



THE PAKISTAN POSTAL SERVICES MANAGEMENT BOARD ORDINANCE, 2002



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THE PAKISTAN CODE

THE PAKISTAN POSTAL SERVICES MANAGEMENT BOARD ORDINANCE, 2002,

ORDINANCE No. CXXVI OF 2002

[15th November, 2002]

An Ordinance to provide for the establishment of the Pakistan Postal Services Management Board

WHEREAS, it is expedient to provide for the establishment of the Pakistan Postal Services Management Board and for matters connected therewith or incidental thereto;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the Fourteenth day of October, 1999 and the Provisional Constitution Order No.1 of 1999, read with the Provisional Constitution (Amendment) Order No. 9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to “make and promulgate the following Ordinance:

1. Short title, extent and commencement.— (1) This Ordinance may be called the Pakistan Postal Services Management Board Ordinance, 2002.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

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

- (a) “Auditor General” means the Auditor General of Pakistan;
- (b) “Board” means the Pakistan Postal Services Management Board established under section 3;
- (c) “Chairman” means the Chairman of the Board;
- (d) “Director General” means the Director General of the Pakistan Post Office Department;
- (e) “Executive Committee” means the Executive Committee of the Board;
- (f) “Fund” means the Pakistan Postal Services Fund;
- (g) “member” means a member of the Board and includes the Chairman;
- (h) “Pakistan Post Office Department” means the Pakistan Post Office Department established under the Post Office Act, 1898 (VI of 1898); ¹[*]

¹Omitted by Pakistan Postal services Management Board (Amdt.) Ordinance, 2023 (IV of 2023), s. 2.

(i) “Secretary” means the Secretary of the Board; ¹[and]

¹[(j) “SoE Act” means the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023).]

3. Establishment of the Pakistan Postal Services Management Board.—(1) For the management of the Pakistan Post Office Department, there is hereby established a board to be known as the Pakistan Postal Services Management Board.

(2) 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 its property, both movable and immovable; and shall by its name sue and be sued.

¹[(3) The Board shall consist of—

S.No.	Membership	Status
(1)	(2)	(3)
(a)	A suitable person of eminence and known integrity to be appointed by the Federal Government	<i>Chairperson</i>
(b)	Director General as Chief Executive Officer of the Pakistan Post Office Department to be appointed by the Federal Government from Postal Group Officer not below BPS-21 or equivalent	<i>Member ex-officio</i>
(c)	a joint secretary or equivalent of the division to which business of finance of the Federal Government stands allocated	<i>Member ex-officio</i>
(d)	a joint secretary or equivalent of the division to which business of this Ordinance stands allocated	<i>Member ex-officio</i>
(e)	two senior technical officers not below the rank of joint secretary or equivalent from the Pakistan Post Office Department	<i>Member ex-officio</i>
(f)	six suitable persons of eminence and known integrity to be appointed by the Federal Government	<i>Members (Independent).]</i>

¹[**3A. Application of SoE Act.**—Notwithstanding anything contained in this Ordinance, the SoE Act, including sections 12, 15 and 22 thereof, shall apply to the provisions of this Ordinance and in case of any inconsistency between the provisions of this Ordinance and the SoE Act, the provisions of the SoE Act shall prevail.].

4. Chairman.—(1) Subject to the provisions of this Ordinance, the rules and regulations made thereunder, the Chairman shall be a BS-21 or 22 officer.

(2) The Chairman shall have administrative and financial powers as specified in schedule “I” and “II” to this Ordinance.

¹Added, subs. & ins by the Pakistan Postal services Management Board (Amdt.) Ordinance, 2023 (IV of 2023), ss. 2,3and 4

5. Appointment and term of office of a member.— A member, not being an *ex-officio* member, shall be appointed by the Federal Government and shall hold office for a period of two years and shall be eligible for re-appointment for a further period of one year.

6. Term and conditions of appointment.— The terms and conditions of appointment of a member appointed from private sector shall be such as the Federal Government may, from time to time, determine.

7. Resignation by a member.— A member, other than an *ex-officio* member may, by giving in writing to the Federal Government a notice of not less than sixty days, resign his office:

Provided that his resignation shall not take effect until accepted by the Federal Government.

8. Removal of a member.— (1) Subject to sub-section (2), the Federal Government may, by notification in the official Gazette, remove any member from his office.

(2) Any member may be removed from his office, if he—

- (a) in the opinion of the Federal Government, fails to discharge, or becomes incapable of discharging, his duties under this Ordinance;
- (b) has been declared insolvent;
- (c) has been declared to be disqualified for employment in, or has been dismissed from the service of Pakistan;
- (d) has been convicted of an offence involving moral turpitude; or
- (e) has knowingly acquired or continued to hold without the permission in writing of the Federal Government, directly or indirectly or through a partner, any share or interest in any contract or employment with, or by on behalf of the Board, in any land or property which in his knowledge, is likely to benefit or has benefited as a result of the operation of the Board.

9. Filing of a casual vacancy.— A casual vacancy in the office of a member shall be filled by the appointment of another member for the remaining term of office of his predecessor.

10. Meetings of the Board.— (1) The Board shall meet at least once during a quarter.

(2) The meetings of the Board shall be held at such time and at such places as the Chairman may determine.

(3) To constitute quorum at a meeting of the Board, the Chairman and at least five other members shall be present one of whom shall be either Joint Secretary, Ministry of Finance, or Joint Secretary, Communications Division.

(4) The Chairman and, in his absence, a member authorized by him in this behalf, shall preside at the meetings of the Board.

(5) Each member shall have one vote and, in the event of an equality of votes, the Chairman shall have a casting vote.

(6) No act or proceedings of the Board shall be invalid merely on the ground of the existence of any vacancy in, or any defect in the constitution of the Board.

11. Powers and functions of the Board.— (1) Subject to the provisions of this Ordinance, the Board shall have complete decision making power in matters relevant to all the administrative, operation and finance of the Pakistan Post Office Department:

Provided that the power to make decisions in important policy matters shall vest in the Federal Government.

(2) In particular and without prejudice to the generality of the foregoing powers, the following shall be the powers and functions of the Board, namely:—

- (a) to manage, maintain and operate the Pakistan Post Office Department;
- (b) to manage, maintain and operate the Post Office Savings Banks throughout Pakistan;
- (c) to frame overall market oriented postal policies and introduce flexible tariff regime in consultation with the Government;
- (d) to manage postage rates for ordinary postal articles in consultation with the Government;
- (e) to manage, maintain and operate the Postal Life Insurance throughout Pakistan;
- (f) to make such provisions as appear to it to be appropriate for advancing the skills of its officers, employees and servants by education, training and otherwise, and to promote, within reasonable limits, their welfare;
- (g) to conduct and assist research experiments or trials for the improvement of methods of postal facilities and other services being carried out by the Pakistan Post Office Department;
- (h) to advise the Federal Government on matters relating to postal and other services being provided by the Pakistan Post Office Department and to provide consultancy services thereto;
- (i) to maintain liaison with the Universal Postal Union and other international postal organizations;
- (j) to open, operate and maintain bank accounts only with those banks authorized by the Finance Division in accordance with the instructions issued, from time to time, for maintaining working balances of public sector enterprises;

- (k) to undertake domestic or foreign borrowings in consultation with the Finance Division and invest surplus funds of the Board in accordance with the instructions issued, from time to time, by the said Division;
- (l) to seek contracts and provide postal services abroad; and
- (m) to perform such other functions as the Federal Government may, from time to time, assign.

12. Secretary of the Board.— (1) There shall be a Secretary of the Board who shall be a senior officer of the Postal Group.

(2) The Secretary shall—

- (a) be responsible for the administration of the Board's offices;
- (b) be responsible for recording all decisions of the Board and monitoring progress thereon; and
- (c) perform such other functions as the Board may, from time to time, assign.

Explanation.— For the purposes of this section, Postal Group means the Postal Occupational Group as constituted *vide* the Establishment Division's O. M. No. 7/2/15-ARC, dated the 30th May, 1975.

13. Executive Committee.—(1) There shall be an Executive Committee for taking day to day operational decisions in line with the policy formulated by the Board, and matters delegated to it specifically by Board.

(2) The Executive Committee shall consist of the members, namely:—

- (a) Director General, Pakistan Post Office Department who shall be its President.
- (b) Additional Director General (Administration), Pakistan Office Department.
- (c) Additional Director General (Operations), Pakistan Post office Department.

14. Delegation of powers.— The Board may, by order in writing, direct that any of its powers, shall, in such circumstances and under such conditions, if any, as may be specified in the order be exercisable also by a member or the Executive Committee.

15. Preparation of plans.— The Board shall, from time to time prepare plans and, if necessary, prospective plans, for the development postal and other services and for the furtherance of its purposes and functions under this Ordinance and matters incidental thereto.

16. Postal tariffs.— (1) Notwithstanding anything contained in the Post Office Act, 1898 (VI of 1898), the upward revision of postage rates for ordinary postal articles sent by inland post shall be subject to the prior approval of the Federal Government:

Provided that the rates being charged by the Pakistan Post Office Department immediately before the commencement of this Ordinance be deemed to have been approved by the Federal Government.

(2) Rates of postage to be charged in respect of postal articles sent abroad shall be fixed by the Board according to the relevant provisions of the Convention adopted by the latest Congress of the Universal Postal Union or in accordance with its international obligations.

(3) Fees to be charged in respect of postal articles requiring special treatment and for remittance of money shall be fixed by the Board.

(4) The Board may, from time to time, settle with foreign postal authorities rates at which accounts shall be settled with such authorities in respect of postal traffic between Pakistan and other countries.

17. Sale of assets and services.— The Board may, in a transparent manner, enter into joint ventures, concession contracts and management contracts for operation or expansion of its services or functions including out-sourcing its services:

Provided that the Board shall, with the prior approval of the Federal Government, enter into contracts for leasing and selling its assets.

18. Budget.— (1) The Board shall submit to the Federal Government a statement of the estimated receipts and expenditure for next financial year for approval in principle.

(2) The annual budget shall be approved by the Board.

(3) The Board may, within the budgetary allocations, authorise any expenditure considered necessary for the efficient performance of the functions of the Pakistan Post Office including re-appropriation from one head of account to another.

19. Audit and accounts.— (1) The accounts of the Board shall be maintained in such forms as may be determined by the Controller General Accounts.

(2) The Auditor General shall have the power to audit or cause to be audited, the accounts of the Pakistan Post Office Department.

(3) The Board shall cause the Pakistan Post Office Department to produce such accounts and books and connected documents, and furnish such explanation and information, as the Auditor General, or any officer authorized by him in this behalf, may require for the purpose of the audit.

(4) Copies of the audit report shall be sent to the Board and to the Federal Government.

(5) The Board shall cause compliance from the Pakistan Post Office Department with any directive issued by the Federal Government, the Auditor General or the Public Accounts Committee of National Assembly for rectification of an audit objection.

20. Internal audit.— The Board shall, in addition to the audit under section 19, cause to be carried out internal audit of the accounts of the Pakistan Post Office Department for submission to the Board through the Chairman.

21. Pakistan Postal Services Fund.— (1) There shall be a fund to be known as the Pakistan Postal Services Fund which shall vest in the Board.

(2) The Fund shall consist of—

- (a) grants made by the Federal Government;
- (b) loans obtained by the Board with the approval of the Federal Government;
- (c) grants made by local bodies;
- (d) receipts for services rendered, sale proceeds from movable property and, with the prior approval of the Federal Government receipts of immovable property;
- (e) loans obtained with the special or general prior sanction of the Federal Government;
- (f) foreign aid and loans obtained from any source outside Pakistan with the sanction of, and on such terms as may be approved by, the Federal Government; and
- (g) proceeds of all charges and recoveries made under the Pakistan Post Office Act, 1898 (VI of 1898); and
- (h) all other sums receivable by the Board.

(3) The Board shall have power to meet charges from the Fund in connection with its functions under this Ordinance including payment of salary or remuneration of the Chairman, members, officers, employees and advisers of the Board.

(4) All surplus money and profits earned by the Pakistan Post Office Department shall be deposited in the Government Treasury according to the prescribed procedure.

22. Appointment of officers, employees and advisers.— (1) Subject to sub-section (2), the Board may appoint such officers, employees and advisers at it may consider necessary for the efficient performance of its functions on such terms and conditions as may be prescribed by regulations:

(2) All appointments shall be made in accordance with the prescribed educational, technical or professional qualifications and experience and age limits, against posts sanctioned by the Government and all initial appointments shall be made after advertisement of the vacancies in the prominent newspapers.

23. Submission of yearly reports.— (1) The Board shall submit to the Federal Government, as soon as possible after the end of every financial year but before the 30th September a report on the conduct of its affairs for the year.

(2) The Federal Government may require the Board to furnish to it with any report, return, statement, estimates and statistics on any subject and any other document or any other information regarding any matter under the control of the Board.

24. Rates of profit and bonus.— (1) Rates of profit payable to depositors and investors of the savings schemes, operated by the Pakistan Post Office Department shall be determined by the Federal Government.

(2) Rates of bonus payable on the Postal Life Insurance shall be fixed by the Board on the advice of the actuary conducting the valuation of the Postal Life Insurance Fund.

25. Directives of the Federal Government.— For furthering the functions and objectives of the Pakistan Postal Services Management Board, the Federal 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 and if a question arises whether any matter is a matter of policy or not, the decision of the Federal Government shall be final.

26. Power to make rules.—The Federal Government may, by notification in official Gazette, make rules for carrying out the purposes of this Ordinance.

27. Power to make regulations.— The Board may, with the prior approval of the Federal Government, by notification in the official Gazette, make regulations, not inconsistent with this Ordinance and the rules made thereunder, for carrying out the purposes of this Ordinance.

¹**28. Removal of difficulties.**—If a difficulty arises in giving effect any of the provisions of this Act, the Federal Government may make such order, not inconsistent with the provisions of the Pakistan Postal Services Management Board Ordinance, 2002 (CXXVI of 2002) and the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023), as may appear to be necessary for the purpose of removing the difficulty.]

29. Savings.—Nothing in the Ordinance shall derogate from or affect the provision of the Post Office Act, 1898 (IV) of 1898), the Government Saving Bank Act, 1873 (V of 1873), the Post Office Cash Certificates Act, 1917 (XVIII of 1917), the Post Office National Savings Certificates Ordinance, 1944 (XLII of 1944), and the Wireless Telegraphy Act, 1933 (XVII of 1933), or any enactment amending or extending the same, provided that reference to the Pakistan Post Office therein shall hereafter be read and constitute as reference to the Board.

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¹subs. by the Pakistan Postal services Management Board (Amdt.) Ordinance, 2023 (IV of 2023), s. 5.