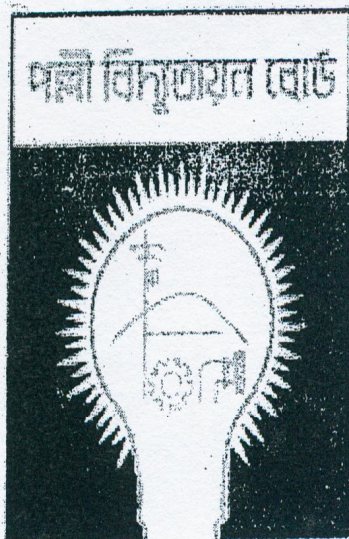


# ***RURAL ELECTRIFICATION BOARD***

## ***BYE- LAWS***



**RURAL ELECTRIFICATION BOARD  
DHAKA, BANGLADESH**

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**RURAL ELECTRIFICATION BOARD**  
**BYE- LAWS**

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# RURAL ELECTRIFICATION BOARD

## Bye-Laws

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# *Rural Electrification Board*

A

## Bye- Laws

### (Preamble)

The following is intended as a guiding statement of the Rural Electrification Board's Policy describing its relationship with the Palli Bidyut Samity.

The objectives of the Rural Electrification Board programs are to provide, through self-liquidating loans authorized under the provisions of the Rural Electrification Board Ordinance, 1977, People's Republic of Bangladesh, with any and all amendments thereto, and through technical assistance, adequate, dependable electric service sufficient to meet the needs of beneficiaries of the Ordinance, both domestic and commercial, in rural areas of Bangladesh on an area coverage basis, under rates and conditions that allow full and productive use of the Samity services.

In order to achieve program objectives and to protect loan security, the Rural Electrification Board shall in its relationships with each Palli Bidyut Samity, base its activities on the following considerations:

1. Each Samity is: (a) an independent corporate body subject to all applicable laws and these Bye- Laws (b) responsible for the efficient and effective management of its affairs, including proper and successful construction, operation and maintenance of its electric distribution facilities; (c) expected to repay all indebtedness on schedule according to the terms of its loan agreement and established policy.
2. All Rural Electrification Board activities shall be carried on in a manner to help develop the resources and ability of each Palli Bidyut Samity to meet its needs, handle its own affairs effectively, and achieve as soon as possible the internal strength and soundness to assure its success as an independent enterprise. As a Samity develops adequate internal strength and financial soundness, direct Rural Electrification Board assistance will diminish accordingly;
3. As required, the Rural Electrification Board shall furnish technical and management assistance to each Palli Bidyut Samity to help further the objectives of the Rural Electrification ordinance and protect the security of each outstanding loan;
4. The Rural Electrification Board shall establish terms and conditions in loan security documents and policies and procedures to assure the proper implementation of its assigned objectives;
5. In its reporting requirements, the Rural Electrification Board will require from the Samity those reports and audits that are essential to the protection of loan security, achievement of the objectives of the Ordinance, and that may otherwise be requisite to the success of area coverage rural electrification;

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6. Rural Electrification Board policies and practices will be designed to protect the interests of member- consumers and the public, and to develop and protect the image of the program in terms of the objectives of the Rural Electrification Board Ordinance;
7. And for each Samity borrower, the Rural Electrification Board will encourage active participation of all Samity consumer- members in the affairs of their organization to assure maximum benefits to themselves and to the development of their rural communities thereby contributing their part in the overall development of Bangladesh; now therefore these Bye- Laws are hereinafter enumerated:

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# ***Rural Electrification Board***

## **Bye- Laws**

In exercising of the authority and powers conferred under Section 8, sub- section (h) of the Rural Electrification Board Ordinance, 1977 (*No.11 of 1977*), the Rural Electrification Board is pleased to prescribe the following Bye- Laws for the purpose of registration of the Palli Bidyut Samity and other groups with the Rural Electrification Board and for the manner of their functioning and other related matters (*Reviewed on-29.4.86*)

**Section 1.** Title: These Bye Laws shall be called Rural Electrification Board, Bye- Laws.

**Section 2.** Applicability: These Bye-Laws shall apply equally to all Palli Bidyut Samities organized under and for the purpose of the aforesaid ordinance and no Palli Bidyut Samity shall be registered under the aforesaid ordinance unless all provisions herein enumerated in these Bye-Laws are rigorously complied with, and be it further noted that no Palli Bidyut Samity shall be recognized for the purpose of the aforesaid ordinance until and unless it is registered under these Bye – Laws.

**Section 3.** Definitions: In these Bye-Laws unless there is anything repugnant in the subject or context:

- (a) "Ordinance" means the Rural Electrification Board Ordinance, 1977 (*Ordinance No. 11 of 1977*);
- (b) "REB" means the Rural Electrification Board, established under Section 3, of the Ordinance;
- (c) "Person" means any natural person of legal age (both male & female), firm, association, corporation, society, company or organization;
- (d) "Samity" means a Palli Bidyut Samity organized under provisions of the Ordinance and legally registered with the Rural Electrification Board;
- (e) "Samity Board" means the Board of Director of a Palli Bidyut Samity;
- (f) "Director" means one of a group, being a member of the Samity Board;
- (g) "Member" means a person who has complied with all requirements, rules and Bye-Laws of the Samity;
- (h) "General Manager" means Administrator and the Chief Executive of the Samity for the time being, appointed as stipulated under Section 9 (a) of these Bye- Laws;
- (i) "Elaka" means such area within a Samity's jurisdictions and service area as may be defined in the Bye-Laws of the Samity for the purpose of member representation and director election.

**Section 4.** Forms and documents: The forms and documents set forth in the schedule of forms, as near thereto as circumstances permit, shall be used in all matters to which these forms and documents relate.

**Section 5.** Service Area: The area for which a Samity may be organized or within which the Samity will operate shall be determined and specified by the Rural Electrification Board from time to time.



**Section 6. Fiscal Year:** The financial year for each Samity shall be a period of twelve (12) months beginning on the first (1st) day of July and ending on the thirtieth (30<sup>th</sup>) day of June of the following year, unless otherwise directed by the Rural Electrification Board.

**Section 7. Samity Registration:**

- (a) The Rural Electrification Board is the registering authority of a Samity;
- (b) No Samity shall be eligible for registration if the Board consists of more than fifteen (15) Directors;
- (c) An Application for Registration of a Samity shall be submitted to the Rural Electrification Board in the form as set forth in the Application for Registration schedule and shall be signed by each person declared as Director in the said application;
- (d) With each Application for Registration submitted, there shall be two (2) copies of the Bye-Laws which the Samity Board proposes to adopt, duly signed by each Director;
- (e) The Bye-Laws of a Samity must conform to the PBS MODEL Bye-Laws as prescribed by the Rural Electrification Board from time to time, PROVIDED HOWEVER with prior approval from the Rural Electrification Board in writing, a Samity may propose registration with Bye-Laws different from the PBS MODEL Bye-Laws prescribed by the Rural Electrification Board;
- (f) Upon receipt of an Application for Registration the Rural Electrification Board shall determine that the proposed Bye-Laws submitted with the application are:
  - (1) in conformity with the PBS MODEL Bye-Laws prescribed by the Rural Electrification Board; or
  - (2) If PBS MODEL Bye-Laws have not been followed in their entirety, those submitted are suitable enough to fulfill the objectives of the Samity for the purpose of the Ordinance and will ensure safety in conducting the business affairs of the Samity.
- (g) When satisfied in terms of the above requirements, the Rural Electrification Board or a person so appointed on behalf of the Rural Electrification Board, shall grant a Certificate of Registration in the form as set forth in the schedule;
- (h) To complete the registration formalities of the Samity, two (2) copies of its approved Bye-Laws shall be stamped with the official seal of the Rural Electrification Board. One (1) of the official sealed copies shall be retained in the offices of the Rural Electrification Board and the second copy together with the Certificate of Registration shall be forwarded to the Samity;
- (i) In every case in which the Rural Electrification Board refuses to register a Samity applicant, it shall record in writing the reason or reasons for its refusal and shall communicate its decision to the applicants.

**Section 8. Samity Board of Directors:**

- (a) The business and affairs of each Samity shall be administered by a Board of Directors which shall consist of not more than fifteen (15) Directors. No person shall become or remain a Director unless he/ she first becomes a bonafide member of the Samity. The Samity Board shall exercise all powers of the Samity except those which are by law or these Bye-Laws and the Electricity act, 1910, with all amendments thereto or the PBS Bye-Laws, conferred or vested to the members of the Samity or reserved by the Rural Electrification Board. The



Powers of the Samity Board shall be exercised only through actions and determinations taken during a regularly or specially called and legally held meeting of the Samity Board, with such actions and determinations recorded in the official minutes of the Samity Board Meetings. Authority of each individual member of a Samity Board may be exercised only as a participant during a regularly or specially called and legally held meeting of the Samity Board. No individual member of a Samity Board or a group of individual members of a Samity Board shall attempt to guide, direct, influence, or interfere whatsoever in the day-to-day management and / or operations of a Samity. Each person listed and declared to be a Director in the Application for Registration form shall become the first Directors of the Samity Board and shall serve and hold office until the first annual meeting of the Samity members or until their successor (s) have been elected and qualified as per Samity adopted Bye-Laws. The Board shall have the following listed office Bearers:

- (a) President
- (b) Vice-president
- (c) Secretary
- (d) Treasurer

The office bearers shall be elected by ballot each year by and from the members of the Board, at a meeting which shall be held immediately following adjournment of the annual meeting of Samity members. The Samity Board may provide for such other officers as may be determined necessary from time to time. (Reviewed on 17/09/2003)

- (b) Each Director shall be elected for a term of three (3) years. Provided however in the first election, one third (1/3) of the total number of Directors named in the Application for Registration documents shall stand for election. The Samity Board shall designate the Elakas, which are to hold elections for the positions of Director, by selecting those Elakas which have the greatest number of connected Samity members. No Elaka shall elect a Director unless minimums of one hundred (100) members are at the time of election receiving electric service. Prior to holding the second annual meeting of Samity members, another one third (1/3) of the remaining two thirds (2/3) of those who were originally named Directors, shall stand for election, based upon the same method and principles as here-in-above written. Preceding the third annual meeting of the Samity members, the remaining one third (1/3) of the Directors named in the Application for Registration shall stand for election from the remaining Elakas. Each Director shall be elected by and from the membership of an Elaka, the number and area of which shall be defined in the Samity Bye- Laws submitted for the registration purposes (Reviewed on 22/06/2006)

- (c) Director Qualifications:- No person shall be eligible to become a director of a Samity unless he or she:

- (1) is a bonafide member of the Samity;
- (2) is between thirty five (35) and sixty five (65) years of age at the time of election, as per Matriculation / S.S.C or equivalent examinations certificate and affidavit in this regard shall not be accepted; (Reviewed on 22/06/2006)
- (3) is a permanent resident of the Elaka for which he/ she seeks election; (Reviewed on 22/06/2006)
- (4) has passed S.S.C or equivalent from any recognized school/ Board/ University, and if any question arises as to what is equivalent and what is not, the matter will be referred to the Rural Electrification Board for conclusive decision;



- (5) is proposed as a candidate for the office of Samity Director, by 1 (one) bonafide member and his/ her candidature is seconded by 2 (two) other bonafide members of the Samity residing in his/ her Elaka. The proposer and the seconders must submit a declaration to the effect that they have not proposed or seconded (as the case may be) any other candidature for the aforesaid purpose. (Reviewed on-21.12.91)

No person shall be eligible to become or remain a Director of a Samity if the or she:

- (1) Is not a bonafide resident of the area for which the Samity has been registered;
- (2) Is in any way employed by or financially interested in a competing enterprise or any business selling electric energy, or supplies to a Samity or Rural Electrification Board, or any business primarily engaged in selling electrical or plumbing appliances, fixtures, or supplies to the Samity membership or Rural Electrification Board;
- (3) have been convicted of a crime involving moral turpitude;
- (4) Have been removed or dismissed from Govt, Semi-Govt, autonomous bodies, Palli Bidyut Samity employment or relived from office by the Rural Electrification Board or a Samity Board;
- (5) is at the time of election, or during his or her term of office becomes an office bearer of any political party or political organization;
- (6) is holding an office in any local governmental agency for which any remunerations, honorarium or salary is received from such local government agency, or if a candidate or director is entitled to receive or received any public funds due for any personal services which may have been rendered;
- (7) Is in active Government service or in any service of any organization wholly or in part owned by government;
- (8) Becomes a candidate for public office at any time during the elected or appointed term of office as a Director.

(d) Functions of Samity Board: The Samity Board shall in addition to other duties and responsibilities as prescribed within these Bye-Laws perform or cause to perform the following functions:

- (1) Generate, produce, manufacture, purchase, acquire, accumulate and transmit electric power and energy, and to distribute, sell, supply and dispose of electric power and energy to the Samity members, to Governmental agencies and other's;
- (2) Administer and guide the business and affairs of the Samity;
- (3) Formulate plans, adopt policies, promulgate rules and Bye-Laws for the management, operations and conduct of the business affairs of a Samity;
- (4) Fix retail rate charges for sale of electricity, subject to Approval by the Rural Electrification Board;
- (5) On behalf of the Samity, execute agreements, contracts, deeds and other legal documents with the Power Development Board, Autonomous or Semi- Autonomous bodies, any person, organization or other bodies as deemed necessary and expedient, unless such powers have been reserved by these Bye- Laws or the adopted and approved Bye- Laws of the Samity which assigned or delegated such powers to any other person.



(e) Without prejudice to the foregoing provisions of these Bye- Laws, other powers and functions of a Samity Board shall be defined within the context of the Bye- Laws of the Samity, PROVIDED THAT decisions of the Samity Board must be approved by the Rural Electrification Board in order to become operative.

(f) **Samity Board Nominated Lady Director (s):** Each Samity Board shall nominate and appoint from among the female populous of the Samity, a maximum of Three (3) women who shall act as Director with reference to the concerns, desires and view-point of the Female members of a Samity. Appointment of said Director (s) shall be accomplished during the Board meeting which is to be held immediately following adjournment of the Annual Meeting of the Samity Members. The appointee (s) shall be known as "LADY DIRECTOR" and shall serve for a period of 3 (three) years from the date of appointment or until the first meeting of the Samity Board following the next succeeding Annual Meeting of the Members, or until such time a successor has been appointed. The appointee (s) shall be a resident of the Samity service area, have a reputation of honesty, be of good moral character, be between Thirty (30) and Fifty (50) years of age at time of appointment and will have passed S.S.C or equivalent Examinations from any recognized School/ Board/ University. Nominated Lady Director(s) shall have the right to vote on any question placed to the Samity Board. (Reviewed on- (22/06/2006)

(g) **Samity Board Committees:** Each Samity Board shall establish a minimum of four (4) Committees to be appointed either by itself or by the Board President, to act in an advisory or executive capacity or in any other specified capacity or function and to make such reports as the Samity Board may require for information as deemed necessary or appropriate. The purpose of this Bye- Laws is to better define the organization of the Board and to maximize its effectiveness. The Committees shall be known as "Standing Committees" and shall be namely: Executive Committee, Finance Committee, Member Service Committee, and Policy Committee. Each Committee shall be Chaired by an officer of the Board. The Board President shall be chairman of the Executive Committee, the Vice- President shall be chairman of the Member service Committee, the Secretary shall be Chairman of the Policy Committee and the Treasurer shall be Chairman of Finance Committee. Each Committee shall convene not less than quarterly and report to the Samity Board following each Committee meeting. The Samity General Manager shall meet with each Committee and act as a resource person for the Committee. The General Manager or the Committee may also request any Samity employee, Rural Electrification Board staff member or consultant to meet with the Committee to provide resource information on any subject to be discussed during the Committee meeting.

The existence and action of each Committee and the delegation of authority thereto shall not in anyway operate to relieve the Samity Board or any member thereof from any responsibilities imposed upon it or him by national law, Samity Bye-Laws or these Bye-Laws.

### **Section 9. Samity officers and Employees:**

(a) The Samity Board shall appoint a General Manager who shall be the chief executive of the Samity. All management functions of the Samity activities shall be vested in the General Manager appointed by the Samity Board and approved by the Rural Electrification Board. No appointment shall be approved unless the appointee shall be a person not ordinarily a resident of the area for which the Samity has be registered. The General Manager shall be



candidates are not available from outside the PBS service area. The Rural Electrification Board shall exercise the same authority and powers relating to deputation in order to fill a vacancy due to whatever cause at any position within a samity's workforce following the same procedures and examples as in the case of the General Manager and Departmental Heads of the Samity.

- (g) Subject to all provisions within these Bye- Laws, other terms and conditions of employment for all officers and employees of a Samity including pay scales, fringe benefits, allowances and all other emoluments shall be governed by a service Code, which shall be formulated by the Samity Board. Each Samity Board shall review and make necessary modifications in its Service Code from time to time. The Service Code of each Samity with any and all revisions or modifications thereto shall require approval by the Rural Electrification Board prior to implementation.
- (h) Subject to approval of the Rural Electrification Board, each Samity Board shall be responsible for creating posts, status, rank, positions and fixing grade levels thereof in respect of officers and employees of the Samity.

**Section 10. Deposition and Encumbrance of Samity Property:**

- (a) Except as stated in sub-sections herein below, the Samity shall not sell, mortgage, lease or otherwise dispose of or encumber or create security interests in its property unless such sale, lease, mortgage or other disposition or encumbrance has been authorized and approved in writing by the Rural electrification Board.
- (b) The disposal of plants in any fiscal year may be allowed for those plants the service life of which has already expired or for those plants which have become unserviceable for any reason subject to a resolution adopted by the Samity Board recommending disposal of such plants and subsequent concurrence in writings of Rural Electrification Board with the said resolution.
- (c) The Samity is not authorized to create second charge on any property that has been mortgaged to REB against its long- term loan. The Samity may however, sell, lease or mortgage up to the limit of book value of such property which is equal to the amount of loan already repaid by the Samity to Rural Electrification Board . The Samity may exercise the authority under this Sub- section only with the concurrence in writing of Rural Electrification Board provided not less than two thirds of the members of the Samity Board vote for adoption of a resolution in this context.
- (d) A certificate from the president of the Samity, attested by the Secretary and General Manager of the Samity will be sufficient evidence to any person who buys or leases property that the conveyance or lease is authorized under this section of the Bye- Laws and approved by the Rural electrification Board.

**Section 11. Consolidation:** Any two or more Samities (hereinafter referred to as "Consolidating Samity"), with Rural Electrification Board approval, may consolidate and form a new Samity (referred to herein as "New Samity") by complying with the following requirements and conditions:

- (a) The proposal for consolidation by the Samities considering such action, along with the proposed articles of consolidation of the New Samity, shall be submitted to a meeting of the



Directors of each consolidating Samity Board for review and appropriate action. A copy of the **proposed** Articles of Consolidation shall be attached to the official notice of meeting and shall **be** listed in the meeting agenda.

- (b) **Provided** the proposed consolidation is approved by a majority vote of each consolidating **Samity** Board, the proposal for consolidation along with the Articles of Consolidation and any **amendments** thereto shall be executed and acknowledged by the office bearers of each consolidating Samity Board. The respective seal of each Samity, a party thereto shall be **affixed** to all documents of consolidation and attested by the respective Secretaries.
- (c) The **Articles** of consolidation shall acknowledge its authorization and execution pursuant to these **Bye-Laws** and shall also enumerate the following:
  - (1) **the** name of each consolidating Samity and present address of the principal office of **each**;
  - (2) **the** name of the New Samity and address of its principal office;
  - (3) **a** statement certifying that each consolidating Samity Board has agreed to the **consolidation** by majority vote during a legally and lawfully convened meeting of the **respective** Boards;
  - (4) **The** name and address of each Director of the New Samity;
  - (5) **The** terms and conditions of consolidation, the manner in which the consolidation shall be **effectuated**, method and requirements by which present members of the consolidating **Samities** may or will become members of the New Samity. The Articles of Consolidation **may** contain other provisions not inconsistent with the nations laws, Rural Electrification Board Ordinance, 1977 and these Bay-Laws, if deemed necessary or advisable for the **safe** conduct of the business and affairs of the New Samity.
- (d) The **original** and one copy of the duly executed Articles of Consolidation, with a certificate of **Secretary** from each of the consolidating Samities, certifying that all provisions of these Bye-Laws with respect to consolidation have been fully complied with and do not conflict with **national** laws or Ordinance no. L1 of 1977. In addition to the documents hereinabove required by this sub-section, two (2) copies of proposed Bye- Laws shall be filed on behalf of the **New** Samity with the Rural Electrification Board for consideration of approval and registration as a New Samity

**Section 12. Merger:** One or more samities (hereinafter designated "Merging Samity") having a common service area boundary may merge their respective system with any adjoining Samity (referred to hereinafter as "Surviving Samity") by complying with the below listed requirements:

- (a) All **proposals** for merger, with copies of proposed Articles of Merger shall be placed to a joint **meeting** of the Board of Directors of each "Merging Samity" and the "Surviving Samity" for their consideration and ratification. The notice of meeting shall state the purpose, **time** and place of said meeting and shall have attached thereto a copy of the **proposed** article of Merger.
- (b) **Provided**, the proposal for merger and proposed Articles of Merger, with all amendments thereto, **are** approved by the affirmative vote of not less than two thirds (2/3) by the Board of Directors representing each Merging or surviving Samity a party thereto and voting thereon

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- responsible to both the Samity Board and Rural Electrification Board for the performance of his administrative duties.
- (b) The General Manager shall have such authority, powers and discretions and shall perform such duties and functions as may from time to time be assigned by the Samity Board, all within the framework of the PBS Policy Instructions, directives and guidelines issued by the Rural Electrification Board
  - (c) The Rural Electrification Board herein reserves its authority to withdraw and place the services in another PBS, attach with REB, suspend, remove, dismiss or terminate Any General Manager without the concurrence of the Samity Board. Any or a combination of the above listed actions may be taken at any time the Rural Electrification Board is of the opinion that actions and conduct of a General Manager has become detrimental and contrary to the best interest of the Samity. Any Samity Board may also undertake the same actions as hereinabove listed with approval of the Rural Electrification Board. (Reviewed on-29.4.91)
  - (d) If at any time, following registration of a Samity, either pending selection and appointment or because of illness, resignation or for any other cause, the position of General Manager of a Samity becomes vacant, the Rural Electrification Board may depute any officer to serve as General manager of the Samity upon such terms and conditions as determined appropriate,
  - (e) Every major area of a Samity's operation shall be organized into departmental units and District offices where necessary. The General Manager, with the approval of the Samity Board and the Rural Electrification Board, shall appoint each Departmental Managers and district Manager (where there is District office). The Samity Board or the Rural Electrification Board shall not grant its approval to any such appointments unless the appointee is a person not ordinarily a resident of the area for which the Samity has been registered. The General Manager shall comply with the Rural Electrification Board approved policy Instructions and Guidelines, adopted by the Samity Board from time to time relating to such appointments. The Rural Electrification Board herein reserves its authority to withdraw and place the services in another PBS, to attach with REB, suspend, remove, dismiss or terminate any District Manager/ Departmental Manager without the concurrence of the Samity Board. Any or a combination of the above listed actions may be taken at any time the Rural Electrification Board is of the opinion that actions and conduct of a District Manager/ Departmental Manager has become detrimental and contrary to the best interest of the Samity. General Manager of the PBS may also undertake the same actions as hereinabove listed with the approval of the Samity Board and the Rural Electrification Board. If at any time, either pending appointment, or due to employee's resignation, illness, removal or for any reason, a post of District Manager/ Departmental Manager becomes vacant, the Rural Electrification Board may, when in its opinion the interest and security of assets of the Samity will be best served, depute an officer to act in the Capacity of District Manager/Departmental Manager of the Samity. The officer shall be deputed upon such terms and the Rural Electrification Board may determine conditions as from time to time. (Reviewed on-29.4.91)
  - (f) Other staff members and employees of a Samity may be appointed by the General Manager directly on the basis of merit, and such other factors as per policy instruction and guidelines issued by the Rural Electrification Board. The General Manager shall provide all necessary safeguards to assure himself and the Samity Board that the appointee is not a resident of the service area for which the Samity is registered provided further that this restriction may be waived in cases of suitable female candidates and mali and sweeper only when such



at such meeting, the original and one copy of Articles of Merger in the form approved shall be executed and acknowledged on behalf of each participating Samity by its respective Board of Directors. The Secretary of each Samity shall attest to the documents so executed and affix the official seal of the Samity he so represents.

- (c) The Articles of Merger shall set forth within the language contained therein authorization for merging as recited within these Bye-Laws and shall enumerate the following:
- (1) the name of each Merging Samity and present address of the principal office of each;
  - (2) the name of the Surviving Samity and address of its principal office;
  - (3) a statement certifying that each Merging Samity and the Surviving Samity have agreed to the merger by a vote of not less than two thirds (2/3) in the affirmative, by the Board of Directors representing each Merging system and the Surviving Samity respectively;
  - (4) the name and address of each Director of the Surviving Samity
  - (5) the terms and conditions of Merger, the manner in which merger shall be effectuated, method and requirements if any, by which the present members of the Merging Samities may or will become members of the Surviving Samity. The Articles of Merger may also contain other provisions which are not inconsistent with national law, the Rural Electrification Board Ordinance, 1977 or these Bye-Laws, if it has been deemed necessary and advisable for the safe conduct of the business and affairs of the Surviving Samity.
- (d) The original and one copy of the duly executed Articles of Merger, accompanied by a certificate of Secretary representing each of the Merging Samities and the Surviving Samity Secretary, certifying that all provisions of these Bye-Laws with respect to Merger have been complied with in total and the Articles of Merger contain no provisions which conflict with national law or the Rural Electrification Board Ordinance, 1977 (Ordinance No. L1 of 1977). The documents listed within this sub-section shall be filed with the Rural Electrification Board on behalf of the Surviving Samity, requesting approval of the proposed Merger and Registration as a Surviving Samity.

### Section 13. Effect of Consolidation or Merger:

- (a) When two or more Samities agree to consolidate, the consolidating Samities shall cease to exist as independent Samities and a single New Samity shall be created. The Articles of Consolidation and newly adopted Bye-Laws shall be filed with the Rural Electrification Board and if approved, the Samity shall be registered under these Bye-Laws as a New Samity.
- (b) when two or more Samities have reached agreement with regards to merger, the Samity or Samities absorbed shall cease to exist as an independent organization and shall become united as one system and become known as the Surviving Samity. The Articles of Merger and Bye-Laws with all amendments thereto, adopted by the respective Samity Boards during merger proceedings and approved by the Rural Electrification Board shall serve to govern the business and affairs of the Surviving Samity.
- (c) All contractual agreements, mortgages or Deed's of Trust, licenses, franchises, permits, right-of-way easements or exemptions, with any and all property, real and personal including without limitations, applications for membership, and all debts and moneys due as recorded in the books and accounts of the Samity with all other rights and assets of each

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Consolidating or Merging Samity shall be transferred to and vested with the New or Surviving Samity as the case may be, without further act or deed.

- (d) Each New or Surviving Samity shall become responsible for all liabilities and any outstanding obligations of the Consolidating or Merging Samity and all claims existing or any action or proceeding pending by or against any of the Consolidating or Merging Samities may be continued or prosecution initiated as if the Consolidation or merger had never taken place, however the New or Surviving Samity shall be substituted and named in any action undertaken.
- (e) Neither the legal rights of creditors, nor any existing liens upon the property of any such Samity shall be impaired by the actions of consolidation or merger.

#### **Section 14. Miscellaneous:**

(a) The Rural Electrification Board may, in cooperation with the respective Samity Board, divide a Samity into two or more Samities and for that purpose may make all necessary and consequential changes in the service area assigned and/ or administration (including the structure of the Samity Board) all in such manner as may be deemed expedient for the successful development of area coverage rural electrification.

(b) With concurrence of a Samity Board, the Rural Electrification Board may annex a portion of the service area of said Samity and add that portion so annexed to the service area of another Samity, or make such service area adjustments between two or more Samities as may be deemed necessary from time to time and in doing so shall follow such procedures as deemed expedient.

(c) If at any time, the Rural Electrification Board concludes that the conduct and/ or actions of an individual Director of the entire Samity Board is detrimental to the interest of the Samity or if the affairs and business of the Samity is being badly managed such as; (1) high is the YTD system loss; (2) low is the percentage of collection; (3) high is the consumer's receivable amount; (4) high is the number of disconnection pending; (5) few is the number of disconnection accomplished; (6) declined is the level of general efficiency of employees as well as PBS activities; (7) dissatisfied are the consumers in respect to PBS services; (8) frequent is the tussel/ strife between the consumers & the PBS; (9) hostile is the consumer-employee relations; (10) feeble is the chain of command and office discipline and etc., (the Rural Electrification Board shall suspend the offender individually or the Samity Board in total for such time as may be considered prudent and necessary for the purpose of restoring order and efficiency in the administration and management of the Samity.)

(Reviewed on-22.6.87)

(d) If the entire Samity Board or majority thereof have been suspended, and during the suspension period it becomes obvious that it will be impossible to carry out the mandate of the Ordinance by the suspension thereof, the Rural Electrification Board may dissolve the suspended Samity Board and appoint other individual members from among the Samity membership to serve as Directors, pending election of a new Board of Directors in the next annual meeting. )

(e) If any time, the Rural Electrification Board or a Samity Board become convinced that the business and affairs of an Elaka are not being properly administered by its Director representative, or the Directors personal conduct is such as to bring reproach upon himself,

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his Elaka, or the Samity, or his actions become detrimental to the stated goals of rural electrification, the offending Director may be relieved of his responsibilities by either Board. The Board taking said action shall nominate and appoint a Samity member from the same Elaka to fill the vacancy so caused, pending election of a Director for the remaining unexpired term.

(f) If a Director relieved in accordance with the provisions specified within these Bye-Laws is an office bearer of a Samity Board, that office shall automatically become vacant with effect from the time and date the individual is relieved as Director and the Samity Board shall as soon as possible nominate and elect from among the remaining members of the Board, a Director who shall hold the office bearer post until the election of Samity officers following the adjournment of the next annual meeting of Samity members.

(g) In the event a Samity Board does not exist due to suspension, dissolution or for any other reason, the Rural Electrification Board so its assigned agents shall perform all duties and functions of the Samity Board and shall exercise all authority and powers normally reserved to the Samity Board and shall discharge all responsibilities thereof.

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## SCHEDULE

### Form of application for the Registration of a PALLI BIDYUT SAMITY

#### REB BYE-LAWS

To  
The Secretary  
Rural Electrification Board  
Dhaka.

Sir,

We, the undersigned, agree to the enclosed REB BAY-LAWS and do hereby apply to be registered as a Palli Bidyut Samity for the purposes of and under the provisions of the Rural Electrification Board, Ordinance, 1977 (Ordinance No. L1 of 1977) under the name and style of ..... Palli Bidyut Samity, the registered office of which being situated at ..... Post office ..... union parished ..... Police Station ..... District ..... we also agree to act as the Directors for the time being of the Samity. *(Reviewed on-29.4.86)*

Number	Name of applicant for Registration	Father's/ Husband's name	Occupation	Age	Residence	Signature of applicant
1						
2						
3						
4						
5						
6						
7						
8						
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