
**[STATE] SHEEP AND SHEEP
PRODUCTS DEVELOPMENT BOARD
ACT, 1979**

(Act No. IX of 1979)

**THE JAMMU AND KASHMIR STATE SHEEP AND SHEEP
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**THE JAMMU AND KASHMIR STATE SHEEP AND SHEEP
PRODUCTS DEVELOPMENT BOARD ACT, 1979**

(Act No. IX of 1979)

[Received the assent of the Governor on 29th September, 1979 and published in the Government Gazette dated 29th September, 1979.]

An Act to provide for the establishment of a Sheep and Sheep Products Development Board for procurement of raw wool, its grading and sale and for development of Sheep and Wool Industry within the ¹[State] and for matters connected therewith.

Be it enacted by the Jammu and Kashmir State Legislature in the Thirtieth Year of the Republic of India as follows :—

CHAPTER I

Preliminary

1. *Short title, extent and commencement.* —(1) This Act may be called the Jammu and Kashmir Sheep and Sheep Products Development Board Act, 1979.

(2) It extends to the ²[whole of the Union territory of Jammu and Kashmir].

³(3) It shall come into force on such date as the ⁴[Government of the Union territory of Jammu and Kashmir] may, by notification in the ⁵[Government Gazette], appoint in this behalf.]

2. *Definitions.*— In this Act, unless the context otherwise requires,—

(a) “Board” means the Jammu and Kashmir State Sheep and Sheep Products Development Board, established under this Act ;

⁶(aa) “Breeder” means a person who rears sheep or goats or both and produces wool, pashmina and bye-products thereof for sale and includes wool and pashmina grower] ;

1. Now Union territory of Jammu and Kashmir.

2. Substituted for “whole of the State of Jammu and Kashmir” by S.O. 1229(E) dated 31.03.2020.

3. Enforced vide SRO-634 dated 4-12-1980 w.e.f. 5th December, 1980.

4. Substituted for “Government” by S.O. 1229(E) dated 31.03.2020.

5. Now Official Gazette.

6. Clause (aa) Inserted by Act XVII of 1983.

- (b) ¹["Managing Director"] means the ¹[Managing Director] of the Sheep and Sheep Products Development Board appointed under sub-section (1) of section 8 ;
- ²[(bb) "Dealer" means a person other than a breeder who carries on the business of selling and purchasing wool, pashmina and bye-products thereof] ;
- (c) "Government" means the Government of ³[Union territory of Jammu and Kashmir] ;
- (d) "Prescribed" means prescribed by rules made under this Act ;
- (e) "Regulations" means regulations made under this Act ;
- ⁴[(ee) "Wool and Pashmina grower" means a person who owns sheep or goats or both and produces wool, pashmina and bye-products thereof for sale but does not rear sheep or goat himself.]

CHAPTER II

Establishment and Constitution of the Board

3. *Establishment of the Board.* —(1) The Government shall by notification in the Government Gazette and with effect from a date to be specified therein, constitute a Board by the name of the Jammu and Kashmir Sheep and Sheep Products Development Board.

(2) The Board shall be a body corporate having perpetual succession and common seal and may sue and be sued in its corporate name and shall have the power to acquire, hold and dispose of property for the purposes of this Act.

(3) The Board shall for all purposes be a local authority.

(4) The Board shall have its head office at Srinagar and may have offices at such other places as it may consider necessary.

4. *Constitution of the Board.*— The Board shall comprise the Minister Incharge (Sheep Husbandry) as *ex officio* Chairman, the Minister of State

1. Substituted by Act XVII of 1983.

2. Clause (bb) inserted *ibid*.

3. Construed for "Jammu and Kashmir State" by S.O. 3912(E) dated 30.10.2019.

4. Clause (ee) inserted by Act XVII of 1983.

or the Deputy Minister, if any, as *ex officio* Vice-Chairman and such other official members not exceeding seven, two members from the Legislative Assembly ¹[x x x] and three non-official representatives, two from Wool Growers and one from Wool Processors, as may be nominated by the Government.

5. *Disqualification for being a member.*— A person shall be disqualified to be appointed as and for being a member of the Board, if he—

- (a) has been convicted of an offence which, in the opinion of the Government, involves moral turpitude ; or
- (b) is an undischarged insolvent ; or
- (c) is physically or mentally incapable of acting as such member ; or
- (d) in the opinion of the Government has failed to act or has become incapable of acting in the best interests of the Board or has so abused his position as the member, as to render his continuance as such detrimental to the interests of the Board or the general public ; or
- (e) has directly or indirectly by himself or by any partner or employer or employee any share or interest, whether pecuniary or otherwise in any contract or employment with, by or on behalf of the Board ; or
- (f) as Director, Secretary, Manager or other officer of any company which has any share or interest in any contract or employment with, by or on behalf of the Board :

Provided that a person shall not be disqualified under clause (f) by reason only of his or the company in which he is a Director, Secretary, Manager or other officer having a share or interest in—

- (i) any sale, purchase, lease or exchange of immovable property or any agreement for the same ; or
- (ii) any agreement for loan of money, or any security for payment of money only ; or

1. Words “and one from Legislative Council” omitted by S.O. 1229(E) dated 31.03.2020.

- (iii) any newspaper in which any advertisement relating to the affairs of Board is published ; or
- (iv) an occasional sale to the Board up to a value not exceeding ten thousand rupees in any year, of any article in which he or the company regularly trades.

Explanation.—A person shall not be deemed to have any share or interest in any contract or employment with, by or on behalf of, the Board by reason only of his being a shareholder of the company which has such share or interest.

6. *Term of office of the members.* —(1) The term of office of a member of the Board shall be three years unless he is disqualified earlier under section 5.

(2) An outgoing member, if otherwise qualified, shall be eligible for re-appointment.

(3) A member of the Board may at any time, by writing under his hand addressed to the Government, resign his office and on such resignation being accepted, he shall be deemed to have vacated his office.

7. *Casual vacancy.*— A casual vacancy caused by resignation of any member under sub-section (3) of section 6 or for any other reason shall be filled up by the Government.

8. *Appointment of employees of the Board.* —(1) The Board shall have the following officers who shall be appointed in consultation with the Government :—

- (a) ¹[Managing Director] ; and
- (b) ¹[Financial Advisor].

(2) The Board may appoint such employees as it considers necessary for the efficient performance of its functions under this Act.

9. *Salaries and allowances.* —(1) The members of the Board shall be entitled to draw such honorarium and travelling expenses or salaries and allowances and be subject to such other conditions of service as may be prescribed.

1. Substituted by Act XVII of 1983.

(2) The employees of the Board shall be entitled to receive from the fund of the Board such salaries, allowances, travelling expenses etc. and shall be governed by such conditions of service as may be determined by regulations.

10. *Control of* ¹*[Managing Director]*.—Subject to the superintendence, control and directions of the Board, the management and general control over the employees of the Board shall be vested in the ¹*[Managing Director]*.

11. *Meetings*. —(1) The Board shall meet at such time and place and shall observe such procedure in regard to the transaction of business in its meetings as may be determined by regulations.

(2) In the absence of the Chairman any member elected by the members present, amongst themselves, shall preside at the meeting of the Board.

(3) The quorum to constitute a meeting of the Board shall be one-half of total membership.

(4) All decisions shall be by majority of votes and in case of a tie, the Chairman shall have a casting vote.

(5) Any person invited by the Chairman for advice shall have no right to vote.

12. *Disqualification for participation in proceedings on account of interest*.— A member, who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal proposed to be entered into by or on behalf of the Board, shall, at the earliest possible opportunity, disclose the nature of his interest to the Board and shall not be present at any meeting thereof when any such contract, loan, arrangement or proposal is discussed, unless his presence is required by other members for the purpose of eliciting information and no member so required to be present shall vote on any such contract, loan, arrangement or proposal.

13. *Acts not to be invalidated by vacancy etc.*— No act done or proceedings taken under this Act, by the Board shall be deemed to be invalid by reason merely of any vacancy or defect in the constitution of the Board.

1. Substituted by Act XVII of 1983.

CHAPTER III

Functions and Powers of the Board

14. *Functions of the Board.*— Subject to the provisions of this Act, the functions of the Board shall be,—

- (a) to procure wool and pashmina mainly from the primary producers at the prevailing market rate and to make necessary arrangements for its sale ;
- (b) to make arrangements for grading and combing of wool ;
- (c) to recommend to the Government such measures as it may consider necessary for the development of Sheep and Wool Industry ;
- (d) to take up marketing of ¹[sheep and goats skins] and to build modern sale yards ; and
- (e) to take up spinning of wool.

15. *Powers of the Board.* —(1) The Board shall, subject to the provisions of this Act, have powers to do all such acts as may be necessary for carrying out its functions under this Act.

(2) Without prejudice to the generality of the foregoing provisions such powers shall include the powers—

- (a) to set up collection, grading and selling centres for pashmina and wool ;
- (b) ¹[to register dealers, wool classers,] sheep breeders and wool collectors ;
- (c) to enter into such contract or arrangements with any person as the Board may deem necessary for performing its functions under this Act ;
- (d) to borrow money, issue debentures, bonds or stocks and manage its funds ; and
- (e) to incur expenditures and grant advances for performing its functions under this Act.

1. Substituted by Act XVII of 1983, s. 5.

16. *Powers of the Board to undertake other projects.*— The Board may undertake any project at its own instance or at the instance of the Government or any other person connected with the development of Sheep and Wool Industry on such terms and conditions as may mutually be agreed upon.

17. *Funds of the Board.* —(1) The Board shall have and maintain its own fund to which shall be credited all moneys received by or on behalf of the Board.

(2) The fund shall be applied towards meeting expenses incurred by the Board in the discharge of its functions under this Act and for no other purposes.

(3) All moneys constituting the fund referred to in sub-section (1) shall be kept in the J&K Bank Ltd. or any such other Scheduled or Nationalised Bank as may be determined by the Government :

Provided that nothing in this sub-section shall be deemed to preclude the Board from retaining such balance in cash as may be necessary for current payment of day to day expenditure.

(4) At the close of the financial year the Board shall determine the profits that may have accrued to it during the preceding year and remit the profits into Government exchequer as revenue of the Government :

Provided that in determining the profits the Board shall also take into account all expenses due on account of taxes, repayment of loans, interest on loan, liabilities incurred but not redeemed and such reserves as the Government may allow to the Board to build and maintain for smooth running of affairs of the Board.

¹[(5) The authorised capital of the Board shall be Rs. ²[10.00] Crores divided into such number of fully paid up shares as the Government may, from time to time determine and each such capital share shall have the same face value.

³[(6) The authorised capital of the Board shall be enhanced or reduced reasonably, as and when need arises, by the Board of Directors with the approval of the Government.]

1. Sub-section (5) inserted by Act XVII of 1983, s. 7.

2. Substituted by Act IX of 1998, s. 2.

3. Added by Act IX of 1998.

18. *Subventions to the Board.*— The Government may, after due appropriation by law of the State Legislature, from time to time, make subventions to the Board for the purposes of this Act on such terms and conditions as the Government may determine.

19. *Loans to the Board.*— The Government may, from time to time, advance loans to the Board for the purpose of this Act, on such terms and conditions as the Government may determine.

20. *Repayment of loan.*— The Board shall, for the purpose of repayment of any loan raised by it, establish a sinking fund in such manner as may be prescribed.

21. *Budget.*— The Board shall prepare every year a Budget in respect of the financial year next ensuing, showing its estimated receipts and expenditure.

22. *Accounts and Audit.* —(1) The Board shall maintain proper accounts and prepare annual statement of accounts including balance sheet.

(2) The accounts of the Board shall be audited annually by such qualified Chartered Accountant as the Government may appoint. The auditor so appointed shall have the right to demand the production of books, accounts and connected vouchers, documents and papers and to inspect any of the offices of the Board.

(3) The accounts of the Board as certified by the auditor and a copy of the audit report shall be forwarded annually to the Government.

(4) The Government shall,—

- (a) cause the accounts of the Board together with audit report thereon, received by it under sub-section (3) to be laid annually before ¹[the Legislative Assembly of the Union territory of Jammu and Kashmir] ; and
- (b) cause the accounts of the Board to be published in the prescribed manner and make copies available for sale at reasonable price.

23. *Liability for loss, damage etc.* —(1) The Chairman or any other member or employee of the Board shall be liable for damages for the loss, waste or misappropriation of any money or property of Board, if such loss,

1. Substituted for “each House of the State Legislature” by S.O. 1229(E) dated 31.03.2020.

waste or misappropriation is a direct consequence of his misconduct while acting as Chairman or member or employee of the Board.

(2) The procedure for fixing liability shall be such as may be prescribed.

CHAPTER IV

External Control

24. *Directions on the question of policy.* —(1) The Board shall discharge its functions under this Act, according to the policy or directive given by the Government.

(2) If any dispute arises whether any matter is or is not a matter in respect of which the Government may issue a direction under sub-section (1), the decision of the Government thereon shall be final.

25. *Annual Administrative Report.* —(1) The Board shall, as soon as may be after the end of each financial year, prepare and submit to the Government, a report giving an account of its activities during the previous financial year. Such report shall also give an account of the activities proposed to be undertaken by the Board in the next financial year. The Government shall cause such report to be laid before ¹[the Legislative Assembly of the Union territory of Jammu and Kashmir].

(2) The Board shall furnish to the Government any statistic and returns that the Government desire to be sent periodically in such form and manner, as the Government may direct from time to time.

CHAPTER V

Miscellaneous

26. *Local bodies to assist the Board.*— Every local body shall render such assistance and furnish such information to the Board as it may require in connection with its functions under this Act.

27. *Protection for action taken in good faith.*— No suit, prosecution or other legal proceedings shall lie against the Government or the Board or the Chairman or member or employee of the Board for anything which

1. Substituted for “each House of the State Legislature” by S.O. 1229(E) dated 31.03.2020.

is in good faith done or intended to be done under this Act or any rule made thereunder.

28. *Members etc. deemed to be public servant.*— The Chairman and the members of the Board or its employees shall be deemed, while acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the ¹[Indian Penal Code (45 of 1860)].

29. *Authentication of proceedings.*— All proceedings of the Board shall be authenticated under the signatures of the Chairman or the member presiding in the absence of the Chairman and all orders and other instructions issued by the Board shall be authenticated by the signature of the ²[Managing Director] or any officer of the Board so authorised.

30. *Recovery of sums.*— All sums due to the Board shall be recoverable as arrears of land revenue subject to the provisions of Land Revenue Act, Samvat 1996.

31. *Delegation of powers.*— Subject to the provisions of this Act and rules made thereunder, the Board may by general or special orders, delegate either unconditionally or subject to such conditions, as may be specified in the order, to the Chairman or any member or employee of the Board any of its powers and duties other than the powers to make rules and regulations under section 32 and 33 of this Act.

32. *Powers to make rules.* —(1) The Government may, within one year of the commencement of this Act, by notification in the ³[Government Gazette], make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers such rules may provide for all or any of the following matters, namely :—

(a) the manner in which the sinking fund shall be established, maintained, invested and applied ;

⁴[(aa) the form for registration, the fees for registration and the form of register to be maintained by the Board, the period

1. Substituted by S.O. 1229(E) dated 31.03.2020 for “State Ranbir Penal Code, Samvat 1989”.

2. Substituted by Act XVII of 1983.

3. Now Official Gazette.

4. Clause (aa) inserted by Act XVII of 1983, s. 8.

within which registration shall be made and the fine for non-registration] ;

- (b) the procedure in respect of liability under section 23 ;
- (c) any other matter which has to be or may be prescribed.

¹(3) Omitted.

33. *Regulations.* —(1) The Board may with the previous approval of the Government make regulations not inconsistent with this Act and the rules made thereunder for the administration of the Board.

(2) In particular and without prejudice to the generality of the foregoing powers, such regulations may provide for all or any of the following matters, namely :—

- (a) salaries and allowances and conditions of the service of the employee of the Board ;
- (b) time and places of and the procedure in regard to the transaction of business in the meeting of the Board ;
- (c) any other matter for which provision is to be or may be made in the regulations.

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