

**PUNJAB WATER SUPPLY AND SEWERAGE BOARD**

**(CONDITIONS OF BORROWING) RULES, 1977**



**Punjab Water Supply and Sewerage Board  
Plot No. 1B, Sector – 27A, Madhya Marg, Chandigarh**

PUNAJB GOVERNMENT  
LOCAL GOVERNMENT DEPARTMENT

Notification

The 24th May, 1977

No. G.S.R. 57/P.A.28/76/76/S. 71/77.- With reference to the Punjab Government, Local Government Department, notifications No. G.S.,R. 144/ P.A. 28/76/S.71/76 dated the 9<sup>th</sup> December, 1976, and in exercise of the powers conferred by clause (j) of sub- section (2) of section 71 of the Punjab Water Supply and Sewerage Board Act, 1976 (Punjab Act No. 28 of 1976), the President of India is pleased to make the following rules namely:-

RULES

1. (I) These rules may be called the Punjab Water Supply and Sewerage Board (Conditions of Borrowing) Rules, 1977.

Short title  
and  
commence  
ment

(2) They shall come into force from the date Chapter VIII of the Act, comes into force.

2. In these rules, unless the context otherwise requires,-

Definitions

(a) 'Act' means the Punjab Water Supply and Sewerage Board Act, 1976;

(b) 'Form' means a form appended to these rules;

(c) 'Government' means the Government of the State of Punjab;

(d) 'Loan' means a sum of money obtained on returnable basis by issue of debentures or otherwise.

3. (1) The Board may, with the previous sanction of the Government borrow moneys by issuing debentures

Issue of  
debentures  
and  
conditions  
there of  
Section 34.

(2) The total amount to be borrowed by the issue of debentures from time to time, issue price of debentures by the Board from time to time, with the prior approval of the Government

(3) The rate of interest payable on the loans raised by issue of debentures shall be such as may be fixed from time to time by the Government.

Application  
Section 36

4 Application for the issue of debentures shall be made to the Board in Form 1

Reservation of  
debentures,  
and  
arrangements  
for receipt of  
subscriptions  
section 34

5. (1) The Board may with the previous sanction of the Government reserve debenture bonds for issuing to any particular bank or bankers.

(2) The Board shall have the authority to make arrangements with any bank, bankers, brokers or other agents for the receipt of subscriptions from or through them towards the debentures issued by the Board and subject to the previous sanction of the Government to fix the brokerage to be paid to them in case of receipt of such subscriptions exceeding such sum as may be determined by the Board.

Under  
writing  
Commission  
Section 34

1. The Board may, subject to the previous sanction of the Government, determine underwriting commission which shall be paid to bank and bankers who invest a sum not less than the minimum amount that may be fixed by the Board.

Subscription  
Section 34

7 (1) Subscription to the debentures may be cheques or demand drafts in favour of the Managing Member, Punjab Water Supply and Sewerage Board, Patiala. In respect of cheques drawn on banks other than the State Bank of India, Patiala. Commission and collection charges, as may be fixed by the Board, shall be paid. The debentures shall be issued only after the subscriptions are fully realized.

(2) If the subscription exceed the total amount of the debentures to be issued, partial allotment may be made and the balance of such sum received with the applications shall be refunded as soon as possible. No interest shall be paid on the amounts so refunded. The Board may reserve the right to retain the subscriptions received up to ten percent in excess of the sum floated.

Value of  
debentures  
Section 34

8. The debentures may be issued in denominations of Rs. 100, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000 and Rs. 1,00,000.

9. The interest on debentures shall be paid half yearly and shall be subject to the payment of income-tax.

Payments  
of interest

10. The debentures shall be redeemable at par on the dates noted therein and no interest shall be payable after the expiry of the said dates.

Redemption  
of debentures  
Section 35,  
36-(1) and 40

11 ( I) The debentures, which by reason of damage sustained become unfit for circulation, shall be replaced at the request of the holder on surrendering the damaged or defaced debentures;

Conditions  
of Issue or  
replaceme  
nt of  
debentures

Provided that the essential marks for genuineness and identity, such as, the number, the amount, the rate of interest, the date and signatures of the Managing Member, Secretary and the members of the Board are still intact and recognizable. Fresh debentures shall also be issued to replace loss or destroyed debentures when in the opinion of the Board, the fact of loss or destruction is proved beyond doubt. When such proof is not produced or when, in case of damage, the essential marks on the debentures are lost and are no longer recognizable or when a debenture has been lost or has been mis-laid, a new debenture may be issued only after the debenture which is alleged to be missing or unrecognizable has been advertised by the claimant as lost or mislaid, in the manner specified by the Board and is not claimed by any other person.

(2) The debenture may be re issued for the same amount under the same number with addition of the word 'Renewed'. A fee of Rs. 1 shall be charged for every renewed debenture thus issued.

Statement  
of loan  
Section 42

12. The Board shall furnish a yearly statement of the loan borrowed and the debenture issued, the payment of which in part or full is outstanding against the Board in Forms I & III respectively.

Record

13. The Board shall maintain record of the applications received, allotment of debentures and interest on debentures in a register in Form IV and Form V respectively.

FORM 1  
FORM OF APPLICATION

(see rule 4)

WATER SUPPLY AND SEWERAGE BOARD, PUNJAB,  
PATIALA

Application for debentures \_\_\_\_\_ per cent  
Year 19

To

The Managing Member,  
Punjab Water Supply and Sewerage Board,  
Patiala.

Issue of 19 \_\_\_\_\_ 19 \_\_\_\_\_ Year's debentures \_\_\_\_\_  
interest at \_\_\_\_\_ per cent issue price \_\_\_\_\_ Rs. \_\_\_\_\_

Dear Sir,

I/We hereby apply for debentures of the face value of Rs. \_\_\_\_\_ of the above issue. Debentures of the denominations noted below may kindly be issued for the amount.

Denomination	No. of debentures	Amount
Rs. 100	-	
Rs.500	-	
Rs.1,000	-	
Rs.5,000	-	
Rs.10,000	-	
Rs.25,000	-	
Rs.50,000	-	
Rs.1,00,000	-	

I/we send herewith/have paid a deposit of Rs. \_\_\_\_\_ (Rupees) \_\_\_\_\_  
\_\_\_\_\_ ) only through \_\_\_\_\_ for  
the debentures applied for.

I/We undertake to accept the same as debentures for any lesser amount. The  
interest may be made payable at

(Names of the Banks)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. The Managing Member's Office, Chandigarh

Note:- Strike the portions not required.

Name/Names in full \_\_\_\_\_

In Block Letters \_\_\_\_\_

Address in full \_\_\_\_\_

Yours faithfully,

(Signatures)

Note:- 1. The name in which the debentures are required should be mentioned in block  
letters. If the debentures are to be held in joint names the order in which the names are to  
be written, should be given. In case of institutions the debentures shall be issued in the  
name of the institution itself.

2. Specific mention should be made of the Bank or Office and place where the interest  
on debentures is to be drawn.

FORM II

(See Rule 12)

WATER SUPPLY AND SEWERAGE BOARD, PUNJAB, PATIALA  
Statement for the Period ending 31<sup>st</sup> March, 19\_\_\_\_\_

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Serial No.	* Description of the loan	Total sum obtained	From whom obtained	Date which obtained	No. of instalments paid together with total amount paid so far			
					No.	Principal	Interest	Outs

\* Description should include the period within which it is to be repaid together with rate of interest (e.g. “Two years at 7.5 per cent annum”).

FORM III

(See Rule 12)

WATER SUPPLY AND SEWERAGE BOARD, PUNJAB,PATIALA

Statement showing the position of debentures issued by Punjab Water Supply and Sewerage Board f  
March, 19\_\_\_\_\_

Serial No.	*Description of debentures	Total amount secured	Date of maturity	Interest paid so far	Total deposits in sinking fund	Remar
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\* The description should include the year of issue and the year of maturity together with rate of interest payable (per cent annum).





FORM V

(See Rule 13)

REGISTER OF INTEREST ON DEBENTURES

Half Yearly Interest up to \_\_\_\_\_

Serial No.	Name and address of debenture holder	No. and denomination of debenture	Face value of debenture	Gross Interest per cent per annum of face value	Income tax 20 percent on gross interest	Super Tax o per cent of g
1	2	3	4	5	6	7

Total Tax deducted	Net Interest payable	Interest Warrant No.	Date of payment	Mode of Payment	Remarks
8	9	10	11	12	13

N.N.VOHRA,  
 Secretary to Government, Pur  
 Local Government Departmer