

**THE GUJARAT ELECTRICITY DUTY (AMENDMENT) BILL,
2020.**

GUJARAT BILL NO. 5 OF 2020.

A BILL

further to amend the Gujarat Electricity Duty Act, 1958.

It is hereby enacted in the Seventy-first Year of the Republic of India as follows:-

1. (1) This Act may be called the Gujarat Electricity Duty (Amendment) Act, 2020.

Short title and commencement.

(2) It shall come into force on the 1st April, 2020.

**Amendment
of section 3 of
Bom. XL of
1958.**

2. In the Gujarat Electricity Duty Act, 1958 (hereinafter referred to as “the principal Act”), in section 3, in sub-section (2), -

- (i) in clause (vii), in the *Explanation*, in clause (b), the words “a building” shall be deleted;
- (ii) in clause (viii), in the *Explanation*, in clause (b), the words “ a building” shall be deleted.

**Bom. XL of
1958.**

**Amendment
of Schedule I
to Bom. XL
of 1958.**

3. In the principal Act, in Schedule-I, in Part I, in item (4), in column 3, for the figures and words “25 per cent. of consumption charges”, the figures and words “20 per cent. of consumption charges” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

This Bill seeks to amend the Gujarat Electricity Duty Act, 1958 with a view to giving effect to the Budget proposal contained in the Budget speech of the Deputy Chief Minister in the Gujarat Legislative Assembly on the 26th February, 2020 and simplifying the procedure of granting exemption under clauses (vii) and (viii) of sub-section (2) of section 3 of the said Act by removing building from the investment criteria and promoting plug and play in respect of new plant and machinery in any building.

Dated the 18th March, 2020.

SAURABH PATEL.

*ANNEXURE***EXTRACT FROM THE GUJARAT ELECTRICITY DUTY ACT,
1958.****(Bom. XL of 1958)****Duty on units
of energy
consumed.**

3. (1)	XXX	XXX	XXX
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(2) Electricity duty shall not be leviable on the units of energy consumed,-

(i) to (vi)	XXX	XXX	XXX
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(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 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;

(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

(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:

Guj. 8 of 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 investments, as the State Government may, by notification in the *Official Gazette*, specify.

(2AA) to (3)

XXX

XXX

XXX

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.	Nature of consumption	Rates of duty
1	2	3
PART I		
(1) to (3)	xxx xxx xxx	
(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 purposes 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;
- (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.

GUJARAT LEGISLATURE SECRETARIAT

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1958.*

**[SHRI SAURABH PATEL,
MINISTER FOR ENERGY]**

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D.M.PATEL,
Secretary,
Gujarat Legislative Assembly.