

# **The Indian Electricity (Punjab Amendment and Validation) Act, 1978**

PUNJAB

India

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### **Rule**

### **THE-INDIAN-ELECTRICITY-PUNJAB-AMENDMENT-AND-VALIDATION- of 1978**

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The Indian Electricity (Punjab Amendment and Validation) Act, 1978 Statement of objects and reasons - See Gazette Extra Dated 27.3.1978 P. 521. In a court case M/s Godhra Electricity Company v/s Gujarat State the Supreme Court while striking down the provisions of section 6(6) of the Indian Electricity Act, 1910 as being violative of fundamental rights guaranteed under Article 19 of the Constitution of India, held that without paying the purchase price depriving the licensee of his undertaking and then ask him to go to Court to enforce the liability for interest for the period for which the purchase price has been withheld is totally unreasonable. 2. It is apprehended that in view of the said decision, an occasion may arise when a licensee might not deliver the possession of his undertaking after expiry of the notice period unless the purchase price is paid. 3. The amendment is proposed to be made operative from 1st April, 1960 so as to facilitate winding up of litigation which is pending since 1963 on account of taking of an Electricity Supply Company in the State. It is, therefore, proposed to introduce a Bill providing for payment of interest on the purchase price for the period it remained unpaid to the licensee. An Act to amend the Indian Electricity Act, 1910, in its application to the State of Punjab. Be it enacted by the Legislature of the State of Punjab in the Twenty-ninth year of the Republic of India as follows:-

### **1. Short title.**

- This act may be called the Indian Electricity (Punjab Amendment Act, 1978.

## **2. Amendment of Section 6 of Central Act 9 of 1910.**

- In the Indian Electricity Act, 1910, in its application to the State of Punjab (hereinafter referred to as the Principal Act), in section 6, -(i)for sub-section (6) the following sub-section shall be substituted and shall be deemed to have been substituted with effect from the first day of April, 1960, namely:-(6) Where a notice exercising the option of purchasing the undertaking has been served upon the licensee under this section, the Licensee shall deliver the undertaking to the State Electricity Board, the State Government or the local authority, as the case may be, on the expiration of the relevant period referred to in sub-section (1) pending the determination and payment of the purchase price and interest.";(ii)in sub-section (7), after the word, figure and letter "section 7A", the following shall be inserted and shall be deemed to have been inserted with effect from the first day of April, 1960, namely. -"and interest at the Reserve Bank of India rate ruling at the time of delivery of the undertaking plus one per centum, on the purchase price of the undertaking for the period from the date of delivery of the undertaking to the date of payment of the purchase price."

## **3. Validation.**

- Notwithstanding anything contained in any judgment, decree or order of any court, any option of purchasing an undertaking exercised or purported to be exercised by the Punjab State Electricity Board by serving a notice upon any Licensee under section 6 of the principal Act or any delivery of the undertaking by the Licensee to the Board made or purported to be made in pursuance of such notice at any time on or after the first day of April, 1960, and before the commencement of the Indian Electricity (Punjab Amendment and Validation) Ordinance, 1978 (hereinafter referred to as the said Ordinance), shall be and shall be deemed to have been exercised or made, as the case may be, under section 6 of the principal Act as amended by this Act as if section 6 so amended were in force at that material time when such option was exercised or delivery was made; and accordingly any option of purchasing so exercised and any delivery of undertaking so made and anything done or any action taken in consequence of such exercise of option or delivery of the undertaking shall be, and shall be deemed always to have been, valid and shall not be called in question in any court merely on the ground that notice was not served on the Licensee as required by the provisions of section 6 or that, under sub-section (6), the Licensee delivered his undertaking to the said Board and was deprived thereof without payment of the purchase price and without any interest for the period from the date of delivery of the undertaking to the date of payment of the purchase price.

## **4. Saving.**

- Nothing in this Act shall render any person liable to be convicted of any offence in respect of anything done or omitted to be done by him, before the commencement of the said Ordinance, if such act or omission was not an offence under the principal Act but for the amendment made by this Act.

## **5. Repeal.**

(1)The Electricity (Punjab Amendment and Validation) Ordinance, 1978, is hereby repealed.(2)Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.