

DRAFT OF THE PROPOSED
INDIAN POST OFFICE (AMENDMENT) BILL, 2006

A

BILL

further to amend the Indian Post Office Act, 1898.

BE it enacted by Parliament in the Fifty-seventh Year of the Republic of India as follows:-

1. (1) This Act may be called the Indian Post Office (Amendment) Act, 2006. Short title and commencement.
- (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

Amendment of section 1. 2. In section 1 of the Indian Post Office Act, 1898 (hereinafter referred to as the principal Act), in sub-section (1), the word “Indian” shall be omitted. 6 of 1898.

Amendment of section 2. 3. In section 2 of the principal Act, in sub-section (1),-

(i) for clause (a), the following clauses shall be substituted, namely:-

‘(a) the expression “Authority” means the Mail Regulatory and Development Authority established under section 6A;

(aa) the expression “Director General” means the Director General of Posts and includes any other officer authorised by notification by the Central Government to exercise the powers of the Director General;

(aaa) the expression “electronic post” with reference to receiving and transmitting message by post includes any message sent, received, collected, transmitted or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or any other similar device, through computer system or secure computer network;’;

‘(aaaa) the expression ‘Board’ means the Postal Services Board referred to in Section 3A of this Act.

(ii) after clause (b), the following clause shall be inserted, namely:-

‘(ba) the expression “letter” means any written communication, or communication produced by mechanical, electronic or other means and sent to and from any person to any specified address and includes letter-card, post-card and open or closed envelope, documents or any return or answer to such documents, sent, conveyed or delivered by post but does not include newspapers and parcels;’;

(iii) in clause (d), for the words “or Her Majesty’s Government or the Government of any British possession or foreign country”, the words “or the

Government of any foreign country;” shall be substituted;

(iv) after clause (d), the following clause shall be inserted, namely:-

“(da) the expression “notification” means a notification published in the Official Gazette;”;

(v) after clause (e), the following clause shall be inserted, namely:-

‘(ea) the expression “person” means-

(i) an individual who is a citizen of India;

(ii) an association of individuals or body of individuals, whether incorporated or not, whose members are citizens of India;

(iii) a company in which not less than fifty-one percent of the paid up share capital is held by the citizens of India;”;

(vi) for clauses (i) and (j), the following clauses shall be substituted, namely:-

‘(i) the expression “postal article” includes a letter, letter-card, post-card, newspaper, book packet, parcel and every article or thing transmissible by post, or by any person or body authorised to carry such article under the provisions of this Act;

(j) the expression “Post Master General” includes the Principal Chief Post Master General, the Chief Post Master General, the Regional Post Master General or the Director of Postal Services and any other officer authorised by order to exercise the powers of the Principal Chief Post Master General, the Chief Post Master General or the Regional Post Master General;”;

(vii) after clause (k), the following clauses shall be inserted, namely:-

‘(l) the expression “prescribed” means prescribed by rules made under this Act;

(m) the expression “postage stamping machine” means a machine used to affix impressions to indicate pre-payment of postage or other sums chargeable under this Act and includes a franking machine;

(n) the expression “registered service provider” means a person registered as such under section 4C and includes his agent or assignee;

(o) the expression “Tribunal” means the Mail Disputes Settlement Tribunal established under section 6L;

(p) the expression “universal service obligation” means the obligation to provide minimum postal services at reasonable access, affordable price and with specified quality parameters throughout the territory of the Union of India.’.

4. In section 3 of the principal Act, in clause (c), after the words “postal articles to the addressee,”, the words “or the placing of a postal article in a letter deposit box kept at the house or office of the addressee or in a post box at the post office rented by the addressee in such manner as may be prescribed,” shall be inserted. Amendment of section 3.

“CHAPTER IA
Postal Services Board

Insertion of new chapter on Postal Services Board.

3 A (1) The Central Government shall constitute a Postal Services Board with Chairperson and as many Members of the Board as the Government may appoint from time to time:

Provided that the existing Postal Services Board shall, until the constitution of the Board under this section, continue to function as if the Indian Post Office (Amendment) Act, 2006 had not been passed.

(2) The Board shall, subject to the control of the Central Government, exercise such powers and perform such duties as may be entrusted to it by that Government under this Act or under any other law for the time being in force.

(3) The Central Government may make rules for the purpose of regulating the transaction of business by the Board and every order made or act done in accordance with such rules shall be deemed to be the order or act, as the case may be, of the Board.”

5. In section 4 of the principal Act,-

Amendment of section 4.

(a) in sub-section (1),-

(i) for clauses (b) and (c), the following clauses shall be substituted, namely:-

“ (b) letters solely concerning the affairs of the sender or receiver thereof, delivered or sent by his employee or messenger, without hire, reward, profit or advantage for the purpose of receiving, carrying or delivering them;

(c) letters solely concerning goods or property sent either by land, sea or air to be delivered with the goods or property to which the letters concern, without hire, reward, profit or advantage for the purpose of receiving, carrying or delivering them.”;

(ii) after the proviso, the following proviso shall be inserted, namely:-

“ Provided further that the Central Government may, by notification, allow, on such conditions as may be specified in the said notification, the conveying of letters beyond 300 grams and all the incidental services of receiving, collecting, sending, despatching and delivering such letters from one place to another.”;

(b) sub- section (2) shall be omitted.

Terms and conditions of universal service obligation to be complied by registered service providers.

6. After section 4 of the principal Act, the following sections shall be inserted, namely:-

“4A. The Central Government may, by notification, specify the terms and conditions of the universal service obligation and its applicability to the registered service provider.

Prohibition of carrying on any act or perform any service unless registered.

4B. Subject to the provisions of section 4, no person shall carry on any act or perform any service relating to carriage and delivery of any postal article unless he is registered as a service provider under section 4C:

Provided that a person carrying on any act or performing any service relating to carriage and delivery of postal article, other than letter, immediately before the commencement of the Indian Post Office (Amendment) Act, 2006, may continue to do so, for a period of ninety days from such commencement; and where he has made an application for registration under section 4C within the said period of ninety days, till a certificate of registration is granted under this section or the registering authority refuses to grant registration to him.

Registration of service provider.

4C. (1) Any person, who is acting or performing any service relating to carriage and delivery of any postal article, other than a letter, immediately before the commencement of the Indian Post Office (Amendment) Act, 2006, or is desirous of carrying on any act or performing any service relating to carriage and delivery of any postal article or letter, subject to the provisions of section 4, shall apply for registration as a service provider to the registering authority in such form and manner as may be prescribed.

(2) Subject to the provisions of section 4, the terms and conditions for registration of the service provider shall be such as may be prescribed.

(3) Application under sub-section (1) shall be accompanied by such fee as is set forth in the Second Schedule:

Provided that the Central Government shall have the power to amend the Second Schedule so as to enhance or reduce the quantum of fee.

(4) On receipt of the application, the registering authority shall, satisfy itself that the applicant has fulfilled the prescribed terms and conditions and furnished the same in the prescribed form and manner.

(5) On being satisfied, the registering authority shall register the applicant as a service provider and grant him a certificate of registration within a period of thirty days from the date of receipt of application.

(6) The registering authority may, for reasons to be recorded in writing and communicated to the applicant within a period of thirty days from the date of receipt of such application, refuse to grant registration if he is satisfied that the applicant does not fulfill the prescribed conditions.

(7) The certificate of registration granted under sub-section (5) shall be in such form, for such period, and be renewed in such manner, as may be prescribed.

(8) On registration of service provider under sub-section (5), the registering authority shall forthwith communicate the particulars of such registration to the Central Government.

4D (1) The registration granted under this Act shall not be transferable.

(2) No registered service provider shall collect, accept for transmission, transmit or deliver any postal article, the transmission or delivery of which through post is contrary to the provisions of this Act.

(3) The provisions of sections 20,23,24,24A,25, and 26 shall apply in relation to postal articles authorised to be handled by a registered service provider in the

Obligations of registered service providers.

same manner as they apply in case of transmission or delivery of such postal articles to the postal authorities under this Act.

(4) Any registered service provider with annual turnover of rupees twenty-five lakh or over shall deposit ten per cent. of his annual turnover with the registering authority for meeting universal service obligation in such manner as may be prescribed:

Provided that the Central Government may, by notification, reduce such percentage of the annual turnover from time to time.

4E. For the purposes of this Act the Central Government shall by notification appoint such number of registering authorities, in such manner and to perform such functions, as may be prescribed.

Appointment of registering authority.

4F. (1) The registering authority may, if there is any reasonable cause to believe that the registered service provider has made any statement in, or in relation to, any application for the grant or renewal of certificate of registration which is incorrect or false in material particulars or has contravened any of the provisions of this Act or any rule or order made thereunder, or has received any recommendation from the Authority under sub-section (1) of section 6J, suspend such certificate of registration pending the completion of any inquiry against such registered service provider for making such incorrect or false statement or for such contravention.

Suspension or cancellation of registration.

(2) Where the registering authority is satisfied, after making such inquiry as it may be deem fit, that the registered service provider has made incorrect or false statement or contravention referred to in sub-section (1), it may, without prejudice to any other penalty to which such registered service provider may be liable under the provisions of this Act, cancel the certificate of registration:

Provided that no order of suspension or cancellation of certificate of registration shall be made until an opportunity is given to the registered service provider to show cause as to why such registration should not be suspended or cancelled.

(3) A registered service provider whose certificate of registration has been suspended under sub-section (1) shall, immediately after such suspension, surrender such certificate of registration to the registering authority and stop carrying on any act or performing any service relating to carriage and delivery of any postal article in respect of which such certificate of registration is given and shall not resume such activity until the order of suspension has been revoked.

(4) No registered service provider shall be entitled to any compensation for suspension or cancellation of certificate of registration.

Amendment of section 5.

7. In section 5 of the principal Act, for the words “Wherever within India”, the words and figure “Subject to the provisions of section 4, where within India” shall be substituted.

Amendment of section 6.

8. In section 6 of the principal Act, for the words “The Government shall not incur any”, the words “Notwithstanding anything contained in any other law for the time being in force, the Central Government shall not incur any contractual” shall be substituted.

Insertion of New Chapter

9. After Chapter II of the principal Act, the following Chapters shall be inserted, namely:-

IIA.

“CHAPTER II A
MAIL REGULATORY AND DEVELOPMENT AUTHORITY

Establishment and incorporation of Authority.

6A.(1) **With effect from such date as the Central Government may, by notification appoint, there shall be established, for the purposes of this Act, an Authority to be called the Mail Regulatory and Development Authority.**

(2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name; sue or be sued.

(3) The head office of the Authority shall be at New Delhi.

Qualifications for appointment of Chairperson and other members.

6B. The Authority shall consist of the following persons, namely:-

(a) a Chairperson, to be appointed by the Central Government by notification, from amongst persons who is or has held a post, not below that of the Additional Secretary to the Government of India or any other post under the Central Government carrying a scale of pay which is not less than that of the Additional Secretary to the Government of India, for a period of three years and has practical knowledge and experience in the postal service administration;

(b) one member, to be appointed by the Central Government by a notification, from amongst persons who is or has held the post, not below that of the Additional Secretary to the Government of India or any other post under the Central Government carrying a scale of pay which is not less than that of the Additional Secretary to the Government of India, for a period of three years and has practical knowledge and experience in the central civil or general services and administration;

(c) one member, to be appointed by the Central Government by a notification, from amongst persons who is or has held the post, not below that of the Additional Secretary to the Government of India or any other post under the Central Government carrying a scale of pay which is not less than that of the Additional Secretary to the Government of India, for a period of three years and has professional knowledge and experience in trade and commerce.

Term of office, conditions of service, etc., of Chairperson and members of Authority.

6C. (1) Before appointing any person as the Chairperson or member of the Authority, the Central Government shall satisfy itself that the person does not have any such financial or other interest as is likely to affect prejudicially his functions as such Chairperson or a member, as the case may be.

(2) The Chairperson and members of the Authority shall hold office for a term of three years from the date on which they enter upon their offices or until they attain the age of sixty-five years, whichever is earlier.

(3) Every person on his selection as the Chairperson or a member of the Authority shall have to seek retirement from service before joining as such Chairperson or member, as the case may be.

(4) **The salary and allowances payable to and other terms and conditions of service of the Chairperson and members of the Authority shall be such as may be prescribed.**

(5) Notwithstanding anything contained in sub-section (2), the Chairperson or a member of the Authority may –

(a) relinquish his office by giving to the Central Government a notice of not less than three months; or

(b) be removed from his office in accordance with the provisions of section 6E.

(6) The Chairperson or any member of the Authority ceasing to hold office as such, shall –

(a) be ineligible for further employment under the Central Government or any State Government; or

(b) not accept any commercial employment, for a period of two year from the date he ceases to hold such office.

Explanation.- For the purpose of this section, “commercial employment” means employment in any capacity under, or in agency of, a person engaged in trading, commercial, industrial or financial business in the field relating to mail or courier business including setting up practice either independently or as partner of a firm or as a director of a company or an adviser or a consultant in any field relating to the mail or courier business..

6D. (1) The Chairperson of the Authority shall have powers of general superintendence and directions in the conduct of affairs of the Authority and he shall, in addition to presiding over the meetings of the Authority, exercise and discharge such powers and functions of the Authority as may be prescribed. Powers of Chairperson.

(2) When the Chairperson of the Authority is unable to discharge his functions owing to absence, illness or any other cause, the senior-most member shall discharge the functions of the Chairperson until the date on which the Chairperson resumes his duties.

6E. (1) The Central Government may remove from office such Chairperson or member of the Authority, who – Removal of Chairperson and member from office.

(a) is, or at any time has been, adjudged as an insolvent; or

(b) has been convicted of any offence which, in the opinion of the Central Government, involves moral turpitude; or

(c) engages during his term of office in any paid employment outside the duties of his office; or

(d) is, in the opinion of the Central Government, unfit to continue in office by reason of infirmity of mind or body; or

(e) has acquired such financial or other interest as is likely to affect prejudicially his functions as the Chairperson or a member, as the case may be; or

(f) has so abused his position as to render his continuation in office prejudicial to the public interest.

(2) No person shall be removed under clauses (c) to (f) of sub-section (1) unless he has been given a reasonable opportunity of being heard in the matter.

Meetings of Authority.	6F. The Authority shall meet at least once in every three months and shall observe such rules of procedure in regard to the transaction of business at its meetings, including quorum at such meetings, as may be prescribed.
Vacancies, etc. not to invalidate proceedings of Authority.	<p>6G. No act or proceeding of the Authority shall be invalid merely by reason of –</p> <p style="margin-left: 40px;">(a) any vacancy in, or any defect in the constitution of, the Authority; or</p> <p style="margin-left: 40px;">(b) any defect in the appointment of a person acting as a Chairperson or member of the Authority; or</p> <p style="margin-left: 40px;">(c) any irregularity in the procedure of the Authority not affecting the merits of the case.</p>
Officers and other employees to be provided to Authority.	<p>6H. (1) The Central Government shall provide the Authority with such officers and other employees as it considers necessary for the efficient discharge of functions under the provisions of this Act.</p> <p>(2) The salary and allowances payable to and the other conditions of service of the officers and other employees of the Authority appointed under sub-section (1) shall be such as may be prescribed.</p>
Filling up of casual vacancy in Authority.	6-I. If, for reasons other than temporary absence, any vacancy occurs in the office of the Chairperson or a member of the Authority, the Central Government shall appoint another person in accordance with the provisions of section 6B to fill the vacancy and the Chairperson or the member, as the case may be, so appointed to fill the casual vacancy shall hold office only for the remainder of the term for which the Chairperson or the member, as the case may be, in whose place he is so appointed.
Functions and powers of Authority.	<p>6J. The functions of the Authority shall be to –</p> <p style="margin-left: 40px;">(a) make recommendations, which may not be binding on the Central Government, on a request from registered service providers or department of Posts, on the following matters, namely:-</p> <p style="margin-left: 80px;">(i) suspension or cancellation of registration for non-compliance of terms and conditions of registration;</p> <p style="margin-left: 80px;">(ii) measures to promote competition and efficiency in carrying on any service relating to carriage and delivery of postal articles and letters;</p> <p style="margin-left: 80px;">(iii) technological improvements in services provided by the registered service providers/Department of Posts;</p> <p style="margin-left: 80px;">(iv) kinds of equipment to be used by the registered service providers/Department of Posts;</p> <p style="margin-left: 80px;">(v) standards and quality of service to be provided by the registered service providers and department of Posts;</p> <p style="margin-left: 80px;">(vi) compliance of terms and conditions by registered service providers;</p> <p style="margin-left: 80px;">(vii) rates at which mail services within India and outside shall be provided.</p> <p style="margin-left: 40px;">(b) fix terms and conditions of inter-connectivity between the registered service</p>

providers and the department of Posts;

- (c) regulate arrangements amongst registered service providers of sharing with the Department of Posts their revenue derived from providing mail related services.
- (d) conduct periodical survey of services provided by the registered service providers;
- (e) protect interests of consumers of mail services;
- (f) lay down and ensure time period for providing local and long distance mail services by registered service providers and the department of Posts;
- (g) maintain records of mutual agreements between registered service providers;
- (h) make available the records maintained under clause (g) for inspection to public on payment of such fee and on compliance of such conditions as may be prescribed;
- (i) ensure effective compliance of universal service obligation;
- (j) perform such other administrative and financial functions as may be entrusted to it by the Central Government and which are incidental thereto;
- (k) carry out inspection of records of the registered service providers; and
- (l) call for information, statement and record from the registered service providers and the Department of Posts.

45 of 1860.

6K. The Chairperson, members and other officers and employees of the Authority shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860.

Chairperson and members to be public servants.

CHAPTER II B

MAIL DISPUTES SETTLEMENT TRIBUNAL

Establishment of Tribunal.

6L. With effect from such date as the Central Government may, by notification appoint, there shall be established for the purposes of this Act, a Tribunal to be called as the Mail Disputes Settlement Tribunal to adjudicate any dispute –

- (i) between the Central Government or a State Government or a local authorities and a registered service provider;
- (ii) between the authority and a registered service provider;
- (iii) between two or more service providers;

(iv) between a service provider and a group or association of consumers:

Provided that nothing in this section shall apply in respect of matters relating to-

- (a) inquiring into any alleged contravention of the provisions contained in sub-section (1) of section 3 or sub-section section (1) of section 4 of the Competition Act, 2002 by the Competition Commission ; 12 of 2003.
- (b) the complaint of an individual consumer relating to services offered by registered service providers and maintainable before a Consumer Disputes Redressal Forum or a Consumer Disputes Redressal Commission or the National Consumer Redressal Commission established under section 9 of the Consumer Protection Act, 1986; 68 of 1986.
- (c) services provided by the department of Posts.

Application for settlement of disputes to Tribunal.

6M. (1) The Central Government or a State Government or a local authority or a registered service provider or a group or association of consumers may make an application to the Tribunal for adjudication of any disputes specified under section 6L.

(2) An application under sub-section (1) shall be made in such form, within such period, in such manner and be accompanied by such fee, as may be prescribed:

(3) On receipt of an application under sub-section (1), the Tribunal may, after giving the parties to the disputes an opportunity of being heard, pass such orders thereon as it deem fit.

(4) The Tribunal shall send a copy of every order made by it to the parties to the dispute and to the Central Government.

(5) The application received under sub-section (1) shall be dealt with as expeditiously as possible and endeavour shall be made to dispose of the same finally within ninety days from the date of receipt of such application:

Provided that where any such application could not be disposed of within the said period of ninety days, the Tribunal shall record its reasons in writing for not disposing of the application within that period.

(6) The Tribunal may, for the purpose of examining the legality or propriety or correctness of any dispute made in any application under sub-section (1), suo moto or otherwise, call for the relevant records to dispose of such application and make such orders as it deem fit.

6N. (1) The Tribunal shall consist of the following persons, namely:-

Composition of Tribunal.

- (a) the Chairperson, to be appointed by the Central Government by notification, from amongst persons who is, or has been, or is qualified to be, a Judge of a High Court;
- (b) one member, to be appointed by the Central Government by notification, from amongst persons who is or has been a member of the Indian Legal Service and has held the post of Additional Secretary in that service;
- (c) one member, to be appointed by the Central Government by notification,

from amongst persons who is or has been a member of the Postal Services and has held the post of Additional Secretary or any other post carrying a scale of pay which is not less than that of the Additional Secretary for a period of three years;

(d) one member, to be appointed by the Central Government by notification, from amongst persons who is or has been a member of the Central Civil or General Services and has held the post of Additional Secretary or any other post carrying a scale of pay which is not less than that of the Additional Secretary for a period of three years.

(2) Subject to the provisions of this Act,-

(a) the jurisdiction of the Tribunal may be exercised by the Benches thereof;

(b) a Bench may be constituted by the Chairperson of the Tribunal with one or more members of such Tribunal as may be prescribed:

Provided that every Bench shall be presided over by the Chairperson or the judicial member appointed under clause (b) of sub-section (1) of section 6N.

(c) the Benches of the Tribunal shall ordinarily sit at New Delhi but in special circumstances at such other places, as the Central Government may, in consultation with the Chairperson of the Tribunal and by notification, specify;

(d) the Central Government shall by notification specify the areas in relation to which each Bench of the Tribunal may exercise its jurisdiction.

(3) Notwithstanding anything contained in sub-section (4), the Chairperson of the Tribunal may transfer a member of the Tribunal from one Bench to another Bench.

(4) If at any stage of the hearing it appears to the Chairperson or a member of the Tribunal that the case or matter is of such a nature that it ought to be heard by a Bench consisting of more members, the case or matter may be transferred by the Chairperson to such Bench as the Chairperson may deem fit.

6-O. Where Benches are constituted, the Chairperson of the Tribunal may, from time to time, by notification, make provisions as to the distribution of the business of the Tribunal amongst the Benches and also provide for the matters which may be dealt with by each Bench.

Distribution of business amongst Benches.

6P. On the application of any of the parties and after notice to the parties, and after hearing such of them as he may deem proper to be heard, or sue moto, the Chairperson of the Tribunal may transfer any case pending before one Bench, for disposal, to any other Bench.

Power of Chairperson to transfer cases.

Decision to be by majority.

6Q. If, the members of a bench consisting of two members differ in opinion on any point, they shall state the point or points on which they differ, and make a reference to the Chairperson of the Tribunal who shall hear the point or points himself and such point or points shall be decided according to the opinion of the majority who have heard the case, including those who first heard it.

Term of office, conditions of service, etc. of Chairperson

6R. (1) The Chairperson and member of the Tribunal shall hold office for a term of three years from the date on which he entered upon his office:

Provided that no Chairperson or other member shall hold office as such after he has

and members
of Tribunal.

attained,-

- (a) in the case of Chairperson, the age of seventy years; and
- (b) in the case of member, the age of sixty-five years.

(2) Every person on his selection as the Chairperson or a member of the Tribunal shall have to seek retirement from service before joining as such Chairperson or member, as the case may be.

(3) The salary and allowances payable to and other terms and conditions of service of the Chairperson and other members of the Tribunal shall be such as may be prescribed.

(4) Notwithstanding anything contained in sub-section (2), the Chairperson or a member of the Tribunal may –

- (a) relinquish his office by giving to the Central Government a notice of not less than three months; or
- (b) be removed from his office in accordance with the provisions of section 6E.

(5) The Chairperson or any member of the Tribunal ceasing to hold office as such, shall –

- (a) be ineligible for further employment under the Central Government or any State Government; or
- (b) not accept any commercial employment, for a period of two year from the date he ceases to hold such office.

Explanation.- For the purpose of this section, “commercial employment” means employment in any capacity under, or in agency of, a person engaged in trading, commercial, industrial or financial business in the field relating to mail or courier business including setting up practice either independently or as partner of a firm or as a director of a company or an adviser or a consultant in any field relating to the mail or courier business..

Filling up of
casual vacancy
in Tribunal.

6S. If, for reason other than temporary absence, any vacancy occurs in the office of the Chairperson or a Member of the Tribunal, the Central Government shall appoint another person in accordance with the provisions of section 6N to fill the vacancy and the proceedings may be continued before the Tribunal from the stage at which the vacancy is filled and the Chairperson or the member, as the case may be, so appointed to fill the casual vacancy shall hold office only for the remainder of the term for which the Chairperson or the member, as the case may be, in whose place he is so appointed.

6T. (1) The Central Government may remove from office, the Chairperson or any Member of the Tribunal, who –

- (a) is or at any time has been adjudged as an insolvent; or
- (b) has been convicted of any offence which, in the opinion of the Central Government, involves moral turpitude; or
- (c) has become physically or mentally incapable of acting as the Chairperson or a member; or
- (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as the Chairperson or a member; or
- (e) has so abused his position as to render his continuation in office prejudicial to the public interest.

Removal of
Chairperson and
member of
Tribunal from
office.

(2) Notwithstanding anything contained in sub-section (1), the Chairperson or a member of the Tribunal shall not be removed from his office on the ground specified in clause (d) or clause (e) of that sub-section unless the Supreme Court on a reference being made to it in this behalf by the Central Government, has, on an enquiry, held by it in accordance with such procedure as it may specify in this behalf, reported that the Chairperson or a member, as the case may be, ought on such ground or grounds to be removed.

(3) The Central Government may suspend from office, the Chairperson or a member of the Tribunal in respect of whom a reference has been made to the Supreme Court under sub-section (2), until the Central Government has passed an order on receipt of the report of the Supreme Court on such reference.

6U. (1) The Central Government shall provide the Tribunal with such officers and employees as it may deem fit. Staff of Tribunal.

(2) The officers and employees of the Tribunal shall discharge their functions under the general superintendence of the Chairperson of the Tribunal.

(3) The salary and allowances and other conditions of service of the officers and employees of the Tribunal shall be such as may be prescribed.

45 of 1860. 6V. The Chairperson, members, officers and other employees of the Tribunal shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860. Chairperson and Members to be public servants.

6W. No Civil Court shall have jurisdiction to entertain any proceeding in respect of any matter which the Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any Court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act. Civil Court not have jurisdiction.

5 of 1908. 6X. (1) The Tribunal shall not be bound by the procedure laid down by the Code of Civil Procedure, 1908, but shall be guided by the principles of natural justice and, subject to the other provisions of this Act, the Tribunal shall have powers to regulate its own procedure. Procedure and powers of Tribunal.

5 of 1908. (2) The Tribunal shall have, for the purpose of discharging its functions under this Act, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit, in respect of the following matters, namely:-

- 1 of 1872. (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of documents;
- (c) receiving evidence on affidavits;
- (d) subject to the provisions of sections 123 and 124 of the Indian Evidence Act, 1872, requisitioning any public record or document or a copy of such record or documents, from any office;
- (e) issuing commissions for the examination of witnesses or documents;
- (f) reviewing its decisions;
- (g) dismissing an application for default or deciding it, ex parte; and
- (h) setting aside any order of dismissal of any application for default or any order passed by it, ex parte.

(3) Every proceeding before the Tribunal shall be deemed to be a judicial proceeding

45 of 1860.
2 of 1974.

within the meaning of sections 193 and 228 and for the purposes of section 196 of the Indian Penal Code, 1860 and the Tribunal shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

Right to legal representation.

6Y. The applicant may either appear in person or authorise one or more chartered accountants or company secretaries or cost accountants or legal practitioners to present the case before the Tribunal.

Explanation.- For the purposes of this section,-

(a) “chartered accountant” means a chartered accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act; 38 of 1949.

(b) “company secretary” means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Companies Secretaries Act, 1980 (56 of 1980) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act;

(c) “cost accountant” means a cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959 and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act. 23 of 1959.

(d) “legal practitioner “ means an advocate, vakil or attorney of any High Court, a pleader as defined in clause (i) of section 2 of the Advocate Act, 1961. 25 of 1961.

Appeal to High Court.

6Z. (1) Notwithstanding anything contained in the Code of Civil Procedure, 1908 or in any other law, an appeal shall lie against any order, not being an interlocutory order, of the Tribunal to the High Court on one or more of the grounds specified in section 96 of that Code.

(2) No appeal shall lie against any decision or order made by the Tribunal with the consent of the parties.

(3) Every appeal under this section shall be preferred within a period of ninety days from the date of the decision or order appealed against:

Provided that the High Court may entertain the appeal after the expiry of the said period of ninety days, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal in time.

6ZA. (1) An order passed by the Tribunal under this Act shall be executable by the Tribunal as a decree of Civil Court, and for this purpose, the Tribunal shall have all the powers of a civil court. Orders passed by Tribunal to be executable as a decree.

(2) Notwithstanding anything contained in sub-section (1), the Tribunal may transmit any order made by it to a civil court having local jurisdiction and such civil court shall execute the order as if it were a decree made by that court.

6ZB. If any person wilfully fails to comply with the order of the Tribunal, he shall be punishable with fine which may extend to one lakh rupees. Penalty for wilful failure to comply with orders of Tribunal.

6ZC. (1) The Authority and the Tribunal shall maintain their accounts and other records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India. Accounts of Authority and Tribunal.

(2) The accounts of the Authority and the Tribunal, as the case may be, shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and an expenditure incurred in connection with such audit shall be payable by the Authority and the Tribunal, as the case may be, to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Authority and the Tribunal, as the case may be, shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has, in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority and the Tribunal, as the case may be.

(4) The accounts of the Authority and the Tribunal, as the case may be, as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

6ZD. (1) The Authority and the Tribunal, as the case may be, shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and such particulars in regard to the functioning, performance, activities and any proposed or existing programme for the promotion and development of the postal services, as the Central Government may, from time to time, require. Furnishing of returns, etc. to Central Government.

(2) The Authority and the Tribunal, as the case may be, shall prepare once in every year, in such form and at such time as may be prescribed, an annual report giving a summary of the activities during the previous year and copies of the report shall be forwarded to the Central Government.

(3) A copy of the report received under sub-section (2) shall be laid by the Central Government, as soon as may be after it is received, before each House of Parliament.

10. In section 7 of the principal Act, in sub-section (3), for the words “book, pattern and sample packets”, the words “book packets” shall be substituted. Amendment of section 7.

Amendment of section 8. **11.** In section 8 of the principal Act,-

(i) for clause (a), the following clause shall be substituted, namely:-

“(a) prescribe the manner of pre-payment of postage on inland postal articles or any class of inland postal articles, the grant of any rebate on such postage if it is prepaid by means of postage stamping machines or if such postal articles are pre-sorted and posted;”;

(ii) in clause (d), for the words ‘charged for the “express delivery” of postal

articles', the words "charged for such service in relation to the delivery of any postal article," shall be substituted;

(iii) the Explanation to clause (d) shall be omitted.

Amendment of section 9. **12.** In section 9 of the principal Act, in sub-section (2), after clause (b), the following clause shall be inserted, namely:-

"(c) that it does not contain any business reply card except business reply card for its own subscription."

Substitution of new section for section 10. **13.** For section 10 of the principal Act, the following section shall be substituted, namely:-

Power to declare rates of foreign postage. "10. Where arrangements are in force with any foreign country for the transmission by post of postal articles between India and such country, the Central Government may, in conformity with the provisions of such arrangements, declare what postage rates and other sums shall be charged in respect of such postal articles and may specify the scale of weight, size, terms and conditions subject to which the rates so declared shall be charged."

Amendment of section 15. **14.** In section 15 of the principal Act, for the words "or to the Post Office of the United Kingdom or of any British possession or foreign country," the words "or to the post office of any foreign country," shall be substituted.

Amendment of section 16. **15.** In section 16 of the principal Act, in sub-section (3), after clause (d), the following clause shall be inserted, namely:-

"(da) regulate the use of postage stamping machine;"

Amendment of section 17. **16.** In section 17 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:-

"(3) The Central Government may prescribe for use, maintenance, inspection, seizure and disposal of postage stamping machine."

Amendment of section 21. In section-21 of the Principal Act, -

- (a) in sub-section (2) after clause (e), the following clauses shall be inserted namely:-
- (f) provide for letter deposit boxes by the addressees;
- (g) provide for number of postal articles to be posted at the Post Office in the pre-sorted manner subject to such conditions as may be specified therein; and
- (h) notify any other class of services for collection, conveyance and delivery of postal articles as may be specified;
- (i) provide for the manner and form of application for registration under sub-section (1) if section 4 C;
 - (a) provide for terms and conditions of registration of service provider under sub-section (2) of section 4C;
 - (b) provide for the form and the period of registration certificate under sub-section (7) of section 4C;

- (c) provide for the manner to meet out universal service obligation under sub-section (3) of section 4D;
- (d) provide for manner of appointment, functions and number of registering authorities under section 4E; and
- (i) after sub-section (3), the following sub-section and Explanation shall be inserted, namely:-
- Explanation – For the purposes of this section, “speed post”, “business post” and “express parcel post” notified under clause (b) of sub section (2) of section 21 shall be deemed to be the services specified under clause (h) of sub section (2) of this section.’
- 18.** In section 22 of the principal Act, in sub-section (1), for the words “book, pattern or sample packets”, the words “book packets” shall be substituted. Amendment of section 22.
- 19.** In section 23 of the principal Act, in sub-section (2), for the words “book pattern or sample packet”, the words “book packets” shall be substituted. Amendment of section 23.
- 20.** In section 24A of the principal Act, for the words and figures “the Sea Customs Act, 1878”, the words and figures “the Customs Act, 1962,” shall be substituted. Amendment of section 24A.
- 21.** In section 25 of the principal Act, for the words and figures “the Sea Customs Act, 1878”, the words and figures “the Customs Act, 1962,” shall be substituted. Amendment of section 25.
- 22.** In section 27 of the principal Act, in *Explanation*,- Amendment of section 27.
- (a) for the words “of any part of India or of His Majesty’s dominions”, the words “in India” shall be substituted;
- (b) for the words “such part or country”, the words “Indian or of such country” shall be substituted .
- 23.** In section 27C of the principal Act,- Amendment of section 27C.
- (a) for the words, figures and letters “sections 99D and 99F of the Code of Criminal Procedure, 1898”, the words and figures “section 96 of the Code of Criminal Procedure, 1973” shall be substituted;
- (b) for the word, figures and letter “section 99C”, the word and figures “section 96” shall be substituted.
- 24.** In section 29 of the principal Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:- Amendment of section 29.
- “(d) prescribe the amount to be paid as compensation in case of loss of an article or contents thereof.”.
- 25.** In section 36 of the principal Act, in sub-section (1),- Amendment of section 36.
- (a) for the words “with the United Kingdom or with any British possession, or foreign country”, the words “with any foreign country” shall be substituted;
- (b) for the words “and the United Kingdom or such possession or country,”, the words “and such country” shall be substituted.

- Amendment of section 37. **26.** In section 37 of the principal Act,-
- (i) in sub-section (2), clause (b) shall be omitted;
 - (ii) in sub-section (3), the words “free of further charge” shall be omitted.
- Substitution of new heading for the existing heading of Chapter IX. **27.** In Chapter IX of the principal Act, for the heading, the following heading shall be substituted, namely:-
- “MONEY TRANSFER SYSTEM”.
- Substitution of new section for section 43 **28.** For section 43 of the principal Act, the following section shall be substituted, namely:-
- “43.(1) The Central Government may provide for the remittance of money through post office by means of money order or any other money transfer instrument and may make rules as to such money orders or money transfer instruments.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for,-
- (a) the limit of amount for which money order or any such instrument may be issued;
 - (b) the period during which money order or such other instrument shall remain current;
 - (c) the rate of fee to be charged for money order or any other instrument;
 - (d) the receipt that shall be granted to the remitter or by the payee;
 - (e) the nature of the instrument and the manner of transmission, payment of money order or other instrument and the time at which payment of money order or any other instrument may be made;
 - (f) the manner of repayment of money order or any other instrument;
 - (g) the period within which a claim may be made in respect of money order or any other instrument; and
 - (h) the arrangement for issue and payment of money order or any other instrument with other countries;”.
- Power to maintain money transfer system and to make rules as to remittances thereby.
- Amendment of section 44. **29.** In section 44 of the principal Act,-
- (i) in sub-section (1), for the words “by means of a money order may require that the amount of the order”, the words “by means of a money order or any other instrument referred to in section 43 may require that the amount of the remittance” shall be substituted;
 - (ii) for sub-section (2), the following sub-section shall be substituted, namely:-

“(2) If neither the payee nor the remitter of a money order or any other instrument can be found and if within the period of six months from the date of the issue of the remittance, no claim is made by such payee or remitter, the amount of such remittance shall not be claimable from the Government.”.

30. For section 45 of the principal Act, the following section shall be substituted, namely:-

Substitution of new section for section 45.

“45. The Central Government may authorise the issue of any type of money transfer instruments including postal order and may make rules as to the form, rates of commission to be charged thereon, and the manner in which, and the conditions subject to which, they may be issued, paid and cancelled.”.

Power to provide for the issue of money transfer instruments.

31. In section 46 of the principal Act,-

Amendment of section 46.

(i) for sub-section (1), the following sub-section shall be substituted, namely:-

“(1) Where arrangements made with any foreign country are in force for the issue and payment of money orders or any other instrument referred to in section 43 between India and such country through the Post Office, the Central Government may make rules to give effect to such arrangement.”;

(ii) in sub-section (2), in clause (a), for the word “order”, the words “order or instrument” shall be substituted.

32. In section 47 of the principal Act,-

Amendment of section 47.

(i) for the marginal heading, the following shall be substituted, namely:-

“Recovery of money order or any other instrument, paid to the wrong person.”

(ii) in clause (a), for the words “money order”, the words “money order or any other instrument referred to in section 43” shall be substituted;

(iii) in clause (b), for the words “money order”, the word “remittance” shall be substituted.

33. In section 48 of the principal Act,-

Amendment of section 48.

(i) for the words “money order” wherever they occur, the words “money order or any other instrument” shall be substituted;

(ii) in clause (d), for the word “order”, the word “instrument” shall be substituted.

34. After Chapter IX of the principal Act, the following Chapter shall be inserted, namely:-

Insertion of new Chapter after the Chapter IX.

“CHAPTER IXA

NEW POSTAL SERVICES

48A. The Central Government may, if considered necessary, provide for new services other than those for which provision has been made under this Act, through the post office and may also enter into agreement with other service providers.

Power of Central Government to provide for new Postal Services.

48B. The Central Government may make rules for the purpose of section 48A so as

Power to make rules for the provisions of this

to regulate the procedure, scope and responsibilities for the proper, smooth and effective functioning of these services.”. chapter.

Substitution of a new heading for heading of Chapter X. **35.** In Chapter X of the principal Act, for the heading, the following heading shall be substituted, namely:-

“Penalties and Procedure

Offences by Officers of Post Office and Registered Service Provider.”.

Amendment of section 49. **36.** In section 49 of the principal Act,-

(i) after the words “Whoever, being employed”, the words “by the Central Government or the registered service provider” shall be inserted;

(ii) for the words “fifty rupees”, the words “one thousand rupees” shall be substituted.

Amendment of section 50. **37.** In section 50 of the principal Act, for the words “imprisonment which may extend to one month, or with fine which may extend to fifty rupees, or with both”; the words “fine which may extend to twenty-five thousand rupees” shall be substituted;

Amendment of section 51. **38.** In section 51 of the principal Act, for the words “one hundred rupees”, the words “rupees twenty-five thousand” shall be substituted.

Amendment of section 52. **39.** In section 52 of the principal Act,-
(i) after the words “Whoever, being an officer of the post office”, the words “or an employee of the registered service provider” shall be inserted;

(ii) after the word “fine”, the words “which may extend to rupees twenty-five thousand” shall be added.

Amendment of section 53. **40.** In section 53 of the principal Act,-
(i) after the words “Whoever, being an officer of the post office”, the words “or an employee of a registered service provider” shall be inserted;

(ii) after the word “fine”, the words “upto rupees twenty-five thousand ” shall be inserted.

Amendment of section 54. **41.** In section 54 of the principal Act,-
(i) after the words “Whoever, being an officer of the post office”, the words “or an employee of a registered service provider” shall be inserted;

(ii) after the word “with fine”, the words “which may extend to rupees twenty-five thousand ” shall be added.

Amendment of section 55. **42.** In section 55 of the principal Act,-

(i) after the words “Whoever, being an officer of the post office”, the words “or an employee of a registered service provider” shall be inserted;

(ii) after the words “with fine”, the words “which may extend to rupees

twenty-five thousand ” shall be added.

- 43.** In section 56 of the principal Act,- after the word “fine”, the words “which may extend to rupees twenty-five thousand ” shall be added. Amendment of section 56.
- 44.** In section 58 of the principal Act,- Amendment of section 58.
- (a) in sub-section (1), for the words “fifty rupees ”, the words “ rupees one thousand” shall be substituted;
- (b) for sub-section (2) the following sub-section shall be substituted, namely:-
- “(2) Whoever being registered and authorised to collect, convey and deliver postal article under sections 4C and 4D contravenes any of the provisions of this Act or the rules made there under, shall be punishable with fine which may extend to rupees two lakh.”.
- 45.** In section 59 of the principal Act,- Amendment of section 59.
- (a) in sub-section (1), for the words “fifty rupees”, the words “rupees one thousand” shall be substituted;
- (b) in sub-section (2), the words “five hundred rupees”, the words “rupees one lakh” shall be substituted.
- 46.** In section 60 of the principal Act, for the words “two hundred rupees” wherever they occur, the words “twenty-five thousand” shall be substituted. Amendment of section 60.
- 47.** In section 61 of the principal Act, in sub-section (1), after the words “with fine” the words “which may extend to rupees twenty-five thousand” shall be inserted. Amendment of section 61
- 48.** In section 62 of the principal Act after the words “with fine”, the words “which may extend to rupees twenty-five thousand” shall be inserted. Amendment of section 62
- 49.** In section 63 of the principal Act, for the words “fifty rupees”, the words “one thousand rupees” shall be substituted. Amendment of section 63.
- 50.** In section 64 of the principal Act, for the words “five hundred rupees”, the words “rupees five thousand” shall be substituted. Amendment of section 67.
- 51.** In section 67 of the principal Act,- Amendment of section 67.
- (a) for the words “two hundred rupees”, the words “rupees five thousand ” shall be substituted;
- (b) in the proviso, for the words and figures “the Code of Criminal Procedure, 1898”, the words and figures “the Code of Criminal Procedure, 1973” shall be substituted.
- 52.** In section 68 of the principal Act, after the word “fine”, the words “which may extend to rupees ten thousand” shall be inserted. Amendment of section 68.
- 53.** In section 69 of the principal Act,- Amendment of section 69.

- (a) for the word “letter” at both the places, the words “postal article” shall be substituted,
- (b) for the words “five hundred rupees”, the words “rupees ten thousand ” shall be substituted.

Insertion of new section 71A.

54. After section 71 of the principal Act, the following section shall be inserted, namely:-

Offences by companies.

‘71A. (1) Where any offence punishable under this Act has been committed by a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any proprietor, partner, employee, agent or franchisee of the company, such person or persons shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.- For the purposes of this section, company means any body, corporate and include a firm or other association of individuals.

Omission of section 73.

55. Section 73 of the principal Act shall be omitted.

Amendment of section 74.

56. In section 74 of the principal Act,-

- (i) for sub-section (2), the following sub-section shall be substituted, namely:-

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

- (a) the salary and allowances and terms and conditions of service of the Chairperson and members of the Authority under sub-section (4) of section 6C;
- (b) powers and functions of the Chairperson of the Authority under sub-section (1) of section 6D;
- (c) the procedure to be adopted in the meetings of the Authority under section 6F;
- (d) the salary, allowances and conditions of service of the officers and employees of the Authority under sub-section (2) of section 6H;
- (e) the fee and conditions for making available records under clause (h) of section 6J;
- (f) the form and the manner of application and the fee to be accompanied with the application under sub-section (2) of section 6M;

(g) constitution of Benches and the number of members to be appointed in such Benches under clause (b) of sub-section (2) of section 6N;

(h) the salary, allowances, terms and conditions of service of the Chairperson and members of the Tribunal under sub-section (3) of section 6R;

(i) the salary, allowances and conditions of service of the officers and employees of the Tribunal under sub-section (3) of section 6U;

(j) the form of accounts, records and annual statement to be prepared under sub-section (1) of section 6ZC;

(k) time, form and the manner of furnishing returns, statements and other particulars regarding functioning etc. by the Authority and the Tribunal to the Central Government under sub-section (1) of section 6ZD;

(l) the form and the time of preparation of annual report of the Authority and the Tribunal under sub-section (2) of section 6ZD.;

(ii) in sub- section (4), for the words “Every rule made”, the words “Every rule made and every notification issued under sections 4A and 4D” shall be substituted.

For section 75 of the principal Act, the following section shall be substituted, namely:-

“75.Delegation of powers to Director General or to Postal Services Board.-

(1) The Central Government may, by notification in the Official Gazette, authorise, either absolutely or subject to conditions, the Postal Services Board, or the Director General to exercise any of the powers conferred upon the Central Government by this Act, other than powers to make rules.

(2) The Central Government may, on the recommendation of the Director General and by notification in the Official Gazette, authorise one or more members of the Postal Services Board to exercise the powers of the Director General.”

57. After the FIRST SCHEDULE to the principal Act, the following SCHEDULE shall be inserted, namely:-

Insertion of new Schedule.

“THE SECOND SCHEDULE

[See section 4C (3)]

RATES OF FEES FOR GRANT OR RENEWAL OF REGISTRATION

1. For grant of registration –

(a) one time registration fee of rupees ten lakh in case the area of operation of service provider seeking registration is within and beyond India for authorising carriage of postal article under section 4C and 4D;or

(b) one time registration fee of rupees twenty-five thousand in case the area of operation of the service provider seeking registration is within India for authorising carriage of postal article.

2. For renewal of registration-

- (a) a renewal fee of rupees five lakh per annum in case the area of operation of service provider registered is within and beyond India; or
- (b) a renewal fee of rupees ten thousand per annum in case the area of operation of service provider registered is within India.