

THE PUNJAB IRRIGATION AND DRAINAGE
AUTHORITY (PILOT FARMERS ORGANIZATIONS)
RULES, 1999

In exercise of the powers conferred upon him under Section 16 of the Punjab Irrigation and Drainage Authority Act, 1997, the Governor of the Punjab is pleased to make the following Rules:

1. **Short title and commencement:-** (1) These Rules may be called the Punjab Irrigation and Drainage Authority (Pilot Farmers Organizations) Rules, 1999.
(2) They shall come into force at once.
2. **Definitions:** In these Rules, unless there is anything repugnant in the subject or context —
 - (1) “**Act**” means the Punjab Irrigation and Drainage Authority Act, 1997.
 - (2) “**Area Water Board**” means an Area Water Board established under Section 14 of the Punjab Irrigation and Drainage Authority Act, 1997.
 - (3) “**Authority**” means the Punjab Irrigation and Drainage Authority, established under the Punjab Irrigation and Drainage Authority Act, 1997.
 - (4) “**Bye Laws**” mean Bye-Laws framed by the Punjab Irrigation and Drainage Authority under Section 14 of the Act.
 - (5) “**Farmer**” means a person who is directly engaged in agriculture and is paying Occupier’s rate under the Canal & Drainage Act, 1873.
 - (6) “**Farmers Organization**” means a Farmers Organization established under Section 14 of the Punjab Irrigation and Drainage Authority Act, 1997.
 - (7) “**Government**” means Government of the Punjab.
 - (8) “**Irrigation Tribunal**” means a Tribunal established under Rule 16 (1).
 - (9) “**Irrigation Appellate Tribunal**” means the Tribunal established under Rule 16 (2)

- (10) **“Regulations”** means the Regulations framed by the Punjab Irrigation and Drainage Authority under the Act.
- (11) **“water charges”** mean all water rates leviable under Canal & Drainage Act, 1873, and any other law for the time being in force, but do not include fines imposed under Section 70 of the Canal & Drainage Act, 1873.

3. **Farmers Organizations - (1)** A Farmers Organization may be formed on a distributory or a dam:

Provided that, in special cases, a Farmers Organization may be formed with the approval of the Authority on a part of a distributory.

(2) A Farmers Organization may form Sub-Farmers Organizations on a part of a distributory, a minor, a sub-minor, a group of water-courses or direct outlets within the area of a Farmers Organization established under sub rule (1).

(3) The Authority shall, as soon as may be, take steps for the formation of Farmers Organizations in such areas where an Area Water Board has been established:

Provided that Farmers Organizations may be formed, with the approval of the Authority, in such areas where no Area Water Board has been established.

(4) In the exercise of powers under this Rule, due regard shall be had to all factors relevant to the formation of Farmers Organization, such as topography, water demand, socio-economic aspects, technical feasibility and size of the irrigation system.

4. **Membership-** (1) The membership of a Farmers Organization shall be available to all Farmers without any discrimination on the basis of sex, caste, religion and place of birth.

(2) A Farmers Organization shall comprise members equal to number of water-courses in the area constituting the Farmers Organization. The Farmers of each water-course shall elect one such member from amongst themselves.

(3) If a question arises as to the eligibility of a person to become a member of a farmers organization, it shall be decided by the Authority or a person authorized by the Authority.

5. **Constitution Of Farmers Organization-** (1) A Farmers Organization shall comprise a 'General Body' and a "Management Committee".

(2) The General Body of a Farmers Organization shall comprise the members of the Farmers Organization mentioned in sub rule (2) of Rule 4 above.

(3) The Management Committee, of a Farmers Organization shall comprise such office bearers of the Farmers Organization as may be prescribed by the Authority.

(4) The Management Committee shall perform the functions and exercise the powers of a Farmers Organization except such functions and powers as are exercisable by the General Body of the Farmers Organization.

(5) The Management Committee shall be elected for a period of three years by the General Body of the Farmers Organization in accordance with the Regulations.

(6) A person shall be disqualified to be elected as an office bearer of the Management Committee if he —

- (i) is below the age of 18 years on the date of his nomination;
- (ii) has not paid his Water Charges within a period of three months after these charges become due for payment;
- (iii) has been declared insolvent;
- (iv) has ceased to be a member of the Farmers Organization;
- (v) is of unsound mind;
- (vi) has been convicted of an offence which involves moral turpitude unless a period of 3 years has elapsed from the date of his conviction; or
- (vii) has been dismissed or removed from any public service unless a period of three years has elapsed since the said dismissal or removal.

6. **Territorial Jurisdiction** The jurisdiction of a Farmers Organization shall extend to the gross area falling within the boundaries of the irrigation system for which it has been established.

7. **Registration-** (1) The Authority shall appoint a Registrar for an Area Water Board and a Registrar at its Head Office who shall perform all functions relating to the registration of the Farmers Organizations:

Provided that, until a Registrar for an Area Water Board is appointed, the Chief Executive of the Area Water Board shall be deemed to be the Registrar.

(2) No Farmers Organization shall be entitled to the rights, privileges, or powers of a Farmers Organization unless it is duly registered under these Rules.

(3) A Farmers Organization shall be registered with the Registrar concerned.

(4) An application for registration shall be made to the Registrar of the Area Water Board by the Management Committee of the Farmers Organization and shall be presented by the Chairman or Secretary of the Farmers Organization:

Provided that the application shall be made to the Registrar at the Head Office of the Authority if no Area Water Board has been established in the said area.

(5) A Farmers Organization may be registered if —

(a) the General Body of the Farmers Organization has been formed under these Rules;

(b) the resolution to form the Farmers Organization has been passed by the majority of the total members of the General Body;

(c) the Management Committee of the Farmers Organization has been duly elected; and

(d) the application is made by the Management Committee of the said Farmers Organization and is accompanied by the prescribed fee.

6. An appeal against the decision relating to the registration of a Farmers Organization shall be made before the Authority.

8. **Cancellation of Registration-** (1) The Registrar concerned, after due notice to the Management Committee, may cancel the registration of a Farmers Organization if the Farmers Organization has failed to pay its dues to the Area Water Board or the Authority.

(2) The order of the Registrar under clause (1) of this Rule shall be subject to confirmation by the Authority. The Authority, after due notice to the Management Committee of the Farmers Organization and after such inquiry as may be necessary in the case, may pass such orders as it may deem fit.

(3) The Authority may, on the application of an aggrieved person, cancel the registration of a Farmers Organization if the Registrar fails to take appropriate action under sub rule (1).

(4) Where the registration of any Farmers Organization is cancelled under these Rules, the Authority may make such consequential arrangements which it may deem fit to protect the public interest.

(5) The Farmers Organization may apply for restoration of registration and if the Registrar concerned or, as the case may be, the Authority is satisfied that it has paid all its outstanding dues, he or it may restore the registration on such terms and conditions as he or it may deem fit:

Provided that the decision of the Registrar under this clause shall be subject to confirmation by the Authority.

9. **Suspension** - (1) The Authority on its own motion, or the application of an aggrieved person, may after due notice to the Farmers Organizations, suspend the working of a Farmers Organization if the Authority is satisfied that the Farmers Organization is working against the public interest.

(2) The order of suspension shall remain in force for a period of six months unless earlier withdrawn. Where the working of a Farmers Organization is suspended, the Authority shall make necessary consequential arrangements to protect the public interest.

10. **Dissolution** - (1) The Authority, on its own motion, or on the application of an aggrieved person, may after due notice to the Management Committee of the Farmers Organization, commence proceedings for the dissolution of a Farmers Organization.

(2) The Authority may suspend the working of a Farmers Organization after commencing the proceedings for dissolution, provided that such period of suspension shall not exceed six months.

(3) The Authority shall issue a notice to the Management Committee of the concerned Farmers Organization and shall fix a place for, and a date of, hearing which shall not be earlier than 15 days and later than 30 days after the issue of notice, and on the said date of hearing or any other date to which the case is adjourned, it shall hear the parties and after such inquiry as is necessary in the circumstances may order the dissolution of a Farmers Organization if it is satisfied that the Farmers Organization is guilty of —

- (a) serious violation of the Act, Rules, Regulations or Bye-Laws;
- (b) patent misuse of power;
- (c) gross neglect of duty;
- (d) embezzlement of funds or resources; or
- (e) mismanagement or inefficiency due to which its continuance is not in the public interest

(4) Where a Farmers Organization is dissolved under these Rules, the Authority shall make appropriate consequential arrangements and pass necessary orders for that purpose.

(5) Any person aggrieved by the decision of the Authority under this Rule may appeal to the Government.

11. **Directions, Reports and Inquiries** — (1) The Authority may -

- (a) give such directions to the Farmers Organizations which it may deem appropriate in public interest;
- (b) call for any report from a Farmers Organization on any matter relating to the affairs of the said Farmers Organization; or

- (c) order for an inquiry into the affairs of a Farmers Organization and, on the basis of the result of the enquiry, may take such action as it may deem necessary in public interest.

(2) Where a Farmers Organization substantially fails to follow the directions or fails to submit a fairly accurate report, the Authority may take such action and may pass such orders as may be necessary to protect the public interest.

12. **Elections** — (1) Elections under these Rules shall be held by the Authority.

(2) The Authority shall appoint Election Officers and such other persons as may be necessary for the conduct of elections.

(3) The Irrigation Tribunal concerned shall decide disputes relating to the elections of the Farmers Organizations.

(4) A person aggrieved by the order of the Irrigation Tribunal may appeal to the Irrigation Appellate Tribunal, within a period of 15 days, in accordance with such procedure as may be prescribed by the Authority.

(5) Notwithstanding anything contained in these Rules, the Authority may, in the first instance, form the General Body of the Farmers Organizations without recourse to elections, comprising such suitable Farmers who in its opinion are acceptable to their electorates.

13. **Functions of Farmers Organizations** — Subject to the overall control of the Authority and, where an Area Water Board has been established, the Authority and the Area Water Board, a Farmers Organization formed and registered under these Rules may perform all or any of the following functions —

(1) Manage, operate, and maintain the irrigation infrastructure including any hydraulic structures located on it, for which it has been established.

(2) Obtain irrigation water supplies from the Authority or concerned Area Water Board at its head regulator, and pay the agreed amount to the Area Water Board concerned or the Authority in the manner agreed between the Farmers Organization and the Area Water Board concerned, or between the Farmers Organization concerned and the Authority.

(3) Supply the irrigation water equitably and efficiently to the Farmers and other water users within its area.

(4) Assess the water rates and other irrigation related charges to be collected from the water users.

(5) Collect the water rates and other dues, fees and charges from the persons liable to pay them.

(6) Levy and collect charges for additional services rendered by the Farmers Organization.

(7) Collect surcharge from water users and drainage beneficiaries in case of default in payment of their dues.

(8) Settle water disputes relating to the Farmers or other water users of the area.

(9) Any other duty, function or responsibility which is incidental to or implied in the duties, functions, and responsibilities of the Farmers Organization.

14. **Transitional** (1) The Authority shall ensure that the functions and duties are transferred to the Farmers Organizations in an orderly manner after due consultation with the Farmers Organizations.

(2) The Authority shall ensure that the duties and functions are entrusted to the Farmers Organizations under a Scheme which provides that the Farmers Organization

become fully operative as self-supporting and self-sustaining entities to the extent of recovering O & M cost of canals etc. within a period of seven years.

(3) The Authority may enter into an agreement with a Farmers Organization to implement the said Scheme:

Provided that the ownership of any property of the Authority is not transferred to the Farmers Organization.

15. **Powers of Farmers Organizations** - (1) Subject to Rules 13 and 14, a Farmers Organization may exercise all powers which may be necessary and proper for the performance of functions entrusted to it.

(2) Without prejudice to the generality of the provisions of sub rule (1), a Farmers Organization may exercise the powers and authority of a Divisional Canal Officer under the Canal and Drainage Act 1873 and any officer subordinate to him.

(3) In the performance of its duties and functions entrusted to it under Rule 13 and Rule 14, a Farmers Organization may —

- (a) acquire, hold or dispose of movable property which is reasonably required for the carrying out of its functions.
- (b) enter into contracts in all matter relevant to its functions, duties and responsibilities.
- (c) engage, hire or employ such experts, advisors, consultants and other personnel, as may be necessary for the performance of its functions.

(4) The Authority shall include in the Scheme mentioned in sub-rule (2) of Rule 14, the functions entrusted to the Farmers Organizations under Rules 13 and 14.

16. **Tribunals** - (1) The Authority shall, for the purpose of dealing with cases and appeals under these Rules, constitute an Irrigation Tribunal for the area covered by an Area Water Board.

Provided that where no Area Water Board has been constituted the Authority may authorize a Canal Officer, above the rank of a Divisional Canal Officer, to act as Irrigation Tribunal.

(2) The Authority may establish an Irrigation Appellate Tribunal, which shall decide appeals under these Rules. The Tribunal shall comprise a Judge of the High Court or a Judicial Officer who is qualified to be a Judge of the High Court.

17. **Disputes among Farmers** - (1) The General Body of a Farmers Organization shall constitute a *Nehri Panchayat* comprising 3 or 5 members of the Farmers Organization or other persons, which shall deal with the disputes under this Rule.

(2) All disputes arising among the Farmers or other water users shall be resolved preferably through mediation by the *Nehri Panchayat* of the Farmers Organization concerned.

(3) Where the *Nehri Panchayat* is unable to settle the dispute through mediation, it shall proceed to decide the case and, after such inquiry, which it may deem necessary, give its decision.

(4) The decision of the *Nehri Panchayat*, shall be by majority of the members present and voting. In case of a tie the case shall be referred to the President of the Farmers Organization.

(5) A person aggrieved by the decision of the *Nehri Panchayat* under this Rule may appeal to the Irrigation Tribunal of the said area. The appeal shall be available in such matters in which an appeal has been provided under the Canal & Drainage Act 1873 and Rules framed under it.

18. **Disputes Involving Farmers Organization etc.** - (1) Any dispute involving a Farmers Organization shall be decided by the Irrigation Tribunal.

(2) A person aggrieved by the decision, under sub-rule (1), may appeal to the Irrigation Appellate Tribunal within 30 days of the decision.

(3) The Irrigation Appellate Tribunal may call for the record of a case decided under sub-rule (1), if no appeal has been filed against that order under this Rule and may pass such order as it may deem fit.

(4) Subject to Rule 17 (5), a person aggrieved by the decision of a Farmers Organization under these Rules may appeal to the Irrigation Tribunal.

19. **Financial Resources & Expenditures** - (1) Every Farmers Organization shall establish a Fund to which shall be credited all sums received by the Farmers Organization.

(2) Subject to the financial procedure prescribed or directions given by the Authority, the funds of the Farmers Organization shall be employed for -

- (a) meeting its operating and service costs;
- (b) servicing its debt obligations;
- (c) meeting its capital replacement and improvement charges; or
- (d) constitution of reserves.

(3) The Annual Budget shall be prepared by the Management Committee and presented to the General Body for approval.

20. **Accounts, Statements and Audit** - (1) A Farmers Organization shall maintain proper books of accounts and financial records on a commercial basis, and shall prepare the following financial statements as per the standards of the Pakistan Institute of Chartered Accountants -

- (a) the profit and loss accounts;
- (b) the receipts and expenditure of the previous years; and
- (c) A summary of the property and assets and liabilities giving such particulars as will disclose the general nature of the liabilities and assets and how the value of fixed assets has been arrived at.

(2) A Farmers Organization shall, not later than four months from the close of the relevant financial year, cause its accounts to be audited by commercial auditors

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according to the standards prescribed by the Pakistan Institute of Chartered Accountants. The audited financial statements shall be approved by the General Meeting, and submitted to Authority at a date not later than 6 months from the close of the financial year.

(3) A Farmers Organization shall provide to the Authority detailed information and explanation in regard to any observation, reservation, qualification or adverse remarks contained in the auditors' report.

(4) A Farmers Organization shall cause to be conducted by external auditors such periodic or special audits of maintenance or construction works which is necessary to ensure that its financial resources have been properly utilized.

(5) A copy of the last financial statement and of the report of the Auditor, if any, shall be kept in a conspicuous place in the office of the Farmers Organization and shall be available for inspection by members.