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# **THE PUNJAB SEED CORPORATION ACT, 1976**

## **(X of 1976)**

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**TEXT**

**THE PUNJAB SEED CORPORATION ACT, 1976**

**(X of 1976)**

[18<sup>th</sup> June, 1976]

**An  
Act**

*to provide for the establishment of the Punjab Seed Corporation.*

**Preamble.— WHEREAS** it is expedient to provide for the establishment in the Province of the Punjab, a Corporation for the production, procurement, processing, marketing and distribution of seeds;

It is hereby enacted as follows:—

**CHAPTER I  
PRELIMINARY**

**1. Short title, extent and commencement.—** (1) This Act may be called the Punjab Seed Corporation Act, 1976.

(2) It shall extend to the whole of the Province of the Punjab.

(3) It shall come into force at once.

**2. Definitions.—** (1) In this Act, unless there is anything repugnant in the subject or context—

(a) “Advisor” means the Advisor of the Corporation;

(b) “Board” means the Board constituted under section 4 of this Act;

(c) “Corporation” means the Punjab Seed Corporation established under section 3 of this Act;

(d) “Employee” means an employee of the Corporation;

(e) “Government” means the Government of the Punjab;

(f) “Managing Director” means the Managing Director of the Corporation and includes any person discharging the duties of the Managing Director for the time being;

(g) “Member” means the member of the Board and includes its Chairman and Managing Director;

(h) “Registered Grower” means a grower registered with the Corporation in the prescribed manner; and

(i) “Prescribed” means prescribed by rules or regulations.

(2) All words and expressions used but not defined in this Act shall bear

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<sup>1</sup>This Act was passed by the Punjab Assembly on 8th June, 1976; assented to by the Governor of the Punjab on 18<sup>th</sup> June, 1976; and, published in the Punjab Gazette (Extraordinary), dated 18th June, 1976, pages 1389-1397.

the same meanings as are assigned to them in the Seed Act, 1976.

## **CHAPTER II**

### **Constitution of the Corporation**

**3. Establishment of the Corporation.**— (1) As soon as may be, after the commencement of this Act, there shall be established a Corporation to be called the Punjab Seed Corporation.

(2) The Corporation shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire and hold property, both movable and immovable and it shall sue and be sued by the said name.

**4. Establishment, powers and constitution of the Board.**— (1) The administration and management of the Corporation and its affairs shall vest in a Board to be constituted by the Government through a notification issued in the official Gazette. The Board may exercise powers and do all acts and things that may be exercised or done by the Corporation in accordance with the provisions of this Act.

(2) The Board in discharging its functions shall act on commercial considerations and be guided by such directions as the Government may give to it from time to time.

(3) The Board shall consist of—

- |                   |   |                  |
|-------------------|---|------------------|
| (a)               | Minister for Agriculture, Government of the Punjab.   | Chairman.        |
| (b)               | Additional Chief Secretary, Planning and Development, Government of the Punjab.   | Member.          |
| (c)               | Secretary to the Government of the Punjab, Agriculture Department.  | Member.          |
| (d)               | Secretary to the Government of the Punjab, Finance Department.  | Member.          |
| <sup>2</sup> [(e) | two representative including at least one female representative, if available from the farming community to be nominated by the Government] | Member           |
| <sup>3</sup> [(f) | two representatives including at least one female representative, if available from the seed trade to be nominated by the Government]       | Member           |
| (g)               | Managing Director, Punjab Seed Corporation of the Board.  | Member/Secretary |

(4) The Members nominated under clauses (e) and (f) of sub-section (3), shall hold office for a term not exceeding three years.

(5) The membership of the Board may be altered by the Government at

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<sup>2</sup>Substituted by the Punjab Fair Representation of Women Act 2014 (IV of 2014); and published in the Punjab Gazette (Extraordinary), dated 12.3.2014, pages 2733-2744, s.2 and Schedule, at serial No.16.

<sup>3</sup>Substituted by the Punjab Fair Representation of Women Act 2014 (IV of 2014); and published in the Punjab Gazette (Extraordinary), dated 12.3.2014, pages 2733-2744, s.2 and Schedule, at serial No.16.

any time.

**5. Managing Director.**— (1) The Government shall appoint a Managing Director who shall be the Chief Executive of the Corporation.

- (2) The Managing Director shall—
  - (a) be a whole time officer of the Corporation;
  - (b) perform such duties as may be prescribed or as the Board may assign to him; and
  - (c) receive such salary and allowances as the Government may determine.

**6. Resignation by or removal of nominated Member.**— Notwithstanding anything contained in this Act a nominated member may at any time before the expiry of his term of office, resign his office, or be removed from office by Government without assigning any reason.

**7. Removal of Managing Director.**— (1) The Managing Director may at any time before the expiry of his term and upon three month's notice, resign his office or upon similar notice be removed by Government <sup>4</sup>[after affording him an opportunity of being heard]:

Provided that Government may upon payment of three month's salary and allowances in lieu of the notice remove him immediately <sup>5</sup>[after affording him an opportunity of being heard].

- (2) The Board may remove the Managing Director if he—
  - (a) refuses or fails to discharge or becomes, in the opinion of the Board, incapable of discharging his responsibilities under this Act;
  - (b) has, in the opinion of the Board, abused his position as Managing Director;
  - (c) has knowingly acquired, without permission in writing of the Board, directly or through a partner, any share or interest in any contract or employment with or on behalf of the Corporation or in any property, which in his knowledge, is likely to benefit or has benefitted him as a result of the operations of the Corporation;
  - (d) has in the opinion of the Board violated the declaration of fidelity and secrecy provided in Section 9; or
  - (e) has absented himself for three consecutive meetings of the Board without leave of the Board.

**8. Appointment of officers etc. of the Corporation.**— The Board may, subject to such general or special orders as Government may give to it from time to time, appoint such officers, advisors and servants as it deems necessary for the efficient performance of its functions on such terms and conditions as may be prescribed:

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<sup>4</sup>Substituted for the words "without assigning any reason" by the Punjab Seed Corporation (Amendment) Ordinance, 1984 (XXXII of 1984); and published in the Punjab Gazette (Extraordinary), dated 17.12.1984, s.2.

<sup>5</sup>Ibid.

Provided that the Board shall have the power to make appointment on contract basis on such terms and conditions as it may deem fit.

**9. Declaration of fidelity and secrecy.**– (1) Every member, advisor, officer and other employee of the Corporation shall, before entering upon his office, make such declaration of fidelity and secrecy as may be prescribed.

(2) Any advisor, officer or other employee of the Corporation, who in the opinion of the Board has violated the declaration of fidelity and secrecy made by him under sub-section (1) shall be liable to be removed forthwith:

Provided that no such person shall be removed unless he is afforded an opportunity of showing cause why he should not be removed from service under this sub-section.

**10. Financial, Technical and Advisory Committee.**– The Board may, for efficient functioning of the Corporation, constitute such financial, technical, and advisory committees as it may deem necessary.

**11. Immunity of the Managing Director and employees of the Corporation.**– Every member, advisor, officer and employee of the Corporation shall be indemnified by the Corporation against all losses and expenses sustained or incurred by him in the discharge of his duties save such losses and expenses as are sustained and incurred as a result of his own wilful act or default.

**12. Delegation of Powers.**– (1) The Board may, by general or special order, delegate to the Managing Director, a Member, Officer or Employee of the Corporation any of its powers, duties or functions under this Act or the rules and regulations made thereunder, subject to such conditions as it may deem fit to impose.

(2) The Managing Director may like-wise delegate to an officer any of his powers under this Act or the rules or regulations made thereunder, not being a power delegated to him by the Board under sub-section (1).

**13. Meetings of the Board.**– (1) The meetings of the Board shall be held at such time and place as may be prescribed:

Provided that at least one meeting shall be held during each quarter of the year:

Provided further that until regulations are made in this behalf, such meetings shall be held at such time and place as may be determined by the Chairman.

(2) The quorum required for transacting business at a meeting of the Board shall be four:

Provided that for the budget meeting of the Board one of the four members constituting the quorum shall be the Finance Secretary.

(3) The meetings of the Board shall be presided over by the chairman and in his absence by such member as may be nominated by him and failing such nomination by any other member as may be elected by the members present.

(4) No act or proceedings of the Board shall be invalid merely on the ground of the existence of any vacancy in or any defect in the constitution of the

Board.

(5) The minutes of every meeting shall be drawn up and recorded in a book to be kept for this purpose and shall be signed by the person presiding over the meeting and such book shall at all reasonable times and without payment of any fee, be open to inspection by any member.

(6) The Managing Director shall circulate to the Members, the copies of the minutes of every meeting.

(7) If Government so directs the Managing Director shall forward to it copies of all papers laid before the Board for consideration at a meeting.

(8) Government may require the Managing Director to furnish to it—

(a) any return, statement, estimate, statistics, or other information regarding any matter, under the control of the Corporation; or

(b) any document in his possession or control, and the Managing Director shall comply with any such requisition without delay.

**14. Power of Board to associate other persons.**— The Board may associate with itself, any person whose assistance or advice it may require, in such manner, on such terms and for such period as it may deem fit.

### **CHAPTER III Powers and Functions of the Corporation**

**15. Powers and Functions of the Corporation.**— (1) Subject to the provisions of this Act, the Corporation may take such measures, exercise such powers as it considers necessary or expedient, undertake any works, incur any expenditure, purchase, take on lease or acquire land for seed production, procure any plants, machinery or material required for its use, and may enter into any contract and do all acts and things necessary for carrying out the purpose of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, the Corporation may take such measures as it may consider necessary for—

(a) Procurement and import of pre-basic seed;

(b) Production and proper multiplication of basic seed;

(c) Multiplication, procurement, processing, bagging and storage of certified seed;

(d) Adequate marketing of certified seed through both the public and private Sector;

(e) export of the certified seed when possible after meeting the national requirements;

(f) taking over and managing the Punjab Agricultural Development Supplies Corporation Seed Farms as directed by the Government on such terms and conditions as may be prescribed;

(g) making suitable arrangements for the multiplication of seeds on private farms under its supervision;

(h) making suitable arrangements for the certification of seed in such

manner as may be prescribed;

- (i) taking all measures to promote the establishment of the seed industry in the Province;
  - (j) rendering technical advice and other services to its registered growers; and
  - (k) contributing towards the cost of any studies, services, experiment or technical research connected with the functions of the Corporation and undertaken or done by any other person, agency or body.
- (3) The Government may entrust any other functions which it may consider necessary to the Corporation.

#### **CHAPTER IV** **Finance, Audit and Accounts**

**16. Source of Funds.**— To enable the Corporation to carry out its business effectively and to meet charges in connection with its functions under this Act, the Government shall provide the Corporation with adequate funds.

**17. Corporation Fund.**— (1) There shall be established a fund to be known as the “Corporation Fund” which shall vest in the Corporation, and be utilised to meet charges in connection with its functions including the payment of salaries and other remunerations of the Managing Director, officers, and employees of the Corporation.

- (2) The Corporation fund shall consist of—
  - (a) equity capital to be provided by the Government;
  - (b) long term loans from the Government;
  - (c) loans from commercial banks to be obtained on the advice of the Board;
  - (d) income and receipts of the Corporation from sale proceeds, fees or any other sums received by the Corporation; and
  - (e) amounts received from the Government in the form of subsidy, commission on providing service and other incidental sums.

**18. Powers of the Corporation to borrow money.**— The Corporation shall be deemed to be a local authority under the Local Authorities Loans Act, 1914 (No. IX of 1914) for the purposes of borrowing money:

Provided that no foreign loan shall be obtained by the Corporation without the previous sanction of the Government.

**19. Budget.**— The annual budget estimates of the Corporation shall be prepared and approved in the manner as may be prescribed.

**20. Accounts and Audit.**— (1) The Corporation shall maintain proper accounts and other relevant records and follow the commercial cost accounting procedure.

(2) The Corporation shall prepare annually a balance sheet including the profit and loss account with such general directions as may be prescribed.



(3) The Accounts of the Corporation shall be audited at least once in every financial year by the Auditor-General of Pakistan.

(4) Before the audit referred to in sub-section (3), the accounts of the Corporation shall be audited at least once in every financial year by an approved firm of Chartered Accountants.

(5) A statement of the audited accounts referred to in sub-section (3) shall be furnished to the Government within four months after the end of every financial year.

**21. Report to be furnished to Government.**— The Corporation shall within four months of the close of each financial year, furnish to Government audited statement of its assets and liabilities of commercial undertakings and transactions together with a profit and loss account and a full report regarding the work performed during the year, and copies of the said statement, account and report shall be published in the official Gazette.

**22. Reference of a dispute to the Arbitrator.**— In the case of any dispute regarding the actual sum due to the Corporation, the matter shall be referred to an arbitrator appointed by the Government and the award of the arbitrator thereon shall be final and binding upon the parties.

**23. Recovery of dues.**— All sums due to the Corporation from any person under an award of an arbitrator or decree of any court shall be recoverable as arrears of land revenue.

**24. Rules.**— The Government may make rules for carrying out the purposes of this Act.

**25. Regulations.**— Subject to the provisions of the Act and the rules framed thereunder, the Board may make regulations for carrying out the purposes of this Act.