



LAWS OF MALAYSIA

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Act 448

ELECTRICITY SUPPLY (SUCCESSOR COMPANY) ACT 1990

As at 1 December 2011

**ELECTRICITY SUPPLY (SUCCESSOR COMPANY)
ACT 1990**

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LAWS OF MALAYSIA**Act 448****ELECTRICITY SUPPLY (SUCCESSOR COMPANY)
ACT 1990**

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LAWS OF MALAYSIA**Act 448****ELECTRICITY SUPPLY (SUCCESSOR COMPANY)
ACT 1990**

An Act to provide for the vesting of property, rights and liabilities of the National Electricity Board of the States of Malaya in a company, to make financial arrangements for that company, to provide for matters relating to staff and for other matters connected therewith.

[1 September 1990, P.U. (B) 495/1990]

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I**PRELIMINARY****Short title**

1. This Act may be cited as the Electricity Supply (Successor Company) Act 1990.

Interpretation

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

“Board” means the National Electricity Board of the States of Malaya established under the *Electricity Act 1949 [*Act 116*];

“Corporation” means the Minister of Finance incorporated by the Minister of Finance (Incorporation) Act 1957 [*Act 375*];

*NOTE— The Electricity Act 1949 [*Act 116*] has since been repealed by the Electricity Supply Act 1990 [*Act 447*]*—see* subsection 56(1) of Act 447.

“Minister” means the Minister for the time being charged with the responsibility for matters relating to electricity;

“successor company” means the company to which all property, rights and liabilities to which the Board was entitled or subject to, are transferred under section 3;

“transfer date” means the date on which all property, rights and liabilities to which the Board was entitled or subject to, are transferred to the successor company.

PART II

VESTING OF PROPERTY, *ETC.*, IN SUCCESSOR COMPANY

Vesting of property, *etc.*, of the Board in the successor company

3. (1) The Minister may, by order published in the *Gazette*, appoint a transfer date and on such date, all property, rights and liabilities to which the Board was entitled or subject to, immediately before that date shall become by virtue of this section property, rights and liabilities of the successor company.

(2) For the avoidance of doubt—

(a) any reference to property to which the Board was entitled to, is a reference to land and choses in action of the Board whether situated in Malaysia or elsewhere; and

(b) any reference to rights and liabilities to which the Board was entitled or subject to, is a reference to rights which the Board is entitled to or, as the case may be, liabilities to which the Board is subject to, whether under the laws of Malaysia or any country outside Malaysia and includes rights and liabilities arising under loans raised.

(3) Every chose in action transferred by subsection (1) to the successor company may, after the transfer date, be sued on, recovered or enforced by the company in its own name and it shall not be necessary for the company or the Board to give notice to the person bound by the chose in action of the transfer effected by the subsection.

(4) Every right and liability transferred by subsection (1) to the successor company may, on and after the transfer date, be sued on, recovered or enforced by or against the company in its own name and it shall not be necessary for the company or the Board to give notice to the person whose right or liability is transferred by this section of such transfer.

(5) In the case of rights and liabilities arising under any loans which vest in the company on the transfer date, the company may enter into such arrangements or agreements over such rights and liabilities with the Government of Malaysia or any third party.

Initial Government holding in the successor company

4. (1) As a consequence of the vesting in the successor company by virtue of section 3 of all property, rights and liabilities to which the Board was entitled or subject to, the successor company shall issue such securities of the company as the Minister of Finance may from time to time direct—

(a) to the Corporation; or

(b) to any person entitled to require the issue of the securities following their initial allotment to the Corporation.

(2) The Minister of Finance shall not give a direction under subsection (1) at a time when the successor company has ceased to be wholly owned by the Government of Malaysia.

(3) Securities required to be issued in pursuance of this section shall be issued or allotted at such time and on such terms, as to allotment, as the Minister of Finance may direct.

(4) Shares issued in pursuance of this section —

(a) shall be of such nominal value as the Minister of Finance may direct; and

(b) shall be issued as fully paid and treated for the purposes of the Companies Act 1965 [Act 125] as if they had been paid up by virtue of the payment to the successor company of their nominal value.

(5) The Minister of Finance may dispose of any securities issued or of any rights to securities initially allotted to the Corporation in pursuance of this section.

(6) Any dividends or other sums received by the Corporation in right of, or on the disposal of, any securities or rights acquired by virtue of this section shall be paid into the Consolidated Fund.

Shares held under subsection 17(1) of the *Electricity Act 1949

5. Where immediately before the transfer date any person holds any shares in the Board under subsection 17(1) of the Electricity Act 1949 all such shares shall as from the transfer date be held by such person in the successor company and the successor company shall issue shares to such person of a value not less than the value of the shares held by such person in the Board immediately before the transfer date.

Government investment in securities of the successor company

6. (1) The Minister of Finance may, at any time, acquire —

(a) securities of the successor company or of any subsidiary of the successor company; or

(b) rights to subscribe for any such securities.

(2) The Minister of Finance may dispose of any securities or rights acquired under this section.

(3) Any expenses incurred by the Minister of Finance in consequence of the provisions of this section shall be treated as investments and be authorized under subparagraph 8(3)(a)(iv) of the Financial Procedure Act 1957 [Act 61].

(4) Any dividends or other sums received by the Corporation in right of, or on the disposal of, any securities or rights acquired under this section shall be paid into the Consolidated Fund.

(5) Stamp duty shall not be chargeable in respect of any increase in the capital of the successor company which—

**NOTE*— The Electricity Act 1949 [Act 116] has since been repealed by the Electricity Supply Act 1990 [Act 447]—see subsection 56(1) of Act 447.

- (a) is effected by the issue of shares allotted at a time when the successor company was wholly owned by the Government; and
- (b) is certified by the Treasury as having been effected by the issue of shares subscribed for the Minister of Finance under paragraph (1)(a).

Exercise of the Minister of Finance functions through nominees

7. (1) The Minister of Finance may appoint such persons as he thinks fit to act as his nominees for the purposes of section 4 or 6 and —

- (a) securities of the successor company may be assigned under section 4 to any nominee of the Minister of Finance appointed for the purposes of that section or to any person entitled to require the issue of the securities following their initial allotment to any such nominee; and
- (b) any such nominee appointed for the purposes of section 6 may acquire securities or rights in accordance with that section.

(2) Any person holding any securities or rights as a nominee of the Minister of Finance by virtue of subsection (1) shall hold and deal with them on such terms and in such manner as the Minister of Finance may direct.

Financial structure of the successor company

8. (1) If the Minister of Finance so directs at any time before the successor company ceases to be wholly owned by the Government such sum, not exceeding the accumulated realized profits of the Board, as may be specified in the direction shall be transferred by the successor company to a reserve, which in this section is referred to as “the statutory reserve”.

(2) The statutory reserve may only be applied by the successor company in paying up unissued shares of the company to be allotted to members of the company as fully paid bonus shares.

(3) For the purposes of any statutory accounts of the successor company—

(a) the vesting effected by virtue of section 3 shall be taken to have been a vesting of all property, rights and liabilities to which the Board was entitled or subject to immediately before the end of the last complete accounting year of the Board, ending before the transfer date and to have been effected immediately after the end of that year; and

(b) the value of any asset and the amount of any liability of the Board, taken to have been vested in the successor company by virtue of paragraph (a) shall be taken to be the value or, as the case may be, the amount assigned to that asset or liability for the purposes of the corresponding statement of accounts prepared by the Board, in respect of that year.

(4) For the purposes of any statutory accounts of the successor company, the amount to be included in respect of any item shall be determined as if anything done by the Board, whether by way of acquiring, revaluing or disposing of any asset or incurring, revaluing or discharging any liability, or by carrying any amount to any provision of reserve, or otherwise had been done by the successor company.

(5) Without prejudice to the generality of subsection (4) the amount to be included from time to time in any reserves of the successor company as representing its accumulated realized profits

shall be determined as if any profits realized and retained by the Board had been realized and retained by the successor company.

(6) References in this section to the statutory accounts of the successor company are references to any accounts prepared by the successor company for the purposes of any provision of the Companies Act 1965.

(7) For the purposes of this section, “complete accounting year” means an accounting year ending with 31 August or a period to be determined by the Minister of Finance.

PART III

PROVISIONS RELATING TO STAFF

Staff

9. (1) The successor company shall accept into its employment on the transfer date every person who immediately before the transfer date is a member of the staff of the Board and who was given an option by the Board and has opted to serve as an employee of such company.

(2) Every such person who opts under subsection (1) to serve as an employee of the successor company shall be employed by such company on terms and conditions of service not less favourable than the terms and conditions of service to which he was entitled to immediately before the transfer date.

LAWS OF MALAYSIA

Act 448

**ELECTRICITY SUPPLY (SUCCESSOR COMPANY)
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LIST OF AMENDMENTS

Amending law

Short title

In force from

— NIL —

LAWS OF MALAYSIA**Act 448****ELECTRICITY SUPPLY (SUCCESSOR COMPANY)
ACT 1990****LIST OF SECTIONS AMENDED**

Section	Amending authority	In force from
— NIL —		
