

AZAD GOVERNMENT OF THE STATE OF JAMMU AND KASHMIR  
LAW, JUSTICE, PARLIAMENTARY AFFAIRS AND HUMAN RIGHTS  
DEPARTMENT MUZAFFARABAD

Dated: 11th May, 2018

No. LD/Legis-Act/26-36/2018. The following Act of the Assembly received the assent of the President on 3rd day of May 2018, is hereby published for general information.

(ACT II OF 2018)

An

Act

to provide for the establishment of the Board of Investment as an apex agency to promote, encourage and facilitate the investment in the Azad Jammu and Kashmir

WHEREAS, it is expedient to provide for the establishment of the Board of Investment to promote, encourage and facilitate the investment and for matters connected therewith and ancillary thereto;

It is hereby enacted as follows:-

1. Short title and Commencement.- (1) This Act may be called the Azad Jammu and Kashmir Board of Investment Act, 2018.

(2) It shall come into force at once.

2. Definitions.- In this Act, unless there is anything repugnant in

the subject or context, following terms and expressions shall have the meaning as hereby respectively assigned to them,—

(a) "AJ&K" means the Azad Jammu and Kashmir;

(b) "Board" means the Board of Investment established Section 3;

(c) "Chairman" means the Chairman of the Board;

(d) "Government" means the Azad Government of the State of Jammu and Kashmir;

(e) "Investment policy" means the Investment policy formulated, modified and approved from time to time;

(f) "Member" means the Member of the Board;

(g) "President"? means President of the Board;

(h) "Regulations" means Regulations made under this Act;

(i) "Rules" mean rules made under this Act;

Gj) "Special Industrial Zone" means an Industrial Estate, an Export Processing Zone, a Free Industrial Zone, a Special Economic Zone and export oriented unit or a free trade zone, notified as such by the Government;

(k) "Secretary" means the Secretary of the Board;  
(l) "Vice President" means the Vice President of the Board;  
and

(m) "Prescribed" means prescribed by the rules;

**Establishment of the Board of Investment.**—(1) There shall be established a Board to be called the Board of Investment (BoI) for carrying out the purposes of this Act.

(2) The Board shall consist of,-

- (a) the Prime Minister of the Azad Jammu and Kashmir, who shall be its President;
- (b) the Minister for Industries and Commerce, who shall be its Vice-President;
- (c) Chairman of the Board; and
- (d) not more than fourteen ex-officio members and non-official members:

Provided that not less than five non-official members shall be appointed from private sector from amongst persons of renowned integrity, expertise, experience and knowledge including, inter alia, academia, science, agriculture, banking, Business, commerce, economic, engineering, finance, industry, investment, law, marketing, mathematics, statistics and technology.

(3) The ex-officio and the non-official members shall be appointed by the Government and the appointment of non-official members shall be made on honorary basis.

(4) The headquarter of the Board shall be at Muzaffarabad and it may, with the approval of its President, establish its liaison offices in Islamabad.

**Chairman.**— (1) There shall be a Chairman of the Board who shall be a person designated as such by the Government on the terms and conditions as it may determine by notification in the Official Gazette.

(2) The Chairman shall exercise such powers and perform such functions as may be assigned to him by the Board.

Secretary. (1) There shall be a Secretary of the Board designated as such by the Government, who shall attend meetings of the Board and perform such functions as the Chairman may assign.

(2) The Secretary shall be the administrative head and principal accounting officer of the Board and shall have the status of a Secretary to the Government.

Non-official members.— (1) The members of the Board who are not appointed ex-officio by the Government, hereinafter referred to as non-official members, shall hold office for a term of two years and shall be eligible for reappointment.

(2) A non-official member may, by writing under his hand addressed to the Government, resign his office.

(3) A casual vacancy of any non-official member shall be filled in by appointment/nomination of another member for the residue of the term of his predecessor.

(4) A non-official member shall hold office during the pleasure of the Government and may be removed from office if such member has, in the opinion of the Government, so abused the position as to render his continuance in office detrimental to public interest:

Provided that no member shall be removed from office until he has been given a reasonable opportunity of being heard.

Meetings of the Board.—(1) Except as hereinafter provided, the Board shall regulate the procedure for its own meetings.

(2) The Board shall meet at least once every three months.

(3) Meetings of the Board shall be presided,—

(a) by its President;

(b) in the absence of the President, the Chairman will be the Vice-President.

(4) The quorum for meetings shall be one-third of the total membership of the Board.

(5) All matters in the meetings of the Board shall be decided by a majority of the members present and voting, and in case of equality of votes, the person presiding over the meeting shall have a second or casting vote.

(6) Any urgent business of the Board may be transacted by circulation among all its members and any proposal so circulated and approved by a majority of the members shall be as effective and binding as if such proposal had been passed at a regular meeting of the Board.

(7) Investment proposal may be initiated by the Board, in consultation with concerned department and approval of the Board.

Validity of proceedings.— No act, proceedings, decision or order of the Board or a committee thereof shall be invalid by reason only of existence of any vacancy or defect in the constitution of the Board or, as the case may be, a committee of the Board.

Functions of Board.- (1) Notwithstanding anything contained in any law the Board shall,-

(a) from time to time, review the investment policy and laws, and propose any amendments, modifications and relaxations therein as it may deem appropriate to the Cabinet for approval;

(b) initiate and consider sectoral investment proposals and categories of investment which may require specific treatment and propose such sectoral incentives or conditions or criteria requiring rationalization of existing policies;

(c) be associated by the Government in the formulation of all policies that may have an impact on investment in AJ&K, including inter alia, economic, fiscal and trade policies;

(d) identify and promote the investment opportunities in different sectors and their promotion in AJ&K;

(e) coordinate with concerned Departments and different agencies of the Government with regard to policies and their implementation having impact on investment;

(f) provide one window facilities for provision of all services and utilities to investors by coordinating concerned departments, agencies and governments;

(g) deal with matters relating to Industrial Zones as may be referred to it by the Government;

(h) monitor the progress of investment programmes and projects at all stages and ensure, through inter-agency

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and inter-departmental coordination, prompt implementation and operation;

review investment promotion plans, formulate institutional arrangements, make transparent and simplified procedures and guidelines for investment promotion;

appraise, evaluate and process all investment proposals and projects received from the investors for submission to the Cabinet or a Committee of the Cabinet or the Board;

appoint/nominate commissions, expert bodies and consultants to study various aspects of attracting investment in all sectors and improving the investment climate, procedures and other related matters;

maintain a data-base of investment projects in the private sector that involve local and foreign capital;

negotiate and finalize memorandum of understanding and/or agreements for protection and promotion of investment and represent AJ&K on national and regional organizations pertinent to investment promotion through Board of Investment of Pakistan;

liaise with private sector trade bodies and associations for their active participation in promotion of investment;

collect, compile, analyze, maintain and distribute investment-related information and, from time to time publish periodical analytical reports in investment

trends;

promote a congenial environment for investment by ensuring de-regulation and other measures to remove obstacles to investment;

develop a marketing, image-building and public relations strategy to generate interest in the potential and opportunities of the AJ&K market, and publicize its activities;

communicate all major important administrative, financial and policy matters to the management of business undertakings falling within the purview of the investment policy approved by the Government;

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(s) establish Overseas Commissions consisting of prominent overseas Kashmiris entrepreneurs and other individuals to act as investment promotion counselors purely in an honorary capacity;

(t) consider individual investment proposals and categories of investment which require special treatment and recommend, where appropriate, additional incentives or relaxation of conditions or criteria required under existing policies.

(u) from time to time, determine and review the scale of fees and charges for services provided to the investors by it; and

(v) any other function assigned by the Cabinet and the Cabinet Committee on Investment (CCol).

Directive of the Government.—For furthering the functions of the Board the Government may, as and when it considers necessary, issue directives to the Board on matters of policy, and such directives shall be binding on the Board. If a question arises whether any matter is a matter of policy or not, the decision of the Government shall be final.

Budget.- The Government may provide the budget in accordance with the financial position of the Government.

Grants.-The Government may, from time to time, place grants at the disposal of the Board for the smooth discharge of its affairs subject to the financial position of the Government.

Fund.- (1) There shall be constituted a fund to be called the Board Fund to which shall be credited all sums received by the Board and out of which shall be defrayed all its expenditure.

(2) The Fund shall consist of -,

(a) grants made by the Government, if any, in accordance with the financial position of the Government;

(b) any aid or loans obtained or raised by the Board with the special or general sanction of the Government; and

(c) all other sums including fees and charges receivable by the Board.

Budget and accounts.- (1) In respect of each financial year, the Board shall submit for approval of the Government, by such date and in such form as may be specified by the Government, a statement showing the estimated receipts and expenditure and the

sums which are likely to be required from the Government during the next financial year.

(2) The accounts of the Board shall be maintained in such form and manner as the Government may, in consultation with the Auditor-General of AJ&K, determine.

(3) The accounts of the Board shall be audited every year by the office of the Auditor-General of AJ&K.

(4) The accounts of the Board shall be expended for the purposes of,-

(a) paying any expenditure lawfully incurred by it including the remuneration and allowances of the Chairman, the members, employees, advisers and consultants, accountants, lawyers, valuers and other experts appointed and employed by its provident fund contributions, superannuation allowances or gratuities, legal fees and costs, and other fees and costs, if any;

(b) paying for expenditure incurred on—

(i) marketing and publicity; and  
(ii) seminars and conferences;

(c) purchasing or hiring equipment, machinery and any other materials, acquiring land, erecting buildings and conducting other work and undertakings in the performance of its functions or the exercise of its powers under this Act; and

(d) paying any other expenses, costs or expenditure properly incurred or accepted by the Board in the performance of its functions or the exercise of its powers under this Act.

Annual Report.- (1) The Board shall prepare and submit to the Government, as soon as possible after the end of each financial year but not later than the last day of March of the next year, a report on the conduct of its affairs for that year.

(2) The report shall include,-

(a) an audited statement of income and expenditure;

(b) an audited balance sheet;

(c) a short financial statement of the preceding financial year;

(d) activities of the Board during the preceding financial year;

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(e) an outline of the investment programme for the year

ahead; and

(f) any other matter which the Government may direct or

the Board may consider appropriate.

**Delegation of powers.**- The Board may by general or special order, delegate to the Chairman, the Secretary or any officer of the Board, any of its powers or functions subject to such conditions as it may deem fit to impose.

**Recruitment etc.**- (1) The Board may, keeping its financial position, in view, appoint, or designate such officers, advisers, consultants and employees as it considers necessary for the efficient performance of its functions on such terms and conditions as may be Prescribed:

Provided that all appointments shall be made in accordance with the Prescribed educational, technical or professional qualifications and experience.

(2) The age of superannuation shall be sixty years for the employees of the Board.

**Assistance from other agencies.**- (1) The Board may require any information from all sources including private sector

organizations and agencies, any Department, statutory body, corporation, agency of the Government or any provincial government or Government of Pakistan which, in its opinion, concerns any matter relating to the Board, and the requisite information shall be provided to the Board within a fortnight of the receipt of such request.

(2) The Board may request any Department, statutory body, corporation, agency of the Government to review such proposals, policies, directions, guidelines, notifications, circulars, orders, regulations and rules, which, in its opinion, concern any matter relating to the Board, and the concerned Department, statutory body, corporation, agency of the Government shall give its decision in writing based on sound reasons within a fortnight of such request.

(3) Subject to sub-section (4), if, upon receiving the decision under sub-section (2), the Board is of opinion that the decision adversely affects any policy relating to its working, it may request the concerned Department, statutory body, corporation,

agency of the Government to review such decision in consultation with it or its authorized officer.

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**Indemnity.**- No suit, prosecution, or other legal proceeding shall lie against the Board, the Chairman, the Secretary, the members, the employees and consultants of the Board for anything done in good faith or intended to be done under this Act, or any rule or regulation made thereunder.

**Committees.**- To assist it in the performance of its functions, the Board may constitute such committees consisting of such persons as it may deem fit.

**Power to make Rules and Regulations.**- (1) The Board may, with the approval of the Government, make rules for carrying out the purposes of this Act.

(2) The Board may make regulations for regulating its proceedings or functions etc, under this Act.

**Removal of difficulties.**- If any difficulty arises in giving effect to the provisions of this Act, the Government may, within two years of the commencement of this Act, make such order, not inconsistent with the express provisions of this Act, as may appear to it to be necessary or expedient for the purpose of removing such difficulty.

Sd/-

(Sardar Rashid Kaleem)

Deputy Secretary (Legislation)