

# Telangana Electricity Duty Act, 1939

TELENGANA

India

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### Act 5 of 1939

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Telangana Electricity Duty Act, 1939(Act No. 5 of 1939)Last Updated 11th January, 2020The Andhra Pradesh Electricity Duty Act, 1939 in force in the combined State, as on 02.06.2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide. the Notification issued in G.O.Ms.No.16, Energy (Budget) Department, dated 31.05.2016.

### 1. [ Short title and extent. [Substituted by Act No.8 of 1968.]

(1)This Act may be called the [Telangana] Electricity Duty Act, 1939.(2)It extends to the whole of the State of [Telangana] [Substituted by G.O.Ms.No.16, Energy (Budget) Department, dated 31.05.2016].]

### 2. Definitions.

- In this Act, unless there is anything repugnant in the subject or context, -(a)'energy' means electrical energy;(b)[ 'Licensee' means, - [Substituted by Act No.10 of 1985.](i)any person including a company or a local authority licensed under part II of the Indian Electricity Act, 1910 (Central Act 9 of 1910), to supply energy, or any person including a company or a local authority who has obtained the sanction of the State Government under section 28 of that Act to supply energy;(ii)the [Telangana] State Electricity Board constituted under section 5 of the Electricity (Supply) Act, 1948 (Central Act LIV of 1948);(iii)the National Thermal Power Corporation or any other corporation engaged in the business of supplying energy;](c)'prescribed' means prescribed by rules made under this Act.

### 3. Levy of a duty in certain sales of electrical energy.

(1)Save as otherwise provided in sub-section (2), every licensee in the [State of [Telangana] [Substituted 'State of Andhra Pradesh' for the 'Andhra Area of the State of Andhra Pradesh' by Act

No.8 of 1968.]] shall pay every month to the [State] [The word 'State' was substituted for the word 'Province' by the Adaptation Order, 1950.] Government in the prescribed manner, a duty calculated at the rate of [six paise per unit of energy] [Substituted for 'four paise per unit of energy' by Act No.1 of 1994.], on and in respect of all sales of energy, [except sales to the Government of India for consumption by that Government or sales to the Government of India or a railway company operating any railway for consumption in the construction, maintenance or operation of that railway] [Substituted by the Andhra (Amendment) Order, 1950 for the words and brackets '(except sales to the Central Government for consumption by that Government or to the Federal Railway)' which were inserted by section 2 and deemed to have formed part of the main Act from its commencement by section 3 of, and the second Schedule to Act VII of 1948.] effected by the licensee during the previous month at a price of more than [twelve paise per unit] [Substituted for 'two annas' by Act No.8 of 1968.] [and] [Added by section 3 (i) of Madras Act VIII of 1945 re-enacted permanently by section 2 of, and the First Schedule to Act VII of 1948.] on and in respect of all energy which was consumed by the licensee during the previous month for purposes other than those connected with the construction, maintenance and operation of his electrical undertaking and which, if sold to a private consumer under like conditions, would have fetched a price of more than [twelve paise per unit] [Substituted for 'two annas' by Act No.8 of 1968.]. [Provided that no duty under this sub-section shall be payable on and in respect of sale of energy effected, -(a) by the [Telangana] State Electricity Board to any other licensee; (b) by the National Thermal Power Corporation to the [Telangana] [Substituted by G.O.Ms.No.16, Energy (Budget) Department, dated 31.05.2016.] State Electricity Board.](2)[ A licensee shall be exempt from duty under subsection (1) in any month if in the previous month the total sales of energy effected by him at whatever price together with the energy consumed by him for purposes other than those connected with the construction, maintenance and operation of his electrical undertaking, did not exceed 16,666 units: Provided that if at the end of any financial year, it is found that in such year the total sales of energy effected by the licensee at whatever price together with the energy consumed by him for purposes other than those connected with the construction, maintenance and operation of his electrical undertaking, were not less than 200,000 units, the licensee shall pay the duty in respect of any month or months comprised in such year in which the total of the sales and of the consumption as aforesaid did not exceed 16,666 units.] [Substituted for original sub-section (2) by section 3 (ii) of Act VII of 1948.](3) Where a licensee holds more than one licence, duty shall be calculated and levied under this section separately in respect of each licence. (4)[ Where a licensee who is liable to pay duty under this section sells energy to the [Government of India for consumption by that Government or to a railway company operating any railway for consumption in the construction, maintenance or operation of that railway] [This sub-section and explanation were added by section 2 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to Act VII of 1948. This amendment shall be deemed to have formed part of the principal Act from its commencement.], the price charged on such sales shall be less by the amount of the duty than the price charged to other consumers of a substantial quantity of energy, provided the price last mentioned is more than [twelve paise] [Substituted for 'two annas' by Act No.8 of 1968.] per unit. In this sub-section, the expression 'price charged to other consumers' shall include the duty, if any, recoverable from the consumer under sub-section (1) of section 7. [Explanation. [Substituted for the original Explanation by the Andhra (Amendment) Order, 1950.] - The expression "railway" in this section and in section 9 shall have the meaning assigned to it in clause

(20) of article 366 of the Constitution] [Added by Act No.10 of 1985.].]

### **3A. [ Power to exempt. [Inserted by Act No.21 of 1996.]**

- Notwithstanding anything contained in this Act, the Government may, in public interest, by notification, setting out the grounds therefor, exempt, either permanently or for a specified period, a licensee from payment of the whole or part of the duty payable under section 3, subject to such terms and conditions as may be specified in the said notification.]

### **3B. [ Levy of a duty on certain energy generated and consumed. [Inserted by Act No.14 of 2003.]**

(1)Every person or a generating company who generates energy and uses for his own purpose shall pay every month to the State Government, a duty calculated at the rate of twenty five paise per unit of energy on and in respect of such energy consumed during the previous month:Provided that no duty shall be leviable in respect of the energy consumed in the auxiliaries of the generating plant.(2)The State Government, may, by notification specify from time to time the minimum aggregate capacity of the generating plant from which the energy generated and used shall attract levy of duty under sub-section (1) thereof.(3)The State Government, may, by notification exempt either permanently or for a specified period any person or a generating company from payment of the whole or part of the duty payable under sub-section (1) subject to such terms and conditions as may be specified in the said notification.]

### **4. [ Maintenance of books of accounts and submission of returns and installation of meters. [Substituted by Act No.14 of 2003.]**

(1)Every person or generating company or a licensee liable to pay duty under section 3 or section 3-B shall maintain the books of accounts in the prescribed form and shall submit the returns showing the units of energy generated and the Units of energy consumed in auxiliaries of a generating plant and the energy consumed for their own purposes, energy sold to the consumers and the amount payable in respect of such energy consumed or sold as the case may be, to such officer, in such form and at such time as may be prescribed.(2)The energy generated or the energy consumed or sold shall be measured by the energy meters installed at such point and in such manner as may be prescribed.]

### **5. Inspecting officers.**

(1)The [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government may, by notification in the [Telangana Gazette] [Substituted for 'Andhra Pradesh Gazette' by G.O.Ms.No.16, Energy (Budget) Department, dated 31.05.2016.] appoint Inspecting Officers to inspect the books of account required to be kept by licensees under clause (a) of section 4.(2)Officers so appointed shall perform such duties and exercise such powers as may be prescribed, for the purpose of carrying into effect the provisions of this Act and the rules made thereunder.(3)Every

such officer shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act 45 of 1860).

## **6. Recovery of duty.**

- Any duty due under this Act which remains unpaid, shall be recoverable as an arrear of land revenue, or by deduction from amounts payable by the [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government to the licensee.

## **7. Licensee to reimburse himself from consumer in certain cases.**

(1) Any licensee may, with the previous sanction of the [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government and subject to such conditions as they may impose, recover from any person or class of persons to whom energy is sold at a price of more than [twelve paise] [Substituted for 'two annas' by Act No.8 of 1968.] per unit, the duty which falls to be paid by the licensee in respect of the energy so sold or any part of it, as may be determined by the [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government. Explanation. - [Save as provided in sub-section (4) of section 3, the duty] [Substituted for the words 'The duty' by section 3 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act VII of 1948. This amendment should be deemed to have formed part of the Principal Act from its commencement.] recoverable from any person under this sub-section shall not be deemed to be part of the price charged for the energy by the licensee. (2) The licensee may, for the purpose of sub-section (1), exercise the power conferred on a licensee by sub-section (1) of section 24 of the Indian Electricity Act, 1910, (Central Act 10 of 1910) for the recovery of any charge or sum due in respect of energy supplied by him.

## **8. Penalties.**

- If any licensee, -(a) fails to keep books of account or to submit returns as required by section 4, or (b) intentionally obstructs an Inspecting Officer appointed under section 5 in the performance of his duties or the exercise of his powers under this Act and the rules made thereunder he shall be punished with fine which may extend to fifty rupees.

## **9. Power to make rules.**

- [(1) The [State] [Sub-section (1) substituted by Act No. 8 of 1968.] Government may, by notification published in the [Telangana] [Substituted by G.O.Ms.No.16, Energy (Budget) Department, dated 31.05.2016.] Gazette, make rules for carrying out all or any of the purposes of this Act.] (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for, -(a) the time and manner of payment of duty under section 3; (b) [refunds to the Government of India and railway companies operating railways] [Clause (b) to (e) were re-lettered as clause (c) to (f) respectively and clause (b) was inserted by section 4 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act

VII of 1948. This amendment should be deemed to have formed part of the principal Act from its commencement.], when the price paid by them is found to exceed the limit specified in sub-section (4) of section 3];(c)[ [Clause (b) to (e) were re-lettered as clause (c) to (f) respectively and clause (b) was inserted by section 4 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act VII of 1948. This amendment should be deemed to have formed part of the principal Act from its commencement.] the form of the books of account required to be kept under clause (a) of section 4;(d)[ [Clause (b) to (e) were re-lettered as clause (c) to (f) respectively and clause (b) was inserted by section 4 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act VII of 1948. This amendment should be deemed to have formed part of the principal Act from its commencement.] the times at which, the forms in which, and the officers to whom, the returns required by clause (b) of section 4 should be submitted;(e)[ [Clause (b) to (e) were re-lettered as clause (c) to (f) respectively and clause (b) was inserted by section 4 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act VII of 1948. This amendment should be deemed to have formed part of the principal Act from its commencement.] the duties and powers of Inspecting Officers appointed under section 5; and(f)[ [Clause (b) to (e) were re-lettered as clause (c) to (f) respectively and clause (b) was inserted by section 4 of Madras Act II of 1943 re-enacted permanently with specified modifications by section 3 of, and the second schedule to, Act VII of 1948. This amendment should be deemed to have formed part of the principal Act from its commencement.] any other matter for which there is no provision or insufficient provision in this Act and for which provision is, in the opinion of the [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government, necessary for giving effect to the purposes of this Act.(3)In making a rule under sub-section (1) or sub-section (2) the [State] [Substituted for the word 'Provincial' by the Adaptation Order, 1950.] Government may provide that a breach thereof shall be punishable with fine not exceeding fifty rupees.(4)[ Every rule made under this Act shall, immediately after it is made, be laid before each House of State Legislature if it is in session, and if it is not in session in the session immediately following, for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiration of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified in the [Telangana] [Substituted by Act No.8 of 1968.] Gazette, have effect only in such modified form or shall stand annulled, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.]

**10. [ Savings. [This section was added by the Andhra (Amendment) Order, 1950.] - This Act shall have effect subject to the provisions of article 288 of the Constitution.]**