

**A
BILL**

*to establish a fund for the retirement benefits and
death compensation of the civil servants of
the Province of the Khyber Pakhtunkhwa.*

WHEREAS it is expedient to establish a fund for the retirement benefits and death compensation of the civil servants of the Province of the Khyber Pakhtunkhwa;

It is hereby enacted as follows:

**Chapter-I
Preliminary**

1. Short title, application and commencement.---(1) This Act may be called the Khyber Pakhtunkhwa Civil Servants Retirement Benefits and Death Compensation Act, 2014.

(2) It shall apply to all the civil servants of the Province of the Khyber Pakhtunkhwa.

(3) It shall come into force at once.

2. Definitions.---In this Act, unless there is anything repugnant in the subject or context,-

- (a) “Board” means the Board of Management constituted under section 3 of this Act;
- (b) “civil servant“ means a person as defined in clause (b) of section 2 of the Khyber Pakhtunkhwa Civil Servants Act, 1973 (Khyber Pakhtunkhwa Act No. XVII of 1973);
- (c) “death compensation” means an amount approved by the Board, to be paid to the family of a deceased civil servant on his death during service;
- (d) “family” means and includes the persons entitled to the pensionary benefits of the civil servant under the Pension Rules for the time being in force;
- (e) “Fund” means the Khyber Pakhtunkhwa Civil Servants Retirement Benefit and Death Compensation Fund established under section 7 of this Act;
- (f) “Government” means the Government of the Khyber Pakhtunkhwa;
- (g) “prescribed” means prescribed by rules;
- (h) “retired civil servant” means and includes a civil servant who opt to retire after completing twenty five (25) years qualifying service or retired on attaining the age of superannuation i.e. sixty (60) years or retired on medical grounds or compulsory retired and receives the pension;

- (i) “rules” mean rules made under this Act; and
- (j) “Schedule” means Schedule appended to this Act.

Chapter-II
Board Of Management.

3. Board of Management.---(1) On the commencement of this Act, Government shall, constitute a Board to be known as the Board of Management to control, supervise and administer the Fund, established under section 7 of this Act.

(2) The Board shall consist of the following, namely:

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| (a) Chief Secretary, Government of the Khyber Pakhtunkhwa; | Chairman |
| (b) Secretary to Government, Finance Department; | Member |
| (c) Secretary to Government, Law, Parliamentary Affairs and Human Rights Department; | Member |
| (d) Secretary to Government, Establishment Department; | Member |
| (e) Secretary to Government, Administration Department; | Member |
| (f) Secretary to Government, Higher Education, Archives and Library Department; | Member |
| (g) Secretary to Government, Elementary and Secondary Education Department; | Member |
| (h) Secretary to Government Health Department; | Member |
| (i) Accountant General of the Khyber Pakhtunkhwa; | Member |
| (j) two representatives of the civil servants (one from BPS-01 to 16 and the other from BPS-17 and above) to be nominated by Government for a period of two years; and | Members |
| (k) an Additional Secretary, Finance Department. | Member-cum-Secretary |

(3) The principal office of the Board shall be at Peshawar.

(4) The Finance Department of the Government shall provide Secretariat support to the Fund.

4. Powers of the Board.---The Board shall-

- (a) settle claims for retirement and death compensation benefits and all matters connected with such claims;
- (b) sanction grant from the Fund to the civil servants or their families in accordance with the provisions of this Act and the rules made thereunder;
- (c) invest surplus money held in the Fund in profitable ventures especially in Islamic mode of investment;
- (d) control, supervise and administer the assets of the Fund in such manner as to promote the purpose for which the Fund is established;
- (e) determine and revise the rates of contribution and amounts of benefit as it may deem necessary;
- (f) make arrangement, if considered necessary for the life insurance of civil servants in lieu of payment of death compensation with insurance company or other insurer and for such period as it may deem fit; and
- (g) do or cause to be done all things ancillary or incidental to any of the aforesaid powers or to the purposes of the Fund.

5. Meeting of the Board.---(1) The meeting of the Board shall be convened at least once in every three months or earlier as may be directed by the Chairman and shall be held at Peshawar or at any other place as may be decided by the Chairman.

(2) Six members including Chairman shall constitute a quorum for the meeting of the Board.

(3) All decisions of the Board shall be taken by majority of votes; provided that in case of equality of votes, the Chairman shall have a casting vote.

(4) The meeting of the Board shall be presided by the Chairman and in absence of the Chairman, Secretary to Government, Finance Department shall preside the meeting.

(5) All orders and decisions of the Board shall be authenticated by the signature of the Chairman or of such other person as authorized by the Board.

6. Management Committee.---(1) The Board shall, as soon as possible, constitute a Management Committee, for the efficient and speedy disposal of claims of civil servants and their families and incurrence of expenditure on management of the Fund, which shall consist of the following:

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| (i) | Secretary to Government, Finance Department; | Chairman |
| (ii) | Secretary to Government, Administration Department; | Member |
| (iii) | two representatives of the civil servants, to be nominated by Government for a period of two years; and | Members |
| (iv) | Secretary of the Board. | Member-cum-Secretary. |

(2) The Management Committee shall perform such functions and exercise such powers as delegated to it by the Board.

Chapter-III Retirement Benefit And Death Compensation Fund

7. Fund.---(1) There shall be established a Fund to be called the Retirement Benefits and Death Compensation Fund which shall vest in the Board and be administered by it.

(2) The Fund established under the Khyber Pakhtunkhwa Government Employees Welfare Fund Ordinance, 1969, shall be deemed to be a part of this Fund.

(3) All sums received from the civil servants as contribution for the Fund and any interest or profit accruing thereon and any grant by Government and any other amount related to the Fund shall be credited to the Fund.

(4) The moneys credited to the Fund shall be kept in such banks and financial institutions as the Board may decide.

8. Payment of contribution.---(1) Every civil servant shall be liable to pay to the Fund such sum of money as prescribed in the Schedule or may be determined by the Board from time to time as contribution and the amount of such contribution shall as far as possible be deducted at the source from his pay and credited or remitted to the Fund.

(2) In case of deduction of contribution at the source from the pay of a civil servant, the Accountant General, after compilation of accounts with all District Account offices and other offices, as the case may be, shall transfer the amount to the accounts of the Fund, up to the tenth day of each month.

(3) Where the amount of contribution cannot, for any reason, be deducted from the pay of the civil servant, the civil servant shall remit to the Fund, the sum of contribution payable by him, and any balance remaining unpaid due to inadvertence or negligence of the civil servant or otherwise shall be recoverable from him in such manner as may be prescribed.

(4) Default in the payment of contribution, either for the reason that the pay of the employee was not drawn or due to his negligence or fault or for any other reason whatsoever, shall not affect the right of the civil servant or his family to receive the amount of said benefit in the event of retirement or death of the civil servant.

(5) In case of proceeding on leave without pay, a civil servant shall pay the amount of his contribution through pay order, crossed cheque and in any other manner as may be prescribed.

(6) In case of retirement, the civil servant shall deposit to the Fund the unpaid amount and on the death of a civil servant the amount unpaid may be recovered from the amount admissible to him or his family, as the case may be.

9. Payment of retirement benefits and death compensation.---(1) At the time of retirement of a civil servant, the amount, as provided in the Schedule, shall be paid to the civil servant with the following percentage:

- (a) the amount of benefit on retirement during the first five years from the promulgation of this Act, shall be twenty five percent;
- (b) the amount of benefit on retirement during the second five years, from the promulgation of this Act, shall be fifty percent;
- (c) the amount of benefit on retirement during the third five years, from the promulgation of this Act, shall be seventy five percent; and
- (d) the amount of benefit on retirement after fifteen years, from the promulgation of this Act, shall be hundred percent.

(2) A civil servant, who is dismissed, removed, terminated or resigned from service, shall be entitled for the amount to the extent he had actually contributed to the Fund.

(3) If a civil servant dies while in service, his family shall be paid full amount as prescribed for his grade of pay from the Fund.

(4) The amount shall be paid to the civil servant or his family at the time of retirement or death according to his last pay scale or grade. In case a civil servant is given promotion from retrospective effect after his retirement or death the differential amount shall be paid according to the revised grade or pay, subject to payment of difference in monthly contribution for the uncovered period.

(5) The retired civil servant or the family of the deceased civil servant shall submit the application on the form prescribed by the Board for the grant of retirement benefit.

Chapter-IV General

10. Audit and accounts.---(1) The accounts of the Fund shall be maintained in such manner as the Board may, from time to time, direct and by such officer as the Board may appoint.

(2) The accounts of the Fund shall be audited by Auditor General of Pakistan.

(3) Audit report of the accounts shall be submitted to the Board for appropriate action.

11. Protection of action taken in good faith.---No suit, prosecution or other proceedings shall lie against the Board or any officer or other authorized person for anything done in good faith or purporting to have been done in pursuance of this Act or the rules made there under.

12. Power to make rules.---Government may, make rules for carrying out the purposes of this Act.

13. Power to make regulation.---The Board may, make regulation for carrying out the purposes of this Act.

14. Removal of difficulties.---(1) If any difficulty arises in giving effect to any of the provisions of this Act, Government may make such orders, not inconsistent with the provisions of this Act, as may appear to him to be necessary for the purpose of removing the difficulty.

(2) Government may exercise this power up to one year from the commencement of this law.

15. Repeal.---The Khyber Pakhtunkhwa Government Employees Welfare Fund Ordinance, 1969, is hereby repealed.

SCHEDULE
[see section 10]

**Rate Of Contribution And
Amount Of Benefit**

The rate of contribution to the retirement benefit and death compensation fund by a civil servant and the amount of benefit and death compensation to be paid to a civil servant or to the family of a civil servant shall be as under:

Grade Of Government Servant.	Amount Of Retirement Benefit And Death Compensation.	Monthly Deduction (in rupees).
BPS 01-04.	200,000/-.	300/-.
BPS 05-10.	300,000/-.	450/-.
BPS 11-15.	400,000/-.	600/-.
BPS 16.	450,000/-.	650/-.
BPS 17.	600,000/-.	900/-.
BPS 18.	875,000/-.	1,350/-.
BPS 19.	10,50,000/-.	1,600/-.
BPS 20 and above.	12,50,000/-.	2,000/-.

MINISTER-IN-CHARGE.