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NOTIFICATION

May 4, 2019

No. PAP-Legis-2(17)/2019/2015. The Punjab Village Panchayats and Neighbourhood Councils Bill 2019, having been passed by the Provincial Assembly of the Punjab on April 30, 2019, and assented to by the Governor of the Punjab on May 3, 2019, is hereby published as an Act of the Provincial Assembly of the Punjab.

THE PUNJAB VILLAGE PANCHAYATS AND NEIGHBOURHOOD COUNCILS ACT 2019

ACT XIV OF 2019

[First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary) dated May 4, 2019.]

An Act

to institutionalize and strengthen civic engagement for non-political action in the Punjab through constitution of village Panchayats and urban neighbourhood councils

Whereas it is expedient to institutionalize and strengthen civic engagement for non-political action in the Punjab through constitution of village Panchayats and urban neighbourhood councils, and to provide for the matters connected therewith and ancillary thereto; Be it enacted by Provincial Assembly of the Punjab as follows:-

Chapter I – Applicability and Interpretation

1. Short title, extent and commencement.—(1) This Act may be cited as the Punjab Village Panchayats and Neighbourhood Councils Act, 2019.

(2) It extends to the whole of the Punjab other than the areas notified as cantonments under the Cantonments Act, 1924 (Act II of 1924), or the Cantonments Ordinance, 2002 (CXXXVII of 2002), in relation to the matters covered there under.

(3) It shall come into force at once.

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

- (a) 'Assistant' means an official of the Panchayat or, as the case may be, a neighbourhood council engaged in the prescribed manner;
- (b) 'Board' means a Local Board established under section 65 of this Act;
- (c) 'candidate' means a candidate for elections under this Act;
- (d) 'cantonment' means place or places declared and notified as cantonment under the Cantonments Act, 1924 (II of 1924) or the Cantonments Ordinance, 2002 (CXXXVII of 2002) by the Government of Pakistan;
- (e) 'census' means the population and housing census taken by the Government of Pakistan under the Census Ordinance, 1959 (X of 1959);
- (f) 'chairperson' means the chairperson of a panchayat or, as the case may be, a neighbourhood council;
- (g) 'common assembly' means a meeting of residents of the village or, as the case may be, of the neighbourhood;
- (h) 'corrupt practice' means involvement of a chairperson, member or assistant in corruption and includes any of the following:
 - (i) coercive practice by impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence the actions of a party to achieve a wrongful gain or to cause a wrongful loss to another party;
 - (ii) collusive practice by arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain;
 - (iii) offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the acts of another party for wrongful gain;
 - (iv) any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - (v) obstructive practice by harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract or deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements before investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or acts intended to materially impede the exercise of inspection and audit process.
- (i) 'corruption' by a chairperson, member, assistant or any other person acting under this Act means:
 - (i) accepting, obtaining or offering any gratification or valuable thing, directly or indirectly, other than the legal remuneration, as a reward for doing or for bearing to do any official act; or
 - (ii) dishonestly or fraudulently misappropriating, or indulging in embezzlement or misuse of property or resources of a local government; or
 - (iii) possession of pecuniary sources or property by himself or any of his dependents or any other person, through him or on his behalf, which cannot be accounted for and which are disproportionate to his known sources of income; or
 - (iv) maintaining standard of living beyond known sources of income; or
 - (v) having a reputation of being corrupt; or

- (vi) entering into plea bargain under any law for the time being in force and return the assets or gains acquired through corruption or corrupt practices, voluntarily;
- (j) 'designated officer' means an officer appointed as a designated officer under section 81 of this Act;
- (k) 'Election Commission' means the Election Commission of Pakistan established under Article 218 of the Constitution of the Islamic Republic of Pakistan;
- (l) 'estate' means an estate as defined in clause (9) of section 4 of the Punjab Land Revenue Act, 1967 (XVII of 1967);
- (m) 'extra-ordinary meeting' means a meeting of common assembly, panchayat or, as the case may be, neighbourhood council other than a general meeting;
- (n) 'general meeting' with respect to a common assembly means the meeting referred to in subsection (1) of section 7 of this Act and with respect to a panchayat or, as the case may be, a neighbourhood council means a meeting referred to in subsection (1) of section 13 of this Act;
- (o) 'Government' means the Government of the Punjab;
- (p) 'High Court' means Lahore High Court, Lahore;
- (q) 'local fund' means a local fund of a panchayat or neighbourhood council established under section 38 of this Act;
- (r) 'local government' means a local government established under the Punjab Local Government Act, 2019;
- (s) 'local official' means a head-teacher, patwari, forest guard, police constable, chaukidar, vaccinator, health worker, canal overseer, or any other class of public servants for the time being serving the village, or as the case may be, neighbourhood as notified by the Secretary;
- (t) 'member' means the member of a panchayat or, as the case may be, a neighbourhood council;
- (u) 'misconduct' means misconduct in terms of section 59 of this Act;
- (v) 'Municipal Magistrate' means a Special Judicial Magistrate appointed under section 80 of this Act;
- (w) 'neighbourhood council' means a neighbourhood council constituted under section 10 of this Act;
- (x) 'neighbourhood' means an area comprising a distinct and compact inhabitation or a group of two or more contiguous, distinct and compact inhabitations and notified as such under section 10 of this Act;
- (y) 'panchayat' means a panchayat constituted under section 10 of this Act;
- (z) 'prescribed' means prescribed by rules made by the Government under this Act;
- (aa) 'public servant' means a public servant as defined in section 21 of the Pakistan Penal Code 1860 (XIV of 1860);
- (bb) 'resident' of a village or, as the case may be, of a neighbourhood shall mean a person who:
- (i) is, for the time being, a citizen of Pakistan;
 - (ii) ordinarily resides in the respective village, or as the case may be, in the respective neighbourhood;
 - (iii) has attained the age of eighteen years on first January of the corresponding calendar year; and
 - (iv) has not been declared to be of unsound mind or an undischarged solvent by a competent court;
- (cc) 'Secretary' means Secretary within the meanings of the Punjab Government Rules of Business, 2011 in charge of Local Government and Community Development Department; and
- (dd) 'village' means the area comprising an estate.
- (2) In this Act, the expressions 'Metropolitan Corporation', 'Municipal Corporation', 'Municipal Committee', and "Town Committee" shall have the same meanings as given in the Punjab Local Government Act 2019.

Chapter II – Village and Neighbourhood Common Assemblies and their Jurisdiction

3. Establishment of village and neighbourhood areas.— (1) As soon as may be, but not later than six months of the commencement of this Act, the Government shall, by a notification in the official gazette, establish areas, excluding the areas notified as cantonments, which shall constitute villages and neighbourhoods for the purpose of this Act.

(2) Subject to the provisions of subsection (3), each estate in the Punjab, other than an estate which falls within the local area of a Metropolitan Corporation, Municipal Corporation, Municipal Committee or a Town Committee, shall constitute the limits of a village for the purpose of this Act.

(3) Where, as per the last available census, the population of an estate is less than two hundred, such estate shall be, for the purpose of this section, merged with another contiguous estate having the least population among all contiguous estates so as the combined population of the two becomes more than two hundred.

(4) Where after merger of the two contiguous estates under subsection (3), their combined population remains below two hundred, the two estates shall be combined with another contiguous estate with least population among the remaining contiguous estates and if required this process shall be repeated until the combined population of such estates exceeds two hundred.

(5) The area comprising a distinct and compact inhabitation or a group of two or more contiguous, distinct and compact inhabitations within the local area of a Metropolitan Corporation, Municipal Corporation, Municipal Committee or a Town Committee, having a population as given in the First Schedule, shall constitute the limits of a neighbourhood for the purpose of this Act.

(6) In the like manner, the Government shall name each village, preferably by the name of the estate, and each neighbourhood, preferably by the common name of the inhabitation or, where the neighbourhood comprises more than one distinct inhabitation, by the name of any one of such distinct inhabitations.

4. Village and neighbourhood common assemblies.— (1) Every village and neighbourhood shall have a common assembly for the purposes of this Act.

(2) A common assembly shall comprise of every resident of the respective village or, as the case may be, the respective neighbourhood.

5. Powers and duties of common assembly.— (1) In relation to the respective village or, as the case may be, the neighbourhood, a common assembly shall have the power to:

- (a) call for from the chairperson, discuss and pass reasonable directions on the consolidated account of all moneys received in and expenditures incurred from the local fund during each financial year;
- (b) call for from the chairperson, discuss and pass reasonable directions on the report on audit of accounts under section 49 of this Act;
- (c) call for from the chairperson, a report on enforcement actions taken under the Sixth Schedule;
- (d) seek clarification from the chairperson or a member on any matter relating to his duties under this Act;
- (e) seek clarification from a local official on any matter relating to his official duty in relation to the residents; require the residents to provide voluntary labour, or to make reasonable contribution in kind or cash or both, or to render such other support as it considers just and appropriate for undertaking a project for their general welfare; and
- (f) require the chairperson to approach the Government or a local government in relation to any common need of the residents.

(2) Every general assembly shall, at all times, promote harmony and peace among the residents and cooperate with and assist the respective panchayat or, as the case may be, the neighbourhood council for the purpose of this Act.

6. Decisions of common assembly how made.— (1) All decisions of the common assembly shall be made in its general or extra-ordinary meeting as referred to in section 7 of this Act through a majority of vote of the residents present and voting.

(2) For the purpose of this section, every resident shall have one vote.

(3) Unless otherwise resolved by the common assembly, all votes in a general or extra-ordinary meeting shall be cast by show of hands.

7. General and extra-ordinary meetings of common assembly.— (1) Every common assembly shall hold not less than two general meetings in every calendar year on such dates as may be appointed by its chairperson.

(2) When required in writing by a majority of the members, or not less than one-twentieth of the residents of the respective village or, as the case may be, the respective neighbourhood to call an extra-ordinary meeting of the common assembly, the chairperson shall do so within seven clear days.

(3) Where, a chairperson fails to convene a general meeting under subsection (1) or an extra-ordinary meeting under subsection (2), the respective designated officer may hold such general or extra-ordinary meeting.

(4) All general and extra-ordinary meetings of the common assembly shall be open to the residents and other interested persons.

(5) All general and extra-ordinary meetings of the common assembly shall be held at a public place within the limits of the respective village or, as the case may be, the respective neighbourhood.

(6) The chairperson, or as the case may be, the designated officer, shall give a fourteen clear days notice for every general meeting and, in the like manner, a seven clear days notice for every extra-ordinary meeting under this section specifying the place, date and time of such meeting and the business to be transacted thereat.

(7) One-twentieth of the residents of the respective village or, as the case may be, the respective neighbourhood shall constitute the quorum for a general or an extra-ordinary meeting of the common assembly.

(8) Subject to the provisions of this Act, every meeting of the common assembly shall be presided over by the respective chairperson.

8. Local officials to attend meetings of common assembly.— A local official shall, on the invitation of the respective chairperson, attend a general or, as the case may be, an extra-ordinary meeting of the common assembly to discuss or advise upon any matter coming up before it.

Chapter III – Constitution, Powers and Duties of Panchayats and Neighbourhood Councils

9. Common assemblies to act through the panchayats or neighbourhood councils.— (1) The common assembly of every village shall act through the respective panchayat.

(2) In the like manner, the common assembly of every neighbourhood shall act through the respective neighbourhood council.

10. Constitution of panchayats and neighbourhood councils.— (1) As soon as may be, but not later than twelve months of the commencement of this Act, the Government shall, by notification in the official gazette, establish a panchayat for every village and a neighbourhood council for every neighbourhood in the Punjab.

(2) Every panchayat shall consist of a chairperson and such number of general and women members and the members representing religious minorities as given at the Second Schedule.

(3) In the like manner, every neighbourhood council shall consist of a chairperson and such number of general and women members as given at the Third Schedule.

(4) The chairperson and members of every panchayat and neighbourhood council shall be elected under this Act.

(5) Every panchayat and neighbourhood council shall be a body corporate by the name determined under section 4 of this Act, and shall have perpetual succession and a common seal, and shall, by the said name, sue and be sued.

11. Term of office of panchayats and neighbourhood councils.— Every panchayat and neighbourhood council, unless otherwise dissolved under section 64 of this Act, shall

hold office for four years.

12. Territorial jurisdiction of panchayats and neighbourhood councils.— Each village shall constitute the territorial jurisdiction of the respective Panchayat and, in the like manner, each neighbourhood shall constitute the territorial jurisdiction of the respective neighbourhood council.

13. Meetings of panchayats and neighbourhood councils.— (1) Every panchayat and neighbourhood council shall hold a general meeting once in every month on such date and time as may be appointed by its chairperson.

(2) The chairperson shall, when required in writing by a majority of the members to call an extra-ordinary meeting, shall do so within three clear days.

(3) Where, a chairperson fails to convene a general meeting under subsection (1) or an extra-ordinary meeting under subsection (2), the designated officer may hold such general or, as the case may be, the extra-ordinary meeting.

(4) All meetings of the panchayat and neighbourhood councils shall be open to the residents and other interested persons.

(5) All meetings of the panchayat and neighbourhood council shall be held at a public place within the limits of the respective village or, as the case may be, the respective neighbourhood.

(6) The chairperson, or as the case may be, the designated officer, shall give a seven clear days notice for every general meeting and, in the like manner, a three clear days' notice for every extra-ordinary meeting specifying the place, date and time of such meeting and the business to be transacted thereat

14. Minimum quorum requirements.— Save as otherwise provided in this Act, not less than half of the members including the chairperson shall form quorum of the meeting of respective panchayat and a neighbourhood council.

15. All decisions of panchayat and neighbourhood councils to be taken in their meetings.— (1) All matters before every panchayat and neighbourhood council shall, unless otherwise specifically provided by or under this Act, be decided by a majority of votes of the members present and voting and the chairperson or any other member presiding the meeting, unless he refrains from voting, shall give his vote before declaring the number of votes for and against the matter in question and in the case of equality of votes, he may give his casting vote.

(2) Notwithstanding the provisions of subsection (1), where the quorum of a meeting is completed with the attendance of two members, no decision of such meeting shall take effect unless it is unanimous.

16. An act of panchayat and neighbourhood council not to be invalidated by vacancy or irregularity in appointment of a member.— No act of a panchayat or, as the case may be, the neighbourhood council shall be invalid by reason only of the fact that the number of members holding office at the time of the performance of any such act was less than the number fixed under section 14 of this Act, or by reason of any irregularity in the appointment of any chairperson or member.

17. Primary functions of a panchayat and neighbourhood council.— (1) It shall be the duty of every panchayat and neighbourhood council, within the limits of the funds at its disposal, to make arrangements for carrying out the requirements of the village or, as the case may be, the neighbourhood in respect of the matters given at the Fourth and Fifth Schedule, including all subsidiary works and buildings connected there-with so far as they are likely to promote the health, safety, comfort or convenience of the respective village or neighbourhood or of visitors thereto.

(2) Nothing in sub-section (1) shall be deemed to impose any duty or confer any power upon the panchayat or the neighbourhood council with respect to any matter under the direct administrative control of any department of the Government or of a local government or to authorise the panchayat or the neighbourhood council to interfere with any existing legal rights.

18. Delegation of functions upon a panchayat or neighbourhood council by a local governments and the Government.— (1) A local government may, through a written order, delegate to the panchayat or, as the case may be, a neighbourhood council within its local area:—

- (a) the construction, maintenance or improvement of any property under its control or management;
- (b) delivery of any public service for which it is responsible under the Punjab Local Government Act, 2019 or any other law for the time being in force to such extent as it considers appropriate; and
- (c) any other matter under its control.

(2) In the like manner, the Government may, by a notification published in the official gazette, delegate any matter under its control to a panchayat or, as the case may be, a neighbourhood council.

(3) The expenses required for the construction, maintenance or improvement of a property, or delivery of a public service, or undertaking of any other matter delegated under subsection (1) shall be placed at the disposal of the panchayat or, as the case may be, the neighbourhood council by the delegating local government.

(4) In the like manner, the expenses required for undertaking of any other matter delegated under subsection (2) shall be placed at the disposal of the panchayat or, as the case may be, the neighbourhood council by the Government.

19. Power of a panchayat and neighbourhood council to enter into contracts and acquire, hold and dispose of property.— (1) Every panchayat and neighbourhood council shall have the power to enter into contracts and acquire property.

(2) Every road, building, work or other property, whether moveable or immovable, constructed or acquired by a panchayat and neighbourhood council out of the local fund shall vest in it.

(3) The Government may by a general or specific order, transfer to a panchayat or a neighbourhood council any of its property situated within its limits, with such limitations or conditions as it may consider appropriate.

(4) No panchayat or neighbourhood council shall alienate any property vested in it unless it is required to do so by a resolution passed with two-third majority at an extraordinary meeting of the respective common assembly convened for this purpose and a prior permission for this purpose has been obtained from the Government.

20. Power of a panchayat and neighbourhood council to require removal of unlawful obstructions and refrain from causing public inconvenience.— (1) A panchayat or a neighbourhood council may, by notice in writing specifying a reasonable period:—

- (a) require the person obstructing or interfering with a public way, drain or a local stream unlawfully to remove such obstruction or stop such interference;
- (b) require a trespasser in a village or neighbourhood common property to vacate such property or to remove any unlawful construction or obstruction therein;
- (c) require the owner or occupier of any land, well, water-pump, or building which includes or is attached to any latrine, pool or ditch, containing or used for the collection of any drainage, filth or stagnant water, which is a nuisance to the neighbourhood, to take such action as it may deem reasonably necessary to remove the nuisance;
- (d) require the owner of any wall or building, which is deemed by it to be in any way dangerous, to remove or repair such wall or building;
- (e) require the owner or occupier of any building or property to keep his building or property in a sanitary state;
- (f) require the owner of any dog or other animal suffering or reasonably suspected to be suffering from a communicable disease which is likely to harm public health or health or wellbeing of other animals to destroy or cause to be destroyed or confine or cause to be confined such dog or animal; and

(g) require the owner of a dog or other animal which is likely to annoy or intimidate passers-by to restrain such dog or animal.

(2) If any act or work required to be done under this section is not executed within the period specified in the notice, the panchayat or, as the case may be, the neighbourhood council may itself cause such act or work to be executed and recover a sum not exceeding the cost thereof from the person, owner or occupier notified.

21. Power of a panchayat and neighbourhood councils to make certain general orders.— A panchayat or a neighbourhood council may by general order to be published in the manner prescribed:—

- (a) prescribe measures for keeping the respective village or, as the case may be, the neighbourhood in a sanitary state;
- (b) regulate the manner of sweeping of streets, cleaning of drains and collection, removal and disposal of manure;
- (c) prescribe measures to remove and prevent epidemics including immunization against diseases, and to promote public health in general;
- (d) prohibit the use of the water of wells, ponds or other excavations suspected to be dangerous to the public health;
- (e) regulate or prohibit watering of cattle or bathing or washing at or near wells, ponds or other excavations or sources reserved for drinking water;
- (f) prescribe measures for increased plantation of trees, shrubs or other plants;
- (g) regulate or prohibit cutting or trimming of trees, shrubs or any other plant or part of a plant or tree;
- (h) regulate the protection of standing crops;
- (i) regulate or prohibit the dyeing or tanning of skins or any other undertaking or process which adversely affects public health or environment of the village or, as the case may be, the neighbourhood in general;
- (j) regulate or prohibit the excavation of earth or stone or other materials within the residential area less excavations meant to be filled by the foundation of buildings or other structures;
- (k) regulate the disposal of carcasses of all animals dying within the village except animals slaughtered for consumption; and
- (l) prescribe measures for preserving and improving aesthetics of the village or, as the case may be, of the neighbourhood.

22. Power of a panchayat or neighbourhood council to report delinquency on the part of local officials.— (1) On a complaint of any delinquency on the part of a local official in performance of his duty made to it, the panchayat or, as the case may be, the neighbourhood council may enquire into the matter and make a report along with the prima-facie evidence to his superior officer, or to the respective Deputy Commissioner.

(2) The superior officer or the Deputy Commissioner referred to in subsection (1) shall, after such further enquiry as may be required, take suitable action and inform the panchayat or, as the case may be, the neighbourhood council.

(3) Nothing in this section shall be construed as empowering the panchayat or neighbourhood council to summon any such officials except as provided under section 17 of this Act or to exercise control over them.

23. Power of a panchayat or neighbourhood council to enter and inspect premises.— (1) For the purpose of this Act, the chairperson and Assistant or any other person authorized by a panchayat or, as the case may be, a neighbourhood council in writing, may enter into or upon any building or land, with or without any associate, helper or workman, to make an inspection or survey or to execute a work.

(2) Except when it is provided under this Act or the rules expressly, no entry referred to in subsection (1) shall be made:

- (a) between sun-set and sun-rise;
- (b) without sufficient notice;
- (c) without allowing women occupying the building or land to remove themselves to some other part where their privacy shall not be disturbed; and

- (d) while paying due regard to the social and religious usages of the occupants of the premises entered.

24. Power of a panchayat to name streets etc.— (1) A panchayat may:—

- (a) cause a name to be given to a street by affixing it to or painting it on any building or otherwise in such a position or manner as it may think fit;
 (b) cause a number to be affixed to or painted on any building in such a position or manner as it may think fit.

(2) The panchayat may require the owner or occupier of any building to paint thereon a number or itself cause such a number to be painted on any building.

25. Duties of the chairpersons and members.— (1) In addition to any other duty assigned to him under this Act or the rules, the chairperson shall perform duties as listed at Sixth Schedule.

(2) In the like manner, in addition to any other duty assigned to him under this Act or the rules, a member shall perform duties as listed at the Seventh Schedule.

(3) Subject to other provisions of this Act, a chairperson or, as the case may be, a member shall, during the performance of his duties or exercise of his powers, observe the general policy or directions of the Government.

26. Joint works and undertakings.— (1) A panchayat or neighbourhood council may contribute its sums or other resources towards any work, measure or service undertaken by another panchayat, neighbourhood council, a local government or any other agency from which its village or, as the case may be, the neighbourhood may be benefited.

(2) The extent of sums or other resources to be contributed under subsection (1) shall be agreed with the other panchayat, neighbourhood council, local government or agency having regard to the extent of benefits derived from such joint work or undertaking.

(3) In case of any difference on the extent of sums or other resources required, or contributed under this section between two or more panchayats or neighbourhood councils, the matter shall be decided by the designated officer.

(4) In case of any difference on the extent of sums or other resources required, or contributed under this section between a panchayat or neighbourhood council and a local government or any other agency, the matter shall be decided by the Secretary.

Chapter IV – Elections and Term of Office of the Chairpersons and Members

27. Government to direct holding of elections.— (1). Having due regards to the provisions of section 10 of this Act, the Government may, by notification in the official Gazette, direct that a general election of the chairpersons and members of the panchayats and neighbourhood councils shall be held by such date as may be specified in the notification.

(2) Nothing in subsection (1) shall prohibit the Government from specifying different dates for elections for different panchayats or neighbourhood councils or group or groups thereof.

28. All elections under this Act to be held by Election Commission.— (1) The superintendence, direction and control of the preparation of electoral rolls for and conduct of all elections to the panchayats and neighbourhood councils shall be vested in the Election Commission.

(2) As soon as a notification is issued under section 27 of this Act, the Election Commission shall take necessary steps for holding such election.

29. Right to cast vote.— (1) Only such residents whose name, for the time being, appear in the electoral roll of the respective village or, as the case may be, the neighbourhood shall have the right to cast vote.

(2) A resident, who is otherwise eligible to vote under subsection (1), shall cast one vote for the election to the general seats including the chairperson, and one vote for the

election to the seat or seats reserved for the women for the respective village or, as the case may be, the neighbourhood.

(3) Where a resident, who is otherwise eligible to vote under subsection (1), belongs to a religious denomination which is in minority in the respective village or, as the case may be, the neighbourhood and there is a seat reserved for minorities for that village or neighbourhood, he shall have the right to cast an additional vote for the election to such seat.

30. Method of election.— (1) All members including the chairperson shall be returned by the residents of the respective village or, as the case may be, through an open list election on the basis of secret ballot and adult franchise.

(2) The entire village or, as the case may be, the neighbourhood shall constitute one multi-member ward for the election of the respective members including the chairperson.

(3) Any resident who is otherwise eligible for being elected as a member in terms of section 31 of this Act may register himself as a candidate for the election.

(4) The candidates for general seats securing highest votes in the descending order shall stand elected one by one till all seats earmarked for general members in the respective panchayat or, as the case may be, the neighbourhood council under section 10 of this Act are exhausted.

(5) Out of the candidates referred to in subsection (4), the candidate securing highest votes shall be the chairperson of the respective panchayat or, as the case may be, the neighbourhood council.

(6) Where there is only one seat reserved for women in a panchayat or a neighbourhood council, the candidate for such seat securing the highest votes shall stand elected, and where there are more than one such seats, the candidates securing the highest votes in the descending order shall stand elected one by one till the number of seats reserved for women in the respective panchayat or, as the case may be, the neighbourhood council under section 10 of this Act are exhausted.

(7) The candidate for a seat reserved for minorities securing highest votes shall stand elected.

(8) All elections under this Act shall be held on non-party basis.

31. Qualifications for being a candidate to election or for holding office of the chairperson or member.— (1) A resident shall be eligible to contest an election under this Act, if:-

(a) he, on the last day fixed for the filing of nomination papers for that election, is not less than twenty-five years of age; and

(b) his name appears for the time being in the electoral roll of the village or, as the case may be, the neighbourhood from where he is a candidate.

(2) Without any prejudice to the provisions of subsection (1), no person shall be eligible to contest an election under this Act or to hold the office of the chairperson or a member if:-

(a) he is not a resident or ceases to be a resident of the respective village or, as the case may be, the neighbourhood;

(b) he has been, on conviction for an offence involving moral turpitude, sentenced to imprisonment for a term exceeding six months, unless seven years have elapsed from the date of expiry of the period of that sentence;

(c) he has been ordered to give security for good conduct under section 562 of the Code of Criminal Procedure, 1898 (V of 1898), or is registered as a habitual offender or a proclaimed offender under section 45(2)(ii) of the Code of Criminal Procedure, 1898;

(d) he has been convicted of an offence related to conduct of elections under this Act or any other law for the time being in force;

(e) he has been guilty of a corrupt practice or has been held to be corrupt;

(f) he has obtained a loan for an amount of ten hundred thousand rupees or more, from any bank, financial institution, cooperative society or cooperative body in his own name or in the name of his spouse or any of his dependents,

which stands unpaid for more than one year from the due date, or has had such loan written off unlawfully;

- (g) he, his spouse or any of his dependents has not paid any tax, fee or any other charge payable to the Government, a local government, panchayat or neighbourhood council or any amount exceeding ten thousand rupees due upon him, his spouse or any of his dependant for the use of any service such as telephone, electricity, gas and water for over six months;
- (h) he is, or becomes a lessee, tenant, contractor or share holder in any property of the respective village or, as the case may be, the respective neighbourhood or is in illegal or unauthorized possession of such property;
- (i) he is under contract for work to be done or goods to be supplied to the respective panchayat or, as the case may be, the neighbourhood council, or has otherwise any pecuniary interest in its affairs;
- (j) he is in or enters into the service of Pakistan, or any statutory body or other body which is set up, or owned or controlled by the Government, or a local government in Pakistan, or in which the Government or a local government has controlling share or interest, or he is or becomes a salaried official of a public or statutory corporation;
- (k) he has been dismissed, discharged or compulsory retired from the service of Pakistan, or the service of a local government or a public or statutory corporation on the charge of misconduct or a corrupt practice; and
- (l) he is or becomes disqualified for the membership of Parliament or a Provincial Assembly under any law for the time being in force.

(3) Where a person contesting an election under this Act claims to be a Muslim, he shall submit to the Returning Officer a declaration given in the Eighth Schedule along with his nomination papers for the election.

32. Minimum period for safe custody of certain election record.— All record indicating the number of votes secured by contesting candidates in an election under this Act shall be safely kept for a minimum of six years commencing from the date on which it was conducted.

33. Bar against holding more than one political offices.— (1) No chairperson or member shall, at the same time, hold any office in a local government or shall be a member of the Parliament or a Provincial Assembly.

(2) Any chairperson or member who is desirous of contesting an election for any office of a local government, the Parliament or a Provincial Assembly shall first resign from his office.

34. Oath of office of the chairpersons and members.— After having been elected and before entering upon the duties of his office, every chairperson and member shall, in a general meeting of the common assembly, respectively take an oath as given at the Ninth and the Tenth Schedule before the designated officer.

35. Term of office of the chairpersons and members.— Unless otherwise removed under section 70 of this Act, the term of office of every member and chairperson shall co-terminate with the term of the panchayat and neighbourhood council.

36. Resignation by a chairperson or member.— (1) A chairperson or member may resign from his office by writing under his hand addressed to the respective designated officer.

(2) Every resignation shall take effect forthwith and the respective office shall become vacant immediately.

37. Filling of casual vacancies in panchayats and neighbourhood councils.—(1) Where the office of the chairperson falls vacant due to his death, resignation, removal or for any other reason, the general councillor securing highest votes after the votes secured by the chairperson shall stand elected.

(2) Where the office of a general member, other than the chairperson falls vacant due to his death, resignation, removal or for any other reason, the candidate securing highest votes from amongst the unsuccessful candidates for general seats in the last general election shall stand elected.

(3) Where the office of member to a seat reserved for women or religious minorities falls vacant due to his death, resignation, removal or for any other reason, the candidate securing highest votes from amongst the unsuccessful candidates for that seat shall stand elected.

(4) A person appointed a member under subsections (1), (2) and (3) shall hold office for the remainder of the term of office of the member to whom he replaces.

Chapter V – Funds of Panchayat and Neighbourhood Councils and their Application

38. Local fund of villages and neighbourhoods.— (1) There shall be a fund, to be called the local fund, vested in every panchayat and neighbourhood council to pay for its expenses for the purpose of this Act.

(2) All moneys in the local fund shall be held by the respective panchayat or, as the case may be, the neighbourhood council as a trust for all the residents of that village or, as the case may be, neighbourhood.

39. Sources of local fund.— Without any prejudice to the provisions of section 38 of this Act, the following moneys shall be credited to the local fund:—

- (a) all grants from the Government or a local government;
- (b) all fees, fines and other moneys received by or on behalf of the panchayat or, as the case may be, the neighbourhood council under this Act, or otherwise;
- (c) rents and profits accruing from the property of the panchayat or, as the case may be, the neighbourhood council;
- (d) incomes from investments made from the local fund;
- (e) proceeds from any other sources of income placed by the Government at the disposal of the panchayat or, as the case may be, the neighbourhood council; and
- (f) all donations from any other sources.

(2) The Government grants to a village or a neighbourhood under subsection (1) shall in no case be less than the amount which the Local Government Finance Commission may fix for that village or neighbourhood in accordance with the formulae for transfer of provincial allocable resources to the local government in whose local area it is situated.

Explanation: For the purpose of this section, the term formulae shall mean the formulae for transfer of provincial allocable resources determined under the Punjab Local Government Act, 2019 or any other law for the time being in force.

40. Proceeds from local rate to be part of local fund of a village.— In addition to the sources referred to in section 39 of this Act, such part of the proceeds of land revenue assessed against the lands comprising a village as the Government may from time to time determine, to be called the local rate, shall be credited to the local fund of that village.

41. Custody of local fund.— (1) All moneys credited to a local fund shall, if not otherwise applied or invested in accordance with the provisions of sections 42 and 43 of this Act, be kept in the State Bank, a treasury, a post office or such bank or banks as may be appointed by the Government, from time to time, for this purpose.

(2) All interests, profits, dividends or other sums received in respect of such custody of a local fund shall, immediately, after receipt or becoming due, accrue to it.

42. Legal basis for application of local fund.— (1) Subject to other provisions of this Act, no expenditure shall be incurred by or on behalf of a panchayat or neighbourhood council from its local fund unless it is:

- (a) previously authorized in accordance with the estimates of receipts and expenditure approved under section 45 of this Act; or

- (b) previously authorized in accordance with the estimates of receipts and expenditure certified by the designated officer under section 46 of this Act; or
 - (c) under an order of the Government; or
 - (d) necessarily incurred in circumstances of emergency in relation to a duty of a panchayat or, as the case may be, a neighbourhood council under Fourth and Fifth Schedule of this Act.
- (2) All expenditures incurred by or on behalf of a panchayat or a neighbourhood council in the circumstances of emergency shall, as soon as may reasonably be possible, be brought to the notice of the common assembly.
- (3) A consolidated account of all moneys received in and expenditures incurred from the local fund during each financial year shall be presented to the common assembly under section 5 of this Act.

43. Matters in respect of which moneys from local fund may be applied.— (1) Having due regards to the provisions of section 42 of this Act, the local fund shall not be applied to any purpose other than for the payment in whole or in part, of the charges and expenses incidental to the several matters specified in the Fourth Schedule or, as the case may be, the Fifth Schedule and also to the following matters, namely:

- (a) performance of any functions entrusted to the panchayat or, as the case may be, the neighbourhood council under sections 17, 18 and 26 of this Act;
 - (b) expenses required for the audit of local fund and accounts of the panchayat or, as the case may be, the neighbourhood council;
 - (c) cost of acquisition of any land or other property, whether movable or immovable under section 19 of this Act;
 - (d) expenses in respect of such portion of the cost of provision of a public service as may be held by the Government to be equitably debatable to the panchayat or, as the case may be, the neighbourhood council in return for the services rendered to it by the agency providing that public service;
 - (e) grants-in-aid to the educational, public health or any other public institution within the limits of the village, or as the case may be, the neighbourhood;
 - (f) charges and expenses incurred outside the village or neighbourhood when such application of funds is, in the opinion of the panchayat or, as the case may be, the neighbourhood council, for the benefit of the village or neighbourhood;
 - (g) any other expense or charge which the Government may at any time, on the recommendation of a panchayat, or neighbourhood council, or otherwise declare to be a fit and proper charge on the local fund.
- (2) Except with the previous sanction of the Government, the actual cash balance of a local fund, excluding any investments, suspend balance of grants of all kinds and receipts, shall not be permitted at any time to fall below an amount equal to ten per centum of the income of the panchayat or, as the case may be, the neighbourhood council during the previous financial year.

44. Investment of surplus moneys in local fund.— (1) A panchayat or, as the case may be, a neighbourhood council may, with the written permission of the designated officer, invest for profitable purposes any sums in its local fund which cannot immediately or at an early date be applied to the purposes of this Act.—

- (a) in government securities;
 - (b) with a deposit-taking institution authorized by the Government; or
 - (c) in any other manner prescribed by the Government either generally or specifically to be an authorized manner of investment for the purpose of this section.
- (2) All incomes, profits, dividends or other sums resulting from an investment made under subsection (1) shall, as soon as may be, after receipt or becoming due, accrue to the local fund.

45. Preparation and approval of estimate of receipts and expenditure.— (1) By third week of March each financial year, every chairperson shall:—

- (a) prepare a draft estimate of receipts and expenditure of the respective village or, as the case may be, the neighbourhood for the next following financial year;
- (b) place the draft estimate of receipts and expenditure for information of all residents on the notice board of the panchayat or, as the case may be, neighbourhood council; and
- (c) not less than fifteen days after placing of the draft estimate of receipts and expenditure on the notice board, present it before the panchayat or, as the case may be, the neighbourhood council.

(2) The panchayat or, as the case may be, the neighbourhood council may, at a public meeting and with a simple majority of vote of all members, for the time being holding office:

- (a) revise the draft estimate of receipts and expenditure in such manner as they consider appropriate;
- (b) approve the estimate of receipts and expenditure before commencement of the next following financial year;
- (c) authorize expenditure for the next financial year included in the estimates; and
- (d) fix for the next following financial year the rates or fees and other charges to be levied by or on behalf of the village or, as the case may be, the neighbourhood under this Act.

(3) Where in view of the chairperson, the revision of estimate of receipts and expenditure under clause (a) of subsection (2) above is not in accordance with the provisions of this Act or is otherwise inappropriate, he may, present the estimate, with or without any revision, before the panchayat or, as the case may be, the neighbourhood council again.

(4) The panchayat or, as the case may be, the neighbourhood council may, at a public meeting, approve the estimate of receipt and expenditure presented before it under subsection (3) as such or revise or reject it with a two-third majority of vote of all members, for the time being holding office.

(5) An estimate of receipts and expenditure which is not revised or rejected under subsection (4) with two-third majority, shall be deemed to be the approved estimate of receipts and expenditure of the panchayat or, as the case may be, the neighbourhood council for the following financial year.

(6) If, for any reason, the estimate of receipt and expenditure is not approved before the commencement of the financial year to which it pertains, the expenditures of the panchayat or, as the case may be, the neighbourhood council, on various categories of expense, for that financial year shall be made in accordance with the approved estimates for the preceding financial year on *pro rata* basis till such time the estimate is approved under this section or an order for this purpose is issued by the designated officer under section 46 of this Act, whichever is earlier.

46. Designated officer to approve estimate of receipts and expenditure where panchayat or neighbourhood council fails to do so.— (1) In case the estimate of receipts and expenditures of a panchayat or a neighbourhood council is not approved under section 45 of this Act within thirty days of the commencement of the financial year to which it pertains, the designated officer may, after due notice to the chairperson and having regards to the needs of the village or, as the case may be, the neighbourhood cause such estimate to be prepared on his own and may also certify it.

(2) The estimate certified under subsection (1) of this section shall be deemed to be the approved estimate of receipts and expenditure of the panchayat or, as the case may be, the neighbourhood council for that financial year.

47. Fees and rates which may be levied by panchayats and neighbourhood councils.— (1) Subject to the general directions and control of the Government, a panchayat or a neighbourhood council may levy following rates and fees:—

- (a) tolls on persons, vehicles or animals or any class of them at any toll-bar established by it on any road or ferry vested in or under its management;

- (b) a sanitation rate, where arrangements for street sweeping, drainage, sewerage or other sanitary measures are made by the panchayat or, as the case may be, the neighbourhood council;
 - (c) a water rate, where arrangements for supply of water for drinking, irrigation or any other purposes is made by the panchayat or, as the case may be, the neighbourhood council;
 - (d) a lighting rate, where arrangements for lighting of public streets and places is made by the panchayat or, as the case may be, the neighbourhood council;
 - (e) fee for holding fairs at pilgrimages and fairs within the limits or the village or, as the case may be, the neighbourhood;
 - (f) any other rate, fee or levy approved by the Government on the request of a panchayat or neighbourhood council, or as otherwise considered appropriate;
- (2) The scales of tolls, fees or rates, procedure and the terms and conditions for the imposition thereof shall be such as may be provided by bye-laws.

48. Accounts of panchayat and neighbourhood councils.— Accounts of the receipts and expenditure of every panchayat and neighbourhood council shall be kept in such form and manner as may be prescribed.

49. Audit of accounts of panchayat and neighbourhood councils.— (1) The accounts of every panchayat and neighbourhood council shall be audited by the Director Local Fund Audit annually or as and when so directed by the Secretary.

(2) A copy of report on every audit carried out under subsection (1) shall be submitted to the relevant chairperson as well as the relevant designated officer.

(3) The chairperson receiving audit report under subsection (2) shall remedy the defects or irregularities pointed out therein within three months and submit a report to the relevant designated officer.

(4) Where a report on remedying of defects and irregularities as required under subsection (3) is not submitted to the designated officer, he shall report this matter to the Secretary.

Chapter VI – Superintendence and Control

50. Liability of chairperson and members towards the village and neighbourhood.— Every chairperson and member shall be liable to residents of the respective village or, as the case may be, neighbourhood for the loss, waste or misapplication of any money or other property belonging to it if such loss, waste or misapplication as a consequence of his neglect or misconduct while being the such chairperson or member.

51. Every chairperson and member to be a public servant.— Every chairperson and member shall be deemed to be a public servant within the meanings of section 21 of the Pakistan Penal Code, (Act XLV of 1860).

52. Every chairperson and member to declare assets.— (1) Every chairperson and member shall, after taking oath under section 34 of this Act, make and submit a declaration as to his assets to the designated officer in the form set out in the Eleventh Schedule or such other form as the Government may from time to time prescribe.

(2) The designated officer shall notify the fact of assumption of office by a chairperson or member after having satisfied himself that the declaration referred to in subsection (1) above have been appropriately made.

(3) In the like manner, every chairperson and member shall, declare his assets to the designated officer each subsequent year of his office by a date appointed by the Government.

53. Chairperson to submit copy of every resolution and order to the designated officer.— A copy of every resolution and order passed by a panchayat and neighbourhood council shall forthwith be submitted by the chairperson to the relevant designated officer.

54. Access to and seizure of record of panchayats and neighbourhood councils.—

(1) The designated officer, or any other officer to whom the Government may empower in this behalf, may require a chairperson to produce before him any books, proceedings and records of the panchayat or, as the case may be, neighbourhood council at such reasonable date and place as he may appoint.

(2) Every chairperson shall, at all reasonable times, permit the designated officer or the other officer referred to in subsection (1) to have full access to and inspect all of its books, proceedings and records and to enter upon and inspect any immovable property occupied by it, or any work undertaken by it or undertaken upon its orders.

(3) The designated officer or other officer referred to in subsection (1) may, for the purpose of this Act, make copies of or seize any of the books, proceedings and records produced before him or accessed by him under this section.

55. Power to inquire into affairs of a panchayat or neighbourhood council.—(1) The Government may at any time cause an inquiry to be made by any of its officer into the affairs of a panchayat or neighbourhood council in regard to any matter concerning it or in regard to any matter with respect to which sanction, approval, consent or order of the Government is required by or under this Act.

(2) The officer holding an inquiry under subsection (1) shall have the powers of a Civil Court under the Code of Civil Procedure, 1908 (VI of 1908), to take evidence and to compel the attendance of witnesses and production of documents for the purposes of inquiry.

56. Power to suspend, modify or rescind a resolution or other action of a panchayat or neighbourhood council.—

(1) The designated officer may, after giving the chairperson an opportunity of offering explanation, suspend the execution of any resolution or order of a panchayat or a neighbourhood council or prohibit the doing of any act which is about to be done or is being done by it, which in his opinion is:

- (a) not in accordance with this Act or any other law for the time being in force, or any rules, regulations or by-laws passed under it;
- (b) not passed or being undertaken in accordance with this Act or any other law for the time being in force, or rules, regulations or by-laws passed under it;
- (c) likely to result in waste of local fund, or damage to its property;
- (d) likely to cause danger to human life, health or safety or lead to breach of public peace and good order, a riot or affray; or
- (e) is otherwise not in the public interest.

(2) The designated officer shall forthwith send to the Secretary a copy of his order under subsection (1) with a statement of reasons for making it, and with such explanations as the panchayat or the neighbourhood council may have offered.

(3) On receipt of an order under subsection (2), the Secretary may, having regards to the appertaining circumstances, confirm, modify or rescind it or, as the case may be, modify or rescind the resolution or other action of the panchayat or neighbourhood council.

57. Removal of a chairperson by panchayat or neighbourhood council through vote of no-confidence.—

(1) An application stating intention to move a motion of no-confidence against the chairperson shall be made to the relevant designated officer by not less than one-third of the total members of the respective panchayat or, as the case may be, the neighbourhood council.

(2) Having due regards to the provisions of subsection (5), the designated officer shall, within fifteen days of the receipt of the application referred to in subsection (1), convene and preside over a meeting of the panchayat or, as the case may be, the neighbourhood council by giving seven clear days in notice, for taking decision on the no-confidence motion.

(3) A no-confidence motion will be carried by not less than three-fourth majority of all the members for the time being holding office.

(4) Where a no-confidence motion is carried, the successor chairperson shall be appointed in accordance with section 37 of this Act.

(5) No application referred to in subsection (1) shall be made by members or accepted or acted upon by a designated officer if:

- (a) a period of not less than two years has lapsed from the date on which the chairperson has entered his office;
- (b) a period of six months or less is left in the term of the panchayat or, as the case may be, the neighbourhood council; and
- (c) a period of not less than six months has lapsed from the date of previous non-confidence motion, if any, was reject.

58. Code of conduct for chairpersons, members and designated officers.— (1) As soon as may be, but not later than six months of the commencement of this Act, the Government shall prescribe a code of conduct for the chairpersons, members and designated officers.

(2) In addition to any other matter considered appropriate by the Government, the code of conduct shall address the following matters, namely:—

- (a) standards for ethical conduct of chairpersons, members and designated officers; and
- (b) procedures for resolution of disputes between chairpersons and members.

(3) The relevant designated officer shall cause a copy of the code of conduct to be made available to the public for inspection at the office of every panchayat and neighbourhood council during usual office hours.

59. Misconduct by a chairperson or member.— For the purpose of this Act, a chairperson or a member shall be guilty of misconduct if he violates any provision of the code of conduct prescribed under section 58 of this Act or involves in any one or more derelictions listed in the Twelfth Schedule.

60. Cognizance of misconduct etc by a chairperson or member.— (1) The relevant designated officer or any resident may make a written complaint before the Board where, in his opinion, a chairperson or member is guilty of misconduct.

(2) In the like manner, the relevant designated officer or any resident may make a written complaint before the Board where, in his opinion, a chairperson or member:

- (a) has become incapable of acting due to bad health or for unsoundness of mind;
- (b) has been declared as an undischarged solvent by a competent court;
- (c) his continuance in office is undesirable in the interests of the public or of the panchayat or, as the case may be, the neighbourhood council; or
- (d) he is a whole-time salaried servant of the Government, a local government or the Federal Government

(2) The Board shall, after due notice and inquiry, submit a report to the Secretary giving clear findings as to whether the chairperson or, as the case may be, the member is guilty or misconduct or one or more of other assertions referred to in subsection (2) against him are proved, and whether he shall be removed from office on this account.

61. Removal of a chairperson or member on the recommendation of Board.—(1) On receipt of the report of the Board under section 60 of this Act, the Secretary may, after giving him an opportunity of offering explanation, remove a chairperson or member who, in view of the Board is guilty of misconduct, or against whom one or more of the other assertions referred to in subsection (2) of section 58 of this Act have been proved.

(2) No chairperson or member who has been removed under subsection (1) shall be eligible for re-election for the next five years.

(3) On the removal of a chairperson, all of his powers and duties shall vest with the officer appointed under section 81 of this Act.

(4) Within three months of the removal of a chairperson, the Election Commission shall, having regards to the provisions of section 37 and 57 of this Act, call for a fresh election of the respective panchayat or, as the case may be, neighbourhood council.

62. Suspension and reinstatement of a chairperson or member.—(1) The Secretary may, after giving him an opportunity of offering explanation, suspend a chairperson or member for a specific period, who, in his view is:—

- (a) involved in an act that results in wrongful gain to himself or to any other person;
- (b) exercising powers or authority vested in him under this Act or any other law for the time being in force or fails to or refuses to exercise such powers or authority, for corrupt, unlawful or improper motives;
- (c) corrupt or involves himself in a corrupt practice within the meaning of clause (h) and (i) of section 2 of this Act or under any other law for the time being in force;
- (d) knowingly violating any provision of this Act or lawful directions or orders of the Government; and
- (e) generally acting in a manner which is prejudicial to the public interest.

(2) Immediately after making an order under subsection (1), the Secretary shall refer a case to the Board for a report clearly mentioning one or more charges and the related evidence against which such order was made.

(3) The Board shall, after due notice and inquiry, submit the report giving clear findings as to whether the charge or charges referred to in subsection (2) are proved against the chairperson or, as the case may be, the member, and whether he shall be removed from office on this account.

(4) The Secretary shall forthwith reinstate the chairperson or member suspended under subsection (1) if he is found not guilty of the charges after an inquiry under subsection (3).

63. Suspension of a panchayat or neighbourhood council.— (1) Where on the basis of a report of the Board laid before him, the Minister is of the view that one or more of the grounds listed at the Thirteenth Schedule have continued to exist despite service of two notices upon its chairperson with an interval of not less than thirty days, that panchayat or, as the case may be, neighbourhood council shall, by a notification in the official gazette, be suspended for a period of not more than six months.

(2) Immediately upon the suspension of a panchayat or neighbourhood council under subsection (1):—

- (a) all of its members, including the chairperson, shall vacate their offices; and
- (b) all of its powers and duties, funds and other property shall rest with the officer appointed under section 81 of this Act.

(3) Where on a submission of the chairperson of a panchayat or neighbourhood council suspended under subsection (1), the Minister is satisfied that sufficient measures have been undertaken or will be undertaken by him to improve performance, prevent misuse of authority and ensure compliance with the directions under this Act, the panchayat or, as the case may be, the neighbourhood council may be reinstated.

64. Dissolution of a panchayat or neighbourhood council.— (1) Where, on a report of the Board, the Minister is of the view that a panchayat or neighbourhood council has attracted one or more grounds of suspension as mentioned in section 63 of this Act, and at least one of such grounds is the same for which it was previously suspended, it shall be dissolved by a notification in the official gazette.

(2) Immediately upon the dissolution of a panchayat or neighbourhood council under subsection (1):—

- (a) all of its members, including the chairperson, shall vacate their offices; and
- (b) all of its powers and duties, funds and other property shall rest with the officer appointed under section 81 of this Act.

(3) Within three months of its dissolution, the Government shall, having regards to the provisions of section 37 of this Act, call for fresh election of the panchayat or, as the case may be, neighbourhood council.

65. Constitution of Local Boards and their place of sitting.— (1) As soon as may be, but not later than six months after the commencement of this Act, the Government shall, by notification in the official Gazette, establish as many Local Boards as it considers necessary for the purpose of:-

- (a) inquiring into allegations of misconduct against a chairperson or member under this Act; and
- (b) reporting as to whether one or more grounds listed at the thirteenth Schedule exist which may render a panchayat or, as the case may be, a neighbourhood council liable for suspension or dissolution under section 64 of this Act.

(2) Where the Government establishes more than one Boards, it shall specify the territorial limits within which, or the class of cases in respect of which, each one of them shall exercise jurisdiction under this Act.

(3) The terms and conditions of service of the Chairperson and members of the Board shall be such as may be prescribed.

(4) A Board may hold its sittings at such places within its territorial jurisdiction as the Chairperson may decide.

66. Composition and quorum of Local Boards.— (1) Every Board shall consist of a Chairperson who is, or has been, or is qualified for appointment as a District Judge, to be appointed after consultation with the Chief Justice of the High Court and two members to be appointed by the Government having such appropriate professional qualifications and experience in the relevant area as may be prescribed.

(2) For every sitting of the Board, the presence of the Chairperson and not less than one member shall be necessary.

67. Decisions of Local Board how expressed.— (1) Every decision of the Board shall be expressed in terms of the opinion of the majority, or if the case has been decided by the Chairperson and only one of the members and there is a difference of opinion between them, the decision of the Board shall be expressed in terms of the opinion of the Chairperson.

(2) A Board shall not, merely by reason of a change in its composition, or the absence of any member from any sitting, be bound to recall and rehear any witness who has given evidence, and may act on the evidence already recorded by, or produced, before it.

68. Act or proceedings of a Board not to be invalid for existence of vacancy etc.— No act or proceeding of a Board shall be invalid by reason only of the existence of vacancy in, or defect in its constitution.

69. Time limit for decision of cases.— The Government may, after taking views from the Board, fix maximum period for conclusion of inquiries under this Act, which shall, in no case, exceed three months.

70. Removal of chairperson and members on ground of inefficiency or misconduct.— The Government may remove a Chairperson or other member of a Board on ground of inefficiency, delay in decision of cases within limits set by this Act or misconduct.

Chapter VIII– Offences, Penalties and Compensations

71. Penalty for disobedience of an order of panchayat or neighbourhood council to remove obstruction or refrain from causing public inconvenience.— A person who, without sufficient cause, does not act or undertakes the work as required of him in a notice served upon him under section 20 of this Act within the period specified therein, shall be guilty of an offence punishable with a fine which may extend to fifty thousand rupees and if such offence continues, with a further fine which may extend to one thousand rupees for every day after the first during which the offence continues.

72. Penalty for disregard or disobedience of a general order of panchayat or neighbourhood council.— A person who, without sufficient cause, disregards or disobeys a general order of a panchayat or, as the case may be, neighbourhood council passed under section 21 of this Act, shall be guilty of an offence punishable with a fine which may extend to twenty-five thousand rupees and if such offence continues, with a further fine which may extend to five hundred rupees for every day after the first during which the offence continues.

73. Penalty for destroying etc. of name plate of street etc.— A person who, without permission, destroys, pulls down, defaces or alters any name plate of a street or number affixed to or painted on a building under section 24 of this Act, or affixes to or paints on a building a different name or number from that affixed or painted by or under the order of the panchayat, shall be guilty of an offence punishable with a fine which may extend to five thousand rupees.

74. Penalty for wilfully obstructing a panchayat or neighbourhood council or its employees etc.— Any person who wilfully obstructs a panchayat or, as the case may be, neighbourhood council, its employee or any person authorized by it, in exercise of the powers conferred by this Act, shall be guilty of an offence punishable with fine which may extend to ten thousand rupees.

75. Penalty for disobedience of other direction or prohibition of a panchayat or neighbourhood.— Whoever disobeys any lawful direction or prohibition given by a panchayat or neighbourhood council by a written notice under any power conferred by this Act or the rules made under it, or fails to comply with any condition subject to which any permission was given by the panchayat or neighbourhood council under any power so conferred, shall, if the disobedience or omission is not an offence punishable under any other provision of this Act, be punished with a fine which may extend to three thousand rupees and, in case of continuing breach, with a further fine which may extend to five hundred rupees for every day during which the breach is continued after conviction for the first such breach, so, however, that it does not exceed in the aggregate five thousand rupees.

76. Penalty for infringement of by-laws of a panchayat or neighbourhood council.— In making any by-law, a panchayat or, as the case may be, neighbourhood council may direct that a breach of the same shall be punishable with fine which may extend to five thousand rupees and in the case of a continuing breach, with a further fine which may extend to five hundred rupees for every day during which the breach is continued after conviction for the first such breach, so, however, that it does not exceed in the aggregate ten thousand rupees.

77. Imprisonment for default of payment of penalties.— Where a person against whom a fine has been imposed for an offence under this Act fails to pay such fine, he shall be guilty of an offence punishable with a simple imprisonment of not exceeding thirty days.

78. Compensation for any damage to panchayat or neighbourhood council.— Every person convicted of an offence under this Act on account of any act or omission, shall, notwithstanding any punishment to which he may have been sentenced for such offence, pay compensation, the amount of which shall be determined by the Municipal Magistrate before whom he was so convicted, to the panchayat or neighbourhood council for any damage that may have occurred to any of its property in consequence of such an act or omission.

79. Cognizance of offences under this Act.— (1) All offences under this Act shall be tried by the relevant Municipal Magistrate.

(2) No Municipal Magistrate shall take cognizance of an offence under this Act or any rule or bye-law made thereunder, unless he receives a complaint in writing from the respective panchayat or neighbourhood council or a person so authorized by it.

80. Appointment of Municipal Magistrates.— The Government may, on the recommendation of the High Court, appoint one or more Special Judicial Magistrates under section 14 of the Code of Criminal Procedure, 1898 (Act V of 1898), to be called the Municipal Magistrates, for cognizance of offences under this Act.

Chapter IX – Miscellaneous

81. Appointment of designated officer.— (1) The Government may, appoint one or more of its officers as designated officers for the purpose of this Act.

(2) Where the Government appoints more than one designated officers, it shall specify the territorial limits within which, or the class of cases in respect of which, each one of them shall exercise jurisdiction under this Act.

82. Appeal against an order of panchayat or neighbourhood council.— Any person aggrieved by an order or notice of a panchayat or, as the case may be, neighbourhood council, may within thirty days of the receipt of such order or notice, prefer an appeal to the relevant designated officer.

83. Representation against orders of a designated officer.— Any person, panchayat or neighbourhood council, aggrieved by an order of the designated officer, including an order under section 82 of this Act, may, within thirty days of the receipt of such order, make a representation to the Secretary.

(2) The decision of the Secretary as regards to the matter of the representation shall be final and shall not be liable to be questioned in any court of law.

84. Power of the Government to appoint any of its officer as administrator pending fresh elections.— The Government shall, on the suspension or dissolution of a panchayat or neighbourhood council, or on the suspension or removal of a chairperson, and pending the constitution of a new panchayat or, as the case may be, neighbourhood council by way of elections under this Act, appoint any of its officers to perform such duties and exercise such powers of that panchayat or neighbourhood council as it may specify.

85. Fresh elections not to be called where the remaining term in office of a panchayat or neighbourhood council is less than six months.— Where, at the time of its dissolution under section 64 of this Act, or occurrence of vacancy in the office of the chairperson due to his death, resignation, removal or for any other reason, the remaining term in office of the panchayat or, as the case may be, the neighbourhood council is less than one hundred and twenty days, fresh elections shall not be called by the Government and the officer referred to in section 81 of this Act shall continue to exercise powers and perform duties and functions of the panchayat, neighbourhood council or, as the case may be, the chairperson and the funds and properties of the panchayat or, as the case may be, neighbourhood council shall continue to vest in him till an elected council resumes office under a general election under section 27 of this Act.

86. Resolution of disputes inter se panchayats and neighbourhood councils or with a local government and other agency.— (1) Where a dispute arises between two or more panchayats or neighbourhood councils, either of the panchayat or neighbourhood council may refer it to the relevant designated officer for decision.

(2). Where a dispute arises between a panchayat or neighbourhood council with a local government, either of the two may refer it to the Secretary for decision.

87. Panchayat and neighbourhood council staff.— (1) The number and nature of employees of a panchayat and neighbourhood council shall be such as the Government may, from time to time, determine.

(2) Notwithstanding anything to the contrary contained in any law for the time being in force, all employees referred to in subsection (1) shall be liable to termination at a notice of thirty days and ineligible for regular employment and associated benefits including

promotion, pension and gratuity.

88. Protection of action done in good faith.— No suit, prosecution, or other legal proceedings shall rest against a panchayat, neighbourhood, the Government or any of their officers or employees duly appointed or otherwise in respect of anything which is done in good faith or is intended to be done or purported to be done under this Act or any rule or regulation or bye-law made thereunder.

89. Recovery of dues as arrears of land revenue.— On an application of a panchayat or, as the case may be, any sums due to it under this Act, may be recovered as if they were arrears of land revenue.

90. Power to make rules.— (1) The Government may make any rules consistent with this Act to carry out the purposes thereof and may also provide that the breach of any such rules shall be punishable with a fine which may extend to fifty thousand rupees.

(2) In particular and without prejudice to the generality of the foregoing power, the Government may make rules—

- (a) with reference to all matters in respect of which rules are expressly required or allowed by his Act to be prescribed ;
- (b) regulating the filling of casual and permanent vacancies in a panchayat or neighbourhood council and the appointment, suspension, and removal of chairpersons and members of panchayat and neighbourhood councils;
- (c) regulating the election, suspension or removal of a chairperson of panchayat and neighbourhood council;
- (d) regulating the functions and powers of the chairperson of panchayat and neighbourhood council;
- (e) regulating the exercise by a panchayat and neighbourhood council of any of its powers under this Act and in particular its power to sue and to acquire, hold or transfer property and to enter into contracts;
- (f) regulating the assessment and collection of taxes, appeals against assessments and collection of taxes and the custody and proper maintenance of the panchayat and neighbourhood council funds;
- (g) regulating the custody and proper maintenance of accounts, records and registers by panchayats and neighbourhood councils;
- (h) authorizing and regulating the manner in which and the agency by whom the records, register accounts and other proceedings of a panchayat or neighbourhood council should be inspected; and
- (i) prescribing the qualifications of voters, chairpersons and members of panchayat and neighbourhood councils.

91. Panchayats and neighbourhood councils to promulgate bye-laws.— (1) Every panchayat and neighbourhood council may, having due regards to the provisions of this Act and the rules made thereunder, make regulations to carry out the purpose of this Act in so far as it relates to its functions, powers and duties.

(2) The by-laws made under subsection (1) shall not have effect unless these are declared to be compliant with the provisions of this Act and the rules made there under and are published in such manner as may be prescribed.

92. Government may prescribe model by-laws.— The Government may, having due regards to the provisions of this Act and the rules made thereunder, prescribe model bye-laws for adoption by panchayats and neighbourhood councils.

93. Removal of difficulties.— The Government may, by order, provide for the removal of any difficulty which may arise in giving effect to the provisions of this Act.

94. Act to override other laws.— The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.

First Schedule
(See section 3)

**Population and Number of Neighbourhoods in Various
Cities and Towns**

Serial	Urban local government and, or local area population as per last available census	Population of a neighbourhood as per last available consensus	Maximum permitted neighbourhoods
1.	Metropolitan Corporation, Lahore excluding rural areas	Between thirty-five thousand and forty-five thousand	280
2.	Metropolitan Corporation, Faisalabad	Between fifteen thousand and twenty-two thousand	165
3.	Metropolitan Corporations, Gujranwala and Rawalpindi	Between fifteen thousand and twenty-two thousand	105
4.	Municipal Corporation, Multan	Between fifteen thousand and twenty-two thousand	95
5.	Between eight hundred thousand and nine hundred thousand.	Between fifteen thousand and twenty-two thousand	45
6.	Between seven hundred thousand and eight hundred thousand	Between fifteen thousand and twenty-two thousand	40
7.	Between six hundred thousand and seven hundred thousand	Between fifteen thousand and twenty thousand	35
8.	Between five hundred thousand and six hundred thousand	Between fifteen thousand and twenty-two thousand	30
9.	Between four hundred thousand and five hundred thousand	Between fifteen thousand and twenty thousand	25
10.	Between three hundred thousand and four hundred thousand	Between fifteen thousand and twenty thousand	20
11.	Between two hundred thousand and three hundred thousand	Between twelve thousand and twenty thousand	15
12.	Between one hundred thousand and two hundred thousand	Between eight thousand and eighteen thousand	12

13.	Between seventy-five thousand and one hundred thousand	Between seven thousand and twelve thousand	10
14.	Between fifty and seventy five thousand	Between five thousand and twelve thousand	8
15.	Between thirty thousand and fifty thousand	Between three thousand and ten thousand	6
16.	Less than thirty thousand	Between two thousand and seven and half thousand	5

Second Schedule
(See section 10)

Strength of Members for Various Panchayats

Serial	Village population as per latest census	General Members including the chairperson	Members representing religious minorities	Members representing women
1.	Greater than fifteen thousand	5	1	2
2.	Between ten thousand to fifteen thousand	4	1	2
3.	Between five thousand to ten thousand	3	1	1
4.	Less than five thousand	2	1	1

Note: Seat for member representing religious minorities in a panchayat reflected above will only be available if the population of religious denominations which are in minority in the village exceeds five per centum of the total population as per latest census.

Third Schedule
(See section 10)

Strength of Members for Various Neighbourhood Councils

Serial	Neighbourhood population as per latest census	General Members including the chairperson	Members representing religious minorities	Members representing women
1.	Greater than fifteen thousand	5	1	2
2.	Between seven and a half to fifteen thousand	4	1	2
3.	Between three thousand to seven and half thousand	3	1	1
4.	Less than three thousand	2	1	1

Note: Seat for member representing religious minorities in a neighbourhood council reflected above will only be available if the population of religious denominations which are in minority in the neighbourhood exceeds five per centum of the total population as per latest census.

Fourth Schedule

(See section 17)

Primary Functions of a Panchayat

- (a) Construction, maintenance and repair of public ways including culverts and bridges, ferries and causeways;
- (b) Maintenance of common spaces including their sanitation;
- (c) Drinking and domestic water supply including construction, maintenance and repairs of wells, water pumps, ponds, tanks and pipes;
- (d) Burial and burning grounds including disposal of unclaimed dead and carcasses;
- (e) Lighting of public ways and places;
- (f) Planting and preservation of trees and destruction of harmful weeds;
- (g) Buildings for the accommodation of travellers;
- (h) Ponds for animals and cattle;
- (i) Sheds for cart, bicycle, rickshaw, and auto stand;
- (j) Relief of the poor or the sick;
- (k) Relief in calamities and emergencies;
- (l) Public health including inoculations and epidemic control campaigns;
- (m) Population welfare, including population control;
- (n) Universal education including measures for school enhancing enrolment and attendance of students, and providing stipends and scholarships;
- (o) Promotion of hygiene including improved latrines, septic tanks and reduction of open defecation;
- (p) Village sewerage, waste water collection and treatment;
- (q) Collection and disposal of domestic waste;
- (r) Organization and celebrations of public festivals, other than religious festivals;
- (s) Public gardens and public play-grounds;
- (t) Libraries and reading rooms;
- (u) Voluntary registration of the sales of cattle, camels and horses;
- (v) Development of agriculture and village industries;
- (w) Promotion and development of agriculture and horticulture including starting and maintaining a grain fund for cultivators and lending them seeds for sowing purposes on such conditions as the panchayat may approve;
- (x) Development of barren lands, development and maintenance of common grazing grounds;
- (y) Promotion of dairy farming, poultry and fish farming;
- (z) Collection and destruction of stray animals;
- (aa) Maintenance of public properties and village common properties under its control;
- (bb) Organization of voluntary labour and contributions to community work;
- (cc) Construction, repair and maintenance of common village assets, including minor repairs of public schools, health and other facilities provided in the village by the Government or a local government;
- (dd) Removal of encroachments and prevention of illegal trespass over public properties; and
- (ee) any other matter which Government may by notification declare to be a suitable subject for administration by panchayats generally or by any particular panchayat.

Fifth Schedule
(See section 17)

Primary Functions of a Neighbourhood Council

- (a) Maintenance of common spaces including their sanitation;
- (b) Planting and preservation of trees and destruction of harmful weeds;
- (c) Relief of the poor or the sick;
- (d) Relief in calamities and emergencies;
- (e) Public health including inoculations and epidemic control campaigns;
- (f) Population welfare, including population control;
- (g) Universal education including measures for school enhancing enrolment and attendance of students, and providing stipends and scholarships;
- (h) Promotion of hygiene including improved latrines, septic tanks and reduction of open defecation;
- (i) Support local government in collection and disposal of domestic waste;
- (j) Organization and celebrations of public festivals, other than religious festivals;
- (k) Libraries and reading rooms;
- (l) Organization of voluntary labour and contributions to community work;
- (m) Construction, repair and maintenance of neighbourhood assets, including minor repairs of public schools, health and other facilities provided in the neighbourhood by the Government or a local government;
- (n) Removal of encroachments and prevention of illegal trespass over public properties; and
- (o) any other matter which Government may by notification declare to be a suitable subject for administration by neighbourhoods generally or by any particular neighbourhood.

Sixth Schedule
(See section 25)

Primary Duties of a Chairperson

- (a) Ensure that the business of the panchayat or, as the case may be, the neighbourhood council is carried out strictly in accordance with this Act and other laws for the time being in force;
- (b) Efficient, effective and transparent functioning of the panchayat or, as the case may be, the neighbourhood council;
- (c) Accomplishment of objectives set out by the common assembly, panchayat or, as the case may be, neighbourhood council;
- (d) Presenting not less than two reports on the performance of the panchayat or, as the case may be, neighbourhood council to the common assembly and the Government during each calendar year;
- (e) As and when required, invite local officials to attend meeting of the common assembly under section 7 of this Act;
- (f) Subject to other provisions of this Act, convene and preside over general and extraordinary meetings of the common assembly;
- (g) As and when called upon by the common assembly, submit:
 - (i) a report on enforcement actions under section 5(1)(a) and 5(1)(f) of this Act;
 - (ii) consolidated account of all moneys received in and expenditures incurred from the local fund during each financial year;
 - (iii) a report on audit of accounts under section 49 of this Act;
 - (iv) clarification on any matter relating to his duties under this Act;
- (h) Approach the Government or a local government in relation to any common need of the residents as directed by common assembly.
- (i) Subject to other provisions of this Act, convene and preside over general and extraordinary meetings of panchayat or, as the case may be, neighbourhood council;
- (j) Prepare and present an estimate of receipt and expenditure under section 45 of this Act;
- (k) Remedy the defects or irregularities, if any, pointed out in the report on audit of accounts of the panchayat or, as the case may be, neighbourhood council;
- (l) Submit a copy of every resolution and order of the panchayat or, as the case may be, the neighbourhood council to the designated officer;
- (m) Maintain records of the panchayat or, as the case may be, neighbourhood council;
- (n) As required by him under section 45 of this Act, produce before the designated officer any book, proceeding and record of the panchayat or, as the case may be, the neighbourhood council;
- (o) As required by him under section 46 of this Act, allow the designated officer full access to all books, proceedings and records of the panchayat or, as the case may be, the neighbourhood council;
- (p) Faithfully observe code of conduct provided under section 58 of this Act;
- (q) Represent the panchayat or, as the case may be, neighbourhood council at civic or ceremonial functions;
- (r) Maintain general supervision and control over employees of the panchayat or, as the case may be, neighbourhood council for the above purposes;
- (s) Any other duty as the panchayat or, as the case may be, neighbourhood council may, by a resolution direct; and
- (t) Any other duty as may be assigned to him by the Government.

Seventh Schedule
(See section 25)

Primary Duties of a Member

- (a) Serve overall interest of the village or, as the case may be, the neighbourhood which he represents; and
- (b) Ensure that the business of the panchayat or, as the case may be, the neighbourhood council is carried out strictly in accordance with this Act and other laws for the time being in force;
- (c) Contribute towards efficient, effective and transparent functioning of the panchayat or, as the case may be, the neighbourhood council;
- (d) Accomplish objectives set out by the common assembly, panchayat or, as the case may be, neighbourhood council;
- (e) Avoid conflict, or possible conflict between his private interest and honest performance of his role of serving public interest;
- (f) Attend the meetings of the panchayat or, as the case may be, the neighbourhood council and the common assembly;
- (g) Faithfully observe code of conduct provided under section 58 of this Act;
- (h) Any other duty as the panchayat or, as the case may be, neighbourhood council may, by a resolution direct; and
- (i) Any other duty as may be assigned to him by the Government.

Eighth Schedule
(See section 31)

Declaration on Finality of Prophethood

I, (mention here the name of the candidate taking oath), son of, wife of or the daughter of (mention here the name of father of the candidate and in case the candidate is a married female, the name of her husband) do hereby solemnly swear that I believe in the absolute and unqualified finality of the Prophethood of Hazrat Muhammad (Peace be upon him), the last of the prophets, and that I am not the follower of anyone who claims to be a Prophet in any sense of the word or of any description whatsoever after Hazrat Muhammad (peace be upon him), and that I do neither recognize such a claimant to be Prophet or religious reformer nor do I belong to the Qadiani group or the Lahori group or call myself Ahmadi.

Date:

Signature of the Declarant

Ninth Schedule
(See section 34)

Oath of the Office of Chairperson

(in the name of Allah, the most Beneficent, the most Merciful)

I, (mention here the name of the chairperson taking oath), son of, wife of or the daughter of (mention here the name of father of the chairperson and in case the chairperson is a married female, the name of her husband) elected as chairperson of the (mention here the name of respective panchayat, or as the case may be, the neighbourhood council) do hereby solemnly (in case he is a Muslim) swear, or (in case he is a non-Muslim) affirm:

That, I shall bear true faith and allegiance to Pakistan and would always work to strengthen its ideology, integrity, solidarity and prosperity;

And that, I shall perform my duties under the Punjab Village Panchayat and Neighbourhood Councils Act, 2019 and rules, bye-laws and regulations made under it and all other applicable laws, honestly, efficaciously and efficiently to the best of my ability;

And that I shall, as chairperson of (mention here the name of panchayat or, as the case may be, neighbourhood council), always work in the best interest of the residents without any favour or prejudice and shall not allow my personal interest to influence my official conduct or my official decision;

And that I shall, to the best of my ability, use moneys and resources of the (mention here the name of panchayat or, as the case may be, neighbourhood council) in the best interest of the residents and would do all what is required to prevent misuse or misappropriation of such money or resources;

And that in all circumstances I shall do right to all people according to law without fear or favour, ill will, or discrimination;

And that I shall, always act according to and uphold and promote democratic values;

And that I shall not directly or indirectly communicate or reveal to any person any matter which shall become known to me in my official capacity, except as may be required for the due discharge of my duties.

May Allah Almighty, or (in case the chairperson is a non-Muslim) God, help and guide me (A'meen)

Countersigned
Signature and seal of the
Presiding Officer

Signature of the Declarant

Tenth Schedule
(See section 34)

Oath of the Office of Member

(in the name of Allah, the most Beneficent, the most Merciful)

I, (mention here the name of the member taking oath), son of, wife of or the daughter of (mention here the name of father of the member and in case the member is a married female, the name of her husband) elected as member to (mention here the name of respective panchayat or, as the case may be, neighbourhood council) do hereby solemnly (in case the member is a Muslim) swear, or (in case the member is a non-Muslims) affirm:

That, I shall bear true faith and allegiance to Pakistan and would always work to strengthen its ideology, integrity, solidarity and prosperity;

And that, I shall perform my duties under the Punjab Village Panchayat and Neighbourhood Councils Act, 2019 and rules, bye-laws and regulations made under it and all other applicable laws, honestly, efficaciously and efficiently to the best of my ability;

And that I shall, as member of (mention here the name of panchayat or, as the case may be, neighbourhood council), always work in the best interest of the residents without any favour or prejudice and shall not allow my personal interest to influence my official conduct or my official decision;

And that I shall, to the best of my ability, use moneys and resources of the (mention here the name of panchayat or, as the case may be, neighbourhood council) in the best interest of the residents and would do all what is required to prevent misuse or misappropriation of such money or resources;

And that in all circumstances I shall do right to all people according to law without fear or favour, ill will, or discrimination;

And that I shall, always act according to and uphold and promote democratic values;

And that I shall not directly or indirectly communicate or reveal to any person any matter which shall become known to me in my official capacity, except as may be required for the due discharge of my duties.

May Allah Almighty, or (in case the chairperson is a non-Muslim) God, help and guide me (A'meen)

Countersigned
Signature and seal of the
Presiding Officer

Signature of the Declarant

A Movable Property: Cash in hand, Credit, Insurance Policy, Debenture, Shares etc.							
Ser	Description	Present value	Name of owner	In case of loan, name of creditor and relationship between creditor with declarant	Date of acquisition	Manner of acquisition	Remarks
1							
2							
3							
B Movable Property: Businesses							
Ser	Description	Capital	Name of owner	Date of acquisition	Manner of acquisition	Remarks	
1							
2							
3							
C Movable Property: Motor Vehicles							
Ser	Description (make, model, registration)	Present value	Name of owner	Date of acquisition	Manner of acquisition	Remarks	
1							
2							
3							
D Movable Property: Bank Account(s)							
Ser	Account number, title, Bank and Branch	Present value	Name of account holder	Date of acquisition	Manner of acquisition	Remarks	
1							
2							
3							

I hereby declare that the Declaration made as above is complete, true and correct to the best of my knowledge and belief.

Signature of the Declarant

Twelfth Schedule
(See section 59)

**Other Derelictions Constituting Misconduct by a Chairperson
or Member**

- (a) Involvement in an act that results in wrongful gain to himself or to any other person;
- (b) Exercise of a power or authority vested in him under this Act or other law for the time being in force or failure to or refusal to exercise such powers or authority, for corrupt, unlawful or improper motives;
- (c) Being corrupt or involvement in a corrupt practice within the meaning of clause (h) and (i) of section 2 of this Act or under any other law for the time being in force;
- (d) Being convicted of any non-bailable offence or such bailable offence, which, in the opinion of the Minister, implies a defect of character unfitting him to be a chairperson or member;
- (e) Without reasonable cause absenting himself from three consecutive meetings of the panchayat or, as the case may be, the neighbourhood council;
- (f) Dereliction from duty or showing gross negligence in performance of duties with manifest wrongful intent;
- (g) Despite knowledge, violation of any provision of this Act or lawful directions or orders of the Government;
- (h) Generally acting in a manner which is prejudicial to the public interest;
- (i) Repeatedly or grossly exceeding any authority; or repeatedly or grossly misusing any authority conferred upon him under this Act;
- (j) Failure to make any payment due against him under section 47 of this Act;
- (k) Incurring any of the disqualifications in terms of section 31 of this Act or otherwise becoming ineligible for being elected as a chairperson or member;
- (l) Violation of any provision of the oath undertaken by him under this Act;
- (m) Failure to declare assets or to correctly declare assets under section 52 of this Act despite notice;
- (n) Having been notified as disqualified for appointment in the public service;
- (o) Attempting at, or abetting any act which constitutes misconduct under this section.

Thirteenth Schedule

(See section 63)

**Grounds for Suspension or Dissolution of a Panchayat or
Neighbourhood Council**

- (a) If the panchayat or, as the case may be, neighbourhood council is incompetent, or persistently fails in the performance of one or more duties imposed on it by or under this or any other Act for the time being in force;
- (b) If the panchayat or, as the case may be, neighbourhood council grossly exceeds or abuses its powers;
- (c) If the panchayat or, as the case may be, neighbourhood council wilfully disregards any direction arising out of audit of accounts, inspection of works or in relation to its other duties under this Act.

Muhammad Khan Bhatti
Secretary