



GOVERNMENT OF GUJARAT

LEGISLATIVE AND PARLIAMENTARY AFFAIRS DEPARTMENT

Bombay Act No. XL of 1958

The Gujarat Electricity Duty Act, 1958

(As modified upto the 31st October, 2016)

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THE GUJARAT ELECTRICITY DUTY ACT, 1958

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BOMBAY ACT No. XL OF 1958.1***[THE GUJARAT ELECTRICITY DUTY ACT, 1958.]***[9th May, 1958.]*

Adapted and modified by the Gujarat Adaptation of Laws (State and Concurrent Subjects) Order, 1960.

Amended by Guj.	7 of 1961.	Amended by Guj.	7 of 2002.
„ „ „	33 of 1961.	„ „ „	24 of 2004.
„ „ „	18 of 1962.	„ „ „	22 of 2005.
„ „ „	20 of 1968.	„ „ „	27 of 2005.
President's Act No.	6 of 1976.	„ „ „	11 of 2006.
„ „ Guj.	19 of 1977.	„ „ „	6 of 2007.
„ „ „	14 of 1979.	„ „ „	15 of 2011.
„ „ „	17 of 1983.	„ „ „	5 of 2012.
„ „ „	4 of 1987.	„ „ „	8 of 2013.
„ „ „	7 of 1988.**	„ „ „	21 of 2015.
„ „ „	7 of 1991.	„ „ „	4 of 2016.
„ „ „	8 of 1999.		

An Act to provide for the levy of a duty on consumption of electrical energy in the State of Bombay.

WHEREAS it is expedient to provide for the levy of a duty on consumption of electrical energy in the State of Bombay; It is hereby enacted in the Ninth Year of the Republic of India as follows :—

1.(1)This Act may be called the ²[Gujarat] Electricity Duty Act, 1958.

Short title,
extent and
commencement.

(2)It extends to the whole of the ³[State of Gujarat].

(3)It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

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

Definitions.

⁴[(a) “consumer” means any person who is supplied with energy on payment of charges or otherwise by a licensee or by any other person who generates energy and includes—

(i) a licensee in relation to energy either generated by himself or supplied by any other licensee,

(ii) any other person in relation to energy generated by himself,

and used by such licensee or person for any purpose excluding that of construction, maintenance or operation of his generating, transmitting or distributing system but including office, commercial or residential purpose connected with such system ;

1. For Statement of Objects and Reasons, see Bombay Government Gazette, 1958, Extra Ordinary, Part-V, P. 44.

* This Act was assented to by the Governor on the 6th May, 1958.

** For validating Provision see sec. 3 of Guj. 7 of 1988.

2. This word was deemed to have been substituted on 1st May, 1960 for the word “Bombay” by Guj. 15 of 2011, s. 3, Sch., Sr. No. 54.

3. These words were substituted for the words “State of Bombay” by the Gujarat Adaptation of Laws (State and Concurrent Subjects) Order, 1960.

4. Clause (a) was substituted by Guj. 20 of 1968, s. 2(1).

and the word “consume” with its grammatical variations and cognate expression shall be construed accordingly;]

- (b) “energy” means electrical energy when generated, transmitted, supplied or used for any purpose except the transmission of a message;

¹[(bb) “industrial undertaking” means an undertaking engaged predominantly in-

(i) the manufacture or production of goods, or

(ii) any job work which results in the manufacture or production of goods,

but does not include an undertaking which manufactures or produces any kind of food or drinks or both meant ordinarily for consumption on the premises of the undertaking.

Explanation I.— “manufacture” with its grammatical variations means change in a non-living physical object or article or thing.-

(a) resulting in transformation of the object or article or thing into a new and distinct object or article or thing having a different name, character and use; or

(b) bringing into existence of a new and distinct object or article or thing with a different chemical composition or integral structure.

Explanation II.—For the purpose of this clause, “premises of the undertaking” includes all premises which are intended for being used for consumption of food or drinks or both.

Explanation III.—For the purpose of this clause, an undertaking engaged in the manufacture or production of goods shall be deemed to be engaged predominantly in the manufacture or production of goods if the gross annual income of such undertaking from such manufacture or production for the accounting year of such undertaking preceding the period in respect of which the duty is levied is greater than the gross annual income of such undertaking for that accounting year from such manufacture or production of goods;

(c) “Licensee” means any person licensed under section 14 of the Electricity Act, 2003 and includes any person who is supplying energy generated by himself”] 36 of 2003.

²[(cc) “premises used by an industrial undertaking for industrial purpose” means premises used by such undertaking for any purpose other than the purpose of residence, commerce, ³[*], sports, club, library, canteen or such other purpose as the State Government may, by notification in the **Official Gazette**, specify;]

(d) “prescribed” means prescribed by rules made under this Act;

⁴[(e) “rural area” means –

(i) a gram as defined in clause (11) of section 2 of the Gujarat Panchayats Act, 1961; or Guj. VI of 1962.

(ii) an area in regard to which a notification has been issued under section 305A of the said Act,

1. Clauses (bb) and (c) were substituted by Guj. 8 of 2013, s. 2 (1).

2. Clauses (cc) was inserted by Guj. 20 of 1968, s. 2 (2).

3. The word “office” was deleted by Guj. 8 of 2013, s. 2(2)

4. Clause (e) and (f) were inserted by President’s Act. No. 6 of 1976, s.2.

the population of which as ascertained at the last preceding census of which the relevant figures have been published does not exceed five thousand;

¹[* * * * *]

(f) “urban area” means an area which is not a rural area].

3. ²[(1) ³[Subject to the provisions of sub-section (2) ⁴[(2AA), (2AAA), (2B)] **Duty on units of energy consumed.** and (3)], there shall be levied and paid to the State Government a duty on the consumption of electricity (hereinafter in this Act referred to as “electricity duty”) at the rates specified below :-

(a) the electricity duty shall be payable by consumers other than those referred to in sub-clauses (i) and (ii) of clause (a) of section 2, at the rates specified in Schedule I to this Act, and

(b) the electricity duty shall be payable by consumers referred to in sub-clauses (i) and (ii) of clause (a) of section 2, at the rates specified in Schedule II to this Act.]

(2) Electricity duty shall not be leviable on the units of energy consumed,—

⁵[(i) by the Government of Gujarat (save in respect of premises used for residential purposes);

(ia) by or in respect of any municipal corporation, municipality, local board, notified area committee, cantonment board or panchayat constituted under any law for the time being in force in the State ⁶[including any body corporate constituted by the State Government or the Central Government as the State Government may, by general or special order, specify,] for the purpose of, or in respect of, public street lighting, public water works (including headworks and other auxiliary water supply works and pumps used for the purpose), public gardens including zoos, public museum or system of public sewers or drains;]

⁷[(ii) by a consumer in respect of premises used for residential purposes in a rural area ⁹[* * * * *], if the total energy consumed by him for the said purpose in a year does not exceed 250 units,]]

(iii) in respect of a hospital or dispensary which is not maintained for private gain ¹⁰[(save in respect of premises used for residential purposes);]

1. Clause (ee) was deleted by Guj. 8 of 2013, s. 2 (3).

2. Sub-section (1) was substituted by Guj. 19 of 1977, s. 2.

3. These words, brackets, figures and letters were substituted for the words, brackets and figures “Subject to the provisions of sub-sections (2) and (3)” by Guj. 17 of 1983, s. 3 (1).

4. These brackets, figures and letters were substituted for the brackets, figures and letters “2(A), (2AA), (2AAA)” by Guj. 27 of 2005, s.2(1).

5. Clauses (i) and (ia) were substituted by Guj. 20 of 1968, s.3(A) (1).

6. These words were inserted by Guj. 8 of 2013, s. 3(1).

7. Clause (ii) was deleted by Guj. 20 of 1968, s. 3 (A) (2).

8. Clause (ii) was inserted by President’s Act No. 6 of 1976, s. 3.

9. The words “the population of which does not exceed two thousand” were deleted by Guj. 17 of 1983, s. 3 (2) (aa).

10. These words and brackets were added by Guj. 20 of 1968, s. 3(A) (3).

¹[(iii-a) In respect of pumping water for agricultural irrigation purposes including energy consumed for lighting the premises used as a pump house;]

(iv) Where the energy is generated by any person for the purpose of supplying it for the use of vehicles or vessels;

(v) Where the energy is generated at a voltage not exceeding 100 volts;

²[(v-a) where the energy is generated by any non-conventional or renewable source of energy as the State Government may, by notification in the **Official Gazette**, specify in this behalf;]

(vi) ³[save as provided in clause (vii), in respect of] such industrial or agricultural purposes ⁴[* * * * *] in such areas and subject to such terms and conditions and for such period as the State Government may, having regard to the need and conditions of industrial and agricultural development in the areas by general or special order specify in that behalf;

⁵[(vii) for motive power and lighting in respect of premises used by a new industrial undertaking for industrial purpose, subject to such terms and conditions as may be prescribed, for a period of five years from the date on which such industrial undertaking begins to manufacture or produce goods for the first time :

Provided that no new industrial undertaking shall be entitled for exemption from payment of electricity duty under this clause, unless it has obtained a certificate regarding eligibility for such exemption in prescribed form by making an application therefore in such form, within such period and to such officer as may be prescribed.

Explanation.—For the purpose of this clause “a new industrial undertaking” means any industrial undertaking which-

(a) is not formed by the splitting up or the reconstruction of a business or undertaking already in existence in the State; or

(b) is not formed by transfer to a new business or undertaking of a building, machinery or plant previously used in India for any industrial purpose, of such value in relation to total value of the aforesaid investments, as the State Government may, by notification in the **Official Gazette**, specify; or

(c) is not an expansion of the existing business or undertaking in the State];

⁶[(viii) for motive power and lighting in respect of premises used by an additional unit of the industrial undertaking for industrial purpose at different independent and identifiable premises of the existing premises of the industrial undertaking, subject to such terms and conditions, as may be prescribed, for a period of five years from the date -

(a) on which such additional unit of the industrial undertaking begins to manufacture or produce goods for the first time; or

1. Clause (iii-a) was inserted by Guj. 24 of 2004, s. 2.

2. Clause (v-a) was substituted by Guj. 4 of 2016, s. 2.

3. These words, brackets and letters were substituted for the words “ in respect of ” by Guj. 33 of 1961, s. 2 (ii) (a).

4. The brackets and words “(Other than residential or office purposes)” were deleted by Guj. 20 of 1968, s. 3 (A)(4).

5. Clause (vii) and the explanations thereunder were substituted for clause (vii) and explanation thereunder by Guj. 27 of 2005, s. 2(2).

6. Clause (viii) was inserted by Guj. 8 of 2013, s. 3(3).

Guj. 8 of 2013. (b) on which such additional unit of the industrial undertaking has begun to manufacture or produce goods for the first time, prior to commencement of the Gujarat Electricity Duty (Amendment) Act, 2013:

Provided that no additional unit of the industrial undertaking shall be entitled for exemption from payment of electricity duty under this clause, unless it has obtained a certificate regarding eligibility for such exemption in the prescribed form by making an application in such form, within such period and to such officer as may be prescribed.

Explanation.—For the purpose of this clause “additional unit of the industrial undertaking” means any industrial undertaking which—

(a) is not formed by the splitting up or the reconstruction of a business or undertaking already in existence in the State; or

(b) is not formed by transfer to a new business or undertaking of a building, machinery or plant previously used in India for any industrial purpose, of such value in relation to total value of the aforesaid investment, as the State Government may, by notification in the *Official Gazette*, specify].

¹[* * * * *]

²[* * * * *]

Guj. 17 of 1983. ³[(2AA) (a) Nothing contained in this Act as amended by the Bombay Electricity Duty (Gujarat Amendment) Act, 1983 (hereinafter referred to as “the Amending Act”) shall affect any exemption granted to an existing industrial undertaking before the commencement date and such exemption shall continue for the period provided in clause (vii) of sub-section (2), or as the case may be, sub-section (2A) before the commencement date.

(b) Notwithstanding anything contained in clause (vii) of sub-section (2) or sub-section (2A) as amended by the Amending Act, any existing industrial undertaking which was eligible for exemption under the provisions of clause (vii) of sub-section (2) or of sub-section (2A) before the commencement date but which did not avail of such exemption before, the commencement date shall be eligible for such exemption under the said clause (vii) or the said sub-section (2A) as if the Amending Act was not passed.

Explanation.—For the purpose of this sub-section an existing industrial undertaking means an industrial undertaking which exists on the commencement date and which manufactures or produces goods for sale or use in the manufacture or production of other goods but does not include an undertaking which manufactures or produces any kind of food and drinks meant ordinarily for consumption on the premises of the undertaking.

Guj. 8 of 1999. ⁴[(2AAA) (a) Nothing contained in this Act as amended by the Bombay Electricity Duty (Gujarat Amendment) Act, 1999 (hereinafter referred to as “the Amending Act of 1999”) shall affect any exemption granted to an existing industrial undertaking before the 1st April, 1999 and such exemption shall continue for the period provided in sub-clause (a) of clause (vii) of sub-section (2) or, as the case may be, sub-section (2A), as if the Amending Act of 1999 was not passed.

1. Explanation 2 was deleted by Guj. 17 of 1983, s. 3 (2) (b) (iii).

2. Sub-section (2A) which was inserted by Guj. 14 of 1979, s. 2 (2) was subsequently deleted by Guj. 8 of 1999, s. 3 (3).

3. Sub-section (2AA) was inserted by Guj. 17 of 1983, s. 3 (4).

4. Sub-section (2AAA) was added by Guj. 8 of 1999, s. 3 (4).

(b) Notwithstanding anything contained in sub-clause (a) of clause (vii) of sub-section (2) or sub-section (2A), as amended by the Amending Act of 1999, any existing industrial undertaking which was eligible for exemption under the provisions of sub-clause (a) of clause (vii) of sub-section (2) or sub-section (2A) before 1st April, 1999 but which did not avail of such exemption before that date shall be eligible for such exemption under the said sub-clause (a) of clause (vii) or the said sub-section (2A), as if the Amending Act of 1999 was not passed.

(c) Notwithstanding anything contained in sub-clause (a) of clause (vii) of sub-section (2) as amended by the Amending Act of 1999, where any undertaking has started generation of energy for its own use before the 1st April, 1999 but has not commenced manufacture or production of goods before that date, such undertaking shall be eligible for exemption under the said sub-clause (a) of clause (vii) of sub-section (2), as if the Amending Act of 1999 was not passed.

Explanation.— For the purpose of this sub-section, an existing industrial undertaking means an industrial undertaking which exists on the 1st April, 1999 and which manufactures or produces goods but does not include an undertaking which manufactures or produces any kind of food and drinks meant ordinarily for consumption on the premises of the undertaking.]

¹[(2B) (a) Nothing contained in this Act as amended by the Bombay Electricity Duty (Gujarat Second Amendment) Act, 2005 (hereinafter referred to as “the Amending Act of 2005”) shall affect exemption granted to an existing industrial undertaking before the 1st October, 2005 and such exemption shall continue for the period provided in clause (vii) of sub-section (2) as if the Amending Act of 2005 was not passed.

Guj. 27
of 2005.

(b) Notwithstanding anything contained in clause (vii) of sub-section (2) as amended by the Amending Act of 2005, any existing industrial undertaking which was eligible for exemption under the provisions of clause (vii) of sub-section (2) before the 1st October, 2005 but which did not avail of such exemption before that date shall be eligible for such exemption under the said clause (vii) as if the Amending Act of 2005 was not passed.

Explanation.— For the purpose of this sub-section, an existing industrial undertaking means an industrial undertaking which exists on the 1st October, 2005 and which manufactures or produces goods but does not include an undertaking which manufactures or produces any kind of food and drinks meant ordinarily for consumption on the premises of the undertaking.]

²[(3) The State Government may by notification in the *Official Gazette*, and subject to such terms and conditions as may be specified therein, reduce the rate of duty or remit the duty in respect of—

(a) electro-chemical, electro-lytical, or electro-metallurgical process carried on by an industrial undertaking, or

(b) such class of consumers or such class of premises in such areas and for such period as the State Government may specify in the notification.]

1. Sub-section (2B) was inserted by Guj. 27 of 2005, s. 2(3).

2. Sub-section (3) was substituted by Guj. 20 of 1968, s. 3 (B).

4. (1) Every licensee shall collect any pay to the State Government at the time and in the manner prescribed, the proper electricity duty payable under this Act ¹[in respect of energy] supplied by him to consumers. The duty so payable shall be ²[* * * *] recoverable by the licensee for the energy supplied by him and shall be a debt due by him to the State Government:

Provided that where the licensee has been unable to recover his dues for the energy supplied by him, he shall not be liable to pay the duty in respect of the energy so supplied.

(2) Every person, not being a licensee, who generates energy and supplies the same to any other person free of charge shall collect and pay to the State Government, at the time and the manner prescribed, the proper electricity duty payable under this Act ¹[in respect of energy] consumed by that other person.

(3) ³[Where any consumer] fails or neglects to pay, at the time and in the manner prescribed, the amount of electricity duty due from him, the licensee, or as the case may be, the person supplying energy free of charge, may, without prejudice to the right of the State Government to recover the amount ⁴[under section 8, deduct such amount of electricity duty from the amount, if any, deposited by the consumer with the licensee or such person or] after giving not less than seven clear day's, notice in writing to ⁵[such consumer] cut off the supply of energy to ⁵[such consumer]; and he may, for that purpose, exercise the power conferred on a licensee by sub-section (1) of section 24 of the Indian Electricity Act, 1910, for recovery of any charge or sum due in respect of energy supplied by him.

IX of
1910.

⁶[(3A) The State Government or an officer authorized by the State Government in this behalf, may, in respect of any consumer,-

(a) extend the date of payment or allow him to pay electricity duty by installments in such manner and on such conditions as may be prescribed,

(b) allow deferment of payment of electricity duty under such circumstances, on such conditions and for such period not exceeding ⁷[five years in aggregate, if deferment is allowed for hundred per cent. of the payment liability of electricity duty and not exceeding seven years in aggregate, if deferment is allowed for fifty per cent. of the payment liability of electricity duty] as may be prescribed.]

(4) The licensee, or as the case may be, the person supplying energy free of charge shall be entitled to a rebate of such amount as may from time to time be determined by the State Government, regard being had to the cost of collection of the duty incurred by such licensee, or person supplying energy free of charge.

-
1. These words were substituted for the words "on the units of energy" by Guj. 19 of 1977, s. 3.
 2. The words "a first charge on the amount" were deleted by Guj. 21 of 2015, s. 2.
 3. These words were substituted for the words "Where any person" by Guj. 20 of 1968, s. 4(1) (i).
 4. These words and figure were substituted for the words and figure "under section 7, and", *ibid.*, s. 4(1)(ii).
 5. These words were substituted for the words "such persons", *ibid.*, s. 4(1) (iii).
 6. Sub-Section (3A) was inserted by Guj. 8 of 1999, s. 4.
 7. These words were substituted for the words "five years in aggregate" by Guj. 27 of 2005, s. 3.

(5) ¹[Every licensee who uses energy and every person, not being a licensee,] who generates energy for his own use shall pay to the State Government at the time and in the manner prescribed the proper electricity duty payable under this Act on the units of energy consumed by him.

Licensee
etc. to keep
books of
account
and submit
returns.

5. Every licensee, and every person not being a licensee who supplies energy free of charge as mentioned in sub-section (2) of section 4, and every other person who is liable to pay electricity duty under sub-section (5) of section 4 shall, save in respect of energy exempt from electricity duty under sub-section (2) of section 3, keep books of account in the prescribed form and submit to the State Government or to the prescribed officer returns in such form and at such times as may be prescribed, showing the units of energy supplied by him to each consumer, or as the case may, be consumed by him and the amount of the duty payable thereon and recovered or paid by him under section 4.

Inspecting
Officers.

6. (1) The State Government may, by notification in the *Official Gazette*, appoint any persons as it thinks fit, having the prescribed qualifications to be Inspectors for the purpose of this Act.

(2) Every Inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code. XLV of
1860.

Powers of
Inspectors.

7. (1) Subject to the provisions of any rules made by the State Government in this behalf, an Inspector may-

(i) require production for inspection of such books and records as may be necessary for ascertaining or verifying the amount of electricity duty leviable under the Act;

(ii) enter and search any premises where energy is, or is believed to be supplied for the purpose of-

(a) verifying the statements made in the books of account kept, and returns submitted, under section 5,

(b) testing the reading of meters,

(c) verifying the particulars required in connection with the levy of electricity duty;

(iii) exercise such other power and perform such other duties as may be necessary for carrying out the purposes of this Act of the rules made there under.

(2) All searches made under sub-section (1) shall be made in accordance with the provisions of the Code of Criminal Procedure, 1898. V of
1898.

Recoveries.

8. ²[(1)] Any sum due on account of electricity duty, if not paid at the time and in the manner prescribed shall be deemed to be in arrears, and thereupon such interest (not exceedings) ³[24 per cent. per annum] which the State Government may by general or special order fix shall be payable on such sum; and the sum together with any interest thereon, shall be recoverable either through a civil court or as an arrear of land revenue-

(a) if the sum was payable under sub-section (1) of section 4, either from the consumer, or, subject to the proviso to the said sub-section, from the licensee, at the option of the State Government.

1. These words were substituted for the words "Every person other than Licensee" by Guj. 20 of 1968, s.4(2).

2. Section 8 was renumbered as sub-section (1) and sub-sections (2), (3), (4) and (5) were added by Guj. 27 of 2005, s. 4.

3. These figures and words were substituted for the figures and words " 12 per cent. per annum" by Guj. 4 of 1987, s. 2.

(b) if the sum was payable under sub-section (2) of section 4, either from the consumer, or from the person supplying energy free of charge, at the option of the State Government,

(c) if the sum was payable under sub-section (5) of section 4, ¹[from the licensee, or as the case may be] from the person who generates energy for his own use.

²[(2) Where any sum due on account of electricity duty is collected by the licensee but not paid to the State Government within a period of six months from the due date of payment thereof, such licensee shall also be liable to pay penalty on such sum (not exceeding 12 per cent. per annum) as the State Government may, by general or special order fix and such sum together with interest and penalty shall be recoverable either through a civil court or as an arrears of land revenue.

(3) Where any sum due on account of electricity duty is paid by the consumer but the interest due thereon is not paid by such consumer within six months from the date of such payment, such consumer shall also be liable to pay penalty (not exceeding 12 per cent. per annum) on such sum as the State Government may, by general or special order fix and such sum together with interest and penalty shall be recoverable either through a civil court or as an arrears of land revenue.

(4) Where the consumer or, as the case may be, the licensee is liable to pay electricity duty, penalty or interest and he makes payment of an amount which is less than the aggregate of the amount of electricity duty, penalty and interest, the amount so paid shall be first applied towards the amount of interest, thereafter the balance, if any, towards the amount of penalty and thereafter the balance if any, towards the amount of electricity duty.

(5) The State Government may, by general or special order, waive the whole or any part of interest or penalty under this section in such circumstances, on such terms and conditions and for such period as may be prescribed.]

³[8A. Notwithstanding anything to the contrary contained in any law for the time being in force, any amount payable by the consumer, licensee or a person on account of electricity duty, interest or penalty which he is liable to pay to the State Government under this Act, shall be the first charge on the property of such consumer, licensee or, as the case may be, such person.]

Tax to be first charge on electricity duty.

9. If any person-

Penalties.

(a) fails to keep books of account or to submit returns in accordance with the provisions of section 5 and the rules made in that behalf under section 12, or

(b) willfully obstructs an Inspector in the exercise of the powers conferred upon him by or under this Act,

he shall, on conviction, be punished with fine which may extend to ⁴[ten thousand rupees].

10. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of and was responsible to the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded and punished accordingly :

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

1. These words were inserted by Guj. 20 of 1968, s. 5.

2. Sub-section (2), (3), (4) and (5) were added by Guj. 27 of 2005, s.4

3. Section 8A was inserted by Guj. 21 of 2015, s. 3.

4. These words were substituted for the words "one thousand rupees" by Guj. 27 of 2005, s. 5.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation :- For the purposes of this section,-

(a) “company” means a body corporate and includes a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

Protection of action taken in good faith.

11. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

Power to make rules.

12. (1) The State Government may make rules not inconsistent with the provisions of this Act, for the purpose of carrying into effect the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, ¹[such rules may-

²[(a-2) prescribe the terms and conditions subject to which the new industrial undertaking under clause (vii) and the additional unit of the industrial undertaking under clause (viii) of sub-section (2) of section 3 shall be entitled for exemption from payment of electricity duty;]

(a-1) prescribe, under the proviso to clause (vii) ³[and clause (viii) [of sub-section (2) of section 3, the form of certificate regarding eligibility, the form of application for obtaining such certificate and the period within which ⁴[and the officer to whom] such application shall be made;]

⁵[(a) prescribe the time and manner of payment of electricity duty, the manner and conditions for extending the date of payment of electricity duty and payment of electricity duty by installments; the circumstances in which and conditions subject to which and the period for which deferment of payment of electricity duty may be allowed under section 4;]

(b) prescribe the form of the books of account to be kept, and the times at which, the form in which and the officers to whom the returns required by section 5 shall be submitted;

(c) prescribe the qualifications of Inspectors under section 6;

(d) prescribe the rules, if any, subject to which the Inspectors may exercise the powers under section 7;

⁶[(dd) prescribe the circumstances in which, the terms and conditions subject to which and the period for which the interest or penalty may be waived under sub-section (5) of section 8;]

⁷[(e) prescribe the procedure for securing any concession or exemption under the Act;

(f) prescribe the procedure for referring questions to the authority specified under ⁸[Part II ⁹[of Schedule I or as, the case may be, of Schedule II]] and for filing an appeal to the State Government against the decision of such authority;

1. These words, were substituted for the words “such rules may” and clause (a-1) was inserted by Guj. 20 of 1968, s. 6. (1) (i).

2. Clause (a-2) was inserted by Guj. 27 of 2005, s. 6 (1) was substituted by Guj. 8 of 2013, s. 4 (i).

3. These words, bracket and letters were inserted by Guj. 8 of 2013, s. 4 (ii).

4. These words were inserted by Guj. 27 of 2005, s. 6(2).

5. Clause (a) was substituted by Guj. 8 of 1999, s. 6.

6. Clause (dd) was inserted by Guj. 27 of 2005, s. 6 (3).

7. Clause (e) (f), (g) and (h) were inserted by Guj. 20 of 1968, s. 6 (1) (ii).

8. The words and figures “Part-II of the Schedule” were substituted for the words and figures “Part-IV of the schedule” by President’s Act No. 6 of 1976, s. 4.

9. These words and figures were substituted for the words “of the schedule” by Guj. 19 of 1977, s. 4.

(g) prescribe the procedure and the period of limitation for claiming refund of the amount of electricity duty paid in excess of the amount payable under this Act by the consumer;

(h) provide for installation and the reading of meters and sub-meters;]

¹[(i)] provide for giving effect to the provisions of this Act.

(3) The making of rules under this section shall be subject to the condition of previous publication.

²[(4) All rules made under this section shall be laid for not less than thirty days before the State Legislature as soon as possible after they are made and shall be subject to rescission by the Legislature or to such modifications as the Legislature may make during the session in which they are so laid or the session immediately following.

(5) Any rescission or modifications so made by the Legislature shall be published in the **Official Gazette**, and shall thereupon take effect.]

13. For the avoidance of doubt, it is hereby declared that nothing in this Act shall be taken to impose or authorise the imposition of, a tax on the consumption or sale of electricity (whether produced by a Government or other persons) which is -

Savings.

(a) consumed by the Government of India or sold to the Government of India for consumption by that Government, or

(b) consumed in the construction, maintenance or operation of any railway of the Government of India, or sold to that Government for consumption in the construction, maintenance or operation of any railway.

14. On the commencement of this Act the following provisions shall stand repealed, namely :-

Repeals and savings.

(i) Part II of the Bombay Finance Act, 1932;

(ii) The Central Provinces and Berar Electricity Duty Act, 1949;

(iii) The Saurashtra Electricity Duty Act, 1956;

Provided that such repeal shall not affect -

(a) the previous operation of any law so repealed or anything duly done or suffered thereunder; or

(b) any right, privilege, obligation or liability acquired, or incurred under any law so repealed; or

(c) any penalty or punishment incurred in respect of any offence committed against any law so repealed; or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty or punishment as aforesaid;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty or punishment may be imposed as if this Act had not been passed :

Provided further that, subject to the preceding proviso, rates of duty or of interest prescribed, or rules or forms framed, under the provisions of Part II of the Bombay Finance Act, 1932 and any appointment of inspectors made under any of the repealed provisions shall be deemed to have been prescribed, framed or made under the corresponding provisions of this Act, and shall continue to be in force accordingly, unless and until superseded by anything done or any action taken under this Act.

15. In the Bombay Finance Act, 1932, in the long title and in the preamble, the words, “to provide for the levy of a duty on consumption of electrical energy” shall be deleted.

Consequential.

1. Clause (e) was relettered as clause (i) by Guj. 20 of 1968, s. 6 (1) (iii).

2. Sub-Section (4) and (5) were inserted by Guj. 20 of 1968, s. 6(2).

Bom. II
of 1932.
C.P. and
Berar
Act X of
1949.

Sau. Act
VIII of
1956.

Bom. II
of 1932.

Bom. II
of 1932.

**¹[SCHEDULE-I
(See section 3 (1) (a))
(Rates of duty payable by consumers other than those referred to in
section 2 (a) (i) and (ii).)**

Item No. 1	Nature of consumption 2	Rates of duty 3
²[PART I		
(1)	For energy consumed by a consumer in respect premises used for residential and educational purposes -	
	(a) in rural areas;	7.50 per cent. of consumption charges;
	(b) in urban areas.	15 per cent. of consumption charges.
<p>Explanation.— “Educational purpose” means the purpose of imparting education by an approved school as defined in clause (2) of section 2 of the Gujarat Primary Education Act, 1947, a recognised school or a registered schools as defined in clause (q) or, as the case may be, clause (s) of section 2 of the Gujarat Secondary and Higher Secondary Education Act, 1972 or a University established by a law for the time being in force in the State, or a College affiliated to, or an institution recognised or approved by, such University.</p>		
(2)	For energy consumed by Hostels for students-	
	(a) in rural areas;	7.5 per cent. of consumption charges;
	(b) in urban areas.	11.25 per cent. of consumption charges.
(3)	For energy consumed by an industrial undertaking, other than energy consumed in respect of any of its premises used for residential purposes-	
	(a) where an industrial undertaking consumes high tension energy;	15 per cent. of consumption charges;
	(b) where an industrial undertaking consumes exclusively low tension energy.	10 per cent. of consumption charges.
<p>Explanation I.— Any energy consumed by an industrial undertaking for installation of any additional plants, machineries and equipments of such industrial undertaking shall be construed as energy consumed by such industrial undertaking.</p>		
<p>Explanation II.— For the purpose of this item-</p> <p>(a) “high tension energy” means any energy supplied, the voltage of which exceeds 650 volts under normal conditions;</p> <p>(b) “low tension energy” means any energy supplied, the voltage of which does not exceed 650 voltage under normal conditions.</p>		
(4)	For energy consumed in respect of any premises not falling under any of the items (1), (2) and (3) above.	25 per cent. of consumption charges.

Explanation.— For the purpose of this PART, the expression “consumption charges” means the charges payable by a consumer to a licensee but shall not include any of the following charges, namely :-

- (i) Meter charges;
- (ii) Interest on delayed payment;

Bom.
LXI of
1947.

Guj. 18
of 1973.

1. Schedules I and II were substituted by Guj. 17 of 1983, s. 4.
2. Part I was substituted by Guj. 8 of 2013, s. 5(1).

- (iii) Fuse-off call charges and reconnection charges;
- (iv) the losses of energy sustained in transmission or transformation by a licensee or person before supply to a consumer;

Provided that-

- (a) where no energy has been consumed by a consumer, minimum charges payable by him shall not be deemed to be consumption charges;
- (b) where the units of energy actually consumed by a consumer are less than the units of energy for which, prescribed minimum charges are payable “consumption charges” shall, in the case of such consumer, mean the charges for the units of energy actually consumed by him and not the prescribed minimum charges;
- (c) where any person supplies electrical energy to any other person (hereinafter referred to as “the receiving person”), the charges payable by the receiving person for such quantum of power to the distribution licensee under section 14, who is engaged in the business of supplying energy within the area where the receiving person is located, shall be deemed to be consumption charges for such supply of energy.]

PART II

Where any dispute arises—

- (i) whether any undertaking is an industrial undertaking or a new industrial undertaking or a ¹[additional unit of the industrial undertaking];
- (ii) whether any premises are used by an industrial undertaking for residential purpose or any other purpose;
- (iii) as to the item in this Schedule under which any consumption of energy falls;
- (iv) where energy is consumed for different purposes, as to what portion is consumed for any particular purpose;

the dispute shall be referred for decision to such authority as the State Government may, by notification in the **Official Gazette**, specify and different authorities may be specified for different areas of the State. The authority concerned shall, after such inquiry as it deems fit, record its decision.

An appeal shall lie against such decision to the State Government within sixty days from the date of the decision.

Where no appeal is filed against a decision of the authority, the State Government may of its own motion or otherwise within one year from the date of any order passed by the authority call for and examine the record of any proceedings of the authority for the purpose of satisfying itself as to the legality or propriety of any decision or order passed, and as to the regularity of the proceedings of such authority and pass such order thereon as it thinks fit.

The decision recorded by such authority, subject to any appeal or revision by the State Government, and the order of the State Government in appeal or revision, shall be final and shall not be called in question in any court.

1. These words were substituted for the words “service undertaking” by Guj. 8 of 2013, s.5 (2).

SCHEDULE II

(see section 3 (1) (b))

(Rates of duty payable by consumers referred to in section 2 (a) (i) and (ii))

	Nature of consumption 1	Rates of duty 2
¹[PART-I]		
(1)	For energy consumed by a consumer in respect premises used for residential and educational purposes-	
	(a) in rural areas ; (b) in urban areas.	10 paise per unit. 20 paise per unit.
Explanation : “Educational purpose” means the purpose of imparting education by an approved school as defined in clause (2) of section 2 of the Gujarat Primary Education Act, 1947, a recognised school or a registered school as defined in clause (q) or, as the case may be, clause (s) of section 2 of the Gujarat Secondary and Higher Secondary Education Act, 1972 or a University established by a law for the time being in force in the State, or a College affiliated to, or an institution recognised or approved by, such University.		
(2)	For energy consumed for the use of- (a) (i) hall or (ii) auditorium used for commercial purpose or let out for any purpose, or (b) (i) cinema house or (ii) theatre.	25 paise per unit.
(3)	For energy consumed by hotels including residential hotels, restaurants, eating houses and lodging and boarding houses.	30 paise per unit.
(4)	For energy consumed by an industrial undertaking other than energy consumed in respect of any of its premises used for residential purposes.	55 paise per unit.
Explanation .— Any energy consumed by the industrial undertaking for installation of additional plants, machineries and equipment of such industrial undertaking shall be construed as energy consumed by the industrial undertaking.		
(5)	For energy consumed in respect of any premises not falling under any of the items (1) to (4) above.	40 paise per unit.
Explanation .— For the purposes of this PART, in determining the units of energy consumed, the losses of energy sustained in transmission or transformation by a licensee or any person who generates energy, before supply to a consumer, shall be excluded.]		

Bom.
LXI of
1947.Guj. 18
of 1973

1. Part I was substituted by Guj. 8 of 2013, s. 6 (1).

PART II**Where any dispute arises—**

(i) whether any undertaking is an industrial undertaking or a new industrial undertaking or ¹[additional unit of the industrial undertaking];

(ii) whether any premises are used by an industrial undertaking for residential purpose or any other purpose;

(iii) as to the item in this Schedules under which any consumption of energy falls;

(iv) where energy is consumed for different purposes as to what portion of consumption is consumed for any particular purpose;

the dispute shall be referred for decision to such authority as the State Government may, by notification in the *Official Gazette*, specify and different authorities may be specified for different areas of the State. The authority concerned shall, after such inquiry as it deems fit, record its decision.

An appeal shall lie against such decision to the State Government within sixty days from the date of the decision.

Where no appeal is filed against a decision of the authority, the State Government may of its own motion or otherwise within one year from the date of any order passed by the authority call for an examine the record of any proceedings of the authority for the purpose of satisfying itself as to the legality or propriety of any decision or order passed, and as to the regularity of the proceedings of such authority and pass such order thereon as it thinks fit.

The decision recorded by such authority, subject to any appeal to or revision by the State Government, and the order of the State Government in appeal or revision, shall be final and shall not be called in question in any court].

1. These words were substituted for the words “service undertaking” by Guj. 8 of 2013, s.6 (2).