

The M.P. Electricity Duty Act, 1949

MADHYA PRADESH

India

The M.P. Electricity Duty Act, 1949

Act 10 of 1949

- Published on 30 March 1949
- Commenced on 30 March 1949
- [This is the version of this document from 30 March 1949.]
- [Note: The original publication document is not available and this content could not be verified.]

The M.P. Electricity Duty Act, 1949 M.P. Act No. 10 of 1949 [Dated 30th March, 1949] Received the assent of the Governor on the 30th March, 1949; published in the Central provinces and Berar Gazette, Extraordinary, on the 2nd April, 1949. An Act to provide for the levy of a duty on [sale or consumption of electrical energy.] [Substituted by M.P. Act No. 7 of 1956.] Whereas it is expedient to provide for the levy of a duty on [sale or consumption of electrical energy;] [Substituted by M.P. Act No. 7 of 1956.] It is hereby enacted as follows :

1. Short title, extent and commencement.

(1) This Act may be cited as the [Madhya Pradesh] [Substituted by M.P. Act No. 14 of 1965.] Electricity Duty Act, 1949. (2) [It extends to and shall be in force in the whole of Madhya Pradesh.] [Substituted by Section 3(1), Schedule Para A, Item V of M.P. Act No. 18 of 1957.] (3) [x x x] [Omitted by Section 3(1), Schedule Para A, Item V of M.P. Act No. 18 of 1957.]

2. Definitions.

- In this Act, unless there is anything repugnant in the subject or context-(a) ["consumer" means any person who receives electrical energy sold or supplied by a distributor of electrical energy or a producer and includes a person receiving electrical energy in bulk for onward distribution; [Substituted by M.P. Act No. 46 of 1984.]] (a-i) "distributor of electrical energy" means a person or a local authority who, as principal or agent, carries on the business of running an electrical undertaking under a licence granted under the Indian Electricity Act, 1910 (9 of 1910), and includes-(i) a Government Department or the State Electricity Board constituted under Section 5 of the Electricity (Supply) Act, 1948 (54 of 1948), running an electrical undertaking; and (ii) National Thermal Power Corporation or other organisation by whatever name called which have been constituted under the Central or State Act for the time being in force for a like purpose;] (b) [x x x] [Omitted by M.P. Act No. 7 of 1956.] (c) ["electrical undertaking" means any undertaking engaged in the business of supplying electrical energy in any area in Madhya Pradesh, and includes an

undertaking engaged in the business of supplying electrical energy in bulk to another distributor of electrical energy;] [Substituted by M.P. Act No. 46 of 1984.](d)"prescribed" means prescribed by rules made by the State Government under this Act;[(d-i) "producer" means, subject to such rules as may be made by the State Government for registration of generators, a person who generates electrical energy at a voltage exceeding hundred volts and, in the event of generation of electrical energy by a hire of generator, the owner of generator shall be deemed to be the producer;] [Substituted by M.P. Act No. 21 of 1978.](e)any expression used but not defined in this Act and defined in the Indian Electricity Act, 1910 (9 of 1910), shall have the meaning assigned to it in that Act.

3. [Levy of duty on sale or consumption of electrical energy. [Substituted by M.P. Act No. 21 of 1986.]

(1)Subject to the exceptions specified in Section 3-A, every distributor of electrical energy and every producer shall pay every month to the State Government at the prescribed time and in the prescribed manner a duty calculated at the rates specified in the table below on the units of electrical energy sold or supplied to a consumer or consumed by himself for his own purposes or for purposes of his township or colony, during the preceding month-TableRates of DutyPart-A {||-| Electrical Energy sold or supplied in bulk by a producer ordistributor of electrical energy to another distributor ofelectrical energy excluding electrical energy supplied for histownship or colony.| 2 paise per unit|}Part-BElectrical energy sold, supplied or consumed for the purposes as shown below-

S.No.	Purpose	Rate of duty as percentage of the electricitytariff per unit.
(1)	(2)	(3)
1.	On low tension tariff: For domestic consumption	Per month
	(i) Upto 100 units	14
	(ii) In excess of 100 units upto 200 units	15
	(iii) In excess of 200 units	23
2.	On low tension tariff: For non-domestic consumption:	Per month
	(i) Upto 200 units	11
	(ii) In excess of 200 units	11.5
3.	Mines (other than captive mines of cement industry).	40
4.	Cement Industry (including its captive mines).	10.5
5.	For other industries not covered under above categories,- (a) Industries receiving electricity at low tension tariff:	

	(i) Upto 25 HP	3
	(ii) In excess of 25 HP upto 75HP	4
	(iii) In excess of 75 HP upto 100HP	3.5
	(iv) In excess of 100 HP upto 150HP	3
	(b) Other industries	80
6.	For Non-Industries purposes not included under any of the above categories.	[15] [Sub-section M.P. Act 10-06-1997, Section 2, for figures '24', w.e.f. 14-3-1997]
7.	For consumers who generate energy for their own consumption for the purposes included under any of the above categories, the rate of duty shall be calculated as if the electrical energy is supplied by the Madhya Pradesh Electricity Board :	
	Provided that if the electrical energy sold or supplied for consumption for any one purpose is used either wholly or partly, without the consent of the distributor of electrical energy or producer of electricity, as the case may be for consumption for any other purpose for which a higher rate of duty is chargeable, the entire energy sold or supplied shall be charged at the highest rate applicable.	
	<p>Explanation. - For the purposes of this section-(a)"Month" means such period as may be prescribed and till such period is prescribed, the billing month;(b)"Mine" means a mine to which the Mines Act, 1952 (No. 35 of 1952) applies and includes the premises or machinery situated in or adjacent to mine and used for crushing, processing, treating or transporting the mineral.(c)The Electricity duty shall be calculated on the basis of actual percentage of tariff in a month and fraction of 50 paise and above will be rounded off to the next higher rupee and the fraction of less than 50 paise will be ignored.(d)"Tariff" means the rate of energy per unit made applicable from time to time by the Madhya Pradesh Electricity Board on the various categories of consumption.(e)For the consumption of Power Plant Auxiliaries, the rates of electricity duty shall be such as shown against item (5) (b) of the table.</p>	
(2)	[x x x] [Sub-section (2), omitted by Section 2(ii) of M.P. Act No. 15 of 1995, (w.e.f. 1-4-1995).]	
(3)	For mines other than captive mines of a Cement Industry.	75 paise per unit of energy.
(4)	For Cement Industry including its captive mines.	18 paise per unit of energy.
(5)	For other Industries not covered under above categories-	
	(a) Industries receiving electricity at low tension tariff.	4 paise per unit of energy.
	(b) Other Industries	12 paise per unit of energy
(6)	For non-industrial purposes not included under any of the above	24 paise per unit of

categories.

energy:

Provided that if the electrical energy sold or supplied for consumption for any one purpose is used either wholly or partly, without the consent of the distributor of electrical energy or producer of electricity, as the case may be, for consumption for any other purpose for which a higher rate of duty is chargeable, the entire energy sold or supplied shall be charged at the highest rate applicable. Explanation. - For the purpose of this section, - (a) "month" means such period as may be prescribed and till such period is prescribed, the billing month; (b) "mine" means a mine to which the Mines Act, 1952 (No. 35 of 1952) applies and includes the premises or machinery situated in or adjacent to a mine and used for crushing, processing, treating or transporting the mineral. (2) [Items (1), (2) and (5) (a) of Part-B of the Table under sub-section (1) shall respectively cover the same categories of by the Madhya Pradesh Electricity Board for purposes of billing of electricity sold or supplied by it.] (3) If any dispute arises in respect of any matter falling under sub-section (2), the decision of the State Government thereon shall be final.]

3A. [Exceptions. [Inserted by Section 7 of M.P. Act No. 7 of 1956.]

- Notwithstanding anything contained in Section 3, no duty shall be payable in respect of electrical energy - (i) sold or supplied to the Government of India for consumption by that Government; (ii) sold or supplied to the Government of India or a railway company for consumption in the construction, maintenance or operation of any railway administered by the Government of India; (iii) sold or supplied to the State Government for consumption by that Government; (iv) sold or supplied to any local authority for consumption in public street lamps or lamps in any market places or other places of public resort maintained by such authority; (v) sold to or used by an agriculturist for consumption in pumping of water for irrigation of his land or in chaff cutting or in crushing or treating the produce of his hand; (vi) [x x x] (vii) [x x x] [Omitted by M.P. Act No. 14 of 1965.]]

3B. [Power to exempt. [Inserted by M.P. Act No. of 1965.]

- Where the State Government is of opinion that, - (i) in order to encourage the establishment of any particular industry or class of industries in the State; or (ii) having regard to the particular circumstances of any industry or class of industries; or (iii) in order to extend facilities to such persons or class of persons and for such purposes as the State Government may, by notification, specify; it is necessary or expedient so to do in public interest, it may, by notification and subject to such conditions, if any, as it may specify in the notification, - (a) exempt from payment of duty in whole or in part - (i) any distributor of electrical energy or producer in respect of the electrical energy sold or supplied to such industry for the purposes thereof; (ii) where any producer or class of producers runs the industry, in respect of the electrical energy consumed by such producer or class of producers for the purpose of such industry; (iii) any distributor of electrical energy or producer in respect of the electrical energy sold to or used for consumption by person or class of persons and for purposes specified in the notification; (b) cancel any such notification and again subject, by a like notification, the distributor of electrical energy or producer or class of such producers to the payment of such duty in respect of such sale, supply or consumption of electrical energy.]

4. Reimbursement of duty from consumer by distributor of electrical energy.

- Notwithstanding anything to the contrary in the Indian Electricity Act, 1910 (No. 9 of 1910), a distributor of electrical energy may, subject to such limitations and conditions and in such manner as may be prescribed, recover from a consumer by way of surcharge the whole or part of the duty payable by such distributor of electrical energy under Section 3 in respect of [all consumption of electrical energy.] [Substituted by M.P. Act No. 7 of 1956.]

5. Recovery of duty and interest.

(1)The amount of duty due and remaining unpaid shall carry interest at such rate and in such circumstances as may be prescribed.(2)Without prejudice to any other mode of recovery available to the State Government, any duty falling due for payment and the interest accruing thereon, if any, may be recovered in the same manner as an arrear of land revenue.

6. Keeping of accounts and records and furnishing returns.

- Every distributor of electrical energy [and every producer] [Substituted by M.P. Act No. 21 of 1978.] shall keep in such form such books, accounts and records, and furnish such returns at such times and to such authorities as may be prescribed.

7. Appointment of Inspector.

(1)The State Government may by general or special order appoint any officer to be an Inspector for the purposes of this Act.(2)Every Inspector 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 Inspector shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860 (No. 45 of 1860).

8. [Penalty. [Substituted by M.P. Act No. 21 of 1978.]

- If any distributor of electrical energy or any producer or consumer-(a)fails to keep any books, accounts or records or to furnish returns in accordance with any rule framed under Section 6, or(b)intentionally obstructs an Inspector appointed under Section 7 in the performance of his duties or the exercise of his powers under this Act or the rules made thereunder, he shall be punishable with a fine which may extend to one thousand rupees.]

9. Power to make rules.

(1)the State Government may make rules to carry 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)the limitations and conditions subject to which the whole or part of the duty payable in respect of each consumer may be recovered

by the distributor of electrical energy and the manner of such recovery under Section 4;(c)the rate of and the circumstances in which interest may be charged under sub-section (1) of Section 5;(d)the forms in which books and accounts may be kept, returns furnished and the times at which and the authorities to which such returns may be furnished under Section 6;(e)the duties and powers of Inspector appointed under Section 7;(ee)[the manner in which the generating gets are to be registered and the fee payable for such registration or renewal thereof; [Inserted by M.P. Act No. 21 of 1978.](eee)the manner in which and the authority to which a dispute arising out of any provision of this Act, shall be referred;](f)any other matter for which no provision has been made in the Act and for which provision is, in the opinion of the State Government, necessary.(3)[In making a rule under sub-section (1) or sub-section (2), the State Government may provide that a breach thereof shall be punishable with a fine not exceeding one thousand rupees.] [Inserted by M.P. Act No. 21 of 1978.](4)The power to make rules conferred by this section shall, except on the first occasion of the exercise thereof, be subject to the condition of the rules being made after previous publication, and the date to be specified under clause (3) of Section 22 of the Central Provinces and Berar General Clauses Act, 1914 (No. 1 of 1914), shall not be less than one month from the date on which the draft of the proposed rules was published.

Section 3-B : (1) [Notification No. 154-728-XIII-79, dated the 28th January, 1980.] [Published in M.P. Rajpatra Part I, dated 28-3-80 at p. 990.] - Whereas the State Government is of the opinion that in order to extend facilities to persons consuming electricity for operating huller, oil expeller, thresher and other machinery for processing agricultural produce, it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by sub-clause (iii) of clause (a) of Section 3-B of the Madhya Pradesh Electricity Duty Act, 1949 (No. X of 1949), the State Government hereby exempts from payment of duty in excess of 2 paise per unit of electrical energy sold or supplied by any distributor of electrical energy or producer in respect of the electrical energy sold or supplied to the persons operating huller, oil expeller, thresher and other machinery for processing agricultural produce.

(2) [Notification No. F. 1-6-XIII-85, dated the 1st August, 1985.] [Published in M.P. Rajpatra (Asadharan) dated 1-8-85 at pp. 1514-15.] - Whereas the State Government is of the opinion that having regard to the particular circumstances of such industries and in order to extend facilities to such classes of consumers for purposes of running their undertakings as are specified in the Schedule below it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by Section 3-B of the Madhya Pradesh Electricity Duty Act, 1949 (No. X of 1949), the State Government hereby exempts from payment of duty in excess of 3 paise per unit of Electrical energy sold or supplied by, - (i) any distributor of electrical energy; or (ii) producer in respect of the electrical energy, to the industries and other classes of consumers as are specified in the Schedule below-

1. Waterworks owned or operated by local authorities.

2. Huller, oil expeller, thresher and similar other machinery used for Agricultural processing.

3. Small Scale Industries registered with the State Industries Department.

4. Mini Steel Plants.

5. Electrode Units.

6. Caustic Soda Units.

7. Steel Casting Units.

8. Oxygen-Nitrogen-Acetylene Industries.

9. Ferrous and Non-Ferrous Alloy Units.

10. Calcium Carbide Units.

3. This notification shall come into force with effect from 1st August, 1985.

4. All the previous notifications issued on the subject so far as they relate to the industries and classes of consumers covered by the notification shall stand rescinded from the 1st August, 1985.

(3)[Notification No. 2791-3447-XIII-85, dated the 5th August, 1985.] [Published in M.P. Rajpatra Part I dated 18-10-85 at p. 1583.] - Whereas the State Government is of the opinion that for promoting the Rural Electric Co-operative Societies of the State, it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by Section 3-B of the M.P. Electricity Duty Act, 1949 (No. 10 of 1949) the State Government hereby exempts from payment of electricity duty at the rate of 2 paise per unit on the electrical energy sold by the M.P. Electricity Board of the Rural Electric Co-operative Societies of the State. This exemption will be applicable from the date the M.P. Electricity Duty (Amendment and Validation) Ordinance, 1984 has been made effective. (4)[Notification No. 3111-F-10-5-XIII-88, dated the 30th July, 1988.] [Published in M.P. Rajpatra (Sadharan) dated 30-7-88 at p. 1348.] - Whereas the State Government is of the opinion that having regard to the particular circumstances of such industries and in order to extend facilities to such classes of consumers for purposes of running their undertaking as are specified in the Schedule below it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by Section 3-B of the Madhya Pradesh Electricity Duty Act, 1949 (No. 10 of 1949) and in supersession of this Department Notification No. F-1-6-XIII-85, dated 1st August, 1985 and No. 177-F-1-XIII-88, dated the 14th January, 1988, the State Government hereby exempt from payment of duty of the Electrical Energy sold or supplied by-(i)any distributor of electrical energy; or(ii)producer, to the industries and other classes of consumers and to the extent as are specified in the Schedule-

Schedule

- | | |
|--|-------------------------------------|
| (1) Water and Sewage pumping installations of Municipalities, Corporations and other local bodies used for public utility waterschemes | Full exemption |
| (2) Power-looms registered with the Textile Commissioner or the Director, Handlooms. | Duty in excess of 3 paise per unit. |
| (3) Flour Mill (Atta Chakki), oil expeller, thresher and similar machinery used for agricultural processing. | Duty in excess of 4 paise per unit. |
| (4) Textile Mills other than Spinning Mills. | Duty in excess of 6 paise per unit. |

2. This Notification shall apply to the electrical energy sold, supplied or consumed during the month of June, 1988 and onwards.

(5)[Notification No. 5859-F-10-2-XIII-90, dated 6-11-92] [Published in M.P. Rajpatra (Asadharan) dated 12-11-1992 at p. 1308(3).] - Whereas the State Government is of the opinion that, in order to encourage the establishment of the non-conventional sources of power in the State, it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by Section 3-B of the Madhya Pradesh Electricity Duty Act, 1949 (No. 10 of 1949), the State Government hereby exempts wholly any person, industry or class of industry producing electrical energy for their own use by installation of a biogas plant or a gasifier having capacity upto 500 KVA, from the payment of electricity duty, for a period of ten years from the date of generation of power by such biogas plant/gasifier. (6)[Notification No. 5857-F-10-2-XIII-90, dated 6-11-1992.] [Published in M.P. Rajpatra (Asadharan) dated 12-11-1992 at p. 1308(1).] - Whereas the State Government is of the opinion that, in order to encourage the establishment of private generating sets/power plants by any person, industry or class of industries in the State, it is necessary and expedient so to do in public interest; Now, therefore, in exercise of the powers conferred by Section 3-B of the Madhya Pradesh Electricity Duty Act, 1949 (No. 10 of 1949), the State Government hereby exempts wholly any person, industry or class of industries who generate electrical energy by the generating sets/power plants of capacity as specified in column (2) of the Schedule below, from the payment of electricity duty, for a period as specified in column (3) of the said schedule subject to the following conditions, namely-(1)Generating set/power plant upto 125 KVA capacity on which, exemption of electricity duty has been availed of upto a period of five years or part thereof, as per notification No. F-10-7-XIII-81, dated the 13th March, 1981 shall be eligible for exemption from payment of electricity duty under this notification also. (2)Generating set/power plant of more than 125 KVA but upto 5000 KVA capacity on which exemption from electricity duty is being availed of as per notifications No. F-10-7-XIII-81, dated 13th March, 1981, No. 2918-F-10-5-XIII-87, dated the 25th June, 1987 and No. 4104-10-2-XIII-90, dated the 13th September, 1990 shall be eligible for exemption from payment of electricity duty under this notification for such period as may fall short of total period of exemption of 5 years. (3)Generating set/power plant of more than 125 KVA but upto 1750 KVA capacity, on which exemption from electricity duty has been available of for a total period of 5 years as per notification No. F-10-7-XIII-81, dated the 13th March, 1981 and No. 2918-F-10-5-XIII-87, dated the 25th June 1987, shall not be eligible for exemption from payment of electricity duty under this notification. (4)If any generating set/power plant of more than 125 KVA

capacity availing the benefit of exemption of electricity duty is replaced by a new one before the expiry of the exemption period i.e. 5 years, then the replaced Generating set/power plant shall continue to avail the said benefit until the completion of the exemption period of 5 years. Save as provided above the exemption shall not be available to any other generating set/power plant installed in replacement of old ones. (5) Any person or undertaking, after installation of the new generating set/power plant of more than 125 KVA capacity, shall obtain a certificate of eligibility for exemption from payment of electricity duty from the Electrical Inspector concerned and shall be regarded as eligible for exemption only on the basis of such certificate.

Schedule 2

Sl. No.	Installed capacity of the generating set/powerplant	Period of exemption from payment of electricity duty
(1)	(2)	(3)
1.	Upto 125 KVA	For all time
2.	More than 125 KVA and installed to meet the power requirement of the following categories of industries of consumers;	
(One)	An integrated Steel Plant with capital investment of more than 100 crores, established, through blast furnace route and registered with Industries Commissioner under Commerce and Industries Department's Notification No. F-16-3-92-XI-B dated the 27th June 1992, anywhere in the State except district Bastar.	8 years from the date of commencement of generation of power by the plant/generating set.
(Two)	An integrated Steel Plant with a capital investment of more than Rs. 1000 crores established, through blast furnace route and registered with Industries Commissioner under Commerce and Industries Department Notification No. F-16-3-92-XI-B dated the 27th June, 1992, in district Bastar.	10 years from the date of commencement of generation of power by the plant/generating set.
(Three)	Self consumption of any consumer or of any industry other than those mentioned at (one) and (two) above.	5 years from the date of commencement of generation of power by the plant/generating set.