

PARLIAMENT OF CEYLON

4th Session 1968-69



Ceylon Electricity Board Act, No. 17 of 1969

Date of Assent : June 6, 1969

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AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF AN ELECTRICITY BOARD FOR THE DEVELOPMENT AND CO-ORDINATION OF THE GENERATION, SUPPLY AND DISTRIBUTION OF ELECTRICAL ENERGY; FOR THE TRANSFER TO SUCH BOARD OF THE GOVERNMENT ELECTRICAL UNDERTAKINGS, AND, IN CERTAIN CIRCUMSTANCES, OF THE ELECTRICAL UNDERTAKINGS OF LOCAL AUTHORITIES; FOR THE EMPLOYMENT BY THE BOARD OF EMPLOYEES OF THE DEPARTMENT OF GOVERNMENT ELECTRICAL UNDERTAKINGS; FOR THE ENTERING INTO JOINT SCHEMES BY SUCH BOARD WITH ANY GOVERNMENT DEPARTMENT OR APPROVED BODY FOR THE GENERATION OF ELECTRICAL ENERGY, THE IRRIGATION OF LANDS, THE CONTROL OF FLOODS OR OTHER LIKE OBJECTS; TO AMEND THE ELECTRICITY ACT AND THE ELECTRICITY (AMENDMENT) ACT, No. 59 OF 1957; AND TO MAKE PROVISION FOR ALL MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[Date of Assent: June 6, 1969]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Ceylon Electricity Board Act, No. 17 of 1969, and shall come into operation on such date as may be appointed by the Minister by Order published in the *Gazette*. Short title.

PART I

CONSTITUTION, POWERS AND DUTIES OF THE CEYLON ELECTRICITY BOARD

2. (1) There shall be established a Board which shall be called the Ceylon Electricity Board, hereinafter referred to as "the Board". Establishment of the Ceylon Electricity Board.

(2) The Board shall, by the name assigned to it by sub-section (1), be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

Members of
the Board.

3. (1) The Board shall consist of—

- (a) four members appointed by the Minister from persons who appear to the Minister to have had experience and shown capacity in engineering, commerce, administration or accountancy,
- (b) one member appointed by the Minister, in consultation with the Minister of Local Government, to represent local authorities,
- (c) one member appointed by the Minister, in consultation with the Minister in charge of industries, to represent the field of industry, and
- (d) one member being an officer of the General Treasury nominated by the Minister of Finance.

(2) A person shall be disqualified for being appointed or continuing as a member of the Board if he is a Senator or a Member of Parliament.

(3) Before appointing a person to be a member of the Board, the Minister shall satisfy himself that such person has no such financial or other interest as is likely to affect prejudicially the discharge by such person of his functions as a member of the Board, and the Minister shall satisfy himself, from time to time, with respect to every member of the Board appointed by the Minister, that such member has no such interest. Any person who is appointed by the Minister, or whom the Minister proposes to appoint, as a member of the Board shall, whenever requested by the Minister so to do, furnish to the Minister such information as the Minister considers necessary for the performance of his duties under this sub-section.

(4) A member of the Board who is in any way directly or indirectly interested in any contract made or proposed to be made by the Board shall disclose the nature of his interest at a meeting of the Board and such disclosure shall be recorded in the minutes of the

Board and the member shall not take part in any deliberation or decision of the Board with respect to that contract.

(5) Subject to the provisions of sub-sections (6) and (7) every member of the Board, other than the member nominated by the Minister of Finance, shall—

(a) hold office for a period of five years, and

(b) be eligible for reappointment:

Provided that a member appointed by the Minister to fill a vacancy in the office of a member of the Board, other than any such vacancy as shall have occurred by virtue of the operation of sub-section (6), shall, subject to the provisions of sub-section (7), hold office for the unexpired portion of the term of office of the member whom he succeeds.

(6) The term of office of three of the six members of the Board first appointed by the Minister shall terminate at the expiry of a period of three years from the date of appointment; and, for the purpose of securing compliance with the preceding provisions of this sub-section, the Board shall at its first meeting under this Act determine by lot the three members appointed by the Minister whose term of office shall so terminate.

(7) Where in the interests of the efficient performance of the functions or the discharge of the duties of the Board, it is considered necessary to do so,—

(a) any member of the Board, appointed under paragraph (a) of sub-section (1), may be removed by the Minister,

(b) any member appointed under paragraph (b) of sub-section (1) may be removed by the Minister in consultation with the Minister of Local Government,

(c) any member appointed under paragraph (c) of sub-section (1) may be removed by the Minister in consultation with the Minister in charge of industries, and

(d) any member nominated by the Minister of Finance may be removed by the Minister of Finance.

(8) The removal of any member of the Board from office under sub-section (7) shall not be called in question in any court.

(9) A member of the Board who is not a public officer may resign from the Board by letter addressed to the Minister.

(10) Where a member of the Board becomes, by reason of illness or other infirmity or absence from Ceylon, temporarily unable to perform the duties of his office, then, if he is a member appointed by the Minister, the Minister may appoint any fit person to act in his place, and, if he is the member nominated by the Minister of Finance, that Minister may nominate another officer of the General Treasury to act in his place.

(11) All or any of the members of the Board may be paid such remuneration from the funds of the Board and shall be subject to such conditions of service, as may be determined by the Minister with the concurrence of the Minister of Finance.

(12) (a) The Chairman of the Board shall preside at every meeting of the Board at which he is present. In the absence of the Chairman from any meeting of the Board, the Vice-Chairman shall preside at such meeting, and in the absence of both the Chairman and the Vice-Chairman, a member chosen by the majority of the members present shall preside at such meeting.

(b) The Chairman or Vice-Chairman or other member of the Board, as the case may be, who presides at any meeting of the Board shall have, in addition to his own vote, a casting vote.

(13) The quorum for any meeting of the Board shall be three members of the Board, and, subject as aforesaid, the Board may regulate its own procedure.

4. The Board may act notwithstanding a vacancy among the members thereof.

Board may act despite vacancy.

5. (1) The Board shall, with the approval of the Minister, appoint a competent and experienced person as General Manager of the Board.

General Manager of the Board, his powers and duties and their delegation.

(2) The General Manager shall, subject to the general direction of the Board on matters of policy, be charged with the direction of the business of the Board, the organization and execution of the powers, functions and duties of the Board, and the administrative control of the employees of the Board.

(3) The General Manager may, with the approval of the Board, delegate to any other employee of the Board such of his powers, functions or duties as he may from time to time consider necessary, and any employee to whom any such powers, functions or duties are so delegated shall exercise them subject to the general or special directions of the General Manager.

(4) The General Manager shall retire from office on reaching the age of sixty years:

Provided, however, that his term of office may be extended thereafter by the Board with the prior approval of the Minister.

(5) The General Manager may not be removed from office except for good and sufficient cause and without the prior approval of the Minister.

6. (1) The Minister shall appoint a Chairman, and may appoint a Vice-Chairman, of the Board from the members of the Board.

Chairman and Vice-Chairman of the Board.

(2) If the Chairman or the Vice-Chairman is, by reason of illness or other infirmity or absence from Ceylon, temporarily unable to perform the duties of his office, the Minister may appoint one of the members of the Board to act in his place.

(3) The Minister may, without assigning a reason, terminate the appointment of the Chairman, or the Vice-Chairman, of the Board. The termination of the appointment of the Chairman, or the Vice-Chairman, of the Board shall not be called in question in any court.

(4) Where the Chairman, or the Vice-Chairman, of the Board is not a public officer, he may resign the office of such Chairman or Vice-Chairman by letter addressed to the Minister.

(5) Subject to the provisions of sub-sections (3) and (4), the term of office of the Chairman of the Board shall be the period of his membership of the Board, and the term of office of the Vice-Chairman of the Board shall be the period of his membership of the Board.

Seal of the Board.

7. (1) The seal of the Board shall be in the custody of the Board.

(2) The seal of the Board may be altered in such manner as may be determined by the Board.

(3) The seal of the Board shall not be affixed to any instrument or document except in the presence of two members of the Board both of whom shall sign the instrument in token of their presence.

Powers of the Minister in relation to the Board.

8. (1) The Minister may, after consultation with the Board, give to the Board in writing general or special directions as to the performance of the duties and the exercise of the powers of the Board in relation to matters which appear to him to affect the national interest, and the Board shall give effect to such directions.

(2) The Minister may, from time to time, direct the Board in writing to furnish to him in such form as he may require, returns, accounts and other information with respect to the property and business of the Board, and the Board shall carry out every such direction.

(3) The Minister may order all or any of the activities of the Board to be investigated and reported upon by such person or persons as he may specify and upon such order being made, the Board shall afford all such facilities and furnish all such information as may be necessary to carry out such order.

9. All officers and servants of the Board shall be deemed to be public servants within the meaning and for the purposes of the Penal Code.

Officers and servants of Board deemed to be public servants.
Cap. 19.

10. The Board shall be deemed to be a scheduled institution within the meaning of the Bribery Act, and the provisions of that Act shall be construed accordingly.

Board deemed to be a scheduled institution within the meaning of Bribery Act.
Cap. 26.

11. (1) It shall be the duty of the Board, with effect from the date of the transfer to the Board of the Government Electrical Undertakings under section 18, to develop and maintain an efficient, co-ordinated and economical system of electricity supply for the whole of Ceylon other than the area of authority of the Anuradhapura Preservation Board.

Duties of the Board.

(2) For the purpose referred to in sub-section (1), it shall be the duty of the Board—

- (a) to take over and carry on the Government Electrical Undertakings with effect from the date of the transfer to the Board of such Undertakings;
- (b) to take over and carry on any electrical undertakings transferred to the Board under section 26;
- (c) to generate or acquire supplies of electricity;
- (d) to construct, maintain and operate the necessary works for the generation of electricity by all means;
- (e) to construct, maintain and operate the necessary works for the inter-connection of generating stations and sub-stations and for the transmission of electricity in bulk from generating stations and sub-stations to such places as may be necessary from time to time;
- (f) to distribute and sell electricity in bulk or otherwise; and

(g) to develop a sound, adequate and uniform electricity policy, and, for that purpose, to control and utilize national power resources.

(3) Nothing in this section shall be construed as imposing on the Board, either directly or indirectly, any form of duty or liability enforceable by proceedings before any court or tribunal to which the Board will not otherwise be subject.

Powers of
the Board.

12. The Board may exercise all or any of the following powers:—

- (a) to purchase electrical energy in bulk;
- (b) to carry out investigations and to collect and record data concerning the generation, distribution and utilization of power, and the development of power resources;
- (c) to maintain shops and showrooms for the display, sale, or hire of electrical equipment, and to conduct displays, exhibitions and demonstrations thereof, and generally to do all things incidental to such sale and hire and for the promotion and encouragement of the use of electricity;
- (d) to promote the standardization of the system of supply of all types of electrical fittings and equipments;
- (e) to acquire, hold, take or give on lease or hire, mortgage, pledge or sell or otherwise dispose of, any immovable or movable property;
- (f) to enter into and perform, either directly or through duly authorized agents, all such contracts as may be necessary for the performance of the duties and the exercise of the powers of the Board;
- (g) to do anything necessary for the purpose of advancing the skill of persons employed by the Board or the efficiency of the equipment of the Board, or for improving the manner in which that equipment is operated;
- (h) to conduct research into matters affecting the generation, distribution, transmission, supply and use of electricity;
- (i) to provide facilities for training persons required to carry out the work of the Board, including the arrangement by the Board with any body or agency for such facilities;

- (j) to establish provident funds and pension funds, and to provide welfare and recreational facilities, houses, hostels and other like accommodation, for the persons employed by the Board;
- (k) subject to the provisions of section 5 and of Part III of this Act, to make rules in relation to the officers and servants of the Board, including their appointment, promotion, remuneration, disciplinary control, conduct and the grant of leave to them;
- (l) to enter into joint schemes with any Government Department or any body approved by the Minister, for the generation of electrical energy, the irrigation of lands, the control of floods or other like purposes;
- (m) to make rules in respect of the administration of the affairs of the Board; and
- (n) to do all other things which, in the opinion of the Board, are necessary to facilitate the proper carrying on of its business.

13. The Board may, from time to time, appoint persons who are qualified as engineers to be, or to act as, consultants to the Board and pay them such remuneration as it thinks proper.

Consulting engineers.

14. It shall be the duty of the Board and the Board shall have the power to supervise and control the design, construction and operation of all electrical generating stations, high voltage transmission lines, switching stations and other electrical installations installed for the purpose of any joint scheme entered into by the Board under the provisions of paragraph (l) of section 12 with any Government Department or any body approved by the Minister:

Power of the Board to supervise and control generating stations installed for joint schemes.

Provided, however, that in the exercise of such supervision and control, the Board shall have due regard to the needs of such Department or body.

15. Where any dispute arises between the Board and any Government Department or body referred to in section 14 in connection with the exercise of the powers of the Board under that section, such dispute shall be referred to the Minister, and the decision of the Minister thereon shall be final.

Disputes arising from exercise of powers of Board under section 14.

Board to undertake exclusively transmission of high voltage electrical energy in bulk.

16. No person or body other than the Board shall, except with the written permission of the Board given with the approval of the Minister, undertake the transmission of high voltage electrical energy in bulk from one place to another in Ceylon:

Provided, however, that the preceding provisions of this section shall not apply to the transmission of such energy by the Anuradhapura Preservation Board within the area of authority of that Board.

Chapter 205 and Act No. 59 of 1957, to be amended.

17. (1) Subject to the provisions of sub-section (2), the Electricity Act and the Electricity (Amendment) Act, No. 59 of 1957, are hereby amended in the manner set out in the Schedule to this Act.

(2) The provisions of sub-section (1) shall take effect on the date of the transfer of the Government Electrical Undertakings to the Board under section 18.

PART II

TRANSFER TO THE BOARD OF THE GOVERNMENT ELECTRICAL UNDERTAKINGS AND OTHER ELECTRICAL UNDERTAKINGS

Transfer to the Board of the Government Electrical Undertakings.

18. (1) As soon as may be convenient after the coming into operation of this Act, the Minister shall, by Order, transfer the Government Electrical Undertakings to the Board, and may, subject to the provisions of sub-section (4) of this section and the provisions of section 39, by the same Order or by a subsequent Order provide—

- (a) for the transfer to, and the vesting in, the Board of any movable or immovable property of the Crown required for the purposes of the Board;
- (b) for the transfer to the Board of all or any rights, obligations and liabilities relating to or connected with such Undertakings and for the adaptation or modification of contracts or other instruments for the purpose of giving effect to the transfer of such rights, obligations and liabilities to the Board;
- (c) for the adaptation or modification of any written law to such extent as may be necessary for the purpose of enabling the Board to carry on such Undertakings in lieu of the Government;

- (d) for such financial adjustments between the Government and the Board as may be necessary in consequence of any such transfer; and
- (e) for any other matter supplementary to or consequential on the matters aforesaid including the continuation of legal proceedings.

(2) Subject to the provisions of sub-section (3) the provisions of any Order made by the Minister under sub-section (1) may be amended or varied by him from time to time by a subsequent Order.

(3) No Order shall be made by the Minister under sub-section (1) or sub-section (2)—

(a) affecting any immovable property of the Crown without the concurrence of the Minister to whom the subject of Crown lands is for the time being assigned; or

(b) affecting any matter referred to in paragraph (d) of sub-section (1) without the prior concurrence of the Minister of Finance.

(4) Subject to the provisions of sub-section (5), every Order made by the Minister under this section shall be brought before the Senate and the House of Representatives by a motion that such Order be approved. Where such Order is approved, notification of such Order shall be published in the *Gazette*. Every such Order shall come into force on the date of the publication of such notification of approval or on such later date as may be specified in the Order. Every such Order shall, on its coming into force as herein before provided, be as valid and effectual as if it were herein enacted.

(5) The first Order made under this section after the coming into operation of this Act, shall be published in the *Gazette*, and shall have effect from the date of such publication or from such later date as may be specified in the Order.

19. (1) With effect from the date of the transfer to the Board of the Government Electrical Undertakings, no licence shall be granted under the Electricity Act except in consultation with the Board.

(2) The preceding provisions of this section shall have effect notwithstanding anything to the contrary in the Electricity Act.

Licences under the Electricity Act to be granted in consultation with Board.
Cap. 205.

Voluntary
transfer scheme.

20. (1) Subject to the provisions of sub-section (2), the Board and any local authority who is a licensee within the meaning of the Electricity Act may, of their own motion, jointly prepare a transfer scheme, hereinafter in this Act referred to as a "voluntary transfer scheme", for the transfer to the Board of the electrical undertakings carried on by such authority in its capacity as such licensee.

(2) The Board shall refer to arbitration through the Minister, as hereinafter provided, any dispute between the Board and the local authority upon any matter or question in connection with the preparation of a voluntary transfer scheme. In such preparation the Board and the local authority shall have regard to and be bound by the decision given upon any dispute so referred to arbitration.

Compulsory
transfer scheme.

21. The Board shall, whenever it is directed so to do by the Minister under section 22, prepare a transfer scheme, hereinafter in this Act referred to as a "compulsory transfer scheme", for the compulsory transfer to the Board of the electrical undertakings carried on by a local authority in its capacity as a licensee under the Electricity Act.

Cap. 205.

Direction for
preparation of
compulsory
transfer
scheme.

22. Where, as respects the electrical undertakings carried on by a local authority in its capacity as a licensee within the meaning of the Electricity Act, the Minister is satisfied, after consultation with the Minister of Local Government and after such inquiry as he may deem necessary, at which such local authority and the Board shall be given an opportunity of being heard,—

- (a) that such authority has been guilty of neglect, default or mismanagement in carrying on such undertakings, or
- (b) that such authority has defaulted in the payment of the charges for the supply of electricity by the Board,

the Minister may, with the concurrence of the Minister of Local Government, issue a written direction to the Board to prepare a compulsory transfer scheme for the transfer to the Board of such undertakings.

Contents of
transfer scheme.

23. (1) A transfer scheme prepared under this Act in respect of the electrical undertakings carried on by a local authority in its capacity as a licensee within the meaning of the Electricity Act shall provide for

The transfer to the Board of such undertakings, and may, subject to the provisions of sub-section (2), also provide—

- (a) for the transfer to, and the vesting in, the Board of any movable or immovable property of such authority used for the purposes of such undertakings;
- (b) for the transfer to the Board of all or any rights, obligations and liabilities of such authority relating to or connected with such undertakings, and for the adaptation or modification of contracts or other instruments for the purpose of giving effect to the transfer of such rights, obligations and liabilities from such authority to the Board;
- (c) for the adaptation or modification of any written law to such extent as may be necessary for the purpose of enabling the Board to carry on such undertakings in lieu of such authority;
- (d) for such financial adjustments between such authority and the Board as may be necessary in consequence of any such transfer ; and
- (e) for any other matter supplementary to or consequential on the matters aforesaid including the continuation of legal proceedings.

(2) A voluntary transfer scheme shall provide for the grant to the local authority by the Board of compensation in respect of the transfer of the electrical undertakings of such local authority to the Board.

(3) A voluntary transfer scheme shall bear the seal of the Board and the local authority in token of its preparation by the Board and such authority.

(4) A compulsory transfer scheme shall bear the seal of the Board in token of its preparation by the Board.

24. (1) For the purposes of the preparation of a transfer scheme under this Act in respect of the electrical undertakings carried on by a local authority in its capacity as a licensee within the meaning of the Electricity Act, the Board may—

- (a) hold such inquiries and inspect such movable or immovable property of the local authority as the Board may consider necessary; and

Powers of Board for the purposes of the preparation of a transfer scheme.

(b) direct such local authority, or any officer of such local authority, to furnish to the Board such particulars and other information as the Board may consider necessary relating to such undertakings and other matters for which provision is to be made in such scheme, and to produce for examination books or documents containing such particulars or information.

(2) It shall be the duty of a local authority or any officer of such local authority to comply with any direction issued to such local authority or such officer, as the case may be, by the Board under sub-section (1).

(3) Any officer of a local authority who without reasonable cause fails to comply with any direction issued to him under sub-section (1), shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year, or to a fine not exceeding one thousand rupees, or to both such imprisonment and fine.

Presentation of schemes to Minister for approval.

25. (1) Upon the completion of the preparation of a voluntary transfer scheme by the Board and any local authority under this Act, the Board shall present such scheme to the Minister for his approval, and upon such presentation the Minister shall, with the concurrence of the Minister of Local Government, either approve such scheme without modification, or approve such scheme with any such modifications as may be agreed upon by the Minister, the Board and such authority, or, in the absence of such agreement, as may be decided upon a reference by the Minister to arbitration, as hereinafter provided, of any matter which cannot be so agreed upon.

(2) Upon the completion of the preparation of a compulsory transfer scheme by the Board under this Act, the Board shall present such scheme to the Minister for his approval, and upon such presentation the Minister shall, with the concurrence of the Minister of Local Government, either approve such scheme without modification, or approve such scheme with any such modifications as the Minister may deem necessary.

(3) In exercising his power of approval in respect of any transfer scheme under sub-section (1) or sub-section (2), the Minister shall have particular regard

to the necessity of ensuring that the transfer scheme makes adequate provision in respect of the matters specified in section 23.

(4) The Minister, the Board and any local authority shall be bound by the decision given on any matter referred to arbitration under sub-section (1).

26. (1) Where a voluntary transfer scheme has been approved by the Minister under this Act, the Minister shall prepare and publish in the *Gazette*, an Order, hereinafter in this Act referred to as a "voluntary transfer Order", embodying the provisions of such scheme and such other provisions as the Minister may deem necessary to give full force and effect to such scheme.

Orders to give effect to transfer schemes.

(2) Where a compulsory transfer scheme has been approved by the Minister under this Act, the Minister shall prepare and publish in the *Gazette* an Order, hereinafter in this Act referred to as a "compulsory transfer Order", embodying the provisions of such scheme and such other provisions as the Minister may deem necessary to give full force and effect to such scheme.

(3) A voluntary transfer Order may from time to time be amended, by the Minister by Order published in the *Gazette*, in such manner and to such extent as may, after prior consultation with the Minister of Local Government, be agreed upon by the Minister, the Board and the local authority in respect of whose electrical undertakings such Order was made, or, in the absence of such agreement, as may be decided upon a reference by the Minister to arbitration, as hereinafter provided, of any matter which cannot be so agreed upon.

(4) The Minister, the Board and the local authority shall be bound by the decision given on any matter referred to arbitration under sub-section (3).

(5) A compulsory transfer Order may from time to time be amended by the Minister by Order published in the *Gazette*.

(6) Every Order made by the Minister under this section shall be brought before the Senate and the House of Representatives by a motion that such Order be approved. Where such Order is approved, notification of such approval shall be published in the *Gazette*. Every such Order shall come into force on the date of the publication of such notification of approval or

on such later date as may be specified in the Order. Every such Order shall, on its coming into force, as herein before provided, be as valid and effectual as if it were herein enacted.

Effect of a
transfer Order.

Cap. 205.

27. (1) With effect from the date of the transfer to the Board of the electrical undertakings carried on by a local authority in its capacity as a licensee within the meaning of the Electricity Act, that local authority shall cease to be a licensee under that Act.

(2) The provisions of sub-section (1) shall have effect notwithstanding the provisions of the Electricity Act.

Reference of
certain disputes
to arbitration.

28. (1) Any dispute between the Board and any local authority upon any matter or question relating to, or connected with, the giving effect to, or the interpretation of, any provision of any voluntary transfer Order or compulsory transfer Order which has come into force, shall be referred by the Board to arbitration through the Minister.

(2) The parties to any dispute referred to arbitration under sub-section (1) shall be bound by the decision given upon such arbitration.

Procedure for
taking
possession of
property for
and on behalf
of Board.

29. (1) For the purpose of giving effect to any voluntary transfer Order or compulsory transfer Order which has come into force, any officer of the Board authorized in writing in that behalf by the Chairman of the Board may, subject to the provisions of sub-section (2), take possession of any property transferred to and vested in the Board by such Order.

(2) The officer referred to in sub-section (1) shall, by notice in writing—

(a) inform the local authority that such officer intends to take possession of such property for and on behalf of the Board on such date and at such time and place as shall be specified in the notice, and

(b) require an authorized agent of the local authority to be present on the date and at the time and place so specified and to assist such officer to take possession of such property.

(3) After any property has been taken possession of by an officer of the Board under sub-section (1), such officer shall send a certificate to the local authority to the effect that he has taken possession of such property.

(4) The notice required to be given under sub-section (2) shall be deemed to be given if it is sent by registered post to the local authority.

(5) Any person who fails, without reasonable cause, to comply with any requirement of a notice given under sub-section (2), shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year, or to a fine not exceeding one thousand rupees, or to both such imprisonment and fine.

30. (1) Every person who prevents or obstructs any officer of the Board from taking possession of any property for and on behalf of the Board under section 29, shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year, or to a fine not exceeding one thousand rupees, or to both such imprisonment and fine.

Prevention of, or obstruction to, taking possession of property for and on behalf of Board.

(2) Where any officer of the Board authorized under section 29 to take possession of any property for and on behalf of the Board, is unable or apprehends that he will be unable to take possession of such property because of any obstruction or resistance that has been or is likely to be offered, he shall, on making an application in that behalf to the Magistrate's Court having jurisdiction over the place where that property is kept or situated, be entitled to an order of the court directing the Fiscal to deliver possession of that property to him for and on behalf of the Board.

(3) Where an order under sub-section (2) is issued to the Fiscal by a Magistrate's Court, he shall forthwith execute that order and shall in writing report to the court the manner in which that order was executed.

(4) For the purpose of executing an order issued by a Magistrate's Court under sub-section (2), the Fiscal or any person acting under his direction may use such force as may be necessary to enter any place where any movable property to which the order relates is kept and seize such movable property, or to enter any land, building or other structure to which that order relates and to eject any person in occupation thereof, and to deliver possession of such movable

property, land, building or other structure to the person who is authorized to take possession thereof for and on behalf of the Board.

PART III

STAFF OF THE BOARD

Appointments
to the staff
of the Board.

31. Subject to the provisions of section 5, the Board may appoint to its staff such officers and servants as the Board may deem necessary, and determine their terms of remuneration and other conditions of employment.

Retirement of
public officers
of the
Department and
their employ-
ment by the
Board.

32. Upon the transfer on any date (hereinafter in this Part referred to as the 'transfer date'), of the Government Electrical Undertakings to the Board under section 18, the following provisions shall have effect, except in relation to officers in a transferable service of the Government:—

- (1) The post of every pensionable public officer of the Department who, on the transfer date, has not less than ten years' pensionable service, shall be deemed to be abolished and such officer shall be deemed to have retired and shall be eligible for such a pension under the Minutes on Pensions as would have been awarded to him had he retired from the public service on the ground of abolition of office on the transfer date.
- (2) Every pensionable public officer of the Department who, on the transfer date, has less than ten and not less than eight years' pensionable service, shall be offered temporary employment by the Board on such terms and conditions as may be agreed upon by him and the Board for such period of time only as, when added to his pensionable service under the Government, makes an aggregate of ten years' pensionable service (service under the Board being counted as pensionable service under the Government for the computation of such aggregate), and—
 - (a) where he accepts such temporary employment under the Board—
 - (i) he shall, during such employment, be subject to the same disciplinary control as any other officer or servant of the Board;

(ii) he shall be deemed, for the purposes of the Minutes on Pensions, to be holding the post in the Department that he held on the transfer date;

(iii) in respect of him, the Board shall pay out of the funds of the Board to the Deputy Secretary to the Treasury to be credited to the Consolidated Fund of Ceylon for every complete month of service during which he is in the temporary employment of the Board such sum not exceeding twenty-five *per centum* of the salary payable to him in the post that he held in the Department on the transfer date as may be determined by the Minister of Finance;

(iv) he shall, for the purposes of the preceding sub-paragraphs (ii) and (iii) be deemed, during such period of temporary employment under the Board, to have earned his increments, if any, in the post in the Department that he held on the transfer date, provided his service under the Board has been satisfactory; and

(v) at the end of the said period of temporary employment under the Board, the post he held in the Department on the transfer date shall be deemed to be abolished and he shall be deemed to have retired from the public service and shall be eligible for such a pension under the Minutes on Pensions as would have been awarded to him had he retired from the public service on the ground of abolition of office on the date of termination of his temporary employment with the Board; and

(b) where he does not accept such temporary employment under the Board, the post he held in the Department on the transfer date shall be deemed to be abolished, and he shall be eligible for an award under the Minutes on Pensions on the ground of abolition of office on the transfer date.

(3) The post of every pensionable public officer of the Department who has less than eight years' pensionable service shall be deemed to be abolished, and such officer shall be eligible for an award under the Minutes on Pensions on the ground of abolition of office on the transfer date.

(4) The post of every public officer of the Department who is a contributor to the Public Service Provident Fund established under the Public Service Provident Fund Ordinance, shall be abolished and such officer shall, for the purposes of that Ordinance, be deemed to have left the service of the Government upon the determination of contract with the consent of the Government otherwise than by dismissal.

(5) Every public officer of the Department whose post is abolished or deemed to be abolished under any of the preceding provisions of this section, shall be immediately offered employment by the Board on such terms and conditions as may be agreed upon by such officer and the Board:

Provided, however, that such terms and conditions shall be not less favourable than the terms and conditions on which such officer was employed in the Department.

(6) Notwithstanding—

(a) the provisions of the preceding paragraphs (1), (2), (3) and (4), and

(b) anything to the contrary in any other written law,

where a public officer of the Department is employed by the Board under the provisions of the preceding paragraph (5),—

- (i) if such officer is eligible for a pension and elects to draw his full pension, he shall not be paid such pension during the period of his employment with the Board;
- (ii) if such officer is eligible for a pension and elects to draw a gratuity in partial commutation of one-fourth part of his pension in accordance with the provisions of section 2A (1) (i) of the Minutes on Pensions—
 - (aa) such gratuity shall not be paid to him but shall be credited to his account in a provident fund of the Board established under section 12 (j);
 - (bb) the remaining three-fourths part of the pension payable to him under the said Minutes shall not be paid to him during the period of his employment by the Board; and
 - (cc) for the purposes of the computation of the period of "twelve years and six months from the date of his retirement" referred to in section 2A (1) (ii) of the said Minutes, the date of his retirement shall be deemed to be the last date of his employment under the Board;
- (iii) if such officer is eligible for a gratuity and not a pension under the Minutes on Pensions such gratuity shall not be paid to him but shall be credited to his account in a provident fund of the Board established under section 12 (j); and
- (iv) if such officer is eligible for the receipt of any sum of money under the Public Service Provident Fund Ordinance, such sum shall not be paid to him but shall be credited to his account in a provident fund of the Board established under section 12 (j).

Employment of personnel in case of transfer of electrical undertakings of a local authority to the Board.

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33. Where the electrical undertakings carried on by a local authority in its capacity as a licensee under the Electricity Act are transferred to the Board under this Act, the provisions of section 32 shall, *mutatis mutandis*, apply to and in relation to all officers and servants of the local authority, including members of the Local Government Service, subject to such modifications, alterations or additions as may be prescribed by regulation made in that behalf by the Minister in consultation with the Minister of Local Government:

Provided, however, that the application of the provisions of section 32 shall not be construed to, and any regulation made as aforesaid shall not, adversely affect the terms of service of any public officer employed by the Board under the said provisions.

Appointment of public officers and officers and servants of local authorities, other than those referred to in sections 32 and 33, to the staff of the Board.

34. (1) At the request of the Board, any public officer, other than an officer referred to in section 32 may, with the consent of that officer and of the Secretary to the Treasury, be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent, or be permanently appointed to such staff.

(2) Where any public officer is temporarily appointed to the staff of the Board under sub-section (1), the provisions of sub-section (2) of section 9 of the Motor Transport Act, No. 48 of 1957, shall, *mutatis mutandis*, apply to and in relation to him.

(3) Where any public officer is permanently appointed to the staff of the Board under sub-section (1), the provisions of sub-section (3) of section 9 of the Motor Transport Act, No. 48 of 1957, shall, *mutatis mutandis*, apply to and in relation to him.

(4) At the request of the Board, any officer or servant of any local authority (whether he be a member of the Local Government Service or not), other than an officer or servant referred to in section 33 may, with the consent of such officer or servant and the local authority or the Local Government Service Commission, as the case may be, be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent, or be permanently appointed to such staff, on such terms and conditions including those relating to pension or provident fund rights as may be agreed upon by the Board and that Commission or authority.

(5) Where an officer or servant of any local authority, whether he be a member of the Local Government Service or not, is temporarily appointed to the staff of the Board under sub-section (4), he shall be subject to the same disciplinary control as any other member of the staff of the Board.

35. Where any person has entered into a contract with the Government by which he has agreed to serve the Government for a specified period, any period of service to the Board by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such contract.

Service to the Board to be regarded as service to the Government for the purposes of contracts to serve the Government.

36. Notwithstanding anything to the contrary in any other law, where any person who is already in receipt of a pension from the Government or from any local authority or from the Local Government Service Commission, is employed by the Board he shall not be paid such pension during the period of his employment by the Board.

Employment by Board of persons already in receipt of pensions.

37. For the purposes of this Part—

Interpretation.

“pensionable public officer” means a public officer who—

(a) holds a post declared to be a pensionable post under section 2 of the Minutes on Pensions; and

(b) who does not belong to a transferable service of the Government;

“pensionable service” means service under the Government which is reckonable for pension under the Minutes on Pensions.

PART IV

FINANCE, AUDITING AND ANNUAL REPORT

38. It shall be the duty of the Board so to exercise its powers and perform its functions under this Act as to secure that the total revenues of the Board are sufficient to meet its total outgoings properly chargeable to revenue account including depreciation and interest on capital, and to meet a reasonable proportion of the cost of the development of the services of the Board.

General duty of the Board in financial matters.

Transfer of certain moneys to the Board and investment of equity capital by Government in the Board and the payment of certain money to the Government by the Board.

39. Notwithstanding anything to the contrary in any other written law—

- (a) the balance lying to the credit of the Reserve, Renewals and Extensions Fund and the balance lying to the credit of the Net Revenue Account of the Government Electrical Undertakings shall, with effect from the date of the transfer to the Board of such Undertakings, be transferred to the Board, and the Board shall place such balances in an appropriate reserve fund or funds established by the Board with the General Treasury;
- (b) all sums due to the Government from the Department in respect of moneys advanced by the Government (other than moneys advanced from loans obtained by the Government from the International Bank for Reconstruction and Development upon any agreement referred to in paragraph (c) of this section or upon any other agreement) to the Department for expenditure on capital works shall, with effect from the date of the transfer to the Board of the Government Electrical Undertakings, be deemed to be an investment of equity capital in the Board by the Government, and the Board shall pay to the Government a dividend on such equity capital at such rate not exceeding eight *per centum* per annum as the Minister of Finance may in consultation with the Minister determine;
- (c) the payments by way of interest and repayment of capital that have to be made by the Government to the International Bank for Reconstruction and Development upon agreement No. 101 CE dated July 9, 1954, agreement No. 209 CE dated September 17, 1958, and agreement No. 283 CE dated June 6, 1961, entered into between the Government and that Bank shall, with effect from the date of the transfer to the Board of the Government Electrical Undertakings, be made by the Board to the Government as such payments fall due; and
- (d) the payment of all sums by way of interest and repayment of capital that have to be made by the Government to the International Co-operation Administration and to the Export Credit Insurance Corporation of Canada

shall, with effect from the date of the transfer to the Board of the Government Electrical Undertakings, be made by the Board to the Government as such payments fall due.

40. As soon as practicable after the coming into operation of this Act, there may be granted to the Board, with the prior approval of the House of Representatives, from the Consolidated Fund of Ceylon such sum of money and on such terms as may be determined by the Minister of Finance in consultation with the Minister.

Grant to the Board from the Consolidated Fund.

41. (1) The Board may, with the consent of the Minister, or in accordance with the terms of any general authority given by him, borrow temporarily, by way of overdraft or otherwise, such sums as the Board may require for meeting its obligations or discharging its duties under this Act:

Borrowing powers of Board.

Provided that the aggregate of the amounts outstanding in respect of any temporary loans raised by the Board under this sub-section shall not at any time exceed such sum as may be determined by the Minister in consultation with the Minister of Finance.

(2) The Board may, with the consent of the Minister given with the concurrence of the Minister of Finance, borrow money, otherwise than by way of a temporary loan under sub-section (1), for all or any of the following purposes:—

- (a) the provision of working capital;
- (b) the provision of money for meeting any expenses incurred in connection with any permanent work or other thing, the cost of which is properly chargeable to capital account ;
- (c) the redemption of any stock issued or any loan raised by the Board ;
- (d) the provision of money necessary for the making of any payment to any local authority under the provisions of this Act; and
- (e) any other purpose for which capital moneys are properly applicable, including the repayment of any money temporarily borrowed under sub-section (1).

(3) The Board may, with the consent of the Minister given with the concurrence of the Minister of Finance, borrow money for any of the purposes

mentioned in sub-section (2) by way of loans from the Government, by the issue of Ceylon Electricity Stock under section 43, or in any other manner whatsoever.

Board may borrow from the International Bank for Reconstruction and Development, &c.

42. (1) The Government is hereby authorized to guarantee, on such terms and conditions as the Government may determine, loans raised by the Board from the International Bank for Reconstruction and Development, or from any other international or foreign organization approved by the Government. The loans authorized to be guaranteed under this sub-section may be denominated in foreign currency.

(2) All sums payable by the Government under any guarantee given under sub-section (1) are hereby charged on the Consolidated Fund of Ceylon.

(3) All sums payable by the Board in respect of principal, interest and other charges on any loan to the Board from the International Bank for Reconstruction and Development or from any other international or foreign organization approved by the Government, or by the Government under any guarantee given under sub-section (1) shall, notwithstanding anything to the contrary in any law of Ceylon, be paid—

(a) without a deduction for, and free from, any taxes, duties or fees now or hereafter imposed by or under any law of Ceylon, and

(b) free from all restrictions now or hereafter imposed by or under any law of Ceylon:

Provided, however, that the preceding provisions of this sub-section shall not apply to any taxes, duties, fees or restrictions upon payments under any bond or promissory note to a holder thereof other than the International Bank for Reconstruction and Development or any other international or foreign organization approved by the Government when such bond or promissory note is beneficially owned by an individual or a corporation resident in Ceylon.

(4) For the purposes of sub-section (3), the question whether an individual or a corporation is or is not resident in Ceylon shall be determined in accordance with the provisions of section 54 of the Inland Revenue Act, No 4 of 1963.

(5) Every guarantee agreement between the Government and the International Bank for Reconstruction and Development or any other international or foreign organization approved by the Government pursuant to this Act and every guarantee given by

the Government pursuant to any such guarantee agreement shall, notwithstanding anything to the contrary in any law of Ceylon, be valid and enforceable in accordance with their respective terms.

(6) In the case of any loan made to the Board by the International Bank for Reconstruction and Development or any other international or foreign organization approved by the Government and guaranteed by the Government, the Government shall bear any loss, and be entitled to any profit, resulting from any revaluation of the Ceylon rupee in relation to the currency or currencies in which that loan is expressed.

The amount of every such loss is hereby charged on the Consolidated Fund of Ceylon.

(7) The Governor-General, or any person authorized in that behalf by the Governor-General by instrument under his hand, is hereby empowered, on behalf of the Government, to sign any guarantee agreement between the Government and the International Bank for Reconstruction and Development or any other international or foreign organization approved by the Government.

(8) Notwithstanding anything in any other written law, no agreement, bond or other document executed by the Board in respect of any loan which may be raised by the Board from the International Bank for Reconstruction and Development, or from any other international or foreign organization approved by the Government, shall be subject to, or be charged with, any stamp duty or duties whatsoever.

(9) As soon as possible after the end of each financial year, the Minister of Finance shall cause to be laid before the Senate and the House of Representatives a report containing a statement of every loan, bond and guarantee entered into under this section, during the course of that financial year.

43. (1) The Board may create and issue any stock required for the purpose of exercising the powers of the Board under sub-section (3) of section 41, and the stock so created and issued is hereinafter in this Act referred to as "Ceylon Electricity Stock".

Ceylon
Electricity
Stock.

(2) Ceylon Electricity Stock shall be issued, transferred, dealt with, redeemed and cancelled in accordance with such terms as may be determined by the Board with the approval of the Minister given with the concurrence of the Minister of Finance.

Government
guarantee.

44. (1) The Minister of Finance may, with the concurrence of the Minister, guarantee the repayment of, and the payment of the interest on, any Ceylon Electricity Stock created and issued under section 43.

(2) Any sum required for the fulfilment of a guarantee provided under sub-section (1) may, with the prior approval of the House of Representatives, be paid out of the Consolidated Fund of Ceylon.

(3) Any sum paid out of the Consolidated Fund of Ceylon in fulfilment of a guarantee provided under sub-section (1) shall be repaid, together with interest thereon at such rate as the Minister of Finance may with the concurrence of the Minister determine, by the Board in such manner and over such period as the Minister of Finance may with such concurrence determine.

Minister of
Finance to
inform Parlia-
ment about
guarantee.

45. (1) Immediately after a guarantee is provided under section 44, the Minister of Finance shall lay or cause to be laid a statement of the guarantee before the Senate and the House of Representatives.

(2) Where any sum is paid under section 44, out of the Consolidated Fund of Ceylon in fulfilment of any guarantee provided under that section, the Minister of Finance shall forthwith lay or cause to be laid before the Senate and the House of Representatives a statement that such sum has been paid.

Investment of
the funds of
the Board.

46. Any funds of the Board which are not immediately required for the purpose of the business of the Board shall be invested by the Board in such manner as the Minister may, with the concurrence of the Minister of Finance, determine.

Reserves.

47. (1) The Board may establish and maintain with the General Treasury—

(a) an insurance reserve to cover the insurance of movable and immovable property of the Board and to meet third-party risks and liabilities arising under the Workmen's Compensation Ordinance;

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(b) a sinking fund in respect of the repayment of loans taken by the Board;

(c) a redemption fund in respect of the redemption of Ceylon Electricity Stock; and

(d) any other reserve fund that the Board may consider necessary.

(2) The Board shall establish and maintain with the General Treasury—

(a) a depreciation reserve to cover the depreciation of the movable and immovable property of the Board; and

(b) a general reserve for the purpose of financing capital works from revenue moneys, ensuring the financial stability of the Board, and for such other purposes as the Board may from time to time determine.

(3) The sums to be carried from time to time, to the credit of each of the reserves and funds specified in sub-sections (1) and (2), shall be such sums as may be determined by the Board.

(4) The moneys comprised in the reserves and funds referred to in sub-sections (1) and (2) may be applied in such manner as the Board may determine.

48. (1) The revenue of the Board in any year shall be applied in defraying the following charges:—

Application of the revenue of the Board.

(a) the working and establishment expenses (including allocations to the insurance reserve and the depreciation reserve), in connection with the exercise and performance of the powers and duties of the Board, properly chargeable to revenue account;

(b) the interest on any temporary loan raised by the board;

(c) any sums required on account of the payments that have to be made to the Government under paragraph (c) of section 39;

(d) the interest due on Ceylon Electricity Stock issued under section 43;

(e) the interest on and the repayment of the principal of any loan from the Government or any other source; and

(f) any sums required on account of the payment of a dividend under paragraph (b) of section 39.

(2) The surplus of the revenue of the Board in any year which remains after the charges mentioned in sub-section (1) have been defrayed, shall be allocated to any one or more of the reserves and funds established under section 47.

49. (1) The Board shall cause proper accounts of its income and expenditure and of all its other transactions to be kept in a form which shall conform to the best commercial standards, and shall prepare an

Accounts of the Board and audit of such accounts.

annual statement of accounts and statistics relating to its business in such form and containing such particulars as the Minister, with the concurrence of the Minister of Finance, may from time to time specify. The financial year of the Board shall commence on such date as may be determined by the Board.

(2) The accounts of the Board for each financial year shall be audited by the Auditor-General. For the purpose of assisting him in the audit of such accounts, the Auditor-General may employ the services of any qualified auditor or auditors who shall act under his direction and control.

(3) For the purpose of meeting the expenses incurred by him in the audit of the accounts of the Board, the Auditor-General shall be paid by the Board such remuneration as the Minister may, with the concurrence of the Minister of Finance, determine. Any remuneration received from the Board by the Auditor-General shall, after deducting any sums paid by him to any qualified auditor employed by him for the purposes of such audit, be credited to the Consolidated Fund of Ceylon.

(4) The Auditor-General shall examine the accounts of the Board and furnish a report—

- (a) stating whether he has or has not obtained all the information and explanations required by him;
- (b) stating whether the accounts referred to in the report are properly drawn up so as to exhibit a true and fair view of the affairs of the Board; and
- (c) drawing attention to any item in the accounts which in his opinion may be of interest to the Senate and the House of Representatives in any examination of the activities and accounts of the Board.

(5) The Auditor-General shall transmit his report to the Board.

(6) For the purposes of this section, the expression "qualified auditor" means—

- (a) an individual who, being a member of the Institute of Chartered Accountants of Ceylon, possesses a certificate to practise as an Accountant issued by the Council of that Institute; or

- (b) a firm of Chartered Accountants each of the partners of which, being a member of that Institute, possesses a certificate to practise as an Accountant issued by the Council of that Institute.

50. The Auditor-General and any person assisting him in the audit of the accounts of the Board shall have access to all such books, deeds, contracts, accounts, vouchers and other documents of the Board as the Auditor-General may consider necessary for the purposes of such audit, and shall be furnished by the Board or its officers with such information within their knowledge as may be required for such purposes.

Powers of Auditor-General and his assistants.

51. (1) The Board shall, as soon as possible, after the end of each financial year of the Board, make to the Minister a report on the exercise and performance by the Board of its powers and duties during that year and on its policy and programme. Such report for any year shall set out any direction given by the Minister to the Board during that year unless the Minister has notified to the Board his opinion that it is against the interest of national security to do so. The Minister shall lay a copy of such report before the Senate and the House of Representatives.

Report of the Board and copies of Auditor-General's report and statement of accounts and statistics to be sent to the Minister and laid before the Senate and the House of Representatives, and copies of such reports and statistics to be made available for purchase by the public.

(2) The Board shall, on receipt of the Auditor-General's report in each year, transmit to the Minister—

(a) a copy of such report; and

(b) a copy of the statement of accounts and statistics prepared under sub-section (1) of section 49.

(3) The Minister shall lay copies of the report and statement referred to in sub-section (2) before the Senate and the House of Representatives.

(4) The Board shall cause copies of the report of the Board and of the Auditor-General's report and the statement of accounts and statistics referred to in sub-section (2) to be printed at the expense of the Board and to be made available for purchase by the public at such price as shall be determined by the Board.

PART V

TARIFFS AND CHARGES

Board to fix
tariffs and
charges.

52. (1) Subject to the provisions of this Act, the prices to be charged by the Board for the supply of electrical energy by the Board shall be in accordance with such tariffs as may be fixed from time to time by the Board with the approval of the Government:

Provided, however, that—

(i) the tariffs in force—

(a) immediately prior to the date of the transfer to the Board of the Government Electrical Undertakings, in any area of supply of such Undertakings, or

(b) immediately prior to the date of the transfer to the Board of the electrical undertakings carried on by a local authority in its capacity as a licensee within the meaning of the Electricity Act, in the authorized area of supply of such licensee,

shall continue in force and be deemed to be tariffs fixed by the Board under this section until varied or replaced by tariffs fixed by the Board in accordance with this section; and

(ii) the preceding provisions of this section shall not preclude the Board from charging special prices by agreement with any person or body.

(2) Before any tariffs are fixed by the Board under sub-section (1), the Board shall, by notification published in the *Gazette*, give publicity to such tariffs and a period of one month shall be fixed by the Board to enable any person or body or local authority to make representations relating to such tariffs.

(3) The tariffs fixed by the Board under sub-section (1)—

(a) shall be published in the *Gazette* and in such other manner as may appear to the Board best calculated to give publicity to such tariffs;

(b) shall come into force on the date of their publication in the *Gazette* or on such later date as may be specified therein; and

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(c) may include rent and other charges in respect of electrical fittings provided by the Board.

53. The Board, in fixing tariffs and making agreements under section 52, shall not show undue preference as between persons similarly placed, having regard to the place and time of the supply of electrical energy, the quantity of such energy supplied, the consumer load and power factor and the purpose for which such supply is taken.

No undue preference to be shown in fixing tariffs and making agreements under section 52.

54. If any question arises as to whether or not a tariff is applicable in any case, or as to which tariff is so applicable, the Board shall determine that question, and such determination shall be final and conclusive.

Board to determine tariff in cases of doubt.

55. (1) In this section, the expression "electricity supply charge" means the sum payable to the Board for electrical energy supplied by the Board.

Recovery of electricity supply charge from a local authority.

(2) (a) The electricity supply charge of a local authority in respect of any month shall be paid by such authority—

(i) within a period of thirty days from the date of the receipt by such authority of a bill relating to such charge from the Board, or

(ii) where such authority, upon receipt of such bill, disputes, under sub-section (3), a part or the whole of the amount of such charge—

(aa) in respect of the undisputed part of such bill, within a period of thirty days from the date of receipt of the bill; and

(bb) in respect of the disputed part of such bill, within a period of thirty days from the date of the final determination of such disputed part as hereinafter provided.

(b) A bill relating to the electricity supply charge sent by the Board to a local authority shall be dispatched by registered post and shall be deemed to have been received by that authority on the day on which that bill would have been delivered in the ordinary course of post.

(3) Where a local authority receives a bill from the Board for the payment of the electricity supply charge of such authority in respect of any month, such authority may, within a period of twenty-one days from the date of receipt by that authority of

such bill, dispute a part or the whole of the amount of such charge by a written communication to that effect to the Board. Such communication shall specify the portion of such amount so disputed and the reasons therefor.

(4) No local authority shall be entitled to dispute the amount of the electricity supply charge of such authority in respect of any month except under and in accordance with sub-section (3).

(5) Where a part or the whole of the amount of the electricity supply charge of any local authority in respect of any month is disputed by such authority, such disputed part of the amount—

(a) shall be finally determined by agreement between the Board and such authority, or

(b) in the absence of such agreement within a period of thirty days from the date of the receipt by the Board of a communication as to such dispute from such authority under sub-section (3), shall be finally determined by arbitration, and for that purpose, the Board is hereby required and authorized to refer the dispute to arbitration through the Minister.

(6) A final determination as to the disputed part of the amount of the electricity supply charge of any local authority, whether by agreement or on arbitration, shall be binding on the Board and such authority.

(7) Where the electricity supply charge of a local authority in respect of any month is not paid by such authority to the Board within the period it is so required to be paid under sub-section (2), the Chairman of the Board shall certify in writing the amount which is due from such authority on account of such charge that has not been so paid.

(8) Upon the production of a certificate issued by the Chairman of the Board under sub-section (7) before any District Court or Court of Requests within whose jurisdiction the whole or any part of the area of administration of the local authority in respect of which such certificate is issued is situated, according as the sum specified in such certificate exceeds or does not exceed seven hundred and fifty rupees, the court shall direct a writ of execution to issue to the Fiscal authorizing him and requiring him

to seize and sell all or any of the property movable or immovable of such authority or such part thereof as may be necessary for the recovery of that sum, and the provisions of sections 226 to 297 of the Civil Procedure Code shall, *mutatis mutandis*, apply to the execution of such writ and to such seizure and sale.

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(9) Where the Chairman of the Board issues the certificate referred to in sub-section (7), he shall in writing notify the local authority specified in the certificate that the sum so specified is payable, but the non-receipt of such notice by such local authority shall not invalidate the proceedings under this section.

(10) Nothing in the provisions of sub-sections (8) and (9) of this section shall affect or be deemed or construed to affect the right of the Board to recover in any other manner any sum payable to the Board by a local authority on account of the electricity supply charge of that authority.

(11) Any sum due to the Board from a local authority in respect of the electricity supply charge of that authority shall, notwithstanding anything to the contrary in any other written law, be the first charge on the moneys in the fund of that authority.

PART VI

GENERAL

56. (1) The Minister may make regulations for the purpose of carrying out or giving effect to the principles and provisions of this Act.

Regulations
and penalty
for their
contravention.

(2) In particular and without prejudice to the generality of the powers conferred by sub-section (1), the Minister may make regulations in respect of all or any one of the following matters:—

(a) any matter required by this Act to be prescribed or in respect of which regulations are authorized by this Act to be made; and

(b) the prevention of theft of, or damage to, or the commission of nuisances on, any property used by the Board, and the imposition of penalties on, and the recovery of compensation from, persons responsible for such theft, damage or nuisance.

(3) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(4) Every regulation made by the Minister shall, as soon as convenient after its publication in the *Gazette*, be brought before the Senate and the House of Representatives for approval. Any regulation which is not so approved shall be deemed to be rescinded as from the date of disapproval, but without prejudice to anything previously done thereunder.

(5) Any person who contravenes the provisions of any regulation made under this Act shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year or to a fine not exceeding one thousand rupees, or to both such imprisonment and fine.

Acquisition of immovable property under the Land Acquisition Act for the Board.

Cap. 460.

57. (1) Where any immovable property is required to be acquired for any purpose of the Board and the Minister, by Order published in the *Gazette*, approves of the proposed acquisition, that property shall be deemed to be required for a public purpose and may accordingly be acquired under the Land Acquisition Act and be transferred to the Board.

(2) Any sum payable for the acquisition of any immovable property under the Land Acquisition Act for the Board, shall be paid by the Board.

Power of companies, &c., to enter into contracts with the Board.

58. Any company or other body of persons may, notwithstanding anything to the contrary in any written law or instrument relating to its functions, enter into and perform or carry out all such contracts and agreements with the Board as may be necessary for the performance of the duties and the exercise of the powers of the Board.

Protection for action taken under this Act or on the direction of the Board.

59. (1) No suit or prosecution shall lie—

- (a) against the Board for any act which in good faith is done or is purported to be done by the Board under this Act; or
- (b) against any member, officer, servant or agent of the Board for any act which in good faith is done or is purported to be done by him under this Act or on the direction of the Board.

(2) Any expense incurred by the Board in any suit or prosecution brought by or against the Board before any court shall be paid out of the funds of the Board,

and any costs paid to, or recovered by, the Board in any such suit or prosecution shall be credited to the funds of the Board.

(3) Any expense incurred by any such person as is referred to in paragraph (b) of sub-section (1) in any suit or prosecution brought against him before any court in respect of any act which is done or is purported to be done by him under this Act or on the direction of the Board shall, if the court holds that such act was done in good faith, be paid out of the funds of the Board, unless such expense is recovered by him in such suit or prosecution.

60. No writ against person or property shall be issued against a member of the Board in any action brought against the Board.

No writ to issue against person or property of a member of the Board.

61. Where any immovable property of the Crown is required for the purpose of the Board, such purpose shall be deemed to be a purpose for which a special grant or lease of such property may be made under section 6 of the Crown Lands Ordinance, and accordingly, the provisions of that Ordinance shall apply to a special grant or lease of such property to the Board.

Special grant of lease of Crown property to Board.

Cap. 454.

62. (1) Where any matter or dispute is required to be referred to arbitration by the Minister under this Act or is referred to arbitration through the Minister under this Act, such matter or dispute shall be so referred by the Minister, as soon as practicable, to a Board of Arbitration consisting of one arbitrator appointed by the Board, another arbitrator appointed by the other party to the matter or dispute, and an umpire (who shall be appointed by the Minister to be the Chairman of the Board of Arbitration) agreed upon by the two arbitrators or, in the event of an absence of such agreement within two months, nominated by the Minister.

Arbitration.

(2) In the event of any difference of opinion among the members of the Board of Arbitration, the decision or determination of the majority shall be the decision of that Board.

(3) Regulations may be made—

(a) in respect of all matters relating to or connected with the conduct of proceedings upon arbitration under this section; and

(b) providing for the payment of fees to the persons appointed under this section as arbitrators or as members of the Board of Arbitration.

(4) The decision or determination given upon arbitration under this section in respect of any matter or dispute shall be final and conclusive.

Penalty for causing failure of electricity supply of the Board.

63. (1) Any person who, unlawfully and maliciously, does any act which causes or is likely to cause a failure of electrical energy supplied by the Board, shall be guilty of an offence.

(2) Any person who aids or abets any other person in the commission of an offence under sub-section (1), shall be guilty of an offence.

(3) Every person who is guilty of an offence under sub-section (1) or sub-section (2), shall upon conviction be liable to rigorous imprisonment for a term not exceeding seven years.

(4) Every offence under sub-section (1) or sub-section (2) shall, notwithstanding anything in the Criminal Procedure Code, be a cognizable offence within the meaning and for the purposes of that Code.

Cap. 20.

Amendment of other written laws, &c.

64. (1) Wherever, in any provision of any other written law or in any notice, permit, communication, form or other document issued, made, required or authorized by or under any other written law—

(a) the expression “ Department of Government Electrical Undertakings ” occurs, there shall be substituted therefor, the expression “ the Ceylon Electricity Board ”; and

(b) the expression “ General Manager, Department of Government Electrical Undertakings ” occurs, there shall be substituted therefor, the expression “ General Manager, Ceylon Electricity Board ”,

and accordingly, wherever in any such provision, notice, permit, communication, form or other document—

(i) the abbreviation “ Department ” is used to denote the Department of Government Electrical Undertakings, such abbreviation shall be read and construed as a reference to the Ceylon Electricity Board; and

(ii) the abbreviation “ General Manager ” is used to denote the General Manager of the Government Electrical Undertakings, such abbreviation shall be read and construed as a reference to the General Manager of the Ceylon Electricity Board.

(2) The provisions of sub-section (1) shall take effect on the date on which the Government Electrical Undertakings are transferred to the Board under section 18.

65. The provisions of this Act shall have effect notwithstanding anything contained in any other written law, and accordingly in the event of any conflict or inconsistency between the provisions of this Act and such other law, the provisions of this Act shall prevail.

This Act to prevail over other written laws.

66. In this Act, unless the context otherwise requires—

Interpretation.

“ Anuradhapura Preservation Board ” means the Anuradhapura Preservation Board established under the Anuradhapura Preservation Board Act, No. 32 of 1961;

“ Department ” means the Department of Government Electrical Undertakings;

“ local authority ” means any Municipal Council, Urban Council, Town Council or Village Council;

“ Local Government Service ”, “ Local Government Service Commission ”, and “ member of the Local Government Service ” have the same meanings, respectively, as in the Local Government Service Ordinance;

Cap. 379.

- “ Minister of Local Government ” means the Minister who is for the time being charged with the administration of the subjects and functions relating to or connected with Local Government, whether with or without any other subjects or functions;
- “ prescribed ” means prescribed by regulation;
- “ public officer ” has the same meaning as in the Ceylon (Constitution) Order in Council, 1946;
- “ transfer scheme ” means a voluntary transfer scheme prepared under section 20 or a compulsory transfer scheme prepared under section 21;
- “ transferable service of the Government ” means a service of the Government to which appointments are made subject to transfer within that service.

[Section 17]

SCHEDULE

AMENDMENTS TO THE ELECTRICITY ACT AND THE ELECTRICITY (AMENDMENT) ACT, No. 59 OF 1957

1. Section 11 of the Electricity Act is amended in paragraph (b) thereof, by the substitution, for the words “ Government Agent of the administrative district within which such place is situated ”, of the word “ Board ”.

2. Section 15 of the Electricity Act is amended as follows:—

- (1) by the renumbering of sub-sections (1), (2) and (3) of that section, as sub-sections (2), (3) and (4), respectively, of that section;
- (2) by the renumbering of sub-sections (4), (5), (6), (7), (8) and (9) of that section, as sub-sections (6), (7), (8), (9), (10) and (11), respectively, of that section;
- (3) by the insertion, immediately before the renumbered sub-section (2), of the following new sub-section:—

“ (1) In connection with the carrying out of the works referred to in section 12, a licensee or a person authorized by him in that behalf in writing shall be entitled, after giving one week’s notice in the prescribed form and in the manner set out in sub-section

(4), to enter upon any land notwithstanding that it is private property for the purpose of a preliminary inspection in connection with the proposed works.”;

- (4) in the renumbered sub-section (2), by the substitution, for the expression “ sub-section (2) ”, of the expression “ sub-section (3) ”;
- (5) in the renumbered sub-section (3), by the substitution, for the expression “ sub-section (1) ”, of the expression “ sub-section (2) ”;
- (6) in the renumbered sub-section (4), by the substitution, for the expression “ The notice referred to in sub-section (2) ”, of the expression “ Any notice referred to in sub-section (1) or sub-section (3) ”;
- (7) by the insertion, immediately after the renumbered sub-section (4), of the following new sub-section:—
“ (5) For the purpose of giving a notice referred to in sub-section (1) or sub-section (3), the licensee or a person authorised by him in writing in that behalf shall be entitled to enter the land. ”;
- (8) in the renumbered sub-section (7)—
(a) by the substitution, for the expression “ sub-section (4) ”, of the expression “ sub-section (6) ”; and
(b) by the substitution, for the expression “ sub-section (2) ”, of the expression “ sub-section (3) ”;
- (9) in the renumbered sub-section (9), by the substitution, for the expression, “ sub-section (2) ”, of the expression “ sub-section (3) ”;
- (10) in the renumbered sub-section (10)—
(a) by the substitution, for the expression “ sub-section (7) ”, of the expression “ sub-section (9) ”; and
(b) by the substitution, for the expression “ sub-section (2) ”, of the expression “ sub-section (3) ”; and
- (11) in the renumbered sub-section (11), by the substitution, for the expression “ sub-section (2) ”, of the expression “ sub-section (3) ”.

3. Section 16 of the Electricity Act is repealed and the following section is substituted therefor:—

Power of
Licensee to enter
own land and
carry out works
and repair and
maintenance
and operations
for ensuring
safety of
the public.

16. For the purposes of the maintenance and repair of any electric line or works forming part of the installation or for the purpose of ensuring the safety of the public, a licensee or any person authorized by him in that behalf in writing may at all reasonable times enter upon any land on, under or over which the line has been laid, placed or carried or upon which posts or other apparatus have been erected, or on or over which there are trees, branches of trees or any wires which are likely to cause damage to the said electric line or works and thereby

prejudice public safety, and may carry out all necessary maintenance operations or repairs and all operations necessary for ensuring public safety, and may in the course thereof fell or lop trees, remove vegetation or any wires other than telegraph lines and do all other things necessary for the aforesaid purposes, subject, however, to the condition that the repairs or other operations shall be so carried out as to cause as little damage as possible and that the licensee shall pay compensation to the owner of the land for any damage that may be caused."

4. Section 17 of the Electricity Act is amended in the proviso to sub-section (1) thereof, by the substitution, for the words "to grow", of the words "to grow or for the removal of any wire which has been fixed".

5. Section 33 of the Electricity Act is repealed and the following section is substituted therefor:—

" Supply for private purposes.

33. (1) A licensee shall, upon being required to do so by the owner or occupier of any premises situated within one hundred and fifty feet from any distributing main of the licensee in which he is for the time being required to maintain or is maintaining a supply of energy for the purposes of general supply to private consumers, give and continue to give a supply of energy to those premises in accordance with the provisions of this Act and the regulations made thereunder, and he shall furnish and lay any service lines that may be necessary for the purpose of supplying the maximum power which may be required by such owner or occupier.

(2) The performance of the duty imposed on the licensee by the provisions of sub-section (1) shall be subject to the following conditions:—

(a) The owner or occupier of the premises who requires a supply of energy from the licensee shall—

(i) make a written application to the licensee specifying a point at which such energy is required to be supplied and the maximum power required to be supplied and the day upon which such supply is required to commence, not being an earlier day than is reasonable after the date of the receipt of the application by the licensee, having regard to the situation of the point at which such supply is required to be given and to the length of line which has to be laid and plant which has to be erected for affording such supply;

- (ii) if required by the licensee so to do, enter into a written contract with the licensee to continue for a period of at least five years, to receive and, subject to any prescribed rebate, pay for a supply of such an amount of energy that the payment to be made for the supply will be at least twenty *per centum* per annum on the outlay (excluding expenditure upon generating plant then already provided and any electric line then already placed) incurred by the licensee in making provision for the supply; and
- (iii) if required by the licensee so to do, defray the cost of the construction of the service line.

(b) The wires, fitting and apparatus which are to be laid or installed by such owner or occupier upon his premises for the purpose of receiving, transforming or using the supply of energy shall be of the prescribed quality or not inferior thereto; they shall be laid or installed in the prescribed manner, and they shall not be of any type or description prohibited by regulation on the ground of its being dangerous or on any similar ground. ”

6. Section 53 of the Electricity Act is amended as follows:—

(1) by the substitution, for sub-section (1) thereof, of the following sub-section:—

“ (1) A suitable person, to be designated the Chief Electrical Inspector, shall be appointed for the purposes of this Act. ”; and

(2) by the substitution, for the marginal note to that section, of the following marginal note:—

“ Chief Electrical Inspector. ”.

7. Section 55 of the Electricity Act is amended as follows:—

(1) in sub-section (1) thereof—

(a) in paragraph (a), by the substitution, for the words “ works, and ”, of the word “ works. ”;

(b) by the renumbering of paragraph (b) as paragraph (c) of that sub-section; and

(c) by the insertion, immediately after paragraph (a), of the following new paragraph:—

“ (b) any accident or explosion or fire which has occurred in any part of any premises supplied with electrical energy from the licensee's works, if such event has been brought to the notice of the licensee, and ”; and

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(2) in sub-section (2) thereof, by the substitution, in paragraph (a), of the following paragraph:—

“ (a) the cause of any accident, explosion, fire, loss of life or personal injury referred to in sub-section (1), whether notice of such accident, explosion, fire, loss of life or personal injury has or has not been received from the licensee, or ”.

8. Sections 59A, 59B, 59C and 59D, of the Electricity Act inserted by Act No. 59 of 1957, are repealed.

9. Section 74 of the Electricity Act is amended in sub-paragraph (b) of paragraph (1) thereof, as follows:—

(1) by the substitution, for the words “ under the hand of the General Manager ”, of the words “ under the hand of the General Manager of the Board ”; and

(2) by the substitution, for the words “ on behalf of the General Manager. ”, of the words “ on behalf of the Board. ”.

10. Section 80 of the Electricity Act is amended in sub-section (1) thereof, by the substitution, for paragraph (a), of the following paragraph:—

“ (a) where the Board is the addressee, at the office of the Board; ”.

11. Section 81 of the Electricity Act is repealed and the following section is substituted therefor:—

“ Board to have powers of a licensee.

81. For the purposes of the electrical installations of the Board and the supply of energy by the Board, the Board shall have all the powers conferred on a licensee by this Act, and shall, in the exercise of any such power, comply with such of the provisions of this Act as a licensee is required by this Act to comply with when exercising that power. ”.

12. Section 82 of the Electricity Act is amended as follows:—

(1) by the insertion, immediately before the definition of “ consumer ”, of the following definition:—

“ Board ” means the Ceylon Electricity Board established under the Ceylon Electricity Board Act 1969; ”;

(2) in the definition of “ consumer ”, by the substitution, for the words “ General Manager ”, wherever those words occur in that definition, of the word “ Board ”; and

(3) by the omission of the definition of “ General Manager ”.

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13. Sections 2, 11, 67 and 74, other than sub-paragraph (b) of paragraph (1) of the said section 74, of the Electricity Act, are amended by the substitution, for the words "General Manager," wherever those words occur in those sections, of the word "Board".

14. Section 5 of the Electricity (Amendment) Act No. 59 of 1957, is repealed.