

**THE WEST PAKISTAN MILK BOARDS ORDINANCE, 1963.**

**(W.P. ORDINANCE No. XXXVII OF 1963).**

[20<sup>th</sup> November, 1963]

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**THE WEST PAKISTAN MILK BOARDS ORDINANCE, 1963.**

**(W.P. ORDINANCE No. XXXVII OF 1963).**

[20<sup>th</sup> November, 1963]

**An  
ORDINANCE**

*to regulate the production and marketing of milk and milk  
products in West Pakistan.*

**WHEREAS**, it is expedient to regulate the production and marketing of milk and milk products in certain areas of West Pakistan; Preamble.

**AND WHEREAS**, the Provincial Assembly of West Pakistan is not in session and the Governor of West Pakistan is satisfied that circumstances exist which render immediate legislation necessary;

**NOW, THEREFORE**, in pursuance of the powers conferred on him under clause (1) of Article 79 of the Constitution, the Governor of West Pakistan is pleased to make and promulgate the following Ordinance:—

**CHAPTER-I  
PRELIMINARY**

1. (1) This Ordinance may be called the West Pakistan Milk Board Ordinance, 1963. Short title, extent and commencement.

(2) It extends to the whole of the <sup>1</sup>[Province of the Khyber Pakhtunkhwa] except the Tribal Areas.

(3) This section shall come into force at once and the remaining provisions shall come into force in such area or areas and on such date or dates as Government may, by notification in the Official Gazette, specify in this behalf.

2. In this Ordinance, unless the context otherwise requires, the following expressions shall have the meaning hereby respectively assigned to them, that is to say— Definitions.

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<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011.

- (a) “Board” means a Milk Board established under this Ordinance;
- (b) “Chairman” means the Chairman of the Board;
- (c) “depot” means premises where milk or milk products are processed, manufactured or sold by the Board;
- (d) “Government” means the Government of <sup>1</sup>[Khyber Pakhtunkhwa];
- (e) “Local area” means the area to which the provisions of this Ordinance have been applied;
- (f) “member” means a member of the Board;
- (g) “milch animals” means cows, buffaloes, sheep and goats;
- (h) “milk” means normal mammary secretion obtained from one or more milkings of milch animals without any addition thereto or extraction therefrom and includes milk treated to conform to such standard as may be prescribed;
- (i) “milk products” means the products exclusively derived from milk;
- (j) “owner” means owner of milch animals producing milk used exclusively for his own household consumption;
- (k) “prescribed” means prescribed by rules made under this Ordinance;
- (l) “producer” means a producer of milk, other than the owner, who sells all or a part of milk produced by him;
- (m) “Project Director” means the Project Director appointed under section 6;
- (n) “scheme” means a scheme prepared under this Ordinance.

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<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011.

**CHAPTER-II**  
**ESTABLISHMENT OF MILK BOARD.**

3. (1) As soon as may be after the commencement of this Ordinance in any local area, there shall be established a milk Board to carry out the purposes of this Ordinance in that area. Establishment and incorporation of the Board.

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

4. (1) The Board shall consist of such Members as may be appointed by Government. Constitution of the Board.

(2) A Member shall, unless sooner removed by Government, hold office for a term of three years and may be re-appointed for such period or periods as Government may, from time to time, specify.

(3) A casual vacancy shall be filled by Government and a Member appointed to such vacancy shall hold office for the unexpired term of his predecessor.

(4) The Board in discharging its functions shall be guided by such directions as Government may, from time to time, give.

(5) If the Board fails to obey any direction given under section (4), Government may remove the Members and reconstitute the Board <sup>1</sup>[ : ]

<sup>2</sup>[Provided that no order of removal shall be passed without giving the Board an opportunity of being heard and showing cause against the removal].

5. (1) Government shall appoint one of the Members to be the Chairman. Appointment of Chairman.

(2) The Chairman shall be the chief executive of the Board.

6. (1) For each local area there shall be appointed by Government a Project Director on such terms and conditions as may be determined by Government. Appointment of Project Director.

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<sup>1</sup> Substituted vide W.P. Ordinance No. XXXIV of 1965.

<sup>2</sup> Added vide W.P. Ordinance No. XXXIV of 1965.

(2) The Project Director shall be responsible for the execution of the schemes and the implementation of the decisions of the Board.

(3) The Project Director shall be the Secretary of the Board.

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

Qualification  
removal  
Chairman. and  
of

- (a) is or has at any time been convicted of an offence involving moral turpitude or
- (b) is or has at any time been adjudicated insolvent or.
- (c) is or has at any time been disqualified for employment in, or dismissed from, the service of the State; or
- (d) is a minor, or
- (e) is found to be a lunatic or of unsound mind; or
- (f) has direct financial interest in the matters falling within the purview of the Board; or
- (g) has a bad reputation.

<sup>1</sup>[(2) Government may, after giving the Chairman or a member an opportunity of being heard and showing cause against the proposed action, by order in writing, remove the Chairman or the member, if he—]

- (a) refuses or fails to discharge or becomes, in the opinion of Government, incapable of discharging his responsibilities under this Ordinance; or
- (b) has, in the opinion of Government, abused his position as Chairman or Member; or
- (c) has knowingly acquired or continued to hold without the permission in writing of Government directly or indirectly, or through a partner, any share or interest in any contract or employment with or by or on behalf of the Board or in any land

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<sup>1</sup> Substituted vide W.P. Ordinance No. XXXIV of 1965.

or property which, in his knowledge, is likely to benefit or has benefitted as a result of the operation of the Board;

(d) has absented himself from three consecutive meetings of the Board without the leave of Government in the case of Chairman, or of the Chairman in the case of a Member]

8. (1) The Board may appoint such officers, advisors and servants as it considers necessary for the efficient performance of its functions on such terms and conditions as it may deem fit in accordance with the scheme approved by Government.

Appointment of officers ,etc.

(2) The Chairman may, in cases of urgency, appoint such officers, advisors or servants and on such terms and conditions as he thinks fit;

Provided that every such appointment shall be reported to the Board without unreasonable delay and shall not continue beyond six months unless approved by the Board.

9. A Member, not being a Government servant, shall be paid such fees and travelling allowance for attending meetings of the Board as may be prescribed.

Fees and T.A. for non-official Members.

10. (1) Procedure for the appointment of officers and servants of the Board and the terms and conditions of their service shall be such as may be provided by regulations.

Recruitment, conditions of service and disciplinary powers.

(2) Subject to rules and regulations, the Board shall be competent to take disciplinary action against its officers and servants.

11. (1) The meetings of the Board shall be held at such times and at such places and as often as may be necessary, so however that the Board meets at least once in three months.

Meetings of the Board.

(2) The quorum at a meeting of the Board shall be one half of the total number of Members, a fraction counting as one.

(3) The meetings of the Board shall be presided over by the Chairman, and in the absence of the Chairman by the member authorized by him in writing in that behalf, or in default of such authorization, by the person elected for the purpose, by the members present from amongst themselves.



(4) All questions which come up before the Board at a meeting shall be decided by a majority of votes. Each member including the Chairman, shall have one vote, but in the event of equality of votes, the Chairman shall have a second or casting vote.

(5) The minutes of every meeting of the Board, stating among other things the names of the members present, shall be drawn up and recorded in a book to be kept for the purpose, and shall be signed by the person presiding at the meeting and such book shall be open to inspection by the members.

12. (1) The Chairman shall forward to Government a copy each of the agenda, working paper and the minutes of every meeting of the Board within fifteen days of the date on which the meeting is held.

Forwarding of agenda, etc to Government.

(2) Government may require the Board to furnish—

(a) any return, statements, estimates, statistics or other information regarding any matter under the control of the Board; or

(b) a report on any such matter;

and the Board shall comply with any such requisition without undue delay.

13. (1) The Board may delegate to the Chairman or any Member, Project Director or officer, any of the its powers under this Ordinance or the rules or regulations.

Delegation of powers.

(2) The Chairman may likewise delegate to any Member, Project Director or officer any of his powers, under this Ordinance or the rules or regulations, not being a power delegated to him by the Board under sub-section (1).

### **CHAPTER-III FUNCTIONS AND POWERS OF THE BOARD.**

14. (1) The functions of the Board shall be to ensure that an adequate supply of milk and milk products of good quality is available to the consumers of milk and milk products in the local area and for that purpose to prepare and execute schemes for regulating production, marketing and distribution of milk and milk products.

Functions of the Board and scheme.

(2) Without prejudice to the generality of the foregoing provisions, any such scheme may provide for all or any of the following, namely:—

- (a) purchase and collection of milk from the producers;
- (b) establishment of centres for the collection and testing of milk;
- (c) haulage of collected milk to the factory and its processing;
- (d) marketing, distribution and sale of milk and milk products and establishment of depots therefore;
- (e) purchase, sale and distribution of concentrates and fodder;
- (f) organizing the producers of milk on co-operative basis;
- (g) sale or letting for hire to the producers of milk and milk products, any plant, machinery, vehicle or other equipment necessary for the production of milk and milk products;
- (h) establishment of producers' colonies where the producers of milk can be removed and provided housing and other facilities for themselves and their livestock;
- (i) acquisition and maintenance of lands, buildings, plants machinery, vehicles or other equipment required for any scheme or for any other purpose of this Ordinance;
- (j) stimulating dairy development or milk consumption.

(3) A scheme prepared by the Board shall be submitted to Government for approval and shall not be implemented or executed wholly or partly before such approval has been obtained.

(4) Government may sanction or may refuse to sanction, or may return for reconsideration any scheme submitted to it or may call for such further details or information about the scheme or may direct such further examination of the scheme as it may consider necessary.

(5) When a scheme has been approved by Government, the Board shall, before proceeding to implement any part thereof, publish for general information the scheme or its salient feature in such manner as may be prescribed.

15. (1) The Board may, with the previous approval of Government, by order published in the Official Gazette and in such local newspapers as the Chairman may think fit,— Power to make order.

- (a) fix the prices above which various grades or qualities of milk or milk products shall not be sold;
- (b) prohibit production, marketing or sale of milk and milk products, which are below such standard of quality as may be specified;
- (c) fix the prices above which various grades or qualities of raw milk shall not be purchased;
- (d) require the registration of cattle with such authority, in such manner and on payment of such fees, as may be specified;
- (e) prohibit the keeping of cattle except under such conditions as may be specified;
- (f) require the registration of the producers of milk with such authority, in such manner and on payment of such fees, as may be specified;
- (g) prohibit distribution or sale, or collection for distribution or sale of milk and milk products by any person except under and in accordance with a licence issued in this behalf by such authority, in such manner and on payment of such fees, as may be specified;
- (h) direct that all milk brought for sale from outside shall be sold only to the Board in such manner or on payment of such fees and at such places as may be specified;
- (i) Provide for—
  - (i) the prescription of methods to be followed in the preparation, treatment, carriage, deposit, storage and sale of milk and milk products;
  - (ii) the inspection of premises, production plants, stores, and anything used for any purpose specified in sub-clause (i);

- (iii) keeping of books and records by various categories of persons engaged in any functions under this Ordinance;
- (iv) the labelling of milk and milk products;
- (v) the prescription of containers to be used for milk and milk products.

**CHAPTER-IV  
PLANS, PROJECTS AND SCHEMES.**

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| 16. Subject to the provisions of this Ordinance and the rules and regulations, the Board shall, with the previous approval in writing of Government, prepare out lines of a plan for the execution of its objectives.                                      | Preparation of plans.             |
| 17. The Board shall prepare schemes and projects on proforma prescribed by Government for development schemes and submit them for the approval of Government in such manner as may be prescribed.  | Development schemes and projects. |
| 18. The Board may set up special subsidiary organizations with the prior approval of Government as may be necessary for execution of scheme or projects or delegate or entrust to any such organization such of its powers and functions as it thinks fit. | Subsidiary organization.          |
| 19. The Board may enter into commercial transactions with any person or organization.  | Commercial transactions.          |

**CHAPTER-V  
FINANCE.**

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| 20. (1) There shall be a fund to be known as the “Milk Board Fund” vested in the Board which shall be utilized by the Board to meet charges in connections with its functions under this Ordinance, including the payment of salaries and other remunerations to the Project Director, officers, advisers and servants of the Board. | Milk Board Fund. |
| (2) The Milk Board Fund shall consist of—  |                  |
| (a) grants made by Government;   |                  |
| (b) loans obtained from Government;  |                  |
| (c) grants made by Local Bodies as required by Government;   |                  |

- (d) loans obtained by the Board with the special or general sanction of Government;
- (e) foreign aid and loans obtained with the previous sanction of the <sup>1</sup>[Federal] Government;
- (f) all fees, including the licence fees, received by the Board; and
- (g) all other sums received by the Board.

21. The Board shall be deemed to be a local authority under the local Authorities Loans Act, 1914 (Act No. IX of 1914), for the purpose of borrowing money under that Act and the making and execution of any scheme or project under this Ordinance shall be deemed to be a work which, such authority is legally authorised to carry out, provided that no foreign loan shall be obtained without the previous sanction of Provincial Government and the <sup>2</sup>[Federal] Government.

Power of the Board to borrow money.

22. (1) The Board may keep money in any treasury, sub- treasury or a bank approved by Government.

Custody and investment of funds.

(2) Nothing in sub-section (1) shall be deemed to preclude the Board from investing any such moneys as are not required for immediate expenditure in any of the securities described in section 20 of the Trust Act, 1882 (Act No. II of 1882), or placing them in fixed deposit with a bank approved by Government.

23. The Board shall prepare its annual budget estimates and submit the same to Government by the prescribed date and Government may modify the said estimates to such extent as it may consider necessary.

The budget.

## CHAPTER-VI RULES AND REGULATIONS.

24. (1) Government may, by notification in the official Gazette, make rules for the purpose of giving effect to the provisions of this Ordinance.

Powers to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for.—

<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Adaptation of Laws Order,1975.

<sup>2</sup> Substituted vide Khyber Pakhtunkhwa Adaptation of Laws Order,1975.

- (a) the carrying out of continuous evaluation by Government of the work of the Board.
- (b) the re-appropriation of funds within the sanctioned budget.
- (c) the maintenance of liaison between the Board and other bodies and authorities concerned with administration and development, including the local <sup>1</sup>[bodies constituted under any law relating to local government for the time being in force].
- (d) the powers, duties and functions of the Project Director; and
- (e) any other matter required by the provisions of this Ordinance to be prescribed.

25. (1) Subject to the provision of this Ordinance and the rules, the Board may, by notification in the official Gazette, and with the previous approval in writing of Government, make regulations for carrying out the purposes of this Ordinance.

Power to make regulations.

(g) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for—

- (a) the appointment of committees to consider particular matter or matters;
- (b) the investment of moneys by the Board;
- (c) the meetings of the Board;
- (d) methods of ensuring continuous evaluation by the Board of its schemes and projects;
- (e) the determination of the terms and conditions of service of the officers and servants of the Board;
- (f) the mode of operation and expenditure of the funds of the Board; and
- (g) any other matters required by the provisions of this Ordinance to be provided by regulations.

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<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Adaptation of Laws Order, 1975.

**CHAPTER-VII**  
**SUPPLEMENTAL PROVISIONS.**

26. The Chairman, every member, the Project Director and every officer, adviser and servant of the Board shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code (Act No. XLV of 1860). Chairman, etc deemed public servants.
27. The Board shall be liable to pay such contributions for the leave, allowances and pension of any person in the services of Government or the <sup>1</sup>[Federal] Government and employed as Project Director, adviser, officer or servant of the Board as may be required by the conditions of his service under such Government, to be paid to him or on his behalf. Contribution by the Board towards leave, allowances and pension of Government servants.
28. Whoever contravenes or fails to comply with any order made under section 15 shall be punished with imprisonment for a term not exceeding six months or with fine not exceeding one thousand rupees or with both. Penalties.
29. No Court shall take cognizance of any offence punishable under this Ordinance, except on the complaint of the Chairman or some person authorised by the Board or by the Chairman by general or special order in this behalf. Authority for prosecution.
30. The Chairman, or any person generally or specially authorized by him may apply to the competent authority for the recovery of any sum due under this Ordinance or by agreement made under this Ordinance and the said authority shall thereupon proceed to recover the sum as if it were an arrear of land revenue. Recovery of dues.
31. The Chairman may, subject to the control of the Board—
- (i) institute, defend or withdraw from legal proceedings under this Ordinance;
  - (ii) compound any offence against this Ordinance;
  - (iii) admit, compromise or withdraw any claim made under this Ordinance; and
  - (iv) obtain such legal advice and assistance as he may, from time to time, deem it necessary or expedient to obtain or as he may be desired by the Board to obtain, for any of the purposes referred to in the foregoing clauses of this section, or for securing the lawful exercise or discharge of any power or duty vested in or imposed upon the Board or any officer or servant of the Board.
- The powers of the chairman as to institution etc., of legal proceeding and obtaining legal advice.

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<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Adaptation of Laws Order, 1975.

32. No suit shall be maintainable against the Board, the Chairman, Project Director or any officer, adviser or servant of the Board, or any person acting under the direction of the Board, or of the Chairman. Project Director or any officer or servant of the Board in respect of anything done lawfully and in good faith and with due care and attention under this Ordinance.

Indemnity of the Board, etc.

33. (1) No suit shall be instituted against the Board, the Chairman, Project Director, any person associated with the Board, or any officers, adviser or servant of the Board, or any person acting under the direction of the Board or for the Chairman, Project Director or any officer or servant of the Board in respect of an act purporting to be done under this Ordinance, until the expiration of two months next after notice in writing has been, in the case of the Board left at its office, and in any other case delivered to or left at the office or place of abode of the person to be sued, explicitly stating the cause of action, the nature of the relief sought, the amount of compensation claimed, and the name and place of abode of the intending plaintiff, and in case the suit is filed, the plaint shall contain a statement that such notice has been so delivered or left<sup>1</sup> [ : ]

Notice of suit against the Board.

<sup>2</sup>[Provided further that where a suit is instituted without-delivering or leaving such notice as is mentioned in sub-section (1), or before the expiration of the said period of two months, or the plaint does not contain a statement that such notice has been so delivered or left the Plaintiff shall not be entitled to any costs if any settlement as regard the subject matter of the suit is reached or the Board or other person referred to in sub-section (1) concedes the plaintiff's claim, within the period of two months from the date of the institution of the suit].

(2) If the Board, or other person referred to in sub-section (1) shall, before the action is commenced, have tendered, in the opinion of the Court, sufficient amends to the plaintiff, the plaintiff shall not recover any sum in excess of the amount so tendered and shall also pay all costs incurred by the defendant after such tender.

(3) No action such as is described in sub-section (1), shall, unless it is an action for the recovery of immovable property or for a declaration of the title thereto be commenced otherwise than within six months next after the accrual of the cause of action.

Provided that nothing in sub-section (1) shall be construed to apply to a suit wherein the only relief claimed is an injunction or which the object would

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<sup>1</sup> Substituted vide Khyber Pakhtunkhwa Ordinance No. III of 1985.

<sup>2</sup> Added vide Khyber Pakhtunkhwa Ordinance No. III of 1985.



be defeated by the giving of the notice of the postponement of the commencement of the suit or proceedings.

34. A copy of any receipt, application, plan, notice, order, entry in a register or other documents in the possession of the Board shall, if duly certified by the legal keeper thereof, or other person authorized by the Board in this behalf, be received as prima facie evidence of the existence of the entry or document and shall be admitted as evidence of the matter and transaction therein recorded in every case where and to the same extent, as the original entry of document would, if produced, have been admissible to prove such matters.

Mode of proof of the Board's records.

35. Neither the Chairman nor the Project Director, any adviser, officer, or servant of the Board shall in any legal proceedings to which the Board is not a party be required to produce any register or documents the contents of which can be proved under the preceding section by a certified copy, or to appear as a witness to prove the matters and transaction, recorded therein unless by order of the Court made for special cause.

Restriction in the summoning of the Board servants to produce documents.

36. (1) No act done or proceedings taken under this Ordinance shall be questioned on the ground merely of—

Validation of acts and proceeding.

- (a) the existence of any vacancy in, or any defect in the constitution of the Board; or
- (b) any person having ceased to be a member has continued to act as such; or
- (c) any omission, defect or irregularity not affecting the merits of the case.

(2) Every meeting of the Board, the minutes of the proceedings of which have been duly signed as prescribed in clause (5) of section 11 shall be taken to have been duly convened and to be free from all defects and irregularities.

37. In any case not otherwise expressly provided for in this Ordinance the Board may with the prior approval of Government pay reasonable compensation to any person who sustains damage by reason of the exercise of any of the powers vested under this Ordinance in the Board or the Chairman, Project Director or any officer or servant of the Board.

General powers of the Board to pay compensation.

**CHAPTER-VIII**  
**AUDIT AND ACCOUNTS**

38. (1) The Board shall maintain proper accounts and other relevant records and prepare annual statement of accounts including the profit and loss account and balance sheet in accordance with such general directions as may be issued, and in such form as may be specified by Government in consultation with the Accountant General, <sup>1</sup>[..] or the Comptroller and Auditor General hereinafter in this section referred to as the Auditor General. Accounts and audit.

(2) The accounts of the Board shall be audited by an auditor who shall be chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961. (Ordinance No. X of 1961), and appointed for the purpose by the Board with the previous approval in writing of Government.

(3) Notwithstanding, the audit provided for in sub-section (2), the Auditor General shall audit or cause to be audited the accounts of the Board.

(4) The Board shall produce all accounts books and connected documents and furnish such explanation and information as the Auditor General may require at the time of audit.

(5) A statement of its accounts audited by the chartered accountant referred to in sub-section (2) shall be forwarded to Government by the Board as soon as possible after the end of, every financial year.

39. The Board shall, as soon as possible after the end of every financial year, submit an annual report to Government on the conduct of its affairs for that year. Annual report.

**CHAPTER-IX**  
**DISSOLUTION**

40. (1) Government may, by notification in the official Gazette declare that a Board shall be dissolved from such date as may be specified in the notification and thereupon the Board shall stand dissolved on that date. Dissolution of the Board.

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<sup>1</sup> Omitted vide Khyber Pakhtunkhwa Adaptation of Laws Order, 1975.

(2) From the said date—

- (a) all properties, funds and dues which immediately before the said date were vested in or were realizable by the Board shall vest in and be realizable by Government;
- (b) all liabilities which immediately before the said date were enforceable against the Board shall be assumed by, and be enforceable against Government; and
- (c) for the purpose of completing the execution of any scheme or project sanctioned under this Ordinance which has not been fully executed by the Board and of realizing properties, funds and dues referred to in clause(a), the functions of the Board shall be discharged by Government.