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BALOCHISTAN PROVINCIAL ASSEMBLY SECRETARIAT
, NOTIFICATION.

Dated Quetta, the 3rd November, 2009. 7

No. PAB/Legis: V (9)/ 2009. Balochistan Pension Fund Management.

Authority Bill, 2009 having been passed by the Provincial Assembly of
Balochistan on 20th October, 2009 and assented to by the Governor, Balochistan

on 24th October, 2009 is hereby published as an Act of the Provincial Assembly.

BALOCHISTAN PENSION FUND MANAGEMENT AUTHORITY AC [2009
ACT NO.9 OF 2009. .

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Preamble.

Short title,
extent and
commencement.

Definitions.

AN
ACT

to provide for establishment of an authority for
management of pension fund and to generate revenue for discharge
of the pension liabilities of the Government.

WHEREAS, it is expedient to establish an authority for
management of a Pension Fund for the common benefit of the
employees of the Government of Balochistan to provide for their
Pensions and the matters connected therewith or ancillary thereto;

It is hereby enacted as follows: —

CHAPTER-I PRELIMINARY

1, (1) | This Act may be called the Balochistan Pension
Fund Management Authority Act, 2009.

(2) It extends to whole of the Province of the Balochistan
except the Tribal Area.

(3) It shall come into force at once.

2, In this Act, unless there is anything repugnant in the subject

or context, —

(a) “Act” means the Balochistan Pension Fund

Management Authority Act, 2009.

(b) “Authority” means the Balochistan Pension Fund —
Management Authority;

(c) “Board” means the Balochistan Pension Fund

(4) “Chairman” means the Chairman of the Balochistan
Pension Fund Management Board;

(€) “Committee” means a committee constituted
section 7, clause (f) of this Act.

("Fund" means the Balochistan Pension Fund;

(g) "Fund Manager" means the Fund Manager appointed under section 10, sub-section (1) of this Act;

(b) "Government" means the Government of the Balochistan;

(i) "Member" means the Member of the Management

6) "Prescribed" means prescribed by the rules made

: (k) "Province" means the Province of the Balochistan;

() "Regulations" means the regulations framed under this Act; . |

(m) "Reserve Fund" means the Reserve Pension Fund

- eveated under section 3, sub-section (1) of this Act:

(n) "Rules" means the rules made under this Act; and

Reerve Fund. 3. - (1) The Government shall, by notification in official Gazette, create a Reserve Pension Fund in the Public Account of the Province.

(2) The amounts placed in the Reserve Fund by the Government shall form part of the Public Account of the Province as defined in Article 118(2) of the Constitution of Islamic Republic of _ Pakistan, 1973, .

Balerbistan 4. The Government shall, by notification in the official

_ Fenian Eel. Gazette, establish the Balochistan Pension Fund for

| Proper management and discharge of its pension
Babili i ties, 2

Establishment
of Authority.

Composition of
the

Balochistan
Pension Fund
Management
Board.

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' CHAPTER-DI

_ ESTABLISHMENT AND MANAGEMENT OF THE

5. (i) There shall be established an Authority to be known
as the Balochistan Pension Fund Management Authority for
carrying out the purpose of this Act.

(2) —‘ The Authority shall be a body corporate by the name
of “the Balochistan Pension Fund Management Authority” and
shall have perpetual succession and a common seal to enter in’o
contract and may sue or be sued by the said name.

(3) ‘The Management and Administration of the
Authority shall vest in the Management Board constituted under
section 6 of this Act. :

_ (4) Subject to the provisions of this Act and the rules
made there under, in the performance of its functions and in
exercise of its powers the Authority/Board shall act in accordance
with the provisions of this Act and be bound by the directions of
the Government.

6. There shall be a Management Board consisting of the

following members: -

(a) Minister for Finance, Chairman.

Government of Balochistan.

(b) Chief Secretary Vice Chairman.

Balochistan. : /

(c) Additional Chief Secretary, Member.

Planning & Development Department.

(d) Secretary. Member. .

Finance Department.

(e) Secretary, Member.

Law Department. “

(f) Secretary, Member.

Services & G.A.Department. |

(g) Additional Secretary, Member/Secy:

(Regulation/Adma:)

Finance Department

POWERS AND FUNCTIONS OF THE BOARD

Powers and 7. Subject to the provisions of this Act, the Board shall, in the

functions of
the Board.

prescribed manner, exercise such powers and perform such functions as

may be necessary for carrying out the purposes of this Act, including.

(a)

(b)

(c)

(d)

(f)

(g)

(h)

(i)

formulation of investment policy, establishment of
standards and procedures for the investment from the
Reserve Fund;

investment of amounts from the Reserve Fund;

transfer of any profit generated through the investment
to the Reserve Fund; .

initiating proposals for making or amendment of the
rules;

employ such persons as may be necessary for the
purposes of this Act ;

constitution of committees from amongst its members
to make recommendations on specific issue or issues;
preparation of an annual report for submission to the ~
Government detailing the performance of the
Authority;

borrow money from the Government or any other
institution; and ;

performance of such other functions which are
ancillary to the above functions or incidental to the

purposes of this Act.

Delegation of 8. The Board may delegate to the Fund Manager, the Committee

powers. -

or a Member, any of its powers or functions.

Limitations on
the investment.

Fuad Manager.

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9. Notwithstanding anything contained in section 12 or under any other law for the time being in force, no investment shall be made by the Board from the Reserve Fund. —

(a)

(b)

(d)

(e)

10. (1)

for a period of more than three years or in any foreign market or firm, except with the prior approval of the Government;

for an amount of more than twenty-five percent of the Reserve Fund in one financial institution cumulatively except with the prior approval of the Government;

for an amount more than seventy-five percent of the Reserve Fund in the Government bonds cumulatively;

for an amount of more than five percent of the Reserve Fund in corporate or other bonds or short term financial instruments, per issue of the bond or the instrument; and

for an amount of more than five percent of the Reserve Fund in third party products, unit trust, mutual fund or through managed portfolios.in each

case.

The Government shall, by notification in the Official

Gazette, appoint a Fund Manager for management of the Fund, which Shall be from amongst a panel of at least three names recommended

by the Board.

(2)

The Fund Manager shall be a person having at least

investment assets and management of pension fund assets and he shall be a member of the Institute of Chartered Accountants of Pakistan or the Institute of Cost and Management Accountants of Pakistan.

Budget and
accounts.

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(3) Subject to the provisions of this Act and the rules made

there under the Fund Manager shall exercise such powers and perform
such functions as may be assigned to him by the Board.

(4) The Fund Manager shall hold the office for a specific
period, on such terms and conditions as may be determined by the
Government.

(3) i Ble ng ales yong, ecg
ES aS a eS aes See eee
tenure of his office.

(6) The Fund Manager may tender his resignation to the
Government and shall cease to hold office upon acceptance of his

BUDGET, EXPENSES AND . AUDIT

tl. i) The Fund Manager shall be responsible for the
preparation of the budget of the Fund for each financial year starting
from the 1st day of July of a Gregorian calendar year and ending on
30th June of the succeeding year.

(2) The budget shall be placed for approval before the
Board at least thirty days prior to the commencement of a financial
year.

(3) The accoonts of the Fund shall be sesintaincd in such |
manner as may be prescribed.

12, 'The expenses incurred on the operation of the
Authority/Fund, iacluding expenses relating to the functioning of
the Board, shall be paid out of the Reserve Fund in such manner as
may be prescribed.

Audit.

Public servant.

Prohibition of
inside trading.

Liability of the
Government.

Conflict of
interest.

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13. (1). The Government shall appoint a firm of chartered

accountants for the annual audit of the accounts of the Fund.

(2) Annual audit report of the accounts of the Fund shall
be laid before the Board for approval.

CHAPTER-V1 US

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14. ___ All persons acting or purporting to act in pursuance of any
provision of this Act, shall be deemed to be public servants within
the meaning of section 21 of the Pakistan Penal Code, 1860 (XLV of
1860).

15. The provisions of Chapter XI-A of the Securities and
Exchange Act, 1969 (XVII of 1969), shall apply mutatis mutandi to
the Members, employees, or any other person associated with the
Authority/Fund.

16. Notwithstanding anything contained in this Act, right w
pension of any person shall not be restricted, extinguished,
annulled or varied and the Government shall not be absolved from its
liabilities with respect to the payment of pension.

17. (1) No Member shall, directly or indirectly, receive any
profit from his position as a Member.

(2) The pecuniary interests of immediate family
members or close personal or business associates of a Member shall
also be considered the pecuniary interests of the Member.

(3) A Member shall be in conflict of interest if he. —

(a) ___ is a paid consultant of a business entity that has, or
of a trade association of business entities that have,
a substantial interest in the management of the
Fund; ,

Submission of
annual report
before to the
Government.

Rules.

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(b) owns, controls, or has, directly or indirectly, more than ten percent interest in a business entity that has - a substantial interest in the Fund;

(c) receives more than twenty-five percent of his | individual income from a business entity that has a substantial interest in the Fund; and

{d) himself, or one or more members of his family,

business partners or close personal associates, may personally benefit. either directly or indirectly, financially or otherwise, from his position on the Board.

(4) A Member shall disclose a potential, real or perceived conflict of interest as soon as he becomes aware of the potential conflict and before the Board or any of its committees takes cognizance of the matter.

(5) If a Member is not concerned about the conflict of interest situation, he shall bring the matter before the Committee for advice.

(6) The decision of the Board on conflict of interest shall be final.

(7) A Member shall not take part in the proceedings of the Board in which any question of his conflict of interest is on the - agenda.

(8) The disclosure of conflict of interest and the decision of the Board shall be recorded in the minutes of the meeting.

18 The Board shall, within three months of a financial year, submit the annual report of the Fund pertaining to the previous financial year to the Government.

19. The Government may make rules for carrying out the purposes of this Act.

Regulations. 20. | The Board may with the approval of the Government make regulations not inconsistent with provisions of this Act and rules

made there under.

Removal of 21. 'If any difficulty arises in giving effect to any of the provisions of this Act the Government may make such Order, not inconsistent with the provisions of this Act, as may appear to him

to be necessary for the purpose of removing the difficulty.

Repeal. 22. The Balochistan Pension Fund Management Authority Ordinance, 2007 (Ordinance No. XV of 2007), is hereby repealed.

Secretary,
Balochistan Provincial Assembly.

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