

**SINDH ACT NO.XXIX OF 2016**

**THE SINDH MASS TRANSIT AUTHORITY ACT, 2014.**

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[17<sup>th</sup> October, 2016]

to provide for the establishment of an Authority known as the Sindh Mass Transit Authority in the Province of Sindh.

**WHEREAS** it is expedient to establish and empower the Sindh Mass Transit Authority for the purpose of, INTER ALIA, planning, coordinating, constructing, developing, operating, maintaining, monitoring and regulating mass transit systems in the Province of Sindh and carrying out all ancillary functions thereto for providing safe, efficient, comfortable, affordable, sustainable and reliable forms of mass transit systems and to make provisions for matters connected therewith or ancillary thereto.

**Preamble.**

#### CHAPTER-I PRELIMINARY

It is hereby enacted as follows:-

1. (1) This Act may be called the Sindh Mass Transit Authority Act, 2014.

**Short title, extent and commencement.**

(2) It extends to the whole of the Province of Sindh.

(3) It shall come into force at once.

2. In this Act, unless there is anything repugnant in the subject or context –

**Definitions.**

(a) “Act” means The Sindh Mass Transit Authority Act, 2014;

(b) “assets” means the moveable and immovable properties (including intangible assets);

(c) “Authority” means the Sindh Mass Transport Authority established under section 4 of the Act;

(d) “Board” means the Board constituted under this Act;

(e) “Bus Rapid Transit” means a mode of mass transit where specialized buses are operated on dedicated or semi-dedicated lanes;

(f) “Chairperson” means the chairperson of the Board;

(g) “constituent body” means any such local authority or department of the Government as the Government may, by notification in the Official Gazette, declare to be a constituent body, and constituent bodies shall be construed accordingly;

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- (h) “contract” means any kind of agreement, undertaking, contract, deed or instrument, whether written, expressed or implied for any matter falling within the ambit of this Act or ancillary thereto, including the development, construction, operations, management, planning or maintenance of Mass Transit systems, and ancillary matters thereto, and the facilities thereon for the supply of materials or for the performance of any service in connection therewith;
- (i) “depot” means a space or an area provided for parking, repair, maintenance, fueling, servicing and cleaning vehicles for the purpose of a project;
- (j) “Developer” means a person, party, syndicate, consortium or a firm to whom a contract is awarded by the Authority for the development of a scheme or project or parts thereof, or any ancillary matters pertaining to Mass Transit systems;
- (k) “fares” means the amount prescribed by the Authority to be charged for a journey(s) from passengers travelling by any mode of Mass Transit through mandatory ticketing system, e-ticketing system or any fare collection mechanism as the case may be;
- (l) “feeder service” means the services of various modes of transport integrated with the Mass Transit systems;
- (m) “Fund” means the Sindh Mass Transit Authority Fund established under section 23;
- (n) “Government” means the Government of Sindh;
- (o) “Internal Controls” means the systems and procedures controlling or mitigating the risks associated activities permitted to be carried out by the Authority;
- (p) “license” means a license granted by the Authority to various operators, or to any party for the performance of functions in respect of a scheme or project;
- (q) “Managing Director” means the managing director (by whatever name called) appointed under section 16 of the Act;
- (r) “Mass Transit” means all types of mass transit including, but not limited to, rail and road-based mass transit facilities, circular railway, Bus Rapid Transit, light rail transit, Mass Rapid Transit systems, Mono Rail, feeder services, and any other modes notified by the Government from time to time to comprise Mass Transit;

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- (s) “Member” means a member of the Board;
- (t) “Mono Rail” means gliding guide-way system using single pier;
- (u) “operator” means a person, whether private or otherwise, entrusted with the functions, duties and responsibilities of operating a scheme or project (or any part(s) thereof) pursuant to a contract;
- (v) “person” means –
  - (i) an individual;
  - (ii) a company or association of persons incorporated, formed, organized or established in Pakistan or elsewhere;
  - (iii) the Federal Government;
  - (iv) a Provincial Government;
  - (v) a local authority in Pakistan;
  - (vi) a corporation or any other body formed pursuant to a statute; or
  - (vii) a foreign government, a political sub-division of a foreign government, or public international organization;
- (w) “project” means the planning, construction, development, implementation, operation and maintenance of a Mass Transit system, alongwith all ancillary and related aspects thereof;
- (x) “Regulations” means Regulations made under this Act;
- (y) “right of way” means the land or an area reserved for roads or transit ways, or such land for the purpose of construction of transit ways, roads, projects or schemes which have been granted to or acquired by the Authority;
- (z) “road” means a road or part thereof, including land within the right of way and all works such as carriage ways, cart ways, footpaths, berms, traffic signals, side-drains, culverts, bridges, tunnels and works of every description built on, under or across any road which has been constructed or are maintained by the Government or a constituent body and are designated and intended for, or used by general public for the passage of vehicles and pedestrians;
- (aa) “Rules” means the Rules made under this Act;

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- (bb) “Secretary” means Secretary of the Board appointed under section 18 of this Act;
- (cc) “scheme” means a scheme or plan pertaining to Mass Transit systems, prepared, undertaken or executed under this Act;
- (dd) “station” means a place earmarked where modes of Mass Transit may stop for a specified duration to allow passengers to board or alight from the vehicle; and
- (ee) “vehicle” means any wheeled conveyance drawn, propelled or driven by any kind of power, including human and animal power, and shall include all conveyance modes pertaining to Mass Transit.

3. Notwithstanding anything contained in any other law or rules made thereunder, the provisions of this Act shall have an over-riding effect and shall prevail in the event of any conflict or inconsistency.

**Over-riding effect.**

### CHAPTER-II ESTABLISHMENT AND MANAGEMENT OF AUTHORITY

4. (1) There shall be an Authority to be called the Sindh Mass Transit Authority for carrying out the purposes of this Act.

**Establishment of Authority.**

(2) The Authority shall be a body corporate, having perpetual succession and a common seal with the power, subject to the provisions of this Act, to, INTER ALIA, acquire, take, hold, utilize, encumber, surrender and otherwise dispose of property both movable and immovable, and shall by the said name sue and be sued.

(3) The headquarters of the Authority shall be at Karachi and it may establish its offices at such other place or places in Sindh as it may consider appropriate.

(4) The Authority shall be deemed to be a Provincial authority / body having powers in respect of the Province of Sindh.

(5) The Authority shall work in coordination with relevant federal, provincial and local departments of the Government and / or with the relevant constituent bodies, towns, municipal towns and cantonments, where it is necessary to achieve its objectives and where its actions and decisions pursuant to this Act shall have an impact on the relevant department or constituent body. Furthermore, the Authority shall coordinate and consult with the relevant authorities, councils etc., whether or not such bodies have been notified as constituent bodies, where a scheme or project, or part thereof, shall fall within the jurisdiction of a particular authority, council etc. to the extent that such body shall not unreasonably impede or hinder such scheme or project.

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Provided that in the event of any dispute between the Authority and the relevant provincial or local departments of the Government or a constituent body or local body, or in the application of this sub-section 5 of section 4, i.e. as to whether the Authority is required to coordinate with a specific department of the Government or with a specific constituent body or local body, the decision of the Government shall be final.

5. (1) The Government may, by notification, transfer the ownership (conditionally or otherwise) of any road (or part thereof), station, depot, corridor, rail track, or any ancillary facilities or structures to the Authority for the purpose of carrying out the objectives under this Act. Existing properties and assets of the Government pertaining solely to Mass Transit systems, which shall fall within the control of the Authority, shall be transferred to the Authority.

#### **Transfer of Properties and Assets.**

(2) The Authority shall not sell any immovable property without the permission in writing of the Government, whether or not such property was initially granted or transferred to the Authority by the Government.

6. (1) Subject to the provisions of this Act and the general directions and control of the Government, the Authority shall take such measures, discharge such powers and perform such functions as may be necessary for carrying out the purposes of this Act.

#### **Powers and Functions of the Authority.**

(2) Without prejudice to the generality of the provisions of sub-section(1),the Authority shall have the power to perform the following functions and exercise the following powers-

- (a) own, control, plan, maintain, monitor, develop, coordinate, implement, operate and regulate Mass Transit systems alongwith all land, infrastructure (including stations, depots, terminations, roads, paths, bridges, buildings), systems and ancillary matters with related thereto;
- (b) formulate policies and carry out all matters pertaining to schemes, projects and Mass Transit systems, along with all matters ancillary thereto;
- (c) formulate and implement sound transport policies pertaining to Mass Transit and to plan, construct, develop, operate, maintain, monitor, coordinate, promote, organize and implement schemes and projects in Sindh;

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- (d) examine the conceptual plans for all master plans, designs and blueprints (primarily related to infrastructure but not limited to) initiated by any department or authority as to ensure their compatibility, suitability and sustainability with present and proposed schemes and projects. The Authority shall assist the relevant master planning departments of the Government to the extent of Mass Transit planning and infrastructure and issue no objection certificates for the master plans in accordance with long term plans and strategies pertaining to Mass Transit systems;
- (e) cause studies, surveys, experiments and technical research with respect to Mass Transit systems;
- (f) plan, amend and implement various transport routes, structures and alignments, and take such steps as may be necessary or useful in the construction and reconstruction, repair, maintenance and operation of Mass Transit systems;
- (g) frame and implement schemes and projects with respect to Mass Transit including for the purposes of constructing, rehabilitating, expanding, operating and developing the transport network related to Mass Transit systems and all allied / ancillary works;
- (h) ensure traffic disciplines for all vehicles as it may consider necessary;
- (i) devise and implement the policies aimed at ensuring that vehicles used for schemes and projects for Mass Transit systems meet the safety and quality standards;
- (j) seek assistance from the Government or any agencies within or outside the province for the preparation, planning, implementation, operation and execution of any plan, program or project, connected with Mass Transit systems or the functions of the Authority under this Act;
- (k) publish such instructions, guidelines or policies with respect to Mass Transit systems as it deems necessary or appropriate, for the purposes of awareness of the general public;
- (l) enter into and carry out discussions, negotiations, arrangements and activities with respect to its functions and purposes under this Act;

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- (m) enter into and perform all contracts or agreements and award contracts for schemes or projects or all other matters related to its functions and purposes under this Act;
- (n) procure plants, machinery, instruments, equipment, and material required for its use to obtain the objectives under this Act;
- (o) issue licenses, concessions, rights etc. for Mass Transit systems, including on or with respect to its right of way, transit ways or roads under the control of the Authority or matters falling within its jurisdiction, on such terms and conditions as it may prescribe;
- (p) seek assistance from the Government for hiring the services of traffic wardens and police personnel to manage traffic or security on the Mass Transit corridors / right of way;
- (q) establish, manage and make adequate security arrangements through police, private security or through its own agency for the effective protection of its right of way and all property under the control or ownership of the Authority along with all persons thereon and to ensure the enforcement of all laws in such manner and on such condition as may be prescribed under the Rules and Regulations;
- (r) determine, charge, levy, regulate and collect (or cause to be collected) fares along with other charges pertaining to Mass Transit systems;
- (s) acquire, hold, utilize, charge, assign, demise dispose of and generally deal with any assets in accordance with legal procedure and the provisions of this Act;
- (t) raise funds through borrowing (including from bilateral and multilateral organizations), floating of bonds, sharing or leasing of assets or any other means and on such terms and conditions as the Board deems appropriate;
- (u) incur any expenditure for carrying out the purposes of this Act;
- (v) carrying out any other work assigned to it by the Government in consonance with the functions of the Authority under this Act;

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- (w) coordinate with the relevant Federal, Provincial and Local Government and authorities with respect to Mass Transit systems;
- (x) establish and maintain effective janitorial and housekeeping services to ensure the cleanliness of the Mass Transit systems, vehicles, corridors and other facilities ancillary thereto;
- (y) establish and maintain effective third party oversight mechanisms;
- (z) give directions to any person or agency to desist from operation and competing transportation system or interfere with the projects and schemes which fall within the ambit of this Act or Mass Transit systems;
- (aa) monitor and enforce contracts, agreements, licences, leases entered into or granted by the Authority;
- (bb) carry out ancillary activities to raise non-fare revenues;
- (cc) carry out all regulatory functions in respect of Mass Transit systems;
- (dd) impose, enforce, regulate and collect penalties in respect matters pertaining to Mass Transit systems and Mass Transit corridors;
- (ee) perform other functions and tasks as authorized by the Government; and
- (ff) perform such other functions and exercise such other powers as may be necessary for carrying out the purposes of this Act.

(3) The Authority shall represent the Government in all matters pertaining to Mass Transit currently falling within the control / regulation of the Federal Government.

(4) The directions made by the Authority in respect of any matter specified in sub-section (2), subject to the approval of the Government or the Federal government as the case may be, shall be acted upon or implemented by the concerned agency or person.

7. The Government may, as and when it considers necessary, issue directions to the Authority on matters of policy, and such directions shall be binding upon the Authority.

**Government to issue  
Directions.**

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8. (1) Notwithstanding anything contained in any other law for the time being in force, no person or agency shall, without the consent of the Authority do any of the following acts, namely: **Permission of various works.**

(a) open or break up the surface of a scheme or project in respect of infrastructure, roads, land or facilities which are under the ownership or sole control of the Authority; or

(b) construct or carry, repair or alter any cable, wire, pipe, drain, sewer or channel of any kind which is part of the scheme or project in respect of infrastructure, roads or land or facilities under the ownership or sole control of the Authority.

(2) In giving its consent under sub-section (1) the Authority may impose such conditions as it may deem necessary.

(3) If, without the consent of the Authority, any person does any act enumerated in sub-section (1), he shall be punished with fine as may be prescribed under the Rules or Regulations.

9. The Authority may, or the concerned agency, operator(s) or Developer(s) may in consultation with the Authority, prohibit or restrict either permanently or temporarily, the taking of any class of vehicles or animals or the movement of pedestrians over a road, corridor, track or path, or any part thereof, which have been entirely transferred to the Authority, if such prohibition or restriction is, in its opinion necessary for the public safety or convenience, or for any other sufficient reasons. **Restricted Usage of the Roads and corridors.**

10. (1) If a person contravenes any provision of this Act, or any Rules or Regulation, such person may be penalized in the manner prescribed under the Rules and Regulations. Such punishment may extend to imprisonment for a term which may extend to 3 years, or with a fine, or with both, in addition to penalties under the laws of Pakistan. **Penalties and Enforcement.**

(2) The Authority may direct any personnel, whether employed or hired by the Authority, or such employees of the Government, to levy such fines / penalties in accordance with the provisions of this Act and the Rules and Regulations which shall go to the account of the Authority and shall form part of the Fund.

(3) Any dispute in respect of such penalty and the trial of any offence under this Act, or the Rules and Regulations shall be determined by an Additional District and Sessions Judge.

(4) The Authority shall prescribe offences, and penalties in respect thereof, from time to time and shall also determine procedure relating to offences and penalties as it may deem necessary.

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(5) If the amount of any compensation payable under this section is not paid, the same shall be recovered under a decree for payment of money issued by a Magistrate of the First Class as if it were to a fine imposed by him on the said person.

11. The Board may, for the purpose of inspecting and monitoring the operation of Mass Transit systems and enforcing the provisions of this Act and the Rules and Regulations, designate as inspectors, on such terms and conditions as is deemed to be fit, such officers or persons employed by the Authority to carry out such duties and functions as is prescribed from time to time.

**Inspectors.**

### CHAPTER-III MANAGEMENT AND ADMINISTRATION OF THE AUTHORITY

12. (1) The general directions and administration of the Authority and its affairs shall vest in the Board which may exercise all powers, perform all functions and do all acts and things which may be exercised, performed or done by the Authority.

**Management of the  
Authority and  
Constitution of the  
Board.**

(2) The Board shall comprise of the following:-

(i)	Minister, Transport Department, Government of Sindh;	<b>Chairperson</b>
(ii)	Mayor/Administrator, Karachi	<b>Member/Co- Chairperson</b>
(iii)	Mayor/Administrator, Hyderabad	<b>Member/Co- Chairperson</b>
(iv)	Mayor/Administrator, Sukkur	<b>Member/Co- Chairperson</b>
(v)	Secretary Transport and Mass Transit, Government of Sindh	<b>Vice Chairperson</b>
(vi)	Secretary Finance or his nominee not below the rank of an Additional Secretary	<b>Member</b>
(vii)	Secretary, Planning & Development Department or his nominee not below the rank of an Additional Secretary	<b>Member</b>
(viii)	Director General, Public Private Partnership Unit	<b>Member</b>
(ix)	DIG (Traffic), Sindh	<b>Member</b>
(x)	Managing Director	<b>Member</b>

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|--------|---|---------------|
| (xi)   | Representative of Pakistan<br>Engineering Council   | <b>Member</b> |
| (xii)  | Director Military Lands & Cantonments   | <b>Member</b> |
| (xiii) | Academic Representative or eminent<br>Person from Pakistan Council<br>of Architects and Town Planners | <b>Member</b> |

(3) The Board may co-opt any person as a Member for any particular purpose, but such person shall not have right of vote.

(4) An official Member appointed by virtue of his office shall cease to be the Member on vacating such office.

(5) A non-official Member shall hold office for a period of three years from the date of his appointment, and shall be eligible for re-appointment for such duration as the Board may determine.

(6) A non-official Member may at any time, before the expiry of his term, resign from his office, or be removed from office by the Board in accordance with the procedures prescribed under the Rules or Regulations.

(7) Any casual vacancy arising due to the resignation / removal of a non-official Member shall be filled by the Board, and such person shall hold office for the unexpired portion of the term of such vacancy.

(8) The Members shall receive such remuneration as may be determined by the Board.

13. (1) No person shall be or shall continue to be a Member who—

- (a) is not a citizen of Pakistan;
- (b) is found a lunatic or becomes of un-sound mind;
- (c) is, or at any time has been, convicted of an offence involving moral turpitude;
- (d) is, or has at any time been, adjudicated insolvent;
- (e) is, or has at any time been, disqualified for employment in or dismissed from Government service;
- (f) is acting in contravention of the provisions of this Act;  
or
- (g) has, without permission of the Government, directly or indirectly, any financial or other interest in any project or scheme or property of the Authority.

**Disqualification of  
Members.**

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(2) The provisions of sub-section 1 above shall also be applicable to ex-officio Members who shall be disqualified from holding positions as Members. In such circumstances the Government may, by notification, appoint another individual on the Board, from the same department, till the person representing the ex-officio position is authorized to be a Member.

14. (1) The meetings of the Board shall be held in the manner prescribed under the Regulations.

**Meeting of the Board.**

Provided that until any Regulations are framed in this respect, the meetings of the Board shall be held as and when required by the Chairperson.

(2) The Board shall hold meetings as and when necessary; however, meetings shall be held at least once in every calendar quarter.

(3) The meeting of the Board shall be presided over by the Chairperson.

(4) In the absence of the Chairperson, the meeting of the Board shall be presided over by the co-Chairperson, who shall be a Member nominated by the Chairperson.

Provided that where the agenda of a meeting of the Board is with respect to projects, schemes or matters pertaining to a city of which the mayor / administrator is a Member, such Member shall be the co-Chairperson. In the absence of such person, any Member may be nominated by the Chairperson.

Provided further that where the agenda of the Board is not with respect to projects, schemes or matters pertaining to one particular city, the co-Chairperson shall be the Member nominated by the Chairperson.

(5) If the Chairperson has not nominated any person in this respect, the co-Chairperson shall be that Member who is the mayor / administrator of the city in respect of which a project, scheme or matter is being discussed by the Board.

(6) Quorum for a meeting of the Board shall require the presence of at least half of the total Members of the Board present either in person or through persons co-opted by the Members; however, the same must also include at least two elected representatives.

**Explanation:** For the purposes of this sub-section, the term “elected representatives” means a minister, the mayor of a city or the administrator of a city.

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(7) The Members shall have reasonable notice of the time and place of the meeting and matters on which a decision by the Board shall be taken during such meeting.

(8) The decision of the Board shall be taken by the majority of its Members present and, in case of a tie, the Member presiding over the meeting shall have a casting vote.

(9) All orders, determinations and decisions of the Board shall be taken in writing, be signed by the Secretary, or any officer of the Authority authorized by the Board, and duly communicated to all concerned.

(10) The Vice-Chairperson shall assist the Chairperson in carrying out the duties and functions as may be prescribed.

15. (1) The Board shall –

- (a) exercise all functions and powers vested in the Authority to enable the Authority to act in accordance with the provisions of this Act;
- (b) frame the policies and provide guidelines based on Mass Transit with respect to the Authority and monitor the implementation and performance of the guidelines and policies, and of the functions of the Authority ensuring good governance and accountability;
- (c) monitor and supervise all the functions of the Authority;
- (d) consider and approve (with or without modification) the budget of the Authority;
- (e) determine and specify all fees, penalties, fares and other charges that are chargeable by the Authority for carrying out the purposes of this Act;
- (f) carry out such other functions from time to time as may be prescribed by the Government; and
- (g) carry out such other functions and exercise such powers as may be necessary for carrying out the purposes of this Act.

(2) The Board in discharging its functions shall act on sound principles to achieve objectives of this Act and shall be guided by the best practices related to various functions.

16. (1) There shall be a full-time Managing Director of the Authority who shall be appointed by the Board on such terms and conditions as it may determine.

#### **Functions of the Board.**

#### **Appointment of Managing Director.**

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(2) The Managing Director shall be an eminent professional of known integrity and competence having experience of at least fifteen years, including in various urban infrastructure development projects or schemes with global exposure of mass transit systems, and having experience in public or private sector management especially in the context of managing human resources, financial management, program implementation and may additionally have technical understanding of Mass Transit systems.

(3) The Managing Director shall be appointed for a period of four years and shall be eligible for reappointment for more than one term on the basis of his performance; provided that the Board, on a complaint regarding the performance of the Managing Director or otherwise, reduce the term of his appointment or terminate his services, as the case may be.

(4) The Managing Director may, at any time on two months' notice, resign his office by writing under his hand addressed to the Board.

(5) No person shall be appointed or continue as Managing Director, if he –

- (a) has been convicted of an offence involving moral turpitude;
- (b) has been removed from service for misconduct;
- (c) has been adjudicated as insolvent;
- (d) is incapable of discharging his duties by reasons of physical or mental incapacity and has been so declared by a medical board; or
- (e) fails to disclose any conflict of interest at or within the time provided for such disclosure by or under this Act or contravene any of the provisions of this Act.

(6) The Managing Director shall not, without the prior approval of the Board, during the term of his office, engage himself in any other service, business, vocation or employment, nor shall he, before the expiration of one year from ceasing to be the Managing Director, enter into employment or accept any advisory or consultancy relationship with any person or entity engaged with the Authority in the capacity of private sector service provider pertaining to Mass Transit.

Provided that where the Managing Director is a Government servant there shall be no such restrictions on his employment after he has retired or been transferred from the post of Managing Director.

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17. The Managing Director shall be the executive head of the Authority and, unless otherwise resolved by the Board, have power and responsibility, *INTER ALIA*, to –

**Powers of Managing Director.**

- (a) exercise administrative control over the Authority, the day to day functioning of the Authority, including management, financial management, human resource management;
- (b) make all decisions necessary and be responsible for the smooth functioning of the Authority and performance of its functions and duties as prescribed under this Act;
- (c) prepare and submit the annual budget proposals of the Authority to the Board;
- (d) run the affairs of the Authority for attaining the objectives of the Authority through the executive tier placed under therein;
- (e) prepare the annual report of the Authority for placing before the Board;
- (f) perform such functions and exercise such powers as the Board may delegate; and
- (g) act on behalf of the Authority, in any emergency, subject to the obligation to report such action to the Board at its next meeting and to seek the Board of ratification of any action so taken.

18. (1) After the formation of the Board, a Secretary shall be appointed by the Board for a period of 3 years on such terms and conditions as the Board may determine. The individual appointed as the Secretary shall be from the private sector. The Secretary may be re-appointed for further periods of 3 years and may be removed from such position in a manner determined by the Board or as prescribed under the Rules and Regulations.

**Secretary.**

(2) The Secretary shall be a whole-time officer of the Authority and shall perform, *INTER ALIA*, the following functions and duties:

- (a) issuance notices for meetings of the Board or any committee of the Authority;
- (b) issuance of minutes of meeting;
- (c) managing all matters relating to annual accounts and reporting; and
- (d) carrying out all other matters and duties as directed by the Board and the Managing Director.

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(3) The Secretary shall receive such remuneration as may be determined by the Board.

19. There shall be established a fully-fledged organizational tier of the Authority, under the Managing Director in such manner and with such functions as may be prescribed under the Regulations.

**Organizational Tier.**

20. All significant issues and matters, as prescribed in the Rules and Regulations or as determined by the Board from time to time, shall be placed by the Managing Director for the information, consideration and decision by the Board.

**Decision Making.**

21. The Board may set up such administrative and technical committees for the efficient performance of its functions as may be necessary and entrust to the committees such functions as it may consider necessary.

**Committee.**

22. (1) The Authority may, for efficient performance of its functions, appoint such officers, advisers, consultants, experts and other staff possessing requisite professional, technical, ministerial or secretarial qualifications and experience on such terms and conditions as may be prescribed.

**Appointment of  
Officers and Staff**

(2) The officers, advisers, consultants and other staff shall be liable to such disciplinary action and in such manner as may be prescribed.

23. (1) There shall be established a Fund to be known as the Sindh Mass Transit Authority Fund which shall vest in the Authority with powers to manage and operate it.

(2) The Fund shall be used by the Authority to, INTER ALIA, meet all its expenses and charges in connection with its functions and powers under this Act.

(3) All receipts of the Authority from any source whatsoever including endowments, contribution and annual grants from the Government shall be credited to the Fund, unless determined otherwise by the Board.

(4) Without prejudice to the generality of sub-section 3 above, the Fund shall consist of:

(a) grants and contributions made by the Federal Government, the Government, any local authority, associations, trusts, constituent bodies or organization;

(b) share from the increased revenue in the shape of various fees or charges due to increase in land utilization as per the formula decided by the Government;

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- (c) loans obtained from the Federal Government, the Government, banks or any other body;
- (d) foreign aid and loans obtained by the Authority with the sanction of and on such terms and conditions as may be approved by the Government;
- (e) revenue generated from fares;
- (f) proceeds of all non-fare forms of revenue including, but not limited to, charges, advertisement including display of advertisement on various modes of transport along with charges for right-of-way, income from sale of its assets, floating of bonds, all other avenues including property, development, service charges and recovery made under this Act or the Rules and Regulations;
- (g) any amounts received from any funds established pursuant to any law;
- (h) share from motor vehicle tax as determined by the Government;
- (i) contribution by the private sector organizations in the greater interest of the city and the public;
- (j) any amounts collected from penalties levied pursuant to this Act or the Rules and Regulations; and
- (k) all other sums as may be received by the Authority.

(5) The Government shall provide annual grants to the Authority for carrying out the purposes of this Act. The initial funding amount, for the establishment and initial functioning of the Authority, shall be provided by the Government. Such amount shall be notified upon the promulgation of this Act and the establishment of the Fund.

(6) The Authority may invest its surplus funds in investment schemes including government securities for raising funds in accordance with the policy approved by the Board.

(7) The funds shall be administered by the Authority and shall be utilized for meeting expenses necessary for carrying out the purposes of this Act including the payment of:

- (a) charges, costs and expenses in connection with the survey, research or lay out, planning, construction, reconstruction, repair of transit ways or execution and implementation of scheme and projects prepared under this Act;

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- (b) all expenses incurred in carrying out its functions as a regulatory body for Mass Transit systems, and all matters ancillary thereto;
- (c) loans and interest thereon;
- (d) salaries and other remuneration to the members of staff, officers, the Managing Director, the Secretary, as well as experts, technical advisers, consultants, firms or persons employed for any work under this Act and other employees of the Authority; and
- (e) all costs and expenses in respect of carrying out all its functions as prescribed under this Act as approved by the Board or prescribed under the Rules and Regulations.

(8) The Fund shall be managed and operated in the manner as may be prescribed by the Board.

24. (1) The Authority shall maintain complete records and accounts of receipts and expenditure in accordance with the Rules and Regulations.

**Audit and Accounts.**

(2) The Authority shall cause proper accounts to be kept and shall after the end of each financial year cause to be prepared for that financial year a statement of accounts of the Authority which shall include a balance sheet and an account of receipt and expenditure.

(3) The Authority shall maintain an internal audit division which shall regularly undertake institutional internal checks and controls. The Authority shall establish adequate and appropriate accounting systems in accordance with international accounting standards.

(4) The accounts of the Authority shall be annually audited through a firm of external chartered accountants approved by the Authority having sound marking standing and the report of the chartered accountants along with audited accounts shall be presented to the Government.

25. (1) The Authority shall cause its accounts to be maintained properly and in respect of each financial year submit for approval of the Government by such date and in such form as may be specified by the Government, a statement showing the estimated receipts and current expenditure and the sums to be required from the Government during the next financial year.

**Budget and Accounts.**

(2) The Government shall within thirty days of the receipt of the budget approve it with or without modification and if the approval is not conveyed within thirty days the statement shall be deemed to have been approved without any modification.

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26. (1) The Authority shall submit an annual report to the Government in respect of any of its activities and furnish such information as and when required by the Government.

#### **Submission of Reports.**

(2) The Authority shall post all relevant information, including its financial statements and audited accounts, in a user-friendly manner on its website.

27. (1) The Authority shall ensure the establishment of a proper system of Internal Controls consisting of such policies and procedures to be adopted by the Authority in achieving the objectives of this Act, and for ensuring, as far as practicable, the orderly and efficient conduct of its activities, including adherence to the policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

#### **Internal Controls.**

(2) The Authority shall also establish adequate and appropriate systems of Internal Controls for operators, Developers and other relevant parties in order to timely identify the risks and to take appropriate measures with respect to the development, establishments, monitoring, implementation, operation and maintenance of schemes, projects and Mass Transit systems.

28. The Authority as deems appropriate from time to time shall issue guidelines for elaboration of various matters under the Act.

#### **Guidelines.**

29. (1) The Authority may, by such conditions and limitations as it may deem fit to impose, delegate any of its functions or powers to the Managing Director, Members, committee, or any of its officers or employees except the power to –

#### **Delegation of Powers.**

- (a) approve the audited accounts;
- (b) approve the annual reports;
- (c) approve regular or ad-hoc appointments against sanctioned strength other than advisors, consultants or contingent staff); or
- (d) make or repeal Regulations made under this Act.

(2) The Authority may acquire, continue, manage or operate any commercial venture or activity with respect to Mass Transit systems, or ancillary matters thereto, singly or jointly with any private body or person to effectuate its purpose and objective under the Act.

30. (1) Subject to the provisions of section 10(3) of this Act, any person aggrieved with a scheme or a project or with the actions of the Authority or any officers, agents, employees thereof, or any private party involved in a scheme or project shall follow the procedure for redressal of such grievances as prescribed under the Rules and Regulations.

#### **Redressal of Grievances.**

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(2) The Authority shall make every effort to dispose of a complaint / grievances or other proceedings in a timely manner.

Provided that a decision of the Authority shall not be rendered invalid by reason of any delay in its delivery.

31. Subject to the provisions of section 10(3) of this Act, a person aggrieved from the decision of the Authority can file appeal with the High Court of Sindh within 30 days of the decision made by the Authority.

**Appeal.**

32. Every Member and employee of the Authority including the Managing Director, officers and staff of the Authority shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Panel Code, 1860.

**Public servant.**

33. No act done or proceedings taken or order passed under this Act shall be rendered invalid merely on the ground of the existence of any vacancy in, or any defect in the constitution of the Board.

**Validity of Proceedings.**

34. The Government shall appoint an officer of the Authority to act as a collector for the purpose of recovering any sums due to the Authority, including fines, compensations or any amounts payable to the Authority.

**Recovery of Dues.**

35. No Member shall be personally liable for any contract made or expenditure incurred by or on behalf of the Authority unless the same has not been done in accordance with law or involves gross negligence or willful misconduct.

**Liabilities of Members.**

36. No suit, prosecution, or other legal proceedings shall lie against the Authority, the Chairperson or any Member, officer, servants, advisers or consultants of the Authority in respect of anything in good faith done or intended to be done under this Act or the rules and regulations made thereunder.

**Indemnity.**

37. (1) The Government may, by notification in the official Gazette, make Rules for carrying out the purposes of this Act.

**Powers to Make Rules.**

(2) With prejudice the generality of foregoing power, such Rules may provide for all or any of the following matters, namely:-

- (a) the constitution, powers and functions of Committees;
- (b) powers and duties of the officers, staff and employees of the Authority;
- (c) service matters including rules regulating disciplinary action, grant of leave and retirement of the employees of the Authority;

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- (d) constitution of pension or Provident Fund for the benefit of the officers and other employees of the Authority; and
- (e) such other matters as may appear to it necessary for giving effect to the provisions of this Act.

38. The Authority may make Regulations, not inconsistent with the provisions of this Act and the Rules made there under, for carrying out the purposes of this Act.

**Powers to Make Regulations.**

39. Unless notified otherwise by the Government, any contract or arrangement entered into by the Government, pertaining to matters falling within the ambit of this Act, before the coming into force of this Act shall continue to subsist in terms thereof; however, no such contract or arrangement shall be renewed or extended beyond the date of initial expiry contemplated in respect thereof.

**Removal of Difficulty.**

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