

## **ANDHRA PRADESH ELECTRICITY SUPPLY UNDERTAKINGS (ACQUISITION) RULES, 1955**

### **CONTENTS**

1. Short title
2. Definitions
3. Service of notice and orders
4. Payment of remuneration to accredited representatives
5. Powers of accredited representatives
6. Acquisition officers and their powers and duties
7. Submission of particulars in respect of the undertaking
8. Preparation of inventory of assets and documents of the undertaking
9. Checking of items in the inventory
10. Attestation of defects found during checking
11. Alteration or removal of checked assets prohibited
12. Preparation of statements and inventories of assets by the Acquisition Officer or the Checking Officer
13. Submission of claims for compensation
14. Statement for the compensation
15. Disallowance of amounts claimed as compensation
16. Arbitration
17. Fee of assessors
18. Calling of claims by advertisement
19. Taking over of licensee staff

## **ANDHRA PRADESH ELECTRICITY SUPPLY UNDERTAKINGS (ACQUISITION) RULES, 1955**

In exercise of the powers conferred by Section 21 of the Andhra Electricity Supply Undertakings (Acquisition) Act, 1954 (Andhra Act XV of 1954), the Governor of Andhra hereby makes the following rules :

### **1. Short title :-**

These rules may be called the Andhra Electricity Supply Undertaking (Acquisition) Rules, 1955.

### **2. Definitions :-**

In these rules, unless there is anything repugnant in the subject or context

(a) 'Acquisition officer' means an officer appointed under Rule 6 ;

(b) 'Act' means the Andhra Electricity Supply Undertakings (Acquisition) Act, 1954 (Andhra Act, XV of 1954);

(c) 'Annexure' means an Annexure to these rules;

(d) 'Bank' means the Bank in which the deposit referred to in Section 11(4) of the Act is made.

### **3. Service of notice and orders :-**

(1) Every order, notice or other communication required to be served by the Government under the Act or these rules shall be served by post or left

(a) Where a local authority is the addressee, at the office of the local authority; and

(b) in other cases, at the registered office or head office of the licensee.

(2) Service by post shall be deemed to be effected by properly addressing, prepaying and posting by registered post, a letter containing the order, notice or other communication, and, unless the contrary is proved, to have been effected at the time at which the letter would have been delivered in the ordinary course of post.

### **4. Payment of remuneration to accredited representatives :-**

(1) The remuneration of an accredited representative shall be paid by the licensee monthly in accordance with the following scale :

(i) Where the total paid-up share capital or the total value of the capital assets as shown in the capital account of the undertaking does not exceed Rs. 2 1/2 lakhs-Rs.250.

(ii) Where the total paid-up share capital or the total value of the capital assets as shown in the capital account of the undertaking exceeds Rs.2 1/2lakhs but does not exceed Rs. 10 lakhs-0.1 per cent on the Rs. 2 1/2 lakhs, 0.075 per cent on the excess over Rs. 2 1/2 lakhs.

(iii) Where the total paid-up share capital or the total value of capital assets as shown in the capital amount of the undertaking, exceeds Rs.10 lakhs-0.1 per cent on the Rs. 2 1/ 2 lakhs, 0.075 per cent on the next Rs. 71/ 2 lakhs and 0.05 per cent on the excess over Rs. 10 lakhs, subject to a maximum of Rs. 2,000

:Provided that where a licensee, not being a company registered

under the India Companies Act, 1913 (Central Act VII of 1913), has appointed the officer managing the affairs of the licensee, as his accredited representative no remuneration shall be payable to such accredited representative.

(2) Where an accredited representative appointed by a licensee, not being a local authority, is unable to draw his remuneration from the licensee after the vesting date, the accredited representative shall make an application in writing in this behalf to the Government who may pay his remuneration during the period from the vesting date to the date on which three-fourths of the estimated account of compensation payable for the undertaking is deposited in the Bank in pursuance of Section 11 (4) of the Act. The said accredited representative shall thereafter apply to Special Officer for the amount payable to him as remuneration till one month from the date of intimation of the amount of compensation as finally determined by the Government in pursuance of Section 11(6)(a) of the Act or such further time as may be allowed by the Government. Every remuneration paid by the Government or the Special Officer to the accredited representative shall be recoverable from the Compensation amount deposited in the Bank.

#### **5. Powers of accredited representatives :-**

(1) The accredited representative shall, for the purpose of performing his functions and discharging duties under the Act and these rules, have power to do all or any of the following things, namely :

(a) to inspect, examine, test, sketch or copy any work, fixed asset or document of the undertaking;

(b) to utilize the services of the employees of the undertaking and to employ such additional staff as may be necessary;

(c) to have a separate office in any of the licensee's buildings or in rented premises, if suitable accommodation for the office of the accredited representative is not found for him by the licensee.

(2) The accredited representative may draw advance cash from the licensee for expenses, provided that proper accounts for the expenditure incurred supported by vouchers are maintained by him. Where an accredited representative appointed by a licensee not being local authority, is unable to draw the advance cash from the licensee, the said accredited representative shall make an

application in writing in this behalf to the Government who may permit him to draw advance cash from them for expenses during the period from the vesting date to the date on which three-fourths of the estimated amount of compensation payable for the undertaking is deposited in the Bank in pursuance of Section 11(4) of the Act. Thereafter, till one month from the date of intimation of the amount of compensation as finally determined by the Government or such further time as may be allowed by the Government, the accredited representative shall draw the advance cash from the Special Officer for expenses. Every amount advanced by the Government or the Special Officer to the accredited representative for expenses shall be recoverable from the compensation amount deposited in the Bank.

## **6. Acquisition officers and their powers and duties :-**

For the purpose of the Act the Government shall appoint such person or persons as they think fit to be an Acquisition Officer or Acquisition Officers who shall inspect check and take over the assets and documents of the undertaking or undertakings, as the case may be, with such assistants or workmen as he or they may consider necessary, or authorise any officers to perform the duties of the Acquisition officer, or Acquisition officers, subject to the direction and control of the Government.

(2) Every appointment made or authorization given under sub-rule (1) shall be intimated to the concerned licensee.

(3) The Acquisition Officer or any officer authorised by him shall have the to-

(a) enter and inspect any premises and works of the licensee after giving the licensee reasonable notice, which shall ordinarily be not less than one week;

(b) order the production of any document, book, register or record in the possession or power of any person having the control of, or employed in, the undertaking of any licensee;

(c) examine any person having the control of or employed in connection with the undertaking.

(d) estimate roughly the compensation payable under the Act and submit a report to the Government regarding the amount payable to the licensee or the amount to be paid or deposited in the Bank in

pursuance of sub-section (3) or sub-section(4) of Section 11 of the Act.

**7. Submission of particulars in respect of the undertaking :-**

(1) The licensee or the accredited representative, as the case may be, shall, as soon as possible submit to the Acquisition Officer all the particulars specified in Annexure I and such other particulars as may be necessary under these rules for determining the compensation payable in respect of the undertaking. He shall also furnish to the Acquisition Officer, at least two months prior to the vesting date, particulars required in forms J to M in Annexure II of all the staff employed in the undertaking.

(2) The Acquisition Officer shall arrange for the checking and taking over of the assets, s, liabilities and obligations of the undertaking to the extent to which they vest in the Government.

(3) All the particulars required by the Acquisition Officer under these rules of the accredited representative or of the licensee, as the case may be, in respect of the undertaking shall be furnished by him in the appropriate form in quadruplicate, if any, in any of the Annexures to these rules, or in the absence of any such form, in such other manner as may be approved by the Government.

**8. Preparation of inventory of assets and documents of the undertaking :-**

(1) Where the compensation is payable under Basis A or Basis B, the licensee or the accredited representative, as the case may be, shall also furnish to the Acquisition Officer an inventory in respect of all other assets owned by the undertaking but not connected with the electricity supply.

(2) In drawing up the inventory of assets all deficiencies and shortages due to theft or loss or major defect known to the accredited representative or the licensee in any of the assets shall be noted in the inventory and pointed out to the acquisition officer or to any person authorised by him checking the assets hereinafter in these rules referred to as the checking officer.

(3) Before drawing up the inventory of documents, the pages of all files and loose leaf books, shall be numbered serially and log sheets and plans, drawings and the like shall be collected, bound and indexed and all books given titles for the purpose of facilitating the

checking and taking over of the assets of the undertaking. All like documents shall be listed together.

(4) For the purpose of preparing the inventory, the area covered by the undertaking shall be divided into different sections and inventories in respect of (i) assets and (ii) documents shall be prepared separately in respect of each of these sections.

**9. Checking of items in the inventory :-**

Commencing from one month prior to the vesting date, the licensee or the accredited representative, as the case may be shall give the Acquisition Officer or the Checking Officer or their assistants and staff all facilities for the checking (inclusive of physical checking, where necessary) of the item in the inventory and their book value. When the checking of the inventory has not been completed before the vesting date, the checking Officer may proceed in the same manner as was done before the vesting date. The checking may proceed whether before or after the vesting date, without the said licensee or the accredited representative or the nominee of such licensee or accredited representative being present if, his absence is not occasioned by reasonable cause.

**10. Attestation of defects found during checking :-**

If the Acquisition Officer or the Checking Officer notices any discrepancies or defects during checking, he shall record them and have them attested by the licensee or the accredited representative or nominee of such licensee or accredited representative, as the case may be. If such licensee or accredited representative or the nominee of such licensee or accredited representative refuses to do so, the Acquisition Officer or the Checking Officer shall note the fact.

**11. Alteration or removal of checked assets prohibited :-**

The licensee or the accredited representative, as the case may be, shall ensure that the checked assets shall not be removed or tampered or dealt with in any manner until the assets are handed over to the Government. Where, however, the alteration or removal of the checked assets becomes necessary, it shall be done only after obtaining consent in writing of the Acquisition Officer.

**12. Preparation of statements and inventories of assets by the Acquisition Officer or the Checking Officer :-**

Where the particulars and inventories specified in Rules 7 and 8 have not been submitted to the Acquisition Officer by the licensee

or the accredited representative, as the case may be, before the vesting date, the Acquisition Officer or the Checking Officer shall prepare those particulars and inventories. Nothing contained herein shall be construed as preventing the licensee or the accredited representative or nominee of such licensee or the accredited representative from being present during the preparation of the particulars and inventories.

**13. Submission of claims for compensation :-**

The accredited representative or the licensee, as the case may be, shall, within three months from the date of his intimation of the basis of compensation, submit to the Government through the Acquisition Officer the claim for compensation in Form B, F or G, as the case may be, in Annexure II supported by detailed data based on the annual accounts and he shall also furnish to that Officer such other particulars as may be required by him within the time specified therefor, failing which the claim for the concerned items in the inventory may be disallowed or rejected.

**14. Statement for the compensation :-**

(1) The accredited representative or the licensee, as the case may be, shall submit his statements for compensation made up in two parts, namely one part covering the period upto the official year immediately preceding the vesting date and the other part covering the period subsequent to the last date of that year up to the vesting date. The claim for compensation shall be considered as available for checking only after the accounts upto the vesting date have been made up and checked by an audit officer appointed by the Government or the Book value of the assets has been mutually agreed upon.

(2) In the case of an undertaking of a licensee, not being a local authority which had no bulk supply agreement which the Government during any year of the period of five consecutive account years immediately preceding the vesting date where the compensation is payable under Basis A, the net annual profit in respect of any year prior to the date on which Section 57 of the Electricity Supply Act and the Sixth Schedule thereto become applicable to such undertaking shall be profit as assessed by the Income-tax Department less sums specified in paragraph 6(i) and (ii) of Part 'A' of Schedule I to the Act.

**15. Disallowance of amounts claimed as compensation :-**

While intimating to the accredited representative or the licensee, as the case may be, the amount of compensation as finally determined, the Government shall intimate in detail each of sums disallowed in the amount claimed so that the accredited representative or the licensee, as the case may be may reconsider each such sums disallowed individually for purposes of taking the matter to arbitration, if necessary.

**16. Arbitration :-**

Where the accredited representative or the licensee, as the case may be, does not accept any of the decisions of the Government on any of the matters specified in Section 13 (1) of the Act, he may, within three months of the date of receipt of the order communicating the decision to him, or require the dispute to be referred to arbitration and thereupon the matter shall be referred by the Government to arbitration.

**17. Fee of assessors :-**

An assessor appointed in accordance with Section 13(3) of the Act shall receive a fee fixed by the arbitrator subject to a maximum of rupees fifty per day. He shall also receive the actual travelling expenses spent by him. The fees and the travelling expenses shall be paid to the assessors by the Government and such fee and travelling expenses so paid shall be included in the cost of arbitration.

**18. Calling of claims by advertisement :-**

As soon as the Government have deposited in the Bank any amount of the compensation payable to an undertaking, the Special Officer shall notify by advertisement in three successive issues of an English daily newspaper having a large circulation that every person having a claim against the said amount should apply to the Special Officer.

**19. Taking over of licensee staff :-**

(1) Employees on the staff of a licensee immediately before the vesting date who are willing to serve under the Government shall be retained and continued provisionally for a total period not exceeding twelve months from the said date :

Provided that the Government may, from time to time, extend the period of provisional continuance aforesaid in respect of any employee or employees, so however, that the total period shall not exceed twenty-four months from the vesting date.



(2) During the period of provisional continuance, the employees shall be allowed the same pay and allowance which they were entitled to receive from the licensee immediately before the vesting date, and shall be subject to the same conditions of service in regard to leave, provident fund and other matters as were applicable to them under the licence immediately before the vesting date provided, however, that where the licensee has allowed to the employees any bonus or other concessions not allowed to the servants of the Government such concessions will not be continued. The employees shall also be permitted to carry over the amount of leave accumulated by them during their service under the licensee and standing to their credit on the vesting date. They will be liable to transfer to any other place or post in the Government, Electricity Department depending on exigencies of service.

(3)

(a) The penalties specified in column (2) of the table below may for good and sufficient reasons, be imposed on the employees (except members of the Andhra Local Authorities Electrical Engineers Service) specified in the corresponding entries in column (1) of that table during the period of provisional continuance, by the authorities indicated in the corresponding entries in column (3) thereof and the appellate authority shall be as specified in the corresponding entry in column (4) thereof;

#### TABLE

(b) Any such employee may, during the period of provisional continuance, be placed under suspension from service, pending enquiry into grave charges, where such suspension is necessary in the public interests. The authority competent to order such suspension shall be the Chief Engineer for Electricity in the case of employees drawing Rs. 100 and over per month and Superintending Engineer or the Chief Controller of Accounts in the case of all other employees.

(c) Before any of the penalties specified in the table under clause (a) is imposed, the procedure laid down in Rule 17 of the Andhra Civil Services (Classification, Control and Appeal) Rules, in respect of ministerial and inferior staff, and Rule 13 of the Operation Subordinate Service Rules in respect of the technical subordinate staff including watchmen and persons borne on Nominal Muster

Roll, shall be, so far as may be, followed. (d) Employees who were members of the Madras Local Authorities Electrical Engineers Service prior to the 13th November, 1952, from which date the scheme for merger of the said service with the Madras Electrical Service and the Madras Electrical Subordinate Service, has come into force, shall, during the period of their provisional continuance, be governed by the Andhra Local Authorities Electrical Engineers Service Regulations, subject to the conditions that the powers of the Chief Electrical Inspector to Government specified therein shall be exercised by the Superintending Engineer of the Electricity System under whom they happened to serve for the time being.

(4) During the period of provisional continuance, the Government or the Chief Engineer for Electricity, as the case may be, shall examine the suitability of every employee for absorption into Government service. If the Government or the Chief Engineer for Electricity, as the case may be, decides that the employee is suitable, an order shall be issued, declaring the employee to be a member of the class, category, grade or cadre, as the case may be, of the Government service, in which it is decided to absorb him. In respect of all the employees so absorbed, service under the Government shall be counted from the vesting date : Provided that if in the case of any employee it is necessary to relax the relevant rules before absorbing him into Government service, no such order shall be issued unless the rules have been relaxed in his favour and unless the Andhra Public Service Commission has been consulted in regard to his absorption, where such consultation is necessary. If any of the employees aforesaid does not agree to the terms offered for absorption into Government service, he shall be discharged from service after being given three calendar months' notice in writing or three months' pay in lieu of such notice.

(5) Any employee on the staff of the licensee immediately before the vesting date, who is superannuated or who, in the opinion of the Government or the Chief Engineer for Electricity (which shall be final) is not required by the Government Electricity Department or is found unsuitable for absorption into Government service during the period of provisional continuance, shall be discharged after being given three months' notice in writing or three months' pay in lieu of such notice.