

**THE RAILWAY SERVANTS GROUP INSURANCE
ORDINANCE, 1969**

CONTENTS

SECTIONS

1. Short title, extent and commencement
2. Definitions
3. This Ordinance and rules to override other laws, but not to affect retirement benefits, etc.
4. Board of Trustees
5. Board to be body corporate
6. Powers of the Board
7. Insurance of Railway Servants
8. Arrangement with Insurance Company
9. The Railway Servants Group Insurance Fund
10. Payment of premia
11. Payment of sum assured
12. Audit and accounts
13. Protection of action taken in good faith
14. Exemption
15. Board to carry out direction of the Railway Board
16. Power to make rules

SCHEDULE [*Omitted*]

**THE RAILWAY SERVANTS GROUP INSURANCE
ORDINANCE, 1969**

ORDINANCE NO. XX OF 1969

[17th November, 1969]

An Ordinance to provide for group insurance of the
¹[* * *] **Railway Servants.**

WHEREAS it is expedient to provide for group insurance of the ²[* * *] Railway Servants;

NOW, THEREFORE, in pursuance of the Proclamation of the 25th day of March, 1969, read with the Provisional Constitution Order, and in exercise of all powers enabling him in that behalf, the Governor is pleased to make and promulgate the following Ordinance, namely:-

1. (1) This Ordinance may be called the ³[* * *] ⁴[* * *] Short title,
Railway Servants Group Insurance Ordinance, 1969. extent and
commencement

⁵[(2) It applies to every Railway Servant.]

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

⁶[* * *]

(2) "Board" means the Board of Trustees constituted under section 4;

¹ The words "Pakistan Eastern" were omitted by section 2 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

² The words "Pakistan Eastern" were omitted by section 2 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

³ The word "Pakistan" was omitted by Article 6 of the Bangladesh (Adaptation of Existing Laws) Order, 1972 (President's Order No. 48 of 1972).

⁴ The word "Eastern" was omitted by section 3 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

⁵ Sub-section (2) was substituted by section 3 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

⁶ Clause (1) was omitted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

(3) “family” means,-

- (a) in the case of a male Railway Servant, wife or wives and in the case of a female Railway Servant, the husband of the Railway Servant; and
- (b) the legitimate children, step-children, parents, minor brothers and sisters of the Railway Servant residing with and wholly dependent upon him or her;

¹[* * *]

(5) “Insurance Fund” means the ²[* * *] Railway Servants Group Insurance Fund established under section 9;

³[(6) “Pay” means the amount drawn monthly by a Railway Servant as-

- (a) the pay other than special pay or pay granted in view of his personal qualifications, which has been sanctioned for a post held by him substantively or in an officiating capacity or to which he is entitled by reason of his position in a cadre,
- (b) special pay and personal pay, and
- (c) any other emoluments which may be specifically classed as pay by the Government;]

(7) “prescribed” means prescribed by rules;

⁴[* * *]

⁵[(9) “Railway Servant” means any person who is a regular employee of the Railway including any one employed against temporary post and also any one who holds any post in connection with the affairs of the Railway; and

¹ Clause (4) was omitted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

² The words “Pakistan Eastern” were omitted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

³ Clause (6) was substituted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

⁴ Clause (8) was omitted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

⁵ Clause (9) was substituted by section 4 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

include any such Railway Servant who is-

- (i) on extension of service after the age of superannuation,
- (ii) on deputation elsewhere or on foreign service within the meaning of the Railway Establishment Code,
- (iii) undergoing study or training in or outside Bangladesh,
- (iv) on leave, or
- (v) under order of suspension;

but does not include any person employed as a work-charged, casual labour and substitute, and the Director, Railway Audit and other employees working in his office;]

(10) “rules” means rules made under this Ordinance.

3. The provisions of this Ordinance and the rules to be framed thereunder shall have effect notwithstanding anything contained in any other law, rule, order, notification contract or other document or instrument; but nothing herein contained shall affect the right to receive any pension, provident fund, gratuity or other benefits accruing to the Railway Servant on his retirement or invalidation or to his family upon his death, otherwise than under this Ordinance.

This Ordinance and rules to override other laws, but not to affect retirement benefits, etc.

4. (1) As soon as may be after the commencement of this Ordinance, ¹[the Government may, by notification in the *official Gazette*, establish a Board to be known as the Board of Trustees of the] Railway Servants Group Insurance Fund for carrying out the purposes of this Ordinance.

Board of Trustees

(2) The Board will consist of a Chairman and such number of members as may be prescribed and shall hold office for a term of three years.

¹ The words and commas “the Government may, by notification in the official Gazette, establish a Board to be known as the Board of Trustees of the” were substituted for the words and commas “the Railway Board may, by notification in the Railway Gazette, establish a Board to be known as the Board of Trustees of the Pakistan Eastern” by section 5 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

Board to be
body corporate

5. The Board shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Ordinance, to acquire, hold and dispose of property, both movable and immovable, and shall by the aforesaid name sue or be sued.

Powers of the
Board

6. The Board shall have power-

- (a) to settle claims for insurance sums assured under this Ordinance and all matters connected with such claims;
- (b) to do or causes to be done all acts and things necessary for the proper administration and management of the moneys or properties of the Insurance Fund;
- (c) to sanction expenditure connected with the administration and management of the Insurance Fund;
- (d) to make arrangement for the insurance of the life of the Railway Servants to give effect to the provisions of this Ordinance;
- (e) to invest moneys held in the Insurance Fund in any profitable ventures with the prior approval of the¹[Government];
- (f) to appoint or employ such persons as it considers necessary for the efficient performance of its functions on such terms and conditions as it may, subject to rules, determine; and
- (g) to do or cause to be done all things ancillary or incidental to any of the aforesaid powers or to the purposes of the Insurance Fund.

Insurance of
Railway
Servants

7. Subject to the provisions of this Ordinance and the rules, in the event of death of a Railway Servant occurring by whatsoever cause, during the continuance of his employment, the Board shall pay to the family of the deceased Railway Servant a sum²[equal to the Railway Servant's pay for twenty four months, subject to the maximum of one lakh taka, the basis for calculation of the sum being the pay last drawn by him].

¹ The word "Government" was substituted for the words "Railway Board" by section 6 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

² The words and commas "equal to the Railway Servant's pay for twenty four months, subject to the maximum of one lakh Taka, the basis for calculation of the sum being the pay last drawn by him" were substituted for the words "specified in the Schedule" by section 7 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

¹[8. The Board may, from time to time, arrange for the insurance of the life of the Railway Servants in sums mentioned in section 7 with such insurance company or other insurer and for such period as it deems fit, and when any such arrangement subsists the liability to pay the said sum shall directly devolve upon the insurance Company or other insurer.]

Arrangement
with Insurance
Company

9. (1) There shall be established a fund to be called the ²[* * *] Railway Servants Group Insurance Fund which shall vest in and be held and administered by the Board.

The ³[* * *]
Railway
Servants Group
Insurance Fund

(2) All sums received from the Railway Servants as premia for group insurance of the Railway Servants and any interest or profit accruing thereon shall be credited to the Insurance Fund.

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

(4) All expenses on any arrangement entered into by the Board with any insurance company or other insurer and all expenses on the administration of the Insurance Fund shall be defrayed from the Insurance Fund.

(5) Any sums remaining in the Insurance Fund after defraying the expenses referred to in sub-section (4) may be utilised for such purposes connected with the benefit of the families of the Railway Servants as may be prescribed.

10. (1) Every Railway Servant, other than a Class III or Class IV Railway Servant, shall be liable to pay to the Insurance Fund such sum of money as may be determined by the Board as premium for the insurance of his life as provided for in this Ordinance and the amount of such premium shall be deducted at the source from his pay and credited to the Insurance Fund.

Payment of
premia

¹ Section 8 was substituted by section 8 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

² The words "Pakistan Eastern" were omitted by section 9 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

³ The words "Pakistan Eastern" were omitted by section 9 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

(2) Where the amount of premium can not, for any reason, be deducted from the pay of the Railway Servant, the Railway Servant shall remit to the prescribed officer the sum of premium payable by him, and any premia remaining unpaid due to inadvertence or negligence of the Railway Servant or otherwise shall be recoverable from him in such manner as may be prescribed.

(3) Default in the payment of premia either for the reason that the pay of the Railway Servant was not drawn or due to his negligence or fault or for any other reason whatsoever shall not affect the right of his family to receive the sum assured in the event of the death of the Railway Servant, but the premium remaining unpaid at the time of his death may be recovered from the assured amount.

(4) The premium which is payable for the insurance of the life of a Class III or Class IV Railway Servant as provided for in this Ordinance shall be determined by the Board and shall be paid by the Railway administration on his behalf to the Insurance Fund in such manner as may be prescribed.

Payment of sum assured

11. (1) On the death of a Railway Servant the sum assured shall be paid to such member or members of his family ¹[or such person or persons] as he might have nominated in the prescribed form in full or in shares specified by him at the time of making the nomination.

(2) Where no valid nomination made by the Railway Servant subsists at the time of his death, the sum assured shall be paid to such member or members of his family subject to such conditions imposed with a view to ensuring that the sum is justly and equitably utilised for the maintenance and benefit of all the members of the family as may be prescribed or may, consistently with the rules, be determined by the Board or any officer authorised by the Board in that behalf.

²[(3) In case a Government Servant leaves no family and no valid nomination made by him subsists at the time of his death,

¹ The words “or such person or persons” were inserted by Article 2 of the Railway Servants Group Insurance (Amendment) Order, 1972 (President’s Order No. 146 of 1972).

² Sub-section (3) was inserted by Article 2 of the Railway Servants Group Insurance (Amendment) Order, 1972 (President’s Order No. 146 of 1972).

the sum assured shall be utilised for such purpose or purposes as the Board may determine.]

12. (1) The accounts of Insurance Fund shall be maintained by such officer or authority as the ¹[Board] may appoint and in such manner and form as may be prescribed. Audit and accounts

(2) The accounts of the Insurance Fund shall be audited by such authority or agency as the Railway Board may appoint.

13. No suit, prosecution or other proceedings shall lie against the Government ²[* * *] or the Board or any officer or other authorised person for anything in good faith done or purporting to have been done in pursuance of this Ordinance or the rules. Protection of action taken in good faith

14. The Government may, by notification in the *official Gazette*, exempt any class of Railway Servants from the operation of this Ordinance. Exemption

15. The Board shall carry out the direction which may be issued by the ³[Government] from time to time. Board to carry out direction of the Railway Board

16. The ⁴[* * *] Government may make rules for the purpose of giving effect to all or any of the provisions of this Ordinance. Power to make rules

¹ The word “Board” was substituted for the words “Railway Board” by section 10 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

² The words “or the Railway Board” were omitted by section 11 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

³ The word “Government” was substituted for the words “Railway Board” by section 12 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

⁴ The word “Provincial” was omitted by section 13 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).

SCHEDULE

[Omitted by section 14 of the Eastern Railway Servants Group Insurance (Amendment) Act, 1991 (Act No. V of 1991).]
