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SRO 519/57

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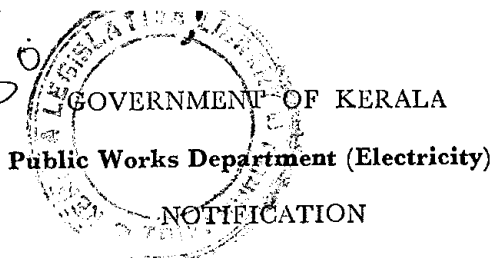
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KNPP. 1071/2010(i).

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EL3-11572/57/PW.

Dated, Trivandrum, 26th October 1957.

S. R. O. No. 519/57.—In exercise of the powers conferred by Section 78 of the Electricity (Supply) Act, 1948 (LIV of 1948), the Government of Kerala hereby makes the following rules, the same having been previously published, as required by Sub Section (1) of the said section, namely :—

THE KERALA STATE ELECTRICITY BOARD RULES

Part I—Preliminary

1. *Short Title.*—These rules may be called the Kerala State Electricity Board Rules, 1957.

2. *Definitions.*—In these rules, unless the context otherwise requires.—

(1) 'The Act' means, the Electricity (Supply) Act, 1948 (LIV of 1948) as amended.

(2) 'Board' means the Kerala State Electricity Board set up under Section 5.

(3) 'Bond' includes a mortgage bond and a mortgage debenture executed or issued by the Board under the Act, whether or not the money borrowed is charged on the works and revenues of the Board or on any specific property forming part of the works of the Board.

(4) 'Government' means Government of Kerala.

(5) 'Committee' means a Local Advisory Committee constituted under Section 17.

(6) 'Government servant' means a person in the employment of Government.

(7) 'Prescribed period' means the period or periods determined by the Government within which provision is required to be made for the repayment of money borrowed by the Board.

(8) 'Section' means a section of the Act.

(9) 'Security' means any stock or bond issued or any mortgage granted by the Board.

(10) 'Member' means a member of the Board.

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(11) 'Council' means State Electricity Consultative Council constituted under Section 16 of the Act.

(12) 'Chairman' means the Chairman of the Board appointed under subsection (5) of section 5 of the Act.

Part II—The Board

TERMS OF OFFICE, REMUNERATION, ALLOWANCES AND CONDITIONS OF SERVICE OF THE CHAIRMAN AND MEMBERS OF THE BOARD

3. *Term of office and conditions for re-appointment of Members of the Board.*—“(a) The Chairman and other members of the Board shall hold office for such period not exceeding five years as may be specified in the order of appointment, and where no such period has been specified in the order of appointment they shall hold office for such period as the Government, may by order, fix. The Chairman and other members shall on the expiration for their term of office be eligible for re-appointment under such conditions as Government may from time to time by order direct.”

(b) Notwithstanding anything contained in the sub-clause (a) of rule 3, if any member of the Board absents himself without permission of the Government for more than 3 meetings continuously he shall cease to be a member automatically on the expiry of 15 days after the date of the 4th meeting unless otherwise directed by the Government for just and sufficient cause.

(c) The Board should keep a record of the attendance of the members for every meeting.

4. *Remuneration.*—“(a) The remuneration of the Chairman, the Accounts Member and the Technical Member of the Board shall be such as may be determined from time to time in each case by the Government”.

(b) The members other than those appointed on whole time basis shall be paid a fee of Rs. 50 for every sitting of the Board.

5. *Resignation.*—“(a) The Chairman or any other member of the Board may resign his office by giving six month's notice in writing to the Government. The Government, may however, waive this condition at their discretion.

(b) If the office of the Chairman or any member is vacated before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Government by notification in Gazette.

(c) Any person so appointed shall hold office only up to the date up to which the chairman or member in whose place he is appointed would have held office if it had not been vacated as aforesaid.

6. *Leave and leave salaries*:—The power to grant leave to the Chairman or any other member of the Board shall vest in the Government. The Chairman or any other member of the Board, if he is appointed on a whole time basis shall be entitled to leave and leave salary on the following terms :

The Chairman or any other member if he is appointed on a whole time basis shall be entitled to earned leave at 1/11th the period spent on duty. Such leave, including the earned leave, if any, which is allowed to be carried forward in accordance with the provisos below, may be accumulated upto a maximum period of 180 days. The maximum earned leave that may be granted at a time shall be 120 days except in the case of leave preparatory to retirement or termination of appointment, in which case the maximum earned leave that may be granted at a time shall be 180 days. Half pay leave on Medical Certificate or on private affairs is also admissible calculated at the rate of 20 days for each completed year of service. In addition, leave without allowances may be granted in special circumstances, when no other leave is admissible, subject to a total maximum limit of 3 months during the tenure of appointment as Chairman/Member. No leave shall be granted beyond the date on which the term of appointment expires.

Provided that Government may allow a Chairman/Member who has been denied by Government in whole or in part, on account of the exigencies of the public service, the earned leave which was due to him pending retirement, the whole or a portion of the earned leave so denied, even though it extends to a date beyond the date on which such officer's term of appointment expires.

Provided where any Officer of the Board or other organisation is appointed as Chairman/Member, he will be entitled to leave and leave salary as per the rules applicable to him immediately prior to such appointment. He will be allowed to carry forward all the leave standing to his credit at the time of his appointment as Chairman/Member of the Board. Similarly on reversion to the Board or other organisation to which he belongs he will be allowed to carry forward the unavailed portion of all the leave thus carried forward together with all the leave earned during his tenure of office as Chairman/Member of the Board, provided that all leave standing to the credit of the Chairman/Member will lapse on the date on which the term of appointment expires if he has already retired from the service of the Board or other organisation to which he belongs and has thus ceased to have lien on any post in the Board or other organisation to which he belonged. The Government may at their discretion allow a Chairman/Member who has been denied by the competent authority in whole or in part, on account of the exigencies of public service, the earned leave which was due to him before such retirement from service of the Board/Organisation the whole or a portion of the earned leave so denied even though it extends to a date beyond the date on which the appointment expires.

[No. 607/ELA2/75/W & P dated Trivandrum, 15th July 1975.]

Provided further that a Chairman/Member who continues in service beyond the date of his retirement on superannuation may similarly be granted either within the period of extension of his service after the date of retirement on superannuation or after its expiry (at the termination of his service) the earned leave which could have been granted to him under the preceding proviso had he retired on that date less the leave, if any taken during the period of extension and in addition such earned leave due in respect of the period of extension as had been applied for in sufficient time during the period of extension and had been refused to him on account of the exigencies of the public service. In determining the maximum amount of earned leave due in respect of the period of extension, the earned leave if any admissible on the date of retirement on superannuation shall also be taken into account.

Leave Salary.—Leave salary will be calculated in accordance with the Rules in Section V of Chapter IX Kerala Service Rules Part I as amended from time to time.

Explanation.—(1) For the purpose of this rule, a Chairman/Member will be deemed to have been denied leave only, if, in sufficient time before the date on which he must retire on superannuation or the date on which his duties finally cease, he has either formally applied for leave and it has been refused on the ground of exigencies of public service or has ascertained in writing that leave if applied for would not be granted on the aforesaid ground.

(2) In this Rule unless the context otherwise required the various terms used will have the same meaning as the Kerala Service Rules.

Note.—1. Any earned leave taken after the date of refusal, and before the date of compulsory retirement, should be held to be, a grant of leave, against the amount of leave originally refused and the amount of leave refused minus the amount of post-refusal leave enjoyed is the leave admissible after the date of compulsory retirement.

Note.—2. Earned leave taken during the period of extension should first be debited against the leave earned, if any, during the period of extension, until it is exhausted, and then only, against the credit of leave which could have been granted on the date of compulsory retirement.

Note.—3. An officer can be granted after the age of superannuation only the leave preparatory to retirement that was refused. Any leave, other than leave preparatory to retirement, refused, cannot be granted after the age of superannuation.

Note.—4. Compulsory recall from leave preparatory to retirement should be deemed to be a constructive refusal of the balance of leave unenjoyed and compulsory retention in service will amount to constructive refusal of leave for the purpose of this rule.

Note.—5. Permission given by this rule for availing of leave beyond the date of superannuation or after the termination of the period of appointment shall not be treated as carrying with it automatic extension of

service and the Chairman/Member shall cease to retain a lien on his permanent post or any other post during the period of such leave".

[Vide Notification No. 14991/E1. 1/62-19/P.W. dated 2-2-1965.]

(2) The power to grant leave to the Chairman or any other member of the Board shall vest in Government.

7. *Travelling Allowances.*—(1) The Chairman or any other member of the Board shall be entitled to travelling allowances for journeys performed for the purposes of the Board on the scale provided for in the Government Rules applicable to the class I Officers.

(2) No journeys shall be performed by the Chairman or any other member of the Board for the purposes of the Board outside the State of Kerala without the prior approval of the Board. No such journey shall be performed outside India without the prior approval of Government.

(3) deleted.

(4) The Chairman or any other member of the Board shall not be entitled to any travelling allowance for journeys performed on first appointment and on relinquishment, unless he is a Government Servant and is entitled to such allowance under the Government Rules.

8. *Appointment of Government servants.*—Notwithstanding anything contained in Rules 5 to 7 and 9, the allowances and other conditions of service of the Chairman or any other member of the Board, if he is a Government servant shall be such as may be determined by Government in each case.

9. *Medical facilities.*—(1) The Chairman or any other member of the Board if he is appointed on full-time basis, shall be entitled to such medical facilities as are enjoyed by class I officers.

(2) deleted.

Part II A

POWERS AND FUNCTIONS OF THE CHAIRMAN

9A. *Responsibility of the Chairman.*—The Chairman shall be responsible for properly carrying out the directions and decisions of the Board.

9B. *Liaison between the Government and the board.*—The Chairman shall function as a Liaison between the Government and the Board in matters arising out of the administration of the Act, to the extent the Government is concerned.

9C. *Difference of opinion to be reported.*—The Chairman may bring to the notice of the Government any difference of opinion on matters of policy arising between him and the other members of the Board. He may also similarly refer any other matter of policy to the Government and place the directions received from them for consideration and action by the Board.

If any member desires that any difference of opinion between him and the Chairman should be brought to the notice of the Government, the Chairman shall bring the same to the notice of the Government.

9D. *Controlling Officer in respect of Travelling Allowances and Medical Bills.*—The Chairman shall be the Controlling Officer in respect of :

- (a) Travelling allowance and Medical bills of himself and of the Travelling allowance bills of the non-official members of the Board.

Travelling allowance and other allowance bills (if any) admissible to the members of the Council.

9E. *Placing new matters before meeting.*—The Chairman may bring or cause to bring any new matter which in his opinion is urgent before any meeting of the Council with or without giving notice.

9F. *Matters not to be discussed.*—The Chairman shall, if in his opinion it would be contrary to the public interest to discuss or answer any particular matter or to furnish any information relating to the Board at a meeting of the Council, or of the Advisory Committee, exercise his discretion to disallow such matter.

9G. *Casting vote.*—The Chairman or in his absence, the member of the Board deputed by the Board to act as Chairman or in the absence of both, the person elected to be Chairman by the members from among themselves shall be entitled to vote, and in the event of equality of votes, he shall have the casting or second vote.

9H. *Prohibition of disclosure of confidential information.*—No member of the Council except with the previous permission of the Chairman in writing, shall disclose to any person, other than a member of the Board or of the Council or of a Committee, any information relating to the affairs of the Council or allow such person to inspect or have access to any books, documents or other papers relating to the business of the Council or of a Committee, which are required to be treated as confidential.

9I. *Approval of agenda*—The Chairman shall approve the agenda for meetings of the Board as also of the Council including the fixation of date, time and place of meetings. The exercise of this function shall be subject to the provisions of Rule 11 (2) and Rule 17. The Board shall, however, be competent to decide whether any subject not included by the Chairman in the agenda should be so included.

9J. *Distribution of duties and functions.*—Subject to the provisions of the Act, the Chairman shall distribute the duties and functions between Secretaries and other Officers of the Board and matters pertaining to the disposal of the case work in the Secretariat of the Board on such subjects that are not to be included in the regular agenda of the Board's meeting.

9K. *Sanctioning of casual leave.*—The Chairman shall be responsible for sanctioning casual and other kinds of leave to the Secretary of the Board.

9L. *Decision—point of order.*—Any point of order raised at the meeting of the Council shall be decided by the Chairman or by the member of the Board deputed by the Board to act as Chairman or by the person elected to be the Chairman by the members from among themselves as the case may be, and his decision thereon shall be final.

9M. *Performance of journeys outside the jurisdiction of the Board.*—The Chairman shall be competent to allow officers of the Board to undertake journeys for the performance of the duties of the Board, outside the jurisdiction of the Board, and also to make arrangements for carrying out of the functions and duties of such officers in their absence.

Part III—State Electricity Consultative Council and Local Advisory Committees

10. *State Electricity Consultative Council.*—(a) *Constitution.*—While constituting State Electricity Consultative Council under section 16 of the Act, the State Government shall appoint at least one member representing labour employed in electricity supply industry in the said Council.

[No. 20189/ELA2/73/W & P dated, Trivandrum, 21st October 1975.]

(b) *Term of office and conditions for re-appointment of Members of the Council.*—Every member of the council who is not a member of the Board shall hold office for a normal term of two years from the date of his appointment or such other period specified in the order of appointment and shall be eligible for re-appointment.

“(c) *Resignation of the membership of the council and the filling up of the vacancies* (i) Any member of the council who is not a member of the Board may resign his office by giving one month's notice in writing to the Government. Government may however, waive the condition at their discretion. (ii) If the office of any member becomes vacant before the expiry of the normal term of two years or of such other period specified in the order of appointment as per sub-rule (b) the resulting vacancy shall be filled up by the Government by notification in the Gazette. (iii) The person so appointed shall hold office only for the period for which the member in whose place, he is appointed would have held office, if it had not been vacated as aforesaid.”

11. *Secretary of the Council.*—(1) An officer of the Board not being a member thereof, may be appointed by the Board as *ex officio* Secretary to the Council. The officer so appointed shall not be entitled to any extra remuneration on account of such work.

(2) It shall be the duty of the Secretary to the Council with the approval of the Chairman of the Council to call meetings of the Council and to inform the members thereof not less than 14 days' notice in writing of the date, time and place of the proposed meeting.

12. *Meetings of State Electricity Consultative Council.*—(1) There shall be meetings of the Council at least once in every three months to consider the matters required under the provisions of section 16 of the Act. In such meetings the members may bring complaints of Electricity consumers of a general nature involving policy before the Council and point out the lapses and short comings of Board in such matters. The members may elicit information on such matters by means of questions and the Chairman of the Council shall arrange to furnish such information to the members concerned.

(2) There shall be an annual meeting of the Council to consider the annual financial statement of the Board. The Council shall also meet when a supplementary statement is placed before it. The Council may submit a report to Government on any financial statement placed before it by the Board. Any member may submit his separate or dissenting report to the Council at such meeting and such report also shall be forwarded to Govt. by the Council with the comments of the Chairman.

(3) In addition to meeting under sub rule (1) and (2), the Chairman may call special meetings of the Council whenever he deems it necessary.

[G.O. Ms. 70/76/W&P dt. Trivandrum, 3rd June, 1976.]

13. *Proceedings.*—The proceedings of every meeting of the Council shall be recorded in a Minutes Book to be kept by the Secretary of the Council for the purpose and shall be signed by the Chairman of the meeting at that or at the next succeeding meeting.

14. *Quorum.*—(a) Not less than one-third of members of the Council other than the members of the Board shall constitute a quorum. If there is no quorum within 30 minutes of the time appointed for the meeting, no meeting shall be held and the Chairman of the Council may then and there adjourn the meeting to a specified date.

(b) If at the adjourned meeting also, a quorum is not present within 15 minutes from the time appointed for holding the meeting, the members present shall be the quorum.

(c) All question arising for decision shall be decided by a majority vote and the names of persons voting for and against a motion shall be recorded in a Minutes Book. In the event of an equality of votes, the Chairman shall have a casting or second vote.

15. *Officers not entitled to vote.*—Officers of the Board, not being members thereof, may be invited by the Chairman to attend any meeting of the Council and such officers may take part in the discussion at the meeting but shall not be entitled to vote.

16. *The Chairman of the meeting.*—The Chairman of the Council shall preside at every meeting of the Council. In his absence, a member of the Board shall be deputed by the Board to act as the Chairman. In the event of the absence of both the Chairman and the person deputed by the Board, the members present shall elect a Chairman from among themselves.

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17. *Place of meeting.*—All meetings of the Council shall be held at the head office of the Board unless the Board otherwise directs.

18. *Fees and travelling allowances for members.*—(1) A member of the Council shall not be entitled to any remuneration other than that provided in this rule.

“(2) A member of the Council other than an officer of the Government or of the Board shall be entitled to receive sitting fee of Rs. 25 for each day on which a meeting is held and he is present and travelling allowances payable on the scale applicable to a class ‘1’ Government Officer of the State :

Provided that no sitting fee shall be payable to the Chairman or any member of the Board appointed on whole time basis who is also a member of the Council.

(3) A member of the Council who is a Government Officer or an Officer of the Board shall be entitled to draw travelling and daily or halting allowances on the scale admissible to him under the Travelling Allowance Rules of the Government or of the Board as the case may be.”

19. *Local Advisory Committees.*—(1) *Constitution :* Local Advisory Committees under Section 17 of the Act may be constituted at Divisional and Sub-divisional levels. While constituting such Committees, the Government may nominate in those Committees, Officers of the Board, Members of Parliament Members of the State Legislature, Presidents of Panchayats, Chairmen of Municipal Councils, Mayors of Corporations, and Representatives of “Commerce” and ‘Industry’ of the respective areas for which the Committees are constituted.

(2) *Term.*—The term of the Local Advisory Committees shall be for a period of two years.

19 (3) *Vice-Chairman of the Committees*—The members of a Local Advisory Committee may elect any member thereof to be the Vice-Chairman of the committee who shall exercise the powers and discharge the functions of the Chairman in his absence.

[No. 3848/EL-A2/72/W&P dated Trivandrum 22nd February 1973.]

(4) *Secretary to the Committee.*—“(a) The Executive Engineer, in charge of the Division shall be the Secretary to the Divisional Committee. The Assistant Engineer in charge of the Sub-Division shall be the Secretary to the Sub Divisional Committee”.

19.(b) It shall be the duty of the Secretary to convene the meetings of the Committee in accordance with the instructions received from the Chairman of the Committee. If the chairman fails to give instructions to Convene the meetings of the committee in accordance with the rules, the Secretary shall convene the meetings in accordance with instructions of the Vice-chairman concerned,

[No. 20285/ELA2/73/W&P dated Trivandrum, 14-7-1975.]

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20. *Meeting of the Local Advisory Committee.*—(1) *Intervals of Meeting.*—A Local Advisory Committee at the Sub-Divisional level shall normally meet once in two months and the committee at the Divisional level shall meet once in three months.

(2) *Notice of the Meeting.*—The Secretary to the committee shall give to the members seven days' notice in writing specifying the date, time and place of the proposed meeting.

(3) *Business of the Committees.*—The Committees shall have the right to review the working of the Sub-division or the Division concerned. All complaints in respect of the working of the Sub-division or the division shall be placed before the Committees. The Chairman of the Committee or in his absence the Vice-Chairman, shall cause all relevant documents concerning the complaints to be placed before the Committee, if so required. The recommendations of the Committee, shall be advisory in character and shall be respected as far as possible. In cases of deviation, specific reasons therefore shall be placed before the committees and shall be reported to higher authorities.

21. *Quorum.*—(a) Not less than one fifth of the total number of members of each of Committee shall constitute a quorum.

(b) All questions arising for decision shall be determined by a majority vote and the names of persons voting for and against a motion shall be recorded in a minutes book. In case of equality of votes, the Chairman and in his absence, the Vice Chairman shall have a casting or second vote.

22. *Fees and Allowances for the members of Local Advisory Committees.*—(1) A member of a committee shall not be entitled to any remuneration other than what is provided in sub-rule (2).

(2) Members of the Committee other than Officers of the Government or of the Board shall be entitled to receive T. A. and D. A. as admissible to class I Officers of the State Government and sitting fee at the rate of one daily allowance for attendance at each meeting.

[G.O.MS. 59/W&P.Trivandrum dated 6-8-1973.]

Part IV—The Finance of the Board—Borrowing

24. *Particulars of borrowing to be furnished to Government.*—(1) Unless otherwise expressly provided in these rules, the Board shall not borrow any sum of money except with the previous sanction of Government.

(2) While applying for previous sanction of Government, the Board shall furnish such particulars of the amount, purpose, nature and circumstance of the proposed borrowing as the Government may require.

25. *Temporary borrowing by the Board.*—The Board may for the purpose of meeting any current expenses properly chargeable to revenue or preliminary expenses connected with the raising of money by issue of bonds, stock or otherwise, borrow by way of temporary loan or overdraft from any bank or otherwise, such sums as it may require, on such terms, conditions and security and in such form as may be approved by the Government. The amount so borrowed, together with the interest thereon, shall be repaid from current revenues within a period of twelve months from the date of the temporary borrowing or such extended period as the Government may allow.

26. (1) The Board shall have power to borrow.—

(a) for the purpose of paying off any money previously borrowed by them which is intended to be forthwith repaid; or

(b) in order to replace the money which during the previous twelve months has been temporarily applied from other funds of the Board in repaying money previously borrowed in accordance with these rules and which at the time of such repayment, it was intended to replace by borrowed money.

(2) Any money borrowed under this rule shall for the purpose of repayment be deemed to form part of the original loan.

27. *Application of money borrowed.*—Except with the previous sanction of the Government, money raised by the issue or grant of any security shall not be applied to purposes other than those for which the money was raised.

28. *Temporary Investments.*—The Board may from time to time invest temporarily in such securities as the Government may by general or special order approve any sum raised by the issue or grant of any security and not for the time being required for the purpose for which it was raised.

29. *Issue of stock.*—(1) All stock issued by the Board shall be redeemable stock and shall be created by and issued in pursuance of a resolution of the Board.

(2) The Board may issue such class or classes of stock as it may determine, but each class of stock shall have a distinctive title and shall be issued subject to the condition that all stock at any time belonging to that class shall bear one and the same rate of interest, shall become redeemable at the same time and shall in all other respects be of the same character.

(3) Subject to the provisions of the Act and these rules, stock may be issued for such amount, at such price and at rate of interest as the Board may with the previous approval of Government determine.

30. *Redeemability of stock.*—Stock issued by the Board shall be redeemed on the expiration of such period as the Board may, with the approval of Government by a resolution determine :

Provided that it may be redeemed before the expiration of the said period, if the Board, by a subsequent resolution, so determines :

Provided further that no stock shall be liable to be redeemed before the expiration of the latest date for repayment mentioned in the original resolution creating the stock unless at least three months' notice of the intention to redeem the same has been given.

31. *Issue of stock at Discount.*—(1) Where stock is issued at a price lower than that at which it is to be redeemed, the difference between the price of issue and the price of redemption shall for the purposes of these rules be treated as a loan repayable within the period expiring on the earliest date on which the said stock may be redeemed.

(2) For the purpose specified in sub-rule (1), the Board shall create a Discount Sinking Fund out of the revenues of the Board, for the period of currency of stock or bond issues.

32. *Power to grant mortgages.* (1) The Board may subject to the provisions of the Act and these rules, mortgage or charge the works and all the revenues of the Board or any specific property forming part of those works.

(2) No mortgage shall be granted by the Board for a period of less than ten years and no extension of the term of any mortgage shall be for a period of less than ten years :

Provided that the provisions of the sub-rule shall not apply to or in respect of any mortgage charged upon any specific property forming part of the works of the Board.

(3) Subject to the provisions of these rules, every mortgage other than a mortgage of any specific property granted by the Board shall be by a deed made in the form specified, or similar to that specified, in Appendix B.

33. *Power to issue and renew Bonds.*—Subject to the provisions of these rules, the Board may issue and renew bonds.

34. *Security for Bonds.*—(1) The principal money and interest for which bonds are issued by the Board shall be secured on the covenant of the Board to pay and the principal money and interest secured by any bonds or class of bonds may in addition be charged upon or secured by a trust deed charging the works and all the revenues of the Board or any specific property forming part of those works.

(2) Bonds issued by the Board shall be called "Kerala State Electricity Bonds" or "Kerala State Electricity Mortgage Bonds" or "Kerala State Electricity Mortgage Debentures" as the case may require.

(3) Bonds and applications for bonds shall be for amounts of one hundred, five hundred or one thousand rupees or multiples of one thousand rupees.

(4) The principal money secured by a bond shall be repayable at such date within the prescribed period as may be specified in the bond being not less than five years from the date of the bond.

(5) Nothing in this rule shall be construed as prohibiting the Board from redeeming a bond at any time by agreement with the holder of the bond if it thinks fit to do so.

35. *Extinction of securities redeemed or purchased.*—Any security redeemed or purchased by the Board shall be extinguished.

36. *Unclaimed security.*—If at the end of a period of twenty years after the date (hereinafter referred to as “the date of redemption”) on which any class of security is to be redeemed, the Board, by reason of the holder of any security of that class not forthcoming or by reason of any doubt as to the ownership of any such security, is not able to redeem the security, said security shall thereupon be deemed to have been extinguished and the sum credited to revenue.

37. *Appointment of Registrars.*—The Board shall before making each issue of stock or bonds and before granting any mortgage, appoint and thereafter continue to appoint on such terms and subject to such conditions and instructions not inconsistent with these Rules as they think expedient an officer of the Board or any banking or other company as Registrar of the stock or bonds to be issued or as Registrar of mortgages for all or any of the purposes of these Rules. The general practice of the Reserve Bank of India shall apply to all securities issued under these rules in respect of which the Reserve Bank is appointed as the Registrar.

38. *Registers of securities.* Each Registrar shall maintain a register relating to each class of security for which he is appointed Registrar (hereinafter referred to as “the register”) in which shall be entered—

- (a) in the case of stock —
 - the name, address and description of each holder from time to time of bonds of the class to which the register relates and the amount held by him.
- (b) in the case of mortgages—
 - (i) the names addresses and descriptions of the parties to each mortgage, the number and date thereof, the amount for which the same is granted and particulars of the property mortgaged; and
 - (ii) the date of registration of each mortgage and the date on which the same is paid off.
- (c) In the case of bonds—
 - the name and address of each holder from time to time of bonds of the class to which the register relates a statement of the amount of the bonds held by him, the periods for which they are issued and the property (if any) on which they are charged, and if the bonds are secured by a trust deed, the numbers and dates of certificates issued to him as hereinafter provided or if the bonds are not so secured the number of each bond held by him, and the date of registration of each bond and the date on which the same is paid off.

39. *Certificates of Registered Stock and Bonds secured by Trust Deed.*—On the registration of stock or of bonds secured by a trust deed, the appropriate Register shall issue to the holder of the stock or bonds a certificate of the proprietorship of such stock or bonds (as the case may be) and such certificate shall be *prima facie* evidence of the title of the person named therein.

40. *Right to transfer securities.*—Subject to these rules and to the terms on which the security is issued, the holder of any security may transfer the same in whole or in part, except that no mortgage or bond not secured by a trust deed shall be transferred in part, and no part of a bond not secured by a trust deed shall be transferred which is not of an amount for which a bond may be issued by the Board.

41. *Transfer of stock and Bonds secured by Trust Deed.*—(1) Stock and bonds secured by a trust deed shall be transferred by an instrument in writing and shall be executed both by the transferor and the transferee, and duly witnessed and the transfer shall be properly stamped.

(2) The instrument of transfer and the certificate to which the same relates shall be deposited with and retained by the appropriate Register. Such Register shall cause an entry thereof to be made in a book to be called “the register of transfers” and, shall endorse on the deed of transfer a note of that entry, and shall issue a new certificate or certificates to the transferee or the transferor, as the case may require. A separate register of transfers distinguished by a number or otherwise shall be kept for each class of stock and of bonds secured by a trust deed.

(3) Not more than one class of stock or bonds shall be included in any transfer, and the deed shall relate only to the transfer, and shall not contain any recital power or proviso whatever.

(4) The transferor of stock or bonds secured by a trust deed shall be deemed to remain the holder thereof until the name of the transferee is entered on the register relating thereto.

“42. (i) Mortgages not secured by a trust deed shall be transferred by an instrument in writing. Each such deed shall be duly stamped and shall state its date and the consideration for transfer and may be endorsed on the mortgage to which it relates.

The bonds not secured by a trust deed may be transferred by an endorsement on it.

“(2) The appropriate register shall keep a register of transfers of mortgages not secured by a trust deed and as soon as may be after the date of every transfer the deed of transfer shall be produced to the appropriate Register, who shall cause entries to be made in the appropriate register of transfers on the date of such deed, the names, addresses and descriptions of the parties thereto and the number of the mortgage transferred thereby, and until such entries have been made neither the Board nor the Register shall be in any manner responsible, to the transferee”.

(3) On the registration of any transfer, of a mortgage not secured by a trust deed the transferee or his executors or administrators shall be entitled to the full benefit of the original mortgage and the principal and interest secured thereby.

(4) No person, except the last transferee registered as aforesaid, or his executors or administrators shall be entitled to transfer, release or discharge any such mortgage or any money secured thereby."

43. *Inspection of Register of Mortgages.*—The Register of mortgages shall be open to inspection at all reasonable times by any mortgagee or other person entitled to a mortgage, free of charge, and by any other person on payment of a fee not exceeding Rs. 5 as the Board may from time to time determine.

44. *No notice of Trusts.*—No Notice of any trust, express, implied, or constructive in respect of any security shall be entered in any register, or in any other book kept by the Board or any Registrar, or on any certificate, or in any mortgage or in any transfer of any security, or, be receivable by the Board or any Registrar or affect any Registrar or the Board through any Register or otherwise, and the receipt of any person in whose name any security stands in the register relating thereto shall be a sufficient discharge to the Board for any money paid in respect of such security.

45. *Transfer on death.*—(1) The interest of a deceased holder of any security shall be transferable by his executors or administrators.

(2) Where two or more persons are registered as holders of any security those persons shall be deemed to be joint holders of such security with right of survivorship between them.

(3) the Board or the appropriate Registrar may refuse to allow any executors or administrators to transfer any security until the probate of the Will or the letters of administration to the estate of the deceased or a succession certificate under the Indian Succession Act, 1925 (XXXIX of 1925) has or have been left with the Registrar for registration and may require all the executors or the administrators to join in the transfer.

46. *Transfer otherwise than by death of holder or transfer in books or by deed.*—(1) If the interest in any security has been transferred by any lawful means other than a transfer in books or a deed in accordance with these rules on the death of a holder of the security, satisfactory evidence of the transfer shall be furnished to the appropriate Registrar by an affidavit of one or more competent persons or in such other manner as such Registrar with the approval of the Board, may require.

(2) The name of the person entitled under the transfer shall be entered in the appropriate register.

(3) Until evidence has been furnished in accordance with sub-rule (1), the Board or such Registrar shall not recognise the transfer and no person claiming under the transfer shall be entitled to receive any interest on the security.

(4) For the purposes of this rule, the expression "transfer" include any case of apparent transfer in the name of the holder of a security, although the actual ownership of the security may remain unaltered.

47. *Change of Registrar.*—Subject to the conditions on which any security is issued the Board may at any time determine the appointment of the Registrar for the time being of that security and appoint another Registrar in his place.

48. *Registrar may take fees etc.*—A Registrar may refuse to permit an entry to be made in the stock transfer books kept by him or to register any transfer of a security unless:

- (i) the fee hereinafter mentioned is paid in respect thereof, and the instrument of transfer is accompanied either by the certificate, or the deed creating the mortgage, or (in the case of a bond not secured by a trust deed) the bond to which it relates (as the case may be), and
- (ii) such other evidence (if any) as he may reasonably require to show the rights of the transfer or to make the transfer is produced.

49. *Registration fees.*—(1) Except as otherwise provided by the conditions on which any security is issued, the appropriate Registrar shall be entitled to charge a fee not exceeding three rupees as the Board may from time to time prescribe in respect of the registration of each one of the following:—

- (a) any transfer;
- (b) probate of Will or letters of administration;
- (c) change of name;
- (d) power of attorney;
- (e) order of Court, and
- (f) any other document affecting the registration of a security.

(2) If any such registration effects more than one class of security, a separate fee may be charged in respect of each class.

50. *Registers to be prima facie evidence.*—Each register shall be *prima facie* evidence of any matter entered therein in accordance with these rules and of the title any person entered therein as the holder of a security.

51. *Defaced or lost certificates.*—(1) If any certificate of any security is worn or defaced, the appropriate Registrar shall on surrender of the certificate and payment of a fee of three rupees, issue a new certificate to the person entitled to the surrendered certificate.

(2) If it is shown to the satisfaction of the appropriate Registrar that any such certificate has been lost or destroyed he shall, after due notification in the official Gazette and on receiving indemnity to his satisfaction against all claims in respect of the lost or destroyed certificate and on payment of the charges of notification and a fee of Rs. 3 issue a new certificate to the person entitled to the lost or destroyed certificate.

(3) A memorandum of the issue of a new certificate shall be made thereon and in the appropriate register.

52. *Closing of transfer books, etc.*—(1) The appropriate Registrar, with the approval of the Board may close the register of transfers of any class of security for a period of 29 days immediately preceding the half yearly interest payment date and the due date of interest payment.

(2) The persons who on the day closing in accordance with sub-rule (1) are registered as holders of any security, shall be entitled to the interest next payable thereon.

53. *Arrangements with Bankers.*—The Board may subject to the provisions of these rules make any arrangement with, and provide for the proper remuneration of, any banking or other company brokers or financial agents with respect to the issue of securities the registration and transfer of securities the payment of interest on securities, the keeping of books and other matters incidental to the issue, management, redemption and re-payment of securities.

54. *Protection of Lenders and Holders of securities.*—A person lending money to the Board or holding any security shall not be under any obligation to inquire into or to take notice of, whether the borrowing or the creation or issue or grant of such security was or was not within the competence of the Board under the Act or these rules or whether or not the Board or any meeting thereof was properly constituted or convened, or whether or not the proceedings at any meeting of the Board were legal or regular, or to see to the application of any money borrowed or raised by any security or be answerable for any loss or misapplication thereof.

55. *Protection of purchaser of land or property.*—Where the Board sell, lease or otherwise dispose of any land or property charged as security for any mortgage or bond (other than land or property specifically mortgaged or charged), the land or property shall, in the hands of the transferee or lessee, be absolutely free from any charge for that purpose and no transferee or lessee shall be bound to inquire into the application of the money arising from such sale, lease or disposal or be in any way responsible for the misapplication or non-application thereof.

56. *Appointment of Receiver.*—If at the expiration of three months from the time when any principal money or interest has become due on any security and after demand in writing, the same be not paid, the person entitled thereto may without prejudice to any other mode of recovery, apply to the Court for the appointment of a Receiver and the Court may appoint a Receiver on such terms as it thinks fit.

57. *Power of Receiver.*—Subject to the terms of creation, issue or grant of any security in respect of which the Receiver is appointed, any Receiver appointed in pursuance of these rules shall have the like power of collecting, receiving, recovering and applying money as the Board would have had in order to provide the money required for the payment of the principal money or interest in arrear and such other powers and duties as the Court thinks fit to grant.

58. *Saving for power of revocation.*—The Board may, by resolution revoke at any time, in whole or in part, any resolution for the creation of any security passed by the Board if and so far as the same has not been acted on by the issue or grant of securities, thereunder, and shall forthwith give notice of any such revocation to the Government.

59. *Saving for Government.*—No security shall be issued or granted as a security in respect of which the payment of the principal and interest or the principal or interest is guaranteed by the Government until the amount, price, rate of interest, date and method of issue of such security, the arrangements for the application of the proceeds of the issue and for the repayment of the proceeds have been previously approved by the Government and no variation of any such arrangements shall be made without the like approval of Government.

60. *Saving for other obligations.*—Except as otherwise expressly provided nothing in these rules shall relieve the Board from any obligation which may be imposed on it in relation to any borrowing power conferred by or under any enactment for the time being in force in the State of Kerala.

Part V—Annual Financial Statement and other Statements and Reports to be submitted by the Board

61. *Form of Financial Statement.*—The annual financial statement to be submitted by the Board to the Government under section 61 of the Act shall be in the form specified in Appendix 'A'.

62. *Form of Financial Statement.*—A Supplementary Statement (if any) shall also be submitted to Government in the form specified in Appendix 'A' during the year to which such supplementary statement pertains.

63. *Submission of statement to the Council.*—The Board shall submit to the Council each year annual financial statement in the form specified in Appendix 'A' not later than the fifteenth day of January each year.

A supplementary statement, if any, shall also be submitted to the Council before submission to the Government.

64. *Annual statement of Accounts.*—(1) The annual statement of accounts of the Board shall be submitted to Government in the form specified in Appendix 'C'.

(2) The statement of accounts shall be published in the official Gazette and printed copies thereof shall be put on sale at a price to be fixed by the Board not exceeding Rs. 5 per copy.

65. *Submission of annual Report.*—(1) The Board shall, as soon as possible after the 31st day of March, in each year but not later than the 30th September, submit to the Government an annual report of the Board's operations during the financial year ending on the 31st March.

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(2) The annual report under sub-rule (1) shall, in addition to matters of general interest, deal with the following matters, namely:—

- (a) the names of members and Chief Officers of the Board, organisation of the various sections of the Board and a chart showing the organisation;
- (b) a map showing the jurisdiction of the Board indicating the location of its stations, transmission and distribution systems and major industries operating therein;
- (c) details of any station or stations which the Board has closed down or over which the Board has assumed control;
- (d) details of any undertakings, stations or main transmission lines which the Board has acquired under the provisions of Section 23 or Section 37;
- (e) other activities of the Board such as manufacture of any electric or other machinery operated by electricity hire or hire purchase of appliances, show room display, etc.
- (f) the progress made in the planning or construction of any new power sources and any new transmission and distribution systems in urban and rural areas;
- (g) tariffs:—
 - (i) details of tariffs of the Board in force during the year;
 - (ii) names of licensees for whom rating committees were set up by the Board under section 57, the recommendations made by such rating committees and the orders made thereon by the Government; and
 - (iii) details of any directions given to licensees being local authorities in respect of their undertakings under the provisions of section 58;
- (h) details of the provisions of any inter-State agreement entered into with a contiguous State under the provisions of section 6:
- (i) matters referred to the Central Electricity Authority;
- (j) Statistical data in the forms specified in Appendix 'D' ;
- (k) the annual statement of accounts of the Board as submitted to the Government in the form specified in Appendix 'C' ;
- (l) general financial position of the Board indicating the profit or loss made during the year and the financial prospects for the ensuing year ;
- (m) review of the work of the State Electricity Consultative Council and Local Advisory Committee constituted under Sections 16 and 17; and
- (n) particulars of education, training facilities welfare scheme for the staff and labour of the Board, etc.

“65 A. The report under Section 75 (1A) shall contain in addition to the particulars specified in Rule 65, an account of the activities which are likely to be undertaken by the Board in the next financial year”.

MISCELLANEOUS

66. Government shall have power to give directions from time to time generally or in particular cases regarding the service conditions of the personnel transferred from the State Government to the Board in order to implement the rights guaranteed by G.P. No. 4670/57/PW dated 3-4-1957.

67. The Board may, as soon as may be, constitute with the approval of the Government recruitment committees at District level or taluk level as the Board may deem fit.

68. Sale of electricity outside the State shall be with the prior consent of Government.

69. The Board shall have due regard to any directions issued by Government in public interest with respect to the working of the Board.

69A. Government shall have power to give from time to time suitable directions consistent with the General Policy of Government to take effective steps against the Officers of the Board who, in the opinion of Government, are indulging in acts of favouritism, victimisation or other misdeeds prejudicial to the financial and other interests of the Board and the Board shall carry out such directions to safeguard the best interests of the Board and the General Public.

(No. 7909/EL-2/72/W&P. dated Trivandrum 9th February 1973.)

70. The Board may, as soon as may be constitute with the approval of the Government such tribunal for disciplinary action as the Board may deem fit.

71. The Board's decision on service questions will be final.

Provided the Government may revise the orders of the Board in cases where a principle or policy matter or serious hardships for a large number of persons or other exceptional circumstances are involved.

72. An appeal against the decision of the Board shall lie to the Government if interpretation and application of the G.P. No. EL/1-4670/57/PW, dated 3-4-1957 transferring the staff formerly working in the Electricity Department to the Board have been involved in the matter decided upon.

Note :—The forms referred to in the rules will be published separately.

By order of the Governor,

• G. MADHAVAN,

• Secretary.