



**BYE LAWS
OF
THE CO-OPERATIVE MODEL TOWNSOCIETY (1962) LTD.
LAHORE.**



Club Chowk, Model Town, Lahore. Ph: 042-35831988 - 35882262, Fax: 35865818
Web: www.mts.com.pk / E-mail: president@mts.com.pk

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PREFACE

This is the fifth edition of the Bye-Laws of the Co-operative Model Town Society, Lahore. In this edition all the amendments made from time to time including large scale amendments necessitated due to the decision of the honourable High Court to cancel the amendments made in Bye-Laws promulgated in 1991, have been incorporated. Subjects have been tabulated under the head "Contents" with reference to Bye-laws and pages in alphabetical order to facilitate referencing. The amendments made by the General Body in April, 2006 have also been incorporated. Bye-law 53 was not approved by the Registrar in August, 2006 hence is reproduced as in last editions.

With this booklet, all previous amendments, bye-laws etc stand cancelled.

Dated: 30-11-2006

Col (R) Tahir H. Kardar
President.

**BYE LAWS
OF
THE CO-OPERATIVE MODEL TOWN
SOCIETY (1962) LTD.**

Name:

1. The name of the Society is the Co-operative Model Town Society (1962) Limited.

Definition:

2. In these Bye-laws, unless there is anything repugnant in the subject or context:
 - (a) "Act" means the Cooperative Societies Act, 1925.
 - (b) "Committee" means the Managing Committee of the Society.
 - (c) "President" means the President of the Society.
 - (d) "Rules" means rules made under the Act.
 - (e) "Registrar" means a person appointed to perform the duties of the Registrar Cooperative Societies under the Act.
 - (f) "Society" means the Cooperative Model Town Society (1962) Limited.
 - (g) "Old Society" means the Cooperative Model Town Society Limited declared to be an evacuee concern by the Custodian of Evacuee Property under his order dated 6.9.1960.
 - (h) "Secretary" means the Secretary of the Society.
 - (i) "Vice-President" means the Vice President of the Society.
 - (j) "General Body" means the members of the Society.
 - (k) "General Meeting" means meeting of the General Body consisting of members of the Society.

Registered Office:

3. The registered office of the Society shall be situated in Model Town, Lahore.

Objects:

4. The objects of the Society are to promote the economic and social interests of its members and more particularly to lay out, establish and maintain a garden town.

Functions:

5. For the achievement of its objects the Society may perform the following functions:
 - (a) to buy or otherwise acquire land, buildings and other property, movable or immovable, for the purposes of the Society;
 - (b) to bring into existence, construct, manage and maintain works, services and institutions of various kinds for the convenience and benefit of the members residing in the town;
 - (c) to sell, mortgage or lease land, houses, house sites and all other properties, movable or immovable, as may be necessary for the carrying out of any of the objects of the Society;
 - (d) to construct residential houses and other buildings for private and public use and to provide amenities such as schools, hospitals, parks and playgrounds for the convenience of the members;
 - (e) to work as agents or contractors for the members for laying and constructing houses, buildings and gardens in the town and for maintenance thereof;
 - (f) Deleted;
 - (g) to provide measures for protection, safety and better living of the members residing in the town;
 - (h) to regulate the construction, use and maintenance of all buildings, roads and other structures of various kinds within the town;
 - (i) to impose contributory cess and rate on all persons residing or owning immovable property in the town to meet municipal and other charges;
 - (j) to exercise such powers and perform such functions of a local body, as may be vested in it by the Provincial Government.
 - (k) to do generally all such incidental things or acts as may be considered necessary for, or conducive to attainment of the objects of the Society, and
 - (l) to take over assets and liabilities of the old Cooperative Model Town Society Limited (now an evacuee concern).

Share Capital:

6. The share capital of the Society shall consist of an undetermined number of shares of

the value of Rs: 5,000/- (five thousand) each.

7. All shares shall be fully paid up.

Funds:

8. Funds may be raised in any or all of the following ways;

- (a) by sale of shares;
- (b) by collection of admission fees;
- (c) by raising loans including debentures and loan stock;
- (d) by accepting deposits;
- (e) by receiving donations and grants;
- (f) by sale of movable or immovable property;
- (g) by levying of supervision, storage, municipal and other charges and cesses, and
- (h) by any other mode deemed necessary and expedient.

Investment of Funds;

9. The funds of the Society may be:

- (a) maintained in books approved by the Registrar of Cooperative Societies Punjab, or
- (b) invested in any other manner provided under section 32 of the Act or the Rules notified by Government.

Membership:

10. The membership shall consist of:

- (a) all persons who are signatory to the application for registration of the Society,
- (b) all persons who have been approved for admission as members by the Committee. In case an applicant is not approved for membership by the Committee, the latter shall communicate a copy of its decision to the applicant within two months of the announcement of such decision. The applicant if not satisfied with the decision of the Committee, may file appeal before the Registrar, Cooperative Societies, whose decision thereon shall be final;
- (c) all non-evacuee members of the old Cooperative Model Town Society Limited (now an evacuee concern); and
- (d) all persons admitted as members of the old Society from 14.8.1947 to 31.1.1966 by the Managing Committee of the old Society, or by the Managers appointed by the Custodian of evacuee property or by the Chairman, West Pakistan Cooperative

Development Board, or by the Agent of the Custodian for Model Town.

Application for membership:

11. Application for membership shall be in writing in the prescribed form and shall be accompanied with:
- (a) at least Rs: 5,000/- (five thousand) being the value of one fully paid share; and
 - (b) provided that any person who held a share in the old society, or has been admitted as a member under clause (d) of bye-law No. 10 shall not be required to make a fresh application for membership of the Society or to pay any share contribution or admission fee.
- “Provided further that any such person who has already paid the share contribution and admission fee under this bye-law shall be entitled to refund of the amount paid by him.”
12. In case the application of membership is not accepted by the Managing Committee the amount of share money and admission fee received for the purpose shall be refunded within one month.
- 13.(i) A person owning 1 kanal of land in the residential, industrial or commercial area of the Society may be eligible for membership of the Society and on admission as member of the Society shall be entitled to vote with regard to the affairs of the Society, subject always to the condition that no such member of the Society, shall be entitled to sub-divide the plot so as to reduce its area below one kanal; provided further that in the case of joint ownership by inheritance, one of the owners admitted as member under para 64, shall be eligible to vote.
- (ii) Notwithstanding anything contained in sub bye-law (i) in case of sub division of an evacuee plot of property by a Settlement Authority, all owners declared as such by the Settlement Authorities, shall be eligible for membership and entitled to vote. Provided further that such owner shall not be entitled to further sub-divide the property or the plot so as to reduce its area below one kanal.

Nominal Membership:

14. A person may be admitted as a nominal member on payment of Rs. 2000/- (two thousands) only as admission fee.

NOTE: A nominal member is one who is admitted as such for the purpose of joint holding of share along with an ordinary member and is not entitled to vote.

15. Deleted

16. When a person has been admitted as member, he shall be duly notified to this effect.

Certificate of Membership:

17. On admission of a person as member, the Committee shall issue to him a certificate of membership in the prescribed form.

18. If any such certificate be worn out, damaged or lost, it may be renewed or replaced on payment of Rs: 500/- (five hundred) per share.

Termination of Membership;

19. Membership shall be terminated by:

- (a) death;
- (b) ceasing to hold at least one full share;
- (c) ceasing to hold immovable property or portion thereof in the town; and
- (d) expulsion.

Expulsion of Member:

20.(1) A member may be expelled from membership by a vote of not less than two-thirds of the members present and voting at a General meeting of the Society for:

- (a) failure to pay any dues of the Society for a period of three months;
- (b) conviction for a criminal offence involving moral turpitude and resulting in imprisonment for six months or more;
- (c) if does not construct his house, then after three year he should construct the boundary wall around the vacant plot and get it cleared once in three months;
- (d) insolvency or application for insolvency;
- (e) intentionally doing any act detrimental to the interests of the Society, wilfully disobeying any byelaw or decision of the Managing Committee or of a General Meeting
- (f) gravely misusing any dwelling occupied by him in the town or habitually acting in disgraceful manner or in a manner which causes serious offence to his neighbours.

(2) The Committee shall give a member 15 days written notice of the proposal to expel him.

(3) The member so expelled shall cease to exercise vote.

(4) No expelled member shall be re-admitted except on recommendation of the Managing Committee, by a vote of two-thirds of the members present and voting at the General Meeting on a motion of which notice has been given.

Liability of Members:

21. The liability of a member shall be limited to double the nominal value of his share.
22. No member shall have or claim any interest in the shares of the Society exceeding Rs. 1,00,000/- (one hundred thousand)
23. If a member by inheritance or otherwise becomes possessor of more than the maximum holding prescribed, the Managing Committee shall have the power to sell the excess land at the market rate and to hold the proceeds at its disposal.

Transmission of Interests:

24. Every member shall, by a writing under his hand deposited with the Society during his life time or by a statement made in any book kept with the Society, nominate any person to whom under section 22 of the Act, his share or interest in the Society or so much thereof as is specified in such nomination, shall be transferred at his death.

Nomination revoked or varied;

25. A nomination made may be revoked or varied by any similar writing or statement under the hand of the nominator deposited or made as aforesaid.

Fee for nomination or Revocation:

26. A nomination made at the time of applying for membership or first nomination may be recorded free of charge; but for the recording of every nomination subsequently made, a fee of Rs: 2000/- (two thousand) shall be paid.
- 27.(a) A member or nominee or successor of a deceased member may transfer his share to another member or to a person qualified for membership and approved by the Committee or to a share transfer fund created by the Society. A transfer fee of Rs: 2000/- (two thousand) per share shall be levied on the transfer cases of sales or gift of the property and Rs: 1000/- (one thousand) on transfer to the nominee/successor in interest of a deceased member.
 - (b) Application for the transfer of share shall be in the prescribed form and shall be accompanied with the share certificate unless the Committee waives the condition.
 - (c) The Committee may refuse the transfer of share without assigning any reason.
28. Until the transfer of a share or interest in the Society is duly approved by the Committee and registered in the books of the Society, no right shall be acquired against the Society by the transferee nor shall any claim of the Society upon the transferee be affected.

GENERAL BODY

29. The supreme authority of the Society shall vest in its General Body.

General Meeting;

30. Annual General Meeting of the Society shall be held every year on such date and time as the Committee may direct and, in the absence of any such direction it shall be held on the last Sunday of September of every calendar year at 10:30am in the premises of the Society's office wherein the President shall review the activities of the Society since the last General Meeting. Member desirous of asking questions shall deliver them in the office of the Society at least one week before the date of such meeting. President will proceed with Agenda.

Special General Meetings:

31. Special General Meeting of the Society may be called at any time on a requisition of the Managing Committee or the Registrar or a hundred members provided that in the last mentioned case such a meeting shall be called within two months of the requisition made by the members.

Quorum:

32. The quorum for a General Meeting shall be $1/5^{\text{th}}$ of the members constituting General Body or 250 members whichever is less.

33. No matter which has not been included in the agenda shall be discussed at any General Meeting provided that the Chairman may, with the consent of a majority of the members present, permit the discussion of any urgent matter other than the expulsion of a member.

Adjournment of Meetings:

34. In case there is no quorum at a General Meeting within an hour after the time fixed for the meeting, if called on the requisition of members, shall be dissolved and in other cases it shall stand adjourned. Fourteen days notice of the adjourned meeting shall be given to all members and quorum at such adjourned meeting shall be 100 members. No matter other than those included in the agenda of the previous meeting shall be taken up at such adjourned meeting.

Notice for meetings:

35. Notice along with the agenda proposed for General/Special General Meeting shall be dispatched to all members at least fourteen days before the date fixed for the General Meeting. But if any meeting is adjourned for want of quorum then notice of

the fresh date only shall be given to the members and shall be dispatched fourteen days before the date of the adjourned meeting. Such notice shall be sent to members under postal certificates and shall also be published in two daily newspapers.

Presiding Authority:

36. The President, or in his absence, the Vice President shall preside at the General Meeting but if neither of them is present within 15 minutes of the time fixed for the meeting then the members present may elect a chairman from among themselves.

Casting of Vote:

37. All questions before the General/Special General Meeting shall be decided by majority of votes; and where the votes are equal the chairperson shall have a casting vote.

Voting:

38. Initially voting shall be by show of hands but it shall be open to any member to ask for a division which shall be held. Each member shall have only one vote; no proxy shall be allowed. Voting for election shall be by ballot. No member shall be allowed to vote if he is in arrears for any dues of the Society for a period of more than three months.

Minutes of the General Meetings:

39. All business discussed or decided at a General/Special General Meeting shall be recorded in a proceeding book which shall be signed by the chairperson of the meeting. Minutes of the meeting shall be dispatched to the members within one month of the date of the meeting.

Business to be transacted at General Meeting:

- 40.(a) The supreme authority of the Society shall vest in the General Meeting which shall inter-alia, perform the following functions:-
- (i) amendment of the Bye-laws;
 - (ii) election of the President and members of the Committee in accordance with the Election Rules.
 - (iii) suspension and removal of the members of the Committee;
 - (iv) consideration of the budget, the audited balance sheet and accounts of the various departments;
 - (v) fixing of the maximum liability to be incurred during the year by way of loans and deposits from non-members;

- (vi) fixing of the limit upto which debentures may be issued;
- (vii) Deleted
- (viii) consideration of the auditor's report and the Registrar's note, if any;
- (ix) disposal of profits;
- (x) consideration of the permanent alienation or temporary alienation of any immovable property belonging to the Society.
- (xi) imposition of cesses and rates.
- (xii) making of rule regarding elections and bye-elections and for the administration of the affairs of the Society; and
- (xiii) consideration of any other matter referred to the General Meeting by the Managing Committee of the Society or the Registrar.

Provided that decisions taken under items (iv), (v), (vi), (x), (xi) and (xii) above shall be subject to the approval of the Registrar. Provided also that the business mentioned under items (ii), (iii), (iv), (vii) and (x) shall be transacted only at the Annual General Meeting.

- (b) Amendments of the bye-laws shall be passed by not less than 2/3rd of the members present at the General Meeting having quorum or at an adjourned General Meeting having quorum or at an adjourned General Meeting having no quorum where members present shall form a quorum, provided due notice of the proposal to make, alter or abrogate the bye-laws is given in accordance with the bye-laws.

Managing Committee:

41. (a) The business of the Society shall be conducted by a Managing Committee, which shall be constituted as follows;

- (i) The President/Vice President shall be elected by direct elections voted by all the members of the Model Town Society through secret ballot for the period that shall commensurate with the tenure of the Managing Committee.
- (ii) One member to represent each block in which there are less than 100 houses and two members to represent each block in which there are 100 houses or more belonging to the members.
- (iii) Deleted
- (iv) Three persons from amongst the members of the Society nominated by the Registrar for their technical qualifications and administrative experience. Person who have been defeated in the election of the Committee shall not be

nominated.

- (v) Deleted
- (vi) Deleted
- (vii) A member shall be eligible for election to the Committee only from the block in which he holds property provided if he holds property in more than one block he shall have option to select the block from which he will seek the election. The quorum for meeting of the Committee shall be 50%.

42. (a) Election of the Members of the Committee.

The tenure of the Managing Committee shall be 3 years. No Member of the Committee. Including the President and the Vice President shall contest elections and hold office for more than three consecutive terms; however, such member may again contest elections and hold office, including that of the President and the Vice President, for up to three consecutive terms, after a gap of one complete term. The Committee shall automatically stand dissolved on the completion of its term i.e. After 3 years, in case fresh elections have not been held.

(b) Election of the members of the Committee:

Election shall be conducted by the Election Sub-Committee comprising the President, the Secretary and a person to be nominated by the Registrar Co-operative Societies, Punjab. The Election Sub-Committee shall be responsible to hold election within three months before the expiry of term of the Committee. It shall be obligatory for the President of the Society to send a requisition to the Election Sub-Committee at least 3 month before the expiry of the term of the Committee. In case of failure to hold the elections within the stipulated period on account of any reason, the Registrar Co-operative Societies Punjab shall appoint an Administrator who shall be responsible to conduct the election within 90 days positively.

- (c)(i). In case the Administrator fails to hold the election for reasons beyond his control within the specified period, the Registrar Co-operative Societies, Punjab, may extend the period of appointment of the Administrator not exceeding 60 days.
- (ii) All powers and duties of the Committee shall, during the period of its non-existence, be exercised and performed by the Administrator.
- (d) President and Vice President shall be elected by all members of the Society by majority votes in the election. The President or Vice President once elected shall not be removed unless three fourths of the members present and voting at the meeting of the General Body specially called / requisitioned for the purpose, pass a resolution for his removal.

- (e) In case, a member of the Committee dies or ceases to be member of the Committee under provisions of the Act, rules or Bye-laws, the vacancy so occurred shall be filled through by-election from the same block in which the vacancy occurs for the remaining period of the tenure of the Committee.
- (f) The President / Vice President may be removed after holding enquiry by Registrar on a complaint received against him; but no complaint shall be entertained by the Registrar unless it is accompanied by an affidavit of the complainant member about the facts stated or the allegations levelled in the complaint.
- (2) On receipt of a complaint, the Registrar may call for comments from the President or the Vice President as the case may be or call for report from an officer deputed for the purpose. On receipt of the comments and / or the report, the Registrar may dismiss the complaint or order a formal enquiry into the allegations by an officer which he may appoint.
- (3) The enquiry, if ordered, shall be conducted in the presence of the President/ Vice President or his authorized agent and shall be completed within a period specified in the order of enquiry. If, the President/ Vice President fails to join the proceedings in spite of notice or wilfully tries to hamper or impede the progress of the enquiry, the proceedings may be taken against him ex-parte.
- (4) On receipt of the report of the enquiry, the Registrar may pass such order as he deems fit provided that the President / Vice President shall not be removed without giving him an opportunity of being heard.

Disqualifications for membership of the Committee:

- 43. Notwithstanding anything to the contrary in these byelaws, no person shall be eligible for being elected as a member of the Managing Committee who:
 - (i) is under 21 years of age;
 - (ii) has been declared insolvent or has applied for insolvency;
 - (iii) has been declared of unsound mind;
 - (iv) has been convicted of any offence involving dishonesty or moral turpitude;
 - (v) directly or indirectly enters into any contract other than as guarantor for fulfilment of contract;
 - (vi) is in arrears for any dues of the Society for a period of more than three months;
 - (vii) does not reside in the Town;

- (viii) ceases to be a share-holder of the Society;
- (ix) holds office of profit under the Society;
- (x) is related to any person who is directly concerning or dependence holds or accepts office of profit under the Society;
- (xi) deleted;
- (xii) is engaged in any manner in dealing with property business within the area of operation of the society and persons directly or indirectly dealing in business related to society's property or is a tenant of the Society;

Note: Relationship under this clause would mean the collaterals of the member or wife in three degrees.

When a person ceases to be member of the Committee:

44. A member of the Committee shall cease to hold office:
- (i) on incurring any disqualification as prescribed in bye-law 43;
 - (ii) on absenting himself from three consecutive meeting of the Committee without permission of the President or without sufficient cause being shown to satisfaction of the Committee;
 - (iii) on resignation; or
 - (iv) on his removal by the Society under bye-law 20.

Functions of the Managing Committee:

45. The Managing Committee shall have the following powers and duties:-
- (a) to maintain, manage and administer all services.
 - (b) to maintain, improve and control roads and street lights;
 - (c) to regulate and control traffic, buildings, building lines, prevent and remove encroachments;
 - (d) to grant licences, permits and sanctions in the interest of the Society;
 - (e) to dispose of / lease out residential or commercial plots to members through ballot / open auction subject to such direction as the Registrar Co-operative Societies may deem appropriate to issue; Provided that the Committee may, if aggrieved of any such direction / decision, prefer an appeal to the Provincial Govt. within 14 days of the receipt of such direction/ decision;
 - (f) to invest surplus funds with the prior approval of the Registrar Cooperative Societies;
 - (g) to confirm auctions/ allotments etc;

- (h) to admit new members;
- (i) to sanction allotment and transfer of shares;
- (j) to maintain true and accurate accounts of all moneys received and expended and all properties bought and sold;
- (k) to maintain true and accurate accounts of assets and liabilities of the Society;
- (l) to prepare and lay before the General Meeting the annual budget, the audited balance sheet and the profit and loss accounts of various departments;
- (m) to keep and maintain a register of members;
- (n) to consider the notes of the inspecting officers and audit notes of the Auditors and take proper action thereon;
- (o) to summon General Meetings and to see that resolutions passed at such meetings are given due effect;
- (p) to appoint, promote, punish, suspend, re-instate, dismiss or discharge an employee of the Society B.S 11 and above. Managing Committee may also appoint on contract basis not exceeding one year which may be extendable from time to time;
- (q) to mortgage immovable property belonging to the Society with the approval of the General Meeting;
- (r) to sell or otherwise dispose of any movable property of the Society;
- (s) to lease out any other property of the Society or interest therein for a period not exceeding three years
- (t) to enter into such agreement or contract as may be necessary in furtherance of the objects of the Society;
- (u) to borrow money required for the purposes of the Society to the extent of the limit prescribed by the General Meeting;
- (v) to institute, conduct, defend, compromise or abandon legal proceedings by or against the Society;
- (w) to fill in vacancies in the Committee occurring before the next election of the Committee through bye-election;
- (x) to fix the amount of imprest money to be kept with the Secretary or any other officer or employee of the Society;

- (y) to regulate the construction, use and maintenance of all buildings, roads and other properties;
- (z) to allot plots to members in the manner prescribed by the Provincial Government and to resume them in case of contravention of any of the terms of allotment;
- (aa) to construct buildings and houses for the Society and its employees;
- (bb) to frame regulations with the approval of the Registrar regarding imposition of penalties and assessing damage on the members who contravene any of the rules, regulations or bye-laws;
- (cc) to make regulations with the approval of the Registrar in furtherance of the objects of the Society provided that such regulations shall be first published in the manner prescribed by the Committee and period of four weeks allowed to the members to file objections;
- (dd) Deleted
- (ee) to delegate any of its powers to a Sub-committee or Secretary or any other officer of the Society;
- (ff) to affiliate the Society to any other co-operative institution;
- (gg) to decide any other policy matter which has not been specified in the bye-laws subject to the approval of the Registrar.

46 In the conduct of the affairs of the Society the members of the Managing Committee shall exercise the prudence and diligence of ordinary person of business and shall be personally responsible for any loss sustained through their malafide or breach of any law proved to have been intentionally or deliberately done.

46a(i) The following Sub-Committees shall be constituted by the Committee consisting of 3 members of the Managing Committee of the Society.

- 1) Finance 2) Water & Sewerage
- 3) Administrative and Reorganization
- 4) Works 5) Revenue 6) Enrollment/Legal Affairs
- 7) Electricity 8) Watch & Ward 9) Parks & Horticulture
- 10) Health and Sanitation.
- 11) Any other Sub-Committee for any other emergent matter.

* Each Sub-Committee shall elect one of its members as convener/chairman in its first meeting. The Convener will intimate its Committee and issue notice

of meeting through office.

3. The Convener shall convene the meeting of the Sub-Committee at his convenience giving two days notice.
 4. Two members of the Sub-Committee shall form a quorum. If the Convener of a Sub-Committee is not present in a meeting, one of the members present in the meeting shall preside over the meeting of the Sub-Committee.
 5. The Sub-Committee shall deliberate on the matters placed before it and make recommendations which will be placed before the managing committee for its consideration and decision.
47. No member of the Managing Committee shall receive any remuneration from Society for services rendered to the Society.

Minutes of the Committee:

48. All business discussed or decided at the meeting of the Committee shall be recorded in a proceedings book which shall be signed by the Chairman/Convener of the meeting.

No acts of Committee invalidated:

49. No act of the Committee or the President shall be invalidated merely because of any defect that may afterwards be discovered in the appointment or qualification of any member of the Committee or of the President.

Notice and Agenda of the Committee Meetings;

50. The President may fix the agenda for meeting of the Committee before issue. The agenda shall be dispatched to all members at least three clear days before the date fixed for holding the meeting. No matter which has not been included in the agenda shall be discussed in a meeting provided that the Chairman may, with the consent of the majority of the members present in the meeting, permit the discussion of any urgent matter.
- 50a. The simple majority of the members of the Managing Committee may make requisition for the special meeting of the Managing Committee. The Secretary will issue the proposed agenda of the meeting within 7 days of the requisition. However an emergent meeting shall be called by the simple majority of the members of the Managing Committee, which shall be called within forty-eight hours by the Secretary.

Emergent Meeting:

51. The President may call a meeting of the Committee if and when necessary for the consideration of any emergent matter.

Powers and duties of the President:

52. The day to day affairs of the Society will be controlled by the President and he shall have the powers to:-
- (a) Appoint, promote, punish and decide other administrative matters of all employees in B.S NO 1 to 10. He may also make such appointments on contract basis with no liability of gratuity initially for a period of one year extendable from time to time.
 - (b) post, transfer, grant leave and take other disciplinary actions against all employees in B.S No. 1 to 10 and also to post, transfer and grant leave to all other employees.
 - (c) supervise and control all employees of the Society.
 - (d) award minor/major penalties to all employees in B.S No 1 to 10.
 - (e) operate accounts and draw funds upto Rs: 1,00,000/- (one hundred thousand) for non-recurring expenditure and without limit for recurring expenditure i.e pay of establishment, contingent charges etc. within the sanctioned budget.
 - (f) arrange custody and maintenance of property of the Society.
 - (g) collect, regulate and recover all the rates, fees and other dues and legal proceedings on behalf of the Society.
 - (h) sanction contingent expenditure subject to the budget provision.
 - (i) sanction expenditure of emergent nature upto Rs. 50,000/- but the matter shall be placed before the meeting of the Committee immediately called thereafter.
 - (j) Prohibit, until the matter has been considered by the Committee, the doing of any act which is, in his opinion, undesirable in the interest of the Society, provided that the act is one which the Committee has powers to prohibit and that any such action taken by the President under this clause shall be intimated to the next meeting of the Managing Committee.
 - (k) Call meeting of the Committee if and when necessary for consideration of any emergent matter.
 - (l) Enter remarks in the Character and Service Rolls of the Secretary and additional remarks in those of all other officers and employees of the Society, if necessary.
 - (m) Sanction disposal of perishable property.
 - (n) Exercise any other powers delegated to him by the Committee.

- (o) In the absence of the President all his power will be exercisable by the Vice President. The Vice President can be entrusted by the Managing Committee exercise of any power for a specified matter or period out of the President's powers.
- (p) Every cheque shall be signed by the three signatories, the President (in absence of the President by the Vice President), the Secretary and one member of the Finance Sub-Committee, out of the two members of the Finance Sub-Committee i.e convener or senior member in age.

Secretary:

53. The Secretary of the Society will be appointed for a period not less than three years from amongst the officers of the Co-operative Department. The officer so appointed may be recalled in consultation with the President of the Society. In case, he completes 60 years of his age and his retention is considered necessary in the interest of the Society he may be retained for such periods as may be agreed upon. The Secretary will work under the general control of the President and will exercise such powers and performed such functions as delegated to him by the President and the Committee.

Duties and Functions of the Secretary:

54. The Secretary will perform all such duties and functions as are entrusted to him by the Managing Committee or the President and shall be responsible for:-
- (a) Routine Administrative control and office correspondence.
 - (b) Execution of resolutions of the Society.
 - (c) Issuing of notices on behalf of the Society.
 - (d) Implementation of the orders of the Govt. / Committee / Sub- Committees.
 - (e) Settlement of Audit Reports.
 - (f) Legal proceedings on behalf of the Society.
 - (g) proper running of the affairs of the Society and safe custody of records and document and weeding of old record as per rules of the Government.
 - (h) maintenance of proper and upto date accounts registers and other documents.
 - (i) summoning of all General Meetings / Special General Meetings + meetings of the Committee under the direction of President and Registrar as the case may be.
 - (j) recording of the proceedings Sub-Committees minutes of all general meetings of the committee / Sub-Committees and getting them

authenticated from the President / convener concerned.

- (k) custody and proper accounts of imprest money and all other funds handled by him.
- (l) Preparation of yearly balance sheets, statements of profit and loss and the yearly report.
- (m) Receiving of all moneys and other articles for and on behalf of and in the name of the Society and for signing and giving receipts and other effectual discharges in respect of such money and articles.
- (n) Efficient running of the executive administration of the Society and for exercising effective control over all employees of the Society.
- (o) Fixing the duties of officers and employees of the Society .
- (p) Proper execution of all receipts, discharges, acknowledgments, contracts and other documents.
- (q) Endorsing and negotiating in the name of and on behalf of the Society all cheques, bills, drafts, hundies and other negotiable instruments drawn or ordered in favour of the Society.
- (r) Writing remarks in the Character and Service Rolls of the Society employers about their work.
- (s) conducting the business of the Society according to the provisions of these Bye-laws, the resolution of the General Meeting and the Committee and the directions issued by the Registrar.
- (t) to send copies of all the resolution containing policy decision passed at a Committee meeting or directions given by the Committee or General Meeting to the Registrar immediately but not later than seven days in any case. Such resolutions/directions shall not be implemented unless approved by the Registrar. If approval is not granted by the Registrar within 15 days, the resolutions / directions shall be deemed to have been approved.
- (u) Deleted
- (v) to maintain record of all appeals in respect of Society's elections bye-elections.

55(a) The Secretary shall exercise such financial and administrative powers as may be given to him by the Committee

(b) Internal audit of the accounts of Society shall be carried out on quarterly basis by the

internal auditors to be appointed by the Managing Committee. The internal auditor shall be qualified Chartered Accountant or a person possessing equivalent qualifications with a minimum experience of 10 years in the field.

Control by the Registrar:

56. The Registrar shall have the following powers:-
- (b) To approve, disprove or modify the budget as passed by the General Meeting. The budget to the extent approved by the Registrar shall become operative forthwith;
 - (ii) To limit the extent to which and to prescribe the terms on which the income from the sale of land and other capital sources may be applied to revenue expenditure;
 - (iii) To issue directions to the Society with regard to the steps to be taken for balancing the Revenue Budget of the Society and for regulating capital investment. In the event of the Society's failure to comply with such directions, the Registrar may enforce them by an order in writing and it shall be the duty of the Secretary to carry out such order;
 - (iv) To suspend the execution of any resolution or direction of the Committee or the General Meeting of the Society or to prohibit the doing of any act, if in his opinion the resolution or the act is likely to cause a breach of legal provisions or misuse of the Society's funds or damage to the Society's property;
 - (v) to approve or disapprove the appointment, removal and dismissal of all employees of the Society receiving total emoluments of Rs. 20,000/- or more per mensem. The Registrar shall also have the power to direct suspension, removal or dismissal of any employee drawing total emoluments of Rs. 20,000/- or more per mensem.

Appellate Board.

57. There shall be an Appellate Board consisting of;
- An officer appointed by the Registrar, Cooperative Societies and two Share Holders/Members having judicial or administrative experience to be nominated annually by the General Meeting of the Society from amongst members of the Society other than members of Managing Committee.

The officer so appointed by the Registrar shall preside over the Appellate Board

Powers of the Appellate Board:

58. The Appellate Board shall hear appeals from all orders of dismissal, removal, reduction, suspension, variation of grades of pay passed by the Committee or the President.

No appeal shall be against an order discharging an employee during his period of

probation.

If the General Meeting fails to nominate a member on the Appellate Board as required under this bye-law, or if the member elected by the General Meeting dies, or refuses or neglects to act, or absent himself or otherwise becomes incapable of acting then the Registrar of Co-operative Societies shall be competent to fill the vacant seats.

Indivisibility of profits among members:

59. No profit shall be distributed amongst the members or divided on shares, or paid as bonus or otherwise, provided however that if the Society undertakes the supply of members requirements on cooperative basis any surplus resulting from such transactions may be divided on patronage basis amongst those who make purchases from the Society.

Allocation of Profits:

60. The annual net profit shall be distributed as follows:
- (i) 25% shall be placed at the credit of an indivisible reserve fund which may be utilized in Section 2 of the Society unless otherwise directed by the Registrar.
 - (ii) A sum not exceeding 10% of the balance may be devoted to any charitable purpose as defined in business of the Charitable Endowments Act of 1890 and the balance may be carried to the Sinking Fund, so long as any debenture remains outstanding; otherwise it may be devoted to any of the objects referred to in the bye-laws as may be decided in the General Meeting.

GENERAL BODY

Members to abide by the Society Bye-laws, etc.;

61. All members shall abide by all the bye-laws and regulations of the Society and directions of its Committee and all amendments and modifications thereof which may be made from time to time.

Membership compulsory for owning plot;

62. No person shall own any immovable property or a portion thereof unless he is or becomes a member of the Society.

Defaulters debarred from voting:

63. No member shall be allowed to participate in or vote at any election or at any General Meeting who has not paid his dues to the Society. For the purposes of this bye-law, the word "dues" mean and include;-

- (i) any installments, municipal charges, or any other dues of the Society which are in arrears for a period exceeding three months from the date of demand; and
- (ii) any other amount awarded against him by a court or an arbitrator and not paid for a period exceeding three months from the date of award or decree.

For the purpose of enforcing this bye-law a list, certified by the Secretary, of all the members from whom any sums are shown due in the books of the Society, shall be pasted in the office of the Society on the date on which notice and agenda of the General Meeting and the election are issued and it shall be open to any such member to pay such sum (under protest if he so desires) upto the time fixed for the General Meeting or the election and every person named in that list shall be deemed disqualified from participating, unless he produces a receipt of the Society showing that the amount given in the list has been paid. At least ten days before the General Meeting or the election of the Society, the Secretary shall send a notice under postal certificate informing the member in default that his name is included in the list of the defaulters and stating the amount shown as due from him.

Before a General Meeting is held, the Secretary shall certify that the list has been duly pasted and the notices have been duly sent. The list shall be valid only for the purpose of determining the disqualification under bye-law No. 43 and it shall not affect the right of the Society as to the sum actually due notwithstanding the fact that such sum is wrongly stated in the list or is omitted therefrom.

Membership of a person entitled to interest in Property:

64. In the event of death of a member, the legal heirs shall apply for transfer of the property in his/her/their name(s) within 12 months failing which they will be imposed fine of Rs: 5000/- (five thousand) per year.

Approval for construction, alternations, etc:

65. All construction or alteration of buildings in the Town shall be made according to the design approved by the Committee and every construction or alteration shall be subject to such regulations and specifications as prescribed in the Building Regulations.

Conversion of Property to different use:-

- 65.(a) i Whoever converts his property or lets his property to be converted to a different use or a purpose other than the one provided in the Master Plan of the Society for the area concerned or continues its use as such after the enforcement of this Bye-Law, without the approval in writing of the Society, shall be punished with such fine as may be determined in this behalf from time to time by the Society.
65. (a) ii Whensoever violates Clause (i) above or continues his violation after enforcement of this Bye-Law shall be punished with a daily fine of Rs= 2000/- (two thousand) until the violation is stopped.
66. No member shall have the right to alienate or lease permanently any immovable property or a portion thereof or any interest therein, to any person who is not member of the Society and no such alienation or lease shall come into effect unless approved by the Committee.

67. Deleted

Tube-well Water Supply:

- 68 “The Society may regulate the purpose and timings of its tube-wells water supply. Such regulations shall be published in the press at least a week before taking effect. Any contravention of this Bye-law shall be punishable by fine which may extend to Rs. 1000/- in each case.

Lien on Member's properties and its enforcement:

69. If a member of the Society fails to pay any money due from him within the time fixed, the Committee shall have the power to dispose of his interest in the Society and pay the said proceeds to him after deducting the debt due from him and expenses incurred on his behalf by the Society provided that previous notice of not less than three months shall be given to the member intimating that the Committee proposes to dispose of his interest in case of non-payment.
70. The Society shall have the first and permanent lien upon shares of members and upon their interest in any land or building or a portion in the Town for their debts and to other liabilities solely or jointly with any other person.
71. For the purpose of enforcing such lien, the Committee may sell the share, immovable property or portion thereof of a member in such manner as the Committee may think fit; but no sale shall take place unless notice in writing of the intention to sell has been served on such member or nominee or heir, as the case may

be and default has been made in payment or fulfillment or discharge of such debts or liabilities for three months after such notice. The sale proceeds of the share or interest in the immovable property or a portion thereof after deducting the sale expenses and the dues of the Society shall be paid to the member or his nominee or heir as the case may be.

Audit;

72. The account of the Society shall be audited at least once a year by an auditor appointed by the Registrar. The Society shall pay such contribution to the West Pakistan Cooperative Union Limited as may from time to time be fixed by the Registrar.

Arbitration:

73. All disputes concerning the business of the Society shall be referred to the Registrar by the parties to the dispute as laid down in Section 54

Liquidation:

74. The Society shall be liquidated only by order of the Registrar under Section 39 and 40 of the Act. After discharging the liabilities of the Society and repaying the share capital, the reserve fund and any other surplus fund may be applied to such object of local public utility as may be selected by the Committee and approved by the Registrar within three months from the dissolution of the Society.

ELECTION RULES of THE CO-OPERATIVE MODEL TOWN SOCIETY (1962) LIMITED

These rules may be called "Election Rules of the Co-operative Model Town Society (1962) Limited" These rules will come into force immediately.

- 1(i) That preliminary list of members be prepared blockwise printed and made available to members of the Society at a cost of Rs. 200/- per block, sixty days before the date on which the election is fixed to be held.
- (ii) That the aforesaid list of the members be pasted on the notice board at the office of the Society. The availability of the printed copies of the list of members being notified to the members at the same time by a separate notice.
- (iii) That a period of ten days, counting from the date on which the lists of members are pasted on the notice board and their availability is notified by a separate notice to the members, be allowed to the members to file their objections.
- (iv) That a sub-committee consisting of the President (to be called Presiding Officer) and two members will be appointed by the Managing Committee to hear or otherwise deal and pass final orders on the objections raised within 10 days of the last date fixed for filing objections. However for conducting the election President (to be called Presiding Officer) and two members will be appointed by the Registrar, Co-operative Societies, to hear or otherwise deal and pass final orders on the objections raised within 10 days of the last date fixed for filing objections.
- (v) That a member who owns immovable property in different blocks be allowed the option of choosing the block in the list of members of which he desires his name to appear.
- (vi) That after the objection filed have been finally disposed of by the sub-committee referred to in clause (iv) a list of additions and corrections to the preliminary electoral rolls be published, provided that in any case copies of the final list of members duly corrected shall be made available for sale as soon as the list of additions and corrections has been published.
- (vii) That the President shall fix by notice dispatched to members, by post under a postal certificate and also pasted at the office of the Society, a date for the filing of

- nomination papers for each block obtainable from Society's office within seven days from the publication of final list.
2. The nomination of candidate or candidates from a block shall be made by a member of that block, supported by another member, also from the same block on a prescribed form hereinafter called "Nomination Paper" obtainable from the Secretary or any other person authorized in that behalf against an acknowledgment by the Secretary or other authorised person within ten days from the issue of notice under rule (vii) above.
 3. Each member shall be entitled to nominate in the manner, prescribed in rule (2) above as many members as are required from the block in the list of members on which his name appears.
 4. Every candidate proposed shall sign his nomination paper as a token of his consent to stand for election and shall declare that to the best of his knowledge and belief he is not disqualified under any of the provisions of the bye-laws.
 5. On day succeeding the last date fixed for the receipt of nomination papers, the Secretary shall paste on the notice board fixed at the registered office of the Society a list of all the candidates from each block who have been duly proposed and seconded. In case of any dispute that the name of any candidate has been wrongly omitted from or inserted in the list, an appeal may be lodged, within two days of the pasting of the list on the notice board, with the Secretary to be placed by him before the sub-committee which should be announced within two days of the last date fixed for lodging appeals and shall be final and binding.
 6. On the date fixed for the filing of nominations under clause (vii) above, the candidate, the proposer, the seconder of the candidate and one other person may attend at such time and place as the President of the Society may appoint and all reasonable facilities shall be given to them for examining the nomination papers of all candidates, whose names are included in the list of candidates pasted under rule 5. After facilities have been given for the examination of nomination papers, the Sub-Committee constituted for the purpose shall decide all objections made to any such nomination by the person entitled to scrutinize the nomination papers and also by the Secretary.
 7. A candidate may withdraw his candidature by notice in writing subscribed by him and delivered to the Secretary before 11.00 a.m on the third day succeeding the date

fixed for the scrutiny of nomination papers.

8. The Secretary shall prepare voting papers by blocks containing names in alphabetical order of all candidates duly nominated, and signed or sealed by the Secretary after noting on the counterfoils the number of the property and name of the voter and cause such voting paper to be delivered to the voters for casting votes as soon as they sign the attendance register kept for the purpose. Names shall be printed in English & Urdu. There shall also be kept against the name of each candidate as many balls as in that number of the candidate, e.g. a candidate shown as No. 2 shall have 2 balls against his name and one shown No. 3 shall have three balls against his name and so on.

In these Rules a voter shall mean a member who is not disqualified under the By-laws.

9. Each voter shall be entitled to as many votes as the number of members to be nominated, but he shall not record more than one vote for any one of the candidates. If more than one vote is recorded by any voter for the same candidate, such vote shall be reckoned as one vote. If a voter records more votes than the number permitted, his voting paper shall be invalid.
10. Voting papers shall not be signed by the voters, but the voter shall place a cross mark in the rectangle opposite the name of the candidate for whom he wants to record his vote. Any voter who has inadvertently dealt with his voting paper in such a manner that it cannot be conveniently used as voting paper may, after delivering such voting paper to the Presiding Officer and satisfying him of such inadvertence, obtain another voting paper, and the former together with its counterfoil shall be marked as cancelled and the new one supplied together with its counterfoil shall be marked as duplicate.
11. The Presiding Officer shall appoint the necessary number of Polling Officers to work in pairs and a Supervising Officer. Members seeking elections shall not be so appointed. The Presiding Officer shall have the supreme authority over the conduct of election and in case of any difference of opinion on any matter whatsoever with anyone or more of the above said officers his decision shall prevail. Voting paper shall be personally submitted by the voters one by one to the Polling Officer. In case they are not satisfied by the Secretary or by some person known to him at least out of them one of the Polling Officer shall sign the counterfoil in token of his satisfaction

- about the identity of the voter. The voter shall then detach the voting paper and deposit it in a box after duly filling it, but not within the view of any person. If any voter is illiterate he or she may require a Polling Officer to mark the cross as directed by him or her and the Polling Officer shall return the ballot paper to the voter for deposit in the ballot box. Any voting paper with a counterfoil not signed or properly identified shall be regarded as invalid.
12. After closing of the ballot, the Polling Officers shall open the ballot box, scrutinize the voting papers, reject with the approval of the Presiding Officer, those which do not fulfill the conditions of these rules, tally the number of voting papers with that of the counterfoils, note the votes recorded in favour of each candidate and pass on the summary slip to the Supervising Officer after appending their signatures.
 13. The Supervising Officer shall collate the results of all summary slips on a form marking the place obtained by each candidate in order of the number of votes obtained by each, sign the form and shall present the result to the Presiding Officer of the meeting, who shall countersign the same and announce the name of the persons so elected. If two or more candidates obtain an equal number of votes, the matter shall be decided by drawing lots.
 14. These Election Rules will also cover election of the President/Vice President except that all the members of the Society, as appearing on the final list of members "as per rule 1(vi)" shall form the electoral college and that the election of the President/Vice President shall be held simultaneously with Model Town Society members.