

THE PAKISTAN POSTAL SERVICES MANAGEMENT BOARD  
ORDINANCE, 2002

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THE PAKISTAN POSTAL SERVICES MANAGEMENT BOARD  
ORDINANCE, 2002

ORDINANCE No. CXXVI OF 2002

[15 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.—[(1)] 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;

(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); [\*]

\*Numbered and omitted by Act No. VIII of 2024, s.2.

(i) "Secretary" means the Secretary of the Board; ![and]

'I@) | "SOE Act" means the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023).]

1[(2) The words and expressions used but not defined in this Ordinance shall have the same meaning as assigned thereto in the SOE Act.]

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.

'[(3) The Board shall consist of following members, namely:—

S.No. Membership Status

Q) (2) (3)

(a) a suitable person to be appointed by the Federal Chairman Government from among the independent members

(b) Director General or Chief Executive Officer of Pakistan Member Post Office Department ex-officio

(c) a Joint Secretary or equivalent of the division to which Member business of finance of the Federal Government stands ex-officio allocated

(d) a Joint Secretary or equivalent of the division to which Member business of the Pakistan Post Office Department stands ex-officio allocated

(e) two senior technical officers of Postal Group not below Member the BPS-21 or equivalent ex-officio

(f) six suitable persons of eminence and known integrity to Members be appointed by the Federal Government (independent)]

'13A. 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 appointed by the Federal Government from amongst the independent members of the Board.]

'Added, subs., ins. and omitted by Act No. VIII of 2024, ss. 2-4.

115. Appointment and term of office of members.—(1) A member other than an ex-officio member shall be appointed by the Federal Government in accordance with the provisions of the SOE Act and shall be entitled to such perks and privileges as the Board may determine.

(2) A member other than an ex-officio member may be removed from office in accordance with the provisions of the SOE Act.]

6. '[Omitted].

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. '[Omitted].

9, Filling of a casual vacancy.— A causal 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) Not less than fifty percent of total membership of the Board including not less than three independent and one ex-officio members shall constitute quorum for a meeting of the Board.]

(4) The Chairman and, in his absence, a member authorised 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.

'T11. Powers and functions of the Board.—(1) Subject to the provisions of this Ordinance, the Board shall have complete independence and autonomy to discharge its functions in accordance with the provisions of the SOE Act:

Provided that the following powers shall vest in the Federal Government, namely.—

(a) international agreements, contracts, treaties signed/committed by Pakistan Post Office Department on behalf of Government of Pakistan and ancillary issues thereto;

(b) ratification of conventions and treaties under Universal Postal Union, an agency of the United Nations;

'Subs., and omitted by Act No. VIII of 2024, ss. 5-9.

(©)

issues pertaining to employees working in Pakistan Post Office Department regulated under the Civil Servants Act, 1973 (LXXI of 1973); and

(2) Without prejudice to the generality of the powers under sub-section (1), the Board shall have the following powers and functions, namely: —

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to advise the Federal Government on matters relating to postal, financial and allied services;

to frame overall market oriented postal policies, products, projects and to introduce flexible tariff regime;

to conduct and assist research and experiments for the improvement of postal products and services;

to enhance skills of officers, employees and workers by education, training and to promote their welfare;

to enter into contracts with Federal Government, provincial governments and corporate entities to act as their partner or agent;

re-organization of Pakistan Post Office Department;

establishment and maintenance of extraterritorial offices of exchange for reduction of cost and better quality of services;

re-designation of any post;

transfer of posts from one office to any other office;

to approve plans for utilization of postal properties i.e. buildings and lands for revenue generation including but not limited to public private partnership;

to make strategic decisions regarding restoration and launching of financial services including but not limited to post bank and life insurance to ensure financial inclusion in line with policies of the State Bank and the Federal Government;

constitution of committees including audit committee in accordance with the provisions of the SOE Act;

timely preparation and publication of the financial statements, annual reports and half yearly reports in accordance with the provisions of the SOE Act;

to authorize utilization of non-revenue receipts for specific purposes;

creation, maintenance of revolving funds for any special purpose;

to authorize opening and maintenance of bank accounts for any specific purpose subject to the provisions of the Public Finance Management Act, 2019;

to generate special funds for grant of honorarium, cash award, bonus to employees of Pakistan Post Office Department; and

design, approve and grant incentives to employees on various services of Pakistan Post Department.]

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 30<sup>th</sup> May, 1975.

1113. Director General.—(1) There shall be a Director General of the Pakistan Post Office Department who shall be its chief executive officer and shall be appointed by the Prime Minister on recommendation of the Board.

(2) The Board shall devise a mechanism for selection of panel of candidates for appointment of CEO by the Authority.

(3) The Director General may be removed from office by the Prime Minister on recommendation of the Board owing to his unsatisfactory performance. ]

113A. Powers and functions of the Director General.—Subject to the provisions of this Ordinance and the SOE Act, Director General shall be responsible for —

(a) the management of the Pakistan Post Office Department and for its procedures in financial and other matters under delegation from the Board and subject to the oversight and directions of the Board;

(b) ensure the proper implementation of strategies and policies approved by the Board;

(c) put in place appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with the state-owned enterprise business plan, the primary objective and all statutory obligations; and

(d) to exercise all administrative and financial powers already delegated as head of department. ]

'Subs. and ins. by Act No. VIII of 2024, ss. 10-11.

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 [Director General].

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

16. Postal tariffs.—[(1) Rates of postage to be charged in respect of postal articles sent by inland post shall be fixed by the Board.]

(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.

"Subs. by Act No. VIII of 2024, ss. 12-13.

(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 advisors as 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 30<sup>th</sup> 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.

1128. 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.

'Subs. by Act No. VIII of 2024, s.14.