

**AZAD GOVERNMENT OF THE STATE OF JAMMU AND KASHMIR
LAW AND PARLIAMENTARY AFFAIRS SECRETARIAT,
MUZAFFARABAD.**

Dated the 19th January, 1992.

No.40-44/92. The following Act of the Assembly received the assent of the President on the 30th, day of December 1991 is hereby published for general information:-

(ACT V of 1991)

AN

ACT

to amend the Azad Jammu and Kashmir Benevolent Fund and Group Insurance Act, 1971.

WHEREAS it is necessary to amend the Azad Jammu and Kashmir Benevolent Fund and Group Insurance Act, 1971;

It is hereby enacted as follows:-

1. **Short title, Extent and Commencement.**- (1) This Act may be called the Azad Jammu and Kashmir Employees Benevolent Fund, and Group Insurance (Amendment) Act, 1991.
 - (2) It shall come into force at once.
 - (3) It shall extend to the whole of Azad Jammu and Kashmir.
2. **Amendment of Section 2 of Act XVI of 1971.**- In the Azad Jammu and Kashmir Employees Benevolent Fund and Group Insurance Act 1971 (Act XVI of 1971) hereinafter referred to as the said Act sub-section (3) of Section 2 after clause (b) new clauses (c) and (d) shall be added as under:-
 - "(c) "Gazetted" means Government Servants holding Posts in Basic Scale 16 and above; and
 - (d) "Non Gazetted" means Government Servants holding posts Basic scales 1 to 15."
3. **Substitution of Chapter II Act XVI of 1971.**- In the said Act, Chapter 11 shall be substituted as under:-

"Chapter II Board of Trustees.

 - "4. "Board of Trustees.- (1) There shall be set up two boards to be known as:-
 - (a) Board of Trustees of Azad Jammu and Kashmir (Gazetted) Employees Benevolent Fund; and

(b) Board of Trustees of Azad Jammu and Kashmir (Non-Gazetted Employees Benevolent Fund.

(2) The Board of Trustees of Azad Jammu and Kashmir (Gazettes) Employees Benevolent Fund shall consist of the following namely:-

(a) Chief Secretary to the Azad Government of the State of Jammu and Kashmir (Chairman);

(b) Finance Secretary, Azad Government of the State of Jammu and Kashmir (Member);

(c) Accountant General, Azad Jammu and Kashmir (Member);

(d) Deputy Secretary Services and General Administration Department, Azad Government of the State of Jammu and Kashmir (Member/ Secretary); and

(e) Two person from amongst the Gazetted Employees Association whom Government shall by notification in the Official Gazette, appoint.

(3) The Board of Trustee of Azad Jammu and Kashmir (Non-Gazetted) Employees Benevolent Fund shall consist of the following names.

(a) Additional Chief Secretary Services (General) to the Azad Government of the State of Jammu and Kashmir (Chairman);

(b) Deputy Secretary, Services and General Administration Department (Member);

(c) Deputy Secretary, Finance, Azad Government of the State of Jammu and Kashmir (Member/Secretary);

(d) Deputy Accountant General, Azad Jammu and Kashmir (Member);

(e) Two persons from amongst the Non-Gazetted employees whom the Government shall by notification in the official Gazette, appoint.

(4) The members appointed by Government shall hold office during its pleasure and may be replaced by it at any time.

5. **Boards to be bodies corporate.**- Each of the Boards shall be a body corporate having perpetual succession and a common seal with power subject to the provisions of this Act, to

acquire hold and dispose off property both movable and immovable and shall by its name sue and be sued.

6. **Head Office.**- The Head Office of each Board shall be at Muzaffarabad or at such other place as the Government may by notification in the Official Gazette, appoint.
7. **Powers of the Boards.**- Each of the Boards shall, within its respective jurisdiction, have power.-
 - (a) to settle claims for benevolent grants and sums assured under this Act and all matters connected with such claims;
 - (b) to sanction grant from the Benevolent Fund to the employees or their families in accordance with the provision of this Act and the rules made thereunder;
 - (c) to do or cause to be done all acts and things necessary for proper administration and management of the money or properties in the Benevolent Fund and the Insurance Fund;
 - (d) to sanction expenditure connected with the administration and management of the Benevolent Fund and Insurance Fund;
 - (e) to make arrangement for the insurance of the life of the employees to give effect to the provisions of this Act;
 - (f) to invest moneys held in the Benevolent Fund in Government securities, in the construction of building for purposes of raising rent income, and in their profitable ventures the plans whereof having been previously approved by the Government.
 - (g) to appoint or employ such person including a Managing Director if any, as it considers necessary. for the efficient performance of its operations on such terms and conditions as it may, subject to rules, determine;
 - (h) to do or cause to be done all things ancillary or incidental to any of the aforesaid powers or to the purpose of the Benevolent Fund and the Insurance Fund; and
 - (i) to award stipends out of benevolent fund to the children of in service or retired Government Employees.
8. **Meeting of the Boards.**- (1) The meetings of each Board shall be held at such time and places as may be prescribed but the

Chairman of the concerned Board may convene the meetings of the Board at any other time and place.

(2) To constitute on quorum at a meeting of a Board, the number of members present shall be four.

(3) Each member of a Board shall have one vote and in the event of equality of votes the Chairman shall have a second and casting vote.

(4) The meetings of a Board shall be presided over by the Chairman and in the absence of the Chairman by the person elected for the purpose by the members present from amongst themselves.

(5) All orders and decisions of a Board shall be authenticated by signature of the Chairman or of such other member as may have been authorised by the Board by a resolution.

9. **Secretary and his powers and functions.**- The Secretary of a Board shall exercise such powers and perform such functions as may be prescribed or as may, subject to rules, be assigned to him by the Board.

10. **Delegation of Powers.**- A Board may, for facilitating the discharge of its functions and ensuring efficient operation of the Benevolent Fund and the Insurance Fund, by a resolution Published in the Official Gazette, delegate to the Secretary or to the Managing Director, if any, or any other officer of the Board, subject to such conditions and limitations, if any, as may be specified therein, such of its powers and duties under this Act as it may deem necessary."

4. **Substitution of Section 11, of Chapter III Act XVI of 1971.**- In the said Act, Section 11 shall be substituted as under:-

"11. **Azad Jammu and Kashmir Government Servants Benevolent Funds.**- (1) There shall be established two Funds to be called:-

(a) The Azad Jammu and Kashmir Gazetted Employees Benevolent Fund; and

(b) The Azad Jammu and Kashmir Non-Gazetted Employees Benevolent Fund.

(2) To the credit of the Benevolent Funds shall be placed:-

- (a) All sums paid by the Gazetted and Non-Gazetted employees as subscriptions to the respective Benevolent Fund;
- (b) All grants made by the Government, autonomous Bodies, organizations, institutions or other authorities;
- (c) donations made by private individuals or institutions;
- (d) all income, profits or interest accruing from the assets belonging to the respective Benevolent Fund or from investment made out of the moneys of the Fund; and
- (e) loans raised by the Board with the previous approval of the Government.

(3) The moneys credited to the respective Benevolent Fund shall be kept in such bank as may be prescribed."

5. **Amendment of Section 12 of Act XVI of 1971.**- In the said Act, in Section 12, in sub-section (1) for the words "equal to one percent of his pay or such lesser percentage as may be prescribed or twentysix rupees whichever be less" the words "as may be prescribed" shall be substituted.

6. **Substitution of Section 13 Act XVI of 1971.**- In the said Act, Section 13 shall be substituted as under:-

"13.- Benevolent grants to be paid from the Benevolent Fund.-
if any employee:-

- (a) is declared by the prescribed medical authority to have been completely incapacitated physically or mentally to discharge the duties of his employment and is for that reason retired or removed from service, he shall be entitled to receive for life such benevolent grant from the Benevolent Fund as may be prescribed; or
- (b) dies during the continuance of his employment, or during retirement before attaining the age of seventy years, his spouse shall be entitled to receive for life such benevolent grant from the Benevolent Fund as may be prescribed;

Provided that, if the deceased employee has no spouse or spouse has died, the other members of his family shall be entitled to receive benevolent grant from the Benevolent Fund for period

of fifteen years or up to the date the deceased employee would have attained the age of seventy years, whichever is earlier:

Provided further that in the case of an employee dies after having drawn benevolent grant, the said period of fifteen years shall be reckoned from the date from which he began drawing such grant.”

7. **Amendment of Section 15 Act XVI of 1971.**- In the said Act, in Section 15, for the words "specified in the second schedule" the words "as may be prescribed" shall be substituted.
8. **Amendment of Section 16 Act XVI of 1971.**- In the said Act; in Section 16, for the words "Specified in the second Schedule" the words "as may be prescribed" shall be substituted.
9. **Substitution of Section 17, Act XVI of 1971.**- In the said Act, sub-section (1) of Section 17 shall be substituted as under:-

"(1). There shall be established two Funds to be called the Azad Jammu and Kashmir (Gazetted) Employees Insurance Fund and the Azad Jammu and Kashmir (Non-Gazetted) Employees Insurance Fund which shall vest in and be held and administered by the concerned Board."
10. **Deletion of 1st and 2nd Schedule, Act XVI of 1971.**- In the said Act, the First Schedule and the Second Schedule shall be, deleted.

Sd/-
(Syed Shakir Shah)
Deputy Secretary Law