

**AZAD GOVT. OF THE STATE OF JAMMU&KASHMIR, LAW &  
PARLIAMENTARY AFFAIRS SECRETARIAT,  
MUZAFFARABAD.**

Muzaffarabad the 31st December, 1976.

The following Act of the Assembly received the assent of the President on the 31st day of December, 1976, and is hereby published for general information :-

**(ACT XVI OF 1976)**

An Act to provide for the nationalisation of timber trade in Azad Jammu and Kashmir.

**WHEREAS** it is expedient in the public interest to provide for the nationalisation of timber trade in Azad Jammu and Kashmir ;

It is hereby enacted as follows :-

1. **Short title, extent and commencement.** (1) This Act may be called the Timber Trade (Nationalisation) Act, 1976.  
(2) It extends to the whole of Azad Jammu and Kashmir.  
(3) It shall come into force at once.
2. **Definitions.-** In this Act, unless there is anything repugnant in the subject or Context,-
  - (a) 'Government' means the Azad Government of the State of Jammu and Kashmir;
  - (b) 'Lessee' means a person, firm or company who has entered into an agreement with the Government for purchase of trees or timber, or both, and includes an authorised agent, heir or assignee ; and
  - (c) 'specified date' means the 30th day of June, 1976.
3. **Nationalisation of timber trade.-** As from the specified date, the trade of felling, extraction and conversion of trees shall only be carried on by the Government or a Corporation wholly owned or controlled by the Government, to the total exclusion of other persons and the Government, or any person acting on behalf of the Government, shall not enter into any agreement with any

other person for sale of trees, whether standing, felled or fallen.

4. **Termination of agreement.-** Notwithstanding anything contained in any law or agreement, all agreements for purchase of standing felled or fallen trees or timber subsisting between the Government and the lessees shall stand terminated with effect from the specified date and, except as provided in this Act, all obligations or liabilities mutually incurred in respect of these leases shall simultaneously cease to exist.
5. **Vesting of timber in the Government.-** As from the specified date, all trees and timber, in whatever shape it may be, in respect of which any agreement as aforesaid subsisted immediately before that date shall vest in the Government.
6. **Duty to deliver possession of trees and timber-** Every person who, in pursuance of an agreement as aforesaid, has in his possession or custody or under his control any timber or tree shall forthwith deliver the same to the Forest Department of the Government.
7. **Compensation.-** Every lessee who is a party to an agreement terminated under section 4 shall be entitled to receive from the Government by way of compensation an amount determined in accordance with the provisions of section 8.
8. **Assessment of compensation.-**
  - (1) The amount of compensation shall be the amount equal to the aggregate of the expenditure incurred by any lessee in the felling of marked trees, converting the same into logs and sleepers, extracting the timber from the forest and transporting to depot or other place of storage and the amount of royalty paid in respect thereof.
  - (2) The amount of compensation payable to any such lessee shall be determined by the Chief Conservator of Forests on the basis of rates approved by the Azad Kashmir Logging and Sawmills Corporation for the year 1975-76 for that purpose and shall be paid from out of the sale-proceeds of the trees or timber in respect of which it is payable.

(3) Any lessee aggrieved by a decision of the Chief Conservator of Forest under sub-section (2) may, within thirty days from the date on which the decision is communicated to him, prefer an appeal to the Government which may, after affording to the lessee an opportunity of being heard, pass such order as it may deem fit.

(4) A decision of the Government under sub-section (3) shall be final.

9. **Indemnity and bar of jurisdiction.**-(1) No suit, prosecution or other legal proceeding shall lie against the Government or any other person for anything in good faith done or intended to be done under this Act.
- (2) No Court shall call in question, or permit to be called in question, anything done or any action taken under this Act.
10. **Saving.**- Nothing contained in this act shall affect any agreement entered into between the Government and the Azad Kashmir Logging and Saw Mills Corporation or apply to any Private forest.
11. **Power to make rules.**- The Government may make rules for carrying out the purposes of this Act.
12. **Penalty.**- Whoever contravenes the provisions of Section 6, shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 25,000/- or with both.
13. **Removal of difficulties.**- If any difficulty arises in giving effect to any provision of this Act, the Government may make such order, not inconsistent with provisions of this Act, as may appear to it to be necessary for the purposes of removing the difficulty.
14. **Repeal.**- The Timber Trade (Nationalisation) Ordinance, 1976 (Ordinance IX of 1976) is hereby repealed.

Sd/-

(Syed Mohammad Akram Shah)

AJ&K Revised Volume 1978-77

Deputy Secretary,  
Law & Parliamentary Affairs,  
Azad Government of the State of  
Jammu and Kashmir.