without Lie pee approval in writing
ef che Federal Government; and

(ii) the State Bank mas defer for such period as it may think fit the
paw of an urdet under ihis section, or cancel or madlify any
stent under, cpon such terms and conditions as il may thenk fit
to iimpasc.

27. Power to call meeting and depule observers, etc.—The Bank may, by order
im WTIting---

(1) require a Province) Cooperative Bank vr omulu-unit cooperative
soviely to call a meeting of its Board of Directors for the purpose
of cans dering uny me ter reluting 4 its aTues, or require any of its
officers to discuss any such matter with an officer of the Bank ;

(ii) depute one or more of its officers to which the proceedings of any
meeting of the Board of Directors of a Provincial Cooperative Bank
ap multi-unit cooperative society or any of its Committees or of any
body constituted by it and require it to give an opportunity to the
ufficer or officers so deputed to be heard at such meeting ;

(ri) require the Board of WEelars of a Provincial Cooperative Bank or
nli-unit cooperative society or any of its committees of any other
hotiy comsciuted By u ta give in writing to any officer specified by the
Bank in jhis behalf a. his usual address ali natices and other eommu-
cations rehiling ea any meung at the aforesaid Board, committee or
waiher body . and

livh appeat ene ar mere al its vilicer, da observe the manger in which the
affairs al a Provincial Cooperative Rank or multi-unit cooperative
sucieby or of its offices or branches are being conducted and make a
Report (hereon.

28. Power of the Bank to lay down policy guide-lines and give directives in
regutd to business.—(1) The Bank may from time to time lay down policy
guide-bn in relativ Lo the business af Provincial Cooperative Banks or multi-
bit cooperative socictics generally, or any Provincial Cooperative Bank or multi-
bit cooperative society in paricular. am the hunks and soiglgs or, us ihe case
may be the bata or secivils shall be bound to follow Ure policy guide-Jines a0
determined,

(2) Withau. prejudice to the generailly of the power conferred by sub-section

HN. the Bank may, as if so required by the State Bank shall, give direction, to
Principles? Cooperative Banks generally may do any Provincial Cooperative Bank in
particular as to the credit balance to be maintained, the credit targets to be achieved
for different purposes, the time, extent and purposes of, with the security against
which, advances may or may not be made, margins to be maintained in respect
of individual shareholders and the nature of interest to be charged on advances or, as the case

may be, given on deposits and the Provincial Cooperative Banks or Bank shall be bound to comply with any directions so given.

{3} Where the Bank is satisfied that—

fa) in the public interest: or

ih) to prevent the affairs of a Provincial Cooperative Bank from being conducted in a manner detrimental to the interest of its depositors or in a manner prejudicial to the interest of any Provincial Cooperative Bank: or

ic) to secure the proper management of any Provincial Cooperative Bank;

it is necessary to issue directions to a Provincial Cooperative Bank, it may, from time to time, issue such directions as it may deem fit and the Provincial Cooperative Bank shall be bound to comply with them if such time as may be specified in it.

29. Maintenance of liquid assets—Every Provincial Cooperative Bank shall maintain in Pakistan in cash, gold or unencumbered approved securities or balances with the Bank or the State Bank valued at a price not exceeding the current market price, an amount which shall not at the close of business on any day be less than twenty per cent of the total of its assets and liabilities in Pakistan, excluding paid-up capital, reserves, unappropriated profits and its borrowings from the Bank and any International Agency:

Provided that a Provincial Cooperative Bank existing on the commencement of this Act may be allowed by the Bank to comply with this requirement within such period as it may deem fit;

Provided further that the Bank shall when directed by the State Bank vary the percentage of liquid assets required to be maintained under this section,

30. Power to remove Directors, or other managerial persons from office and to supersede Board of Directors of a Provincial Cooperative Bank.—The Bank, in relation to removal of a Director or other managerial person or, as the case may be, the supersession of the Board of Directors, of any Provincial Cooperative Bank, shall have the same powers as are conferred on the State Bank, in relation to removal of the Directors or other managerial persons from office or, as the case may be, the supersession of the Board of Directors of a banking company, under section 471A, 471B and 471C of the Banking Companies Ordinance, 1962 (LYIT of 1962), subject to the same conditions and procedure as are provided for in the aforesaid sections with the modification that—

(i) references to the State Bank were references to the Bank, and

subject to section 41°,

{a} in sub-section (i), reference to the State Bank were reference to the Managing Director and the words "and a report by a standing committee set up by the State Bank for the purpose" were omitted: and

(>> aa sub-seclion (2) refereuce to the Central Byard of Directors of the State Bank were reference to the Board,

31. Pawer of the Bank do call lor statemends, reduras, et, and ta publish information.—(1) Every Provincial Cooperative Bank or mulii-unit cooperative society includiug its officiut iiquidatur or reeciver. if it is beng wound up, shall

& als cost, furnish lo the Bank at such time such information, statement, feluros
ely me Bank dng? heen aes Vera chet PRUE ERURR ae we

doy infernsation obtained by iw under this Act in such consulidaied form as i
thinks fi.

42. Duty of the officers and servants ta maintain secrecy — (i) Except in the
performance of his duties under this Act or, subject to secon PO when
Tryured by how, every officer or servant af the Bank shivl apseTve, und ad in
preserving, secrecy ino wll qanatiers relating tw the ailairs «f the Bunk not published
by it and with regard te all muuer, relating 10 ihe finances and menetary silairs
af any Provincial Cowperalive Bank or cagperutive socidly ulated to it or wny
mull-unit coaperiive <uciely or any instilution, persed oT body or persans or
any Government oc authiarity in er ouslde Pakistan thal may cine to his kiow-
ledee in ihe performnance ol his duties.

(2) Ryery such eficer ar serviunk whys communicates any such matter except,
save ay otherwise providerl in section 34, when revurred hy law to do sa ar in the
dischargz of his dulics as such shall be punishable with imprisonment of either

esceipiion tor a term which may extend to six months, or wilh dine, or with bolh,

33. Detepation of powers (1) The Board may, for the purpose uf efitcient
funelinnsing of the anak and faeillating cransactions at its daily business, by a
resolution published on ihe olficial Gaveuic, delegate lo the Managing Direchor
or uth other allizer of che Bank. subicct lo such conditions aad mi: tons as may
be speshed therein, such of ity powers und duties under Uris Ack as it tity
Geel WCE sure,

(7) The Managing Director may, jar the puruse of faciliating transaclian
oi the Bank's bus'ness, delerate ta allicers uf the Bank, subjec: to such cand: Hons
and limitations, {7 aay. as may be specified therem. such af the powers and duties
assigaed wi han by or under chs el its he may deem necessary.

24, Prohibition against production and giving vf evidence from unpublished
secord,—(1) No Court, tribunal or authori shall have authority to compel the
Rank eran af iis ofieers nr servis 1a produce or, as the case may he, give
any eviderts derived Lram any unpublished records of the Bank,

3\Na Court, tribunal or authori shall take qotice ef) or permit any
one lo pradues er sive ums evidence derived from. any unpublished records of
the Bark except with che prar written permission of ihe Munaging Direckn why
muy give ar Bathiold such permission.

35, Reserves.—The Bank shall eslablish a fund to be called the General
Reserve and and erute [cou time ke lime such other reserves as it may deem
necessarr .

36. Dispasal oi profits. -Afler muking adequate provision ivr bad and
doublfui debts depreciation in assets, contribution to Maff and siperannwation
fonds. aml such other mateers aud contingencies as ure usuatly provided for by
huokers, ihe nel sanual profit stiall he dispesed of as follows, ibut 3 io sayy

tio pereivagte of the ner profic ta be determined every year hy the
Board shall ke transferred to the General Reseres Teund until chit
Fund is equal sa the paid-up share capiud of the Bark

[b) wa surplus cemining thereatter, may be dispused ot ul such manner
us max he decided by the Board

37. Accaunts and audit—]) Subject. ta sub-section (23, ube Bank shall maintain its acconnts in such minner uy may be preseribysl.

{2} The year a the account shall be the year commencing the first day of July and ending the @hirtisth day of June,

{3} The uccounts of the Bank shall be wadfled by ane or mors audijars who are chartered accountants withig the meaning of the Chartered Accountanis Ordinance, [961 (X of 1YGL), appointed by ihe Beard om sach remuneration as he Board may determine.

(4) Every auditor appouied under sub-section (3) shall be supplied with a copy of the annual balance sheet of the Bank, and il shall be his duty to examine il together wih the accaunis and vouchers relating thereta: and every auditor shall have a list delivered 10 him vf all books kepi by. the Bunk, and shall, af. all regsonable times. have access to the books, accounts and olher documents of the Bunk. and may, in relation io such accounis, exumine any Direcions or offi- cer Of the Bunk.

(5) The audit of the Bask shall be conducted a: lhe aflice ar branch of the Bank where the books and documents fo be audiled are ordinarily kept,

(6) The auditors shall send. as seen as possible, to the Board and lhe State Bank a report upon the accaunts af the Bank, the annual balance shez: und the statement! of profig und Joss aad. in evers such renork. thes shal) staie whether in their op ming the balance sheer is a full and fair bulinee sheet cumaining all necessary particulars and properly drawn up sv as le eshilvi a true und gotrect view of the siaie af the allairs of the Bank. and, i cuse thes kaye celled fot any explanation or caformation trom the Bank ar from any aflicer ai the Bank, whelhier it has been ecven wed whether if ix setisfactory,

3k. Exemption of the Rank irom certain tuxes. Nelwithslanding anvihing comained in the (nenme-tix Act. 1922 1X1 of M23 the Business Profits "Vax Act, 1947 XX] af 1944) the Giletux Act, 1962 1XIW af 1963). the Wealtittax Act, 1963 (XY of 1963), or any ather law in fogtce relating to incarme-ius, super-tax, weulth-tux, gifllax or business predicts lax, the Bank stall nat be hable ky pay any such lax im is income, profits, gains, wealih or gifts,

3%. Exemption from stamp duly, ele. -The Rank shal] net be liable to the payment of anv stamp duly, court fee or regisiralign fe payable uoder any luw Jur che lime beine in force relating te Samp duly. courl fess or regialration af documents.

40. Exemy tien irom compulsory registration of bonds and debentures of the Bank— Nothing contained in clause (b} al sub-section (EF) of ssclion [7 of the Re- eastratiom Act. (908 IX¥VE of 19081, shall apply to--

(1) any bend or debentare issued by the Bank and nol creating, declaring, assieniog. Limiting ar extinguishing amy right, ticle wr inlerssi io or in any immovable property except in se far as it eatitl:s the holder ta the security afiarded by a registered instrument whereby the Bank has merig: wed. canveved or otherwise wansferred the whole or part at tly immovable: proparry Or any inferesc therein ky Irus'ges Lp irust

for the benefit of the holders of such bonds or debentures : or

(2) any endorsement upon or transfer of any bond or debenture issued by the Bank.

4). Liquidation of the Bank.—No provision of law relating to the winding up of companies which shall apply to the Bank and the Bank shall not be wound up save by order of the Federal Government on the recommendation of the State Bank ; and in such an event, the surplus of assets over liabilities of the Bank shall revert to shareholders in proportion to their shares in the paid-up capital.

42. Reorganisation of cooperative societies.—(1) There shall be one Provincial Cooperative Bank in each Province.

(2) The Provincial Cooperative Bank shall have Branches at such places as it may deem fit.

(3) Each Provincial Cooperative Bank shall have and maintain paid-up capital and reserves at such minimum value as may be determined by the Bank from time to time.

Explanation, ¶ If any dispute arises in computing the aggregate value of the paid-up capital and reserves of a Provincial Cooperative Bank, a determination thereof by the Bank shall be final.

To. For the purposes of this sub-section, "value" means the real or exchangeable value, or, if the real or exchangeable value exceeds the nominal value, the nominal value,

{4} Except as provided in sub-section (5), all cooperative banks, not being Provincial Cooperative Banks, by whatever name called, existing at the commencement of this Act and a cooperative bank which ceases to be a Provincial Cooperative Bank by reason of a cooperative society being merged in pursuance of clause (m) of section 2, shall stand dissolved and their undertakings shall stand transferred to, and vest in, the Provincial Cooperative Bank of the Province within which such cooperative banks are registered, hereinafter referred to as the Province of Cooperative Bank, on such terms and conditions as the Provincial Government of that Province may by order, notified in the official Gazette, specify >

Provided that nothing in this sub-section shall be deemed to render a Provincial Cooperative Bank liable to pay to the shareholders, creditors or employees of a cooperative bank the assets of which so stand transferred to, and vested in, if any amount in excess of the amount, if any, which any of them would have been entitled to receive in the event of the winding up of such cooperative bank,

Explanations—To. For the purpose of this sub-section, ¶ underlaking * includes all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, investments, assignable claims and rights in and against or of co-operative and all other rights and interests arising out of, such property and all books of accounts, registers, records and all other documents of whatever nature relating to such property as were immediately before the commencement of this Act, in the possession of, or power or control of a cooperative bank, whether within or outside Pakistan, and also includes paid-up capital, reserve funds, deposits, borrowings and all liabilities and obligations of whatever kind, of such cooperative bank subsisting immediately before the commencement of this Act.

Ul, Alc cancracts, deeds, bonds, agreements, powers of attorney, grants of legal represenlauien and ether inslrumeiuls of whatever kind subsisling or having effect Smmmediatels before the canimenceuznt of this Act. to whieh a co-operative bunk is a party or which arc in favour of such camperative bank shall be of as full foreg and eflecl against or in [avour of the Provingial Cvpperative Bank as they were immediately beferre Lhe Commencement of this Ack

a

III. If, on the commencement of this Act, any suit, appeal or other legal proceeding of whatever kind which is by or against a cooperative bank or to which such cooperative bank is a party is pending in any court, the same shall not abate, be discontinued or be, in any way, prejudicially affected and such suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Provincial Cooperative Bank.

IV. Save as otherwise decided by the Provincial Cooperative Bank, but subject to the order referred to in this sub-section of the concerned Provincial Government, all officers and other employees of a cooperative bank, holding office immediately before the commencement of this Act shall become the — officers and employees of the Provincial Cooperative Bank.

¶. Reference in the preceding paragraph to "commencement of this Act" shall, in relation to a Cooperative Bank which ceases to be a Provincial Cooperative Bank by reason of a cooperative society being notified in pursuance of clause (p) of section 2, be deemed to be a reference to the day on which the cooperative bank so ceases to be a Provincial Cooperative Bank.

(3) Nothing in sub-section (4) shall apply to a primary cooperative society which, immediately before the commencement of this Act is not using, or ceases to use within a period of sixty days from such commencement, the word "Bank" or any of its derivatives and does not perform whether with a member or non-member banking business as defined in clause (h) of section 5 of the Banking Companies Ordinance, 1962 (LYII of 1962).

(6) No cooperative bank shall be registered after the commencement of this Act.

43. Penalties — 41) Whoever—

(a) in any application for obtaining a loan, advance or credit or financial accumulation or in any balance sheet, statement of profit and loss, declaration or any other document submitted to the Bank or a Provincial Cooperative Bank, wilfully makes any false statement or knowingly permits any false statement to be made: or

(b) uses or permits to be used any loan, advance, credit or financial accommodation for any purpose other than that for which it was granted by the Bank or, as the case may be, the Provincial Cooperative Bank: or

(c) intentionally destroys, or reduces the value of, the property on the security of which an advance, loan or credit or financial accommodation was granted to him or, without the prior approval in writing of the Bank or, as the case may be, a Provincial Cooperative Bank or otherwise than in accordance with the terms of the approval transfers such property or any part thereof: or

(d) in any return, balance sheet or other document or in any information required or furnished under or for the purpose of the provisions of

this Acy wilfully makes a statement which is false in any material particular, knowing it le be false, or wilfully omits to make 4 material statement :

shall, without prejudice to any other achon which may be taken upainst him under this Act, be punishable with imprisonment for a term which may extend <0 Uhree years aad shal] also be liable wv fine,

ine Ss mee

{2) Whoever, without the consent in writing of the Bank, uses its name in
- cw tees Ate eed hell he. eweniohahl. anth imeriscateienl for a deem

43) If any person, being the Chairman, Director, Chief Executive, by whatever name culled, or official liquidator or an officer af u Provincial Cooperative Bank or multi-unit cooperative society mismanages the affairs of the Provincial Cooperative Bank or multi-unit cooperative society or mus-uses his position for gawing directly or indirectly benefit for himself or any of his family members. he shall be punishable with imprisonment for a term which may extend lo seven years and shail also be liable to fine and shall be ordered by the Court trying him to deliver up or refund within the time to be fixed by the Court any property acquired or gained by him in his mame or in the name of any of Lis family members by so mis-managing the affairs of the Provincial Cooperative Bank or multi-unit cooperative society or misusing his posilion or, in default, to suffer imprisonment for a tenn which may extend to three years.

th) Ub advances are made by a Provincial Couperative Bank in contraven-
dou of the provisions of sub-section (1) ar (2) of section 28, every Director or
olher affieer of the Provincial Cooperative Bank whit ts Keowingly 4 purty te
the contravention shall be punishable with imprisonmen) for a ierm which may
extend to three yeurs and shill alsal be liable Ly fine.

15) 17 any person fails to produce any book, accouat or other document or to
{urtish any statement or information which under sub-section 43) of seclion 25
wos bis duty to produce or furnish or to answer any question relating b the
business of the Provincial Cooperative Bank or multi-unit coupciative sacity, which
he is asked by an officer making an inspection under that seclion, he shall be
punishable with fine which may extend to ten Uheisund rupees in respect of
eich alience and, in the case of continuing failure, with an udditional tine which
may extend to one thousand rupees for each day alter the first daring which
the tailure continues.

i. Ji aay depasiys ate received by a Provincial Cooperative Bawk ar a mulu-
Uli ceepertive society in coatravendion of an order under section 26, every
Director or other officer of the Provincial Cooperitive Bank or muld-unit co-
operative society, unless he proves that the contravention took place without his
knowledge ot that he exetvised all due diligence to prevent it, shall be deemed
to be guilty of such contravention and shall be punishable with fine which mity
extend to four Limes ihe amount of deposels so received.

i711 any other provision of this Act is conleavened or if any default
is made in complying with any requirement of this Act or of uny order, Tule
oi. dircelive made er condition imposed thereunder, every Director, Liguidutar
vy officer of the Provincial Cooperative Bank or multi-unit couperative sicity
oro um oidher person who is knowingly a partly to the conlravenon ar default
cin! ns poolhle wath ise which mas eMend by three thousnnd cupees and,
in Vile of a continuing contmivenion or default. wilh an additional fine
which may extend to five hundred rupees lor every dus afler the first during
which such contravention or default ccomtinues.

operative Bank which makes default iv complying with the requirement al
selon 29 of suh-seclion (39 of seesion 42 shall in respass of every day of delault,
pa; io the Buok on degand a penally ate rate fo exceeding five per cent above

the bank rate determined and made public under the provisions of the State Bank of Pakistan Act. 1956 (XXXII of 1956).

ia) if no amount is maintained, of the minimum amount required to be maintained under section 29 or, as the case may be, sub-section (3) of section 42; and

{b) if any amount below such minimum is maintained, of the amount by which the amount maintained falls short of the required minimum.

(9) Without prejudice to the provisions of sub-section (7), if a Provincial Cooperative Bank fails or refuses to pay or make the whole or part of the amount referred to in sub-section (8), the Bank may, without notice to the Provincial Cooperative Bank, debit the amount of default to any of its accounts held with the Bank.

44. Bay of investigation. No police officer or other person or authority shall investigate or permit investigation into, or hold or permit the holding of enquiry into, any of the offences mentioned in section 32 or section 43 without a request in writing from an officer of the Bank generally or specially authorised in writing in this behalf by the Bank

45. Cognizance of offences, etc.—(1) No court shall take cognizance of any offence punishable under this Act except upon a complaint in writing made by an officer of the Bank generally or specially authorised in writing in this behalf by the Bank and no court other than the High Court shall try such offence,

(2) The High Court shall have, in respect of the trial of an offence referred to in sub-section (1), all the powers which it has in relation to a trial before it under the Code of Criminal Procedure, 1898 (Act V of 1898), hereafter in this section referred to as the Code, and shall follow the procedure provided in the Code for such trial except as hereinafter provided. namely :—

fa) section 297 of the Code shall have effect as if it required the High Court, upon the case for the defence and the prosecutor's reply, if any, being concluded, to proceed with all reasonable speed to pronounced judgment and

th) section 352 of the Code shall have effect as if it required the High Court, upon an application being submitted to it by the Bank stating that it is in the interest of the Provincial Cooperative Banks or multi-unit cooperative societies in general or a Provincial Cooperative Bank or multi-unit cooperative society in particular that any proceedings were not held in open Court, to order that the public generally shall not have access to, be or remain in the room or building used by the Court,

46. Certain claims for compensation barred. No person shall have any right, whether in contract or otherwise, to any compensation for any loss incurred by reason of the operation of any of the provisions of this Act or by reason of the compliance by a Provincial Cooperative Bank or multi-unit cooperative society with any order or direction given to it under this Act.

47. Indemnity. No suit or other legal proceeding shall lie against the Bank, the State Bank, the Federal Government or any Provincial Government or any officer or employee of the Bank, the State Bank or such Government for anything which is in good faith done or intended to be done in pursuance of this Act or of any rules, regulations or orders made thereunder or for any damage caused or likely to be caused by anything done or intended to be done as aforesaid.

128 THE GAZETTE OF PAKISTAN, EXTRA. JAN. 9 1977 [Part a'
48, Amendment of Ordinance No. LVH of 1962.—In the Banking Com-
panies Ordinance, 1962 {LVII of 1962}, section 3 shall be omitted.

49, Amendment of Act XIX of 1974. --In the Banks (Nationalization) Act,
1974 (XIX of 1974),—

fa} soclion SA shall be omitted : and

tb} in the Schedule, the entry "(8} Punjab Provincial Coeoperutive Bank
Limited" shall be omitted.

St. Power to make rukes. Subject to lhe approval of Ube Federal Govern-
ment, the Board may, by notification in the official Gazette. make rules for carry-
ing out the petposes of this Act

3], Power to make regulations—i}) The Board may make regulations to
provide for all matters not required to be provided for by rules and provision
for which is necessary or expedient for carrying aut the purposes of this Act.

12) Where aay provision of a regulation is inconsisent wilh an} provision
of the rules, the provision of the rules shall prevail.

§2. Repeal—The Establishment of the Federal Bank for Cooperatives and
Regulation of Cooperative Bunking Ordinance, 1976 (XT. of 1976), is hereby
Tepealed.

M. A. HAQ,

Aworetary.

se
GOVERNMENT OF PAKTS PAN

MINISTRY OF INTERIOR, STATES AND FRONTIER REGIONS
AND KASHMIR AFFAIRS

(States and F.R. Division)
NOTIFICATION
islamabad, the Gi fanuary, £977

No. F. 6(53)-F, I'76.—in exercise of the powers conferred by clause (3) af
Article 247 of the Constitution of the Islamic Republic of Pakistan. the Presi-
dent is pleased to direct thal the Representatiun of the People Act, [976
(LXXXV of 1976}, shall. subject to the modifications specified in the Schedule
below apply ta the Vederally Administered 'l'rtbal Areas.

SCHEDULE

I. Reference to the Provinel Assembly wherever occurring in the Repre-
sentation of the People Act, 1976 {LXXXV of 1976}, shall be deemed to have
been omitted, and the words and expressions used. but not defined in this toli-
fication shall have ihe same meaning as in the aforesaid Act, and the Prepara-
tion of the Elvotoral Rolls (Mederally Administered Tribal Areas) Order, 1975
(P.O. T of 1975),

In section 2,—

(i) after clause (vii), the following new clause shall be — inserted, namely :—

“(yina} * Divisional Commissioner' means the Commissioner of the Division having jurisdiction in the Federally Administered Tribal Areas ;” ;

(ii) in clauses (xii) and (xiii) the following shall be — substituted, namely :—

“(xii) 'elector', in relation to a constituency, means a person who is enrolled on the electoral roll prepared under the Preparation of Electoral Rolls (Federally Administered Tribal Areas) Order, 1975 (P.O. No. 1 of 1975).

(aixii) 'electoral roll' means an electoral roll prepared under the Preparation of Electoral Rolls (Federally Administered Tribal Areas) Order, 1975 (P.O. No. 1 of 1975); and

(i) after clause (xv), the following new clause shall be inserted, namely :—

(xv) * Political Officer® includes the Deputy Commissioner, a Political Agent, an Assistant Political Agent, an Assistant Commissioner, an Extra Assistant Commissioner and an Assistant Political Officer”.

3. In section 4, after the words “Officers at the Commission” the words “or a Divisional Commissioner or a Deputy Commissioner or a Political Agent” shall be inserted,

4. In section 29, in sub-section (1), clause (b) shall be omitted,

§. In section 32, in sub-section (2), for the words “by a Police Officer” the word “under the orders of any Political Officer by any member of the civil armed forces, a levy, a Khassadar or any other person authorised by the Political Officer in this behalf” shall be substituted.

6 (1) The words “WOMEN OR” appearing in the heading of Chapter V shall be omitted.

(2) In section 47.—

) sub-section (1) and sub-section 42) shall be ascertained ;

(i) in sub-section (3), the words commas, brackets and figures “or, as the case may be, clause (5) of Article 106” shall be omitted ; and

(ii) in sub-section (4), the words “or for women” shall be omitted.

7. For section 50 the following shall be substituted, namely —

“SO. Certificate relating to election expenses—Every contesting candidate shall, within forty five days after the publication of the name

of the returted candidates under section 20, or section 42, submit.
to the Returning OMecr a certificate avcumped by an affidavit of
the amount he has spent in the election. ”.

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8. In section 67, for sub-section (3) the following shall be substituted,

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“(3) Any person aggrieved by a decision of the Financial Tribunal in respect of a dispute relating to a seat in the National Assembly from the Federally Administered Tribal Areas may, within thirty days of the announcement of the decision, appeal to the Peshawar High Court and the decision of the High Court on such appeal shall be final and shall not be subject to an appeal to the Supreme Court. Every such appeal shall be heard by a Division Bench of two Judges of the High Court”.

9. In Chapter VII, after section 77, the following new section shall be inserted, namely :—

“FTA. Special procedure for enforcement of certain orders, etc.—{(1) any summons, commission or order issued or made by the Commission under sub-section (5) of section 14, or by the Tribunal under section 64, in respect of any witness or other person belonging to a Federally Administered [Tribal] Area, shall be served or executed through a Political Officer.

(2) An application under sub-section (4) of section 77 for the enforcement of an order for costs against a person belonging to a Federally Administered Tribal Area shall be made to a Political Officer who shall recover the costs from such person”.

10. In section 93, for the words “A Police Officer may” the words and commas “Any person authorised in this behalf by a Political Officer may, or, when so ordered by a Political Officer, a member of the civil armed forces, a levy or a Khassadur shall.” shall be substituted.

11. After section 103, the following new section shall be inserted, namely :—

“103-A. Special procedure for trial. Notwithstanding anything contained in this Act or in any other law for the time being in force, if a person is accused of an offence under this Act, he shall be tried by a Political Officer in accordance with the provisions of section 11 of the Frontier Crimes Regulation, 1901.”.

12. In section 104, after the word and comma “ Commissioner. ”, the words and comma ‘a Political Officer, * shall be inserted.

13. In section 106, after the word “ Commissioner”, the comma and words , a Political Officer” shall be inserted.

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AMIRZADA KHAN,
Additional Secretary.

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