

**PROVINCIAL ASSEMBLY OF SINDH
NOTIFICATION
KARACHI, THE 07TH MARCH, 2023**

NO.PAS/LEGIS-B-37/2021- The Sindh Fund Management House Bill, 2021 having been passed by the Provincial Assembly of Sindh on 10th February, 2023 and assented to by the Governor of Sindh on 01st March, 2023 is hereby published as an Act of the Legislature of Sindh.

THE SINDH FUND MANAGEMENT HOUSE ACT, 2021

SINDH ACT NO.IV OF 2023

**AN
ACT**

to provide for the establishment, functions and rules of the Sindh Fund Management House.

WHEREAS, it is expedient to provide for the establishment, functions, and regulations of the Sindh Fund Management House for efficient management of investments of funds of Government of Sindh, and its entities in the Province of Sindh, and to make provisions for ancillary matters. **Preamble**

It is hereby enacted as follows:-

**CHAPTER-I
PRELIMINARY**

1. (1) This Act shall be called the Sindh Fund Management House Act, 2021.

(2) It shall extend to the whole of the Province of Sindh.

(3) It shall come into force at once.

**Short title,
extent and
commencement**

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

(a) “Administrative Entity” shall mean a department, office, authority, agency, organization, foundation, board, body corporate or any other entity under the administrative control of the Government;

(b) “Board” shall mean the Sindh Fund Management House Board constituted under section 5;

(c) “Chairperson of the Board” shall mean the Chairperson of the Board as in section 5;

(d) “Chief Investment Officer” shall mean the Chief Investment Officer of the House as in section 5(2);

(e) “Designated Fund” shall mean a fund of an administrative entity for investment purposes;

Definitions

- (f) “Finance Department” shall mean the Finance Department of Government of Sindh;
- (g) “Financial Asset” shall mean a financial asset as prescribed under rules;
- (h) “Financial Year” shall mean the accounting period which shall start from 1st day of July and end on 30th day of June, the following;
- (i) “Government” shall mean the Government of Sindh;
- (j) “House” shall mean the Sindh Fund Management House established under section 3;
- (k) “Investment” shall mean the mode of application of a financial asset for the purpose of gaining a financial return;
- (l) “Investment Committee” shall mean an Investment Committee to be constituted under section 8;
- (m) “Investment Policy” shall mean documented set of principles for defining investment objectives, investment strategies and investment restrictions for a designated fund;
- (n) “Member of the Board” shall mean a member of the Board as in section 5(1);
- (o) “Expense” shall mean an operating expense incurred when managing a designated fund;
- (p) “Rules” shall mean the rules made under this Act;
- (q) “Secretary Finance” shall mean Secretary to Government of Sindh, Finance Department; **and**
- (r) “Withdrawal” shall mean withdrawal of funds from a designated fund other than for the purpose of investment or expenses.

CHAPTER-II THE SINDH FUND MANAGEMENT HOUSE

- 3. The House shall be a unit established within the Finance Department, Government of Sindh in accordance with provisions of this Act.** **Establishment of the House**
4. (1) The House shall, subject to the provisions of this Act and the rules, have the following powers and functions:- **Powers and Functions of the House**
- (a) To invest and manage designated funds in financial assets as may be approved by the Board, or the Investment Committee, in accordance with approved investment policy of each designated fund; and
 - (b) To perform any other functions and exercise such powers as prescribed under the rules framed in pursuance of this Act and assigned to it by Government.
- (2) All administrative, financial and management functions of the House shall be governed as prescribed under the rules.

**CHAPTER-III
THE BOARD**

5. (1) The House shall be governed by a Board which shall be constituted in accordance of **Board** the provision of this Act. The Board shall consist of following members:-

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|--|---------------------------------|
| (a) The Chief Minister Sindh; | Chairperson / Member |
| (b) The Finance Minister /Advisor/ Special Assistant to Chief Minister for Finance, Sindh | Member |
| (c) The Chief Secretary, Sindh | Vice Chairperson /Member |
| (d) The Chairperson, Planning & Development Board | Member |
| (e) The Senior Member Board of Revenue | Member |
| (f) The Secretary Finance Department | Member |
| (g) Secretary (GA), General Administration & Coordination Department | Member |
| (h) Two Members of the Provincial Assembly of Sindh (one male and one female) to be nominated by the Speaker | Members |
| (i) Chief Investment Officer | Secretary of the Board |

(2) There shall be a Chief Investment Officer who shall be the Secretary of the Board with duties to perform as prescribed under rules.

6. (1) The Board shall meet as often as necessary, but not less than once in each financial year. **Meetings of Board**

(2) Five Members of the Board shall form quorum of the Board.

(3) In the absence of Chief Minister, Sindh, **Vice Chairperson** shall act as Chairperson of the Board.

(4) The decision of the Board shall be taken by the majority of its members present. In case of a tie, the Chairperson shall cast the deciding vote.

7. (1) The Board shall have the powers to submit an investment policy proposal to the Government for approval. **Powers and Functions of the Board**

(2) The Board shall have the powers to approve investment of a designated fund, in accordance with the investment policy for such designated fund.

(3) The Board shall have the powers to approve withdrawal from a fund upon a formal request from an administrative entity, and to approve expenses from a designated fund. If the Board so decides, such powers may be delegated to Secretary Finance, subject to ratification by the Board.

(4) The Board may delegate any of its powers to the investment committee except the powers provided in section 7 (1).

CHAPTER-IV INVESTMENT COMMITTEE

8. (1) The Government shall constitute one or more Investment Committees to manage investment of **designated** funds in accordance with provisions of this Act and Rules made hereunder. **Investment Committee**

CHAPTER-V MISCELLANEOUS

9. No suit, or other legal proceedings shall lie against the Board, House, Chairperson, members and employees of the House in respect of anything done in good faith or intended to be done in good faith under this Act, or the rules made hereunder. **Indemnity**

10. Government may make rules for carrying out the purposes of this Act. **Powers to make rules**

11. If a difficulty arises in giving effect to any of the provisions of this Act, Government may make such order not inconsistent with the provisions of this Act for removing such difficulty. **Removal of difficulty**

12. The Sindh Fund Management House Act, 2013 (Sindh Act No. XLV of 2013) is hereby repealed. **Repeal**

**BY ORDER OF MADAM ACTING SPEAKER
PROVINCIAL ASSEMBLY OF SINDH**

**G.M.UMAR FAROOQ
SECRETARY
PROVINCIAL ASSEMBLY OF SINDH**