

The Indian Electricity (Bihar Amendment) Act, 1974

BIHAR

India

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Act 15 of 1975

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The Indian Electricity (Bihar Amendment) Act, 1974 Bihar Act 15 of 1975 Published in Bihar Gazette Extraordinary, dated the 12th March, 1975. An Act to amend the Indian Electricity Act, 1910 in its application to the State of Bihar. Be it enacted in the Twenty-Fifth Year of the Indian Republic by the Bihar Legislature as follows:-

1. Short title, extent and commencement.

(1) This Act may be called the Indian Electricity (Bihar Amendment) Act, 1974. (2) It shall extend to the whole of the State of Bihar. (3) It shall come into force at once.

2. Amendment of Section 5 of Act (IX of 1910).

- For sub-sections (2) and (3) of Section 5 of the Indian Electricity Act, 1910 (Act IX of 1910) (hereinafter referred to as the said Act) the following sub-sections shall be substituted, namely:- "(2) Where an undertaking is sold under sub-section (1), the purchaser shall pay to the licensee the amount payable for the undertaking determined in accordance with the provisions of sub-sections (1) and (2) of Section 7-A. (3) Where the State Government issues any notice under sub-section (1) requiring the licensee to sell the undertaking it may by such notice require the licensee to deliver, and thereupon the licensee shall deliver on a date specified in the notice the undertaking to the designated purchaser, pending the determination and payment of the amount payable for the undertaking : Provided that in any such case the purchaser shall pay to the licensee, interest at the Reserve Bank rate ruling at the time of delivery of the undertaking plus one per centum on the amount payable for the undertaking for the period from the date of delivery of the undertaking to the date of payment of the amount payable."

3. Substitution of new section for Section 6 of Act (IX of 1910).

- For Section 6 of the said Act, the following section shall be substituted, namely:-"6. Purchase of Undertakings. - (1) Where a licence has been granted to any person, the State the Electricity Board shall, on the expiration of the period for which licence may be presently valid on the date the Indian Electricity (Bihar Amendment) Ordinance, 1974 comes into force, or on the expiry of subsequent period, not exceeding three years, have the option of purchasing the undertaking and such option shall be exercised by the State Electricity Board serving upon licensee a notice in writing of not less than six months requiring the licensee to sell the undertaking on the expiry of the relevant period referred to in this sub-section.(2)If the State Electricity Board intends to exercise the option of purchasing the undertaking under this section, it shall send an intimation in writing of such intention to the State Government at least one year before the expiry of the relevant period referred to in sub-section (1) and if no such intimation as aforesaid is received by the State Government the State Electricity Board shall be deemed to have elected not to purchase the Undertaking.(3)Where the State Electricity Board has not elected to purchase the Undertaking, the State Government shall have the like option to be exercised in the like manner of purchasing the Undertaking.(4)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 or the State Government as the case may be, on the expiration of the relevant period referred to in subsection (1) pending the determination and payment of the amount referred to in sub-section (5) of this Section.(5)Where an undertaking is purchased under this Section the purchaser shall pay to the licensee an amount, determined in accordance with the provisions of sub-section (1) and (2) of Section 7-A."

4. Amendment of Section 7 of Act (IX of 1910).

- In Section 7 of the said Act-(i)for the word, brackets and figure "sub-section (6)", the word, brackets and figure "sub-section (4)" shall be substituted; and(ii)for the proviso to clause (1), the following proviso shall be substituted, namely:"Provided that any such debt, mortgage or similar obligation shall attach to the amount payable for the undertaking."

5. Substitution of new section for Section 7-A of Act (IX of 1910).

- For Section 7-A of the said Act, the following section shall be substituted, namely:-"7-A. Determination of amount payable. - (1) Where an undertaking of a licensee is sold under sub-section (1) of Section 5 or purchased under Section 6, the amount payable for the undertaking shall be the book-value of the undertaking at the time of purchase of where the undertaking has been delivered before the purchase under sub-section (3) of Section 5, at the time of delivery of the undertaking.(2)The book-value of an undertaking for the purpose of sub-section (1) shall be deemed to be the depreciated book-value as determined under the provisions of the Fourth Schedule to the Electricity (Supply) Act, 1942 (Act 54 of 1942) of all lands, buildings, works for the purpose of the undertaking other than (i) a generating station declared in the licence as not to form part of the undertaking for the purpose of purchase, and (ii) service lines or other capital works or any part thereof which have been constructed at the expense of the consumers, but without any addition in

respect of compulsory purchase or of good-will or any profits which may be or might have made from the undertaking or of any similar consideration.(3)Notwithstanding anything contained in any licence or any instrument, order, agreement or law for the time being in force in respect of any additional sum by whatever name it may be called, payable to a licensee for compulsory purchase the licensee shall be entitled only to a resolution of ten per centum of the book-value as determined under sub-sections (1) and (2) for purchase of his undertaking.(4)No provision of any Act for the time being in force including the other provisions of this Act and of any rules made thereunder or of any instrument including licence having effect by virtue of any such Acts or any rule made thereunder, shall in so far as it is inconsistent with any of the provisions of this section have any effect."

6. Repeal and saving.

(1)The Indian Electricity (Bihar Third Amendment) Ordinance, 1974 (Bihar Ordinance No. 123 of 1974) is hereby repealed.(2)Notwithstanding such repeal, anything done or any action taken in exercise of any power conferred by or under the said ordinance shall be deemed to have been or taken in exercise of powers conferred by or under this Act, as if this Act were in force on the day on which such thing or action was done or taken.