

Bill No. 53 of 2015

THE ELECTRICITY (AMENDMENT) BILL, 2015

By

SHRI FEROZE VARUN GANDHI, M.P.

A

BILL

further to amend the Electricity Act, 2003.

BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. This Act may be called Electricity (Amendment) Act, 2014.

Short title.

2. In the Electricity Act, 2003, in section 135,—

Amendment of section 135.

(a) in the sub-section (1), for the first proviso, the following proviso shall be substituted, namely:—

"Provided that in a case where the load abstracted, consumed, or used or attempted abstraction or attempted consumption or attempted use—

(i) does not exceed 5 kilowatt, the fine imposed on first conviction shall not be less than three times the financial gain on account of such theft of electricity or rupees fifty thousand, whichever is higher, and in the event of second or subsequent conviction the fine imposed shall not be less than six times the financial gain on account of such theft of electricity or rupees one lakh, whichever is higher; 5

(ii) exceeds 5 kilowatt, the fine imposed on first conviction shall not be less than three times the financial gain on account of such theft of electricity or rupees seventy five thousand, whichever is higher, and in the event of second or subsequent conviction, the sentence shall be imprisonment for a term not less than six months, but which may extend to five years and with fine not less than six times the financial gain on account of such theft of electricity or rupees one lakh and fifty thousand, whichever is higher:"; and 10

(b) in sub-section (1A), the following proviso shall be added at the end, namely:—

"Provided also that five per cent. of the deposit or payment shall be equally given as additional benefit to the officers of the licensee of supplier, as the case may be, who were part of the inspection team." 15

STATEMENT OF OBJECTS AND REASONS

The electricity sector in India has an installed capacity of about 250 GW and accounts for 5% of global electricity production, being surpassed only by 7 China and the United States of America. However, our impressive electricity generation record is tarnished by the losses suffered while transmitting power to the end consumer incurred in the form of Aggregate Technical & Commercial Losses (AT&C losses) which range from 30-50% depending upon the geographical region and the surveying agency concerned. Reputed independent agencies like The Energy Research Institute (TERI) have pegged the AT&C loss in some areas to as high as 60%, which are among the highest in the world. Comparable figures in other major countries range from 4% in Japan and Germany to 6%-8% (China, Europe and USA).

At a PLF of 60% and AT&C loss of 30%, India loses 45 GW of electricity. If the AT&C losses are restricted to 15% approximately, 23 GW of electricity shall be available to other sectors, bringing in immense benefits in the Indian economy.

The high fraction of AT&C losses, coupled with insufficient or no tariff revision, have plunged the financial health of the State Electricity Boards (SEB's). Consequently, it has become increasingly difficult for SEB's to service their debt and lenders have become wary in terms of lost revenue. Thus, plugging of these thefts shall reduce lost revenue, lessen blackouts and stabilize the financial health of the SEB's.

Meanwhile, the Officers of the Licensee or Supplier (as applicable) are also encouraged and incentivized to conduct frequent raids and curtail electricity theft.

The case of Gujarat Electricity Board (GEB), which made an annual profit of rupees 550 crore in Financial Year 2000-01 is a glaring example of the beneficial effects of curtailing electricity thefts.

The present Bill, therefore, seeks to amend the Electricity Act, 2003 with a view to impose penalty on the consumer practicing theft of electricity and causing loss of revenue and posing energy crisis in the country.

The Bill also proposes to give five per cent. of the fine deposited for theft of electricity as additional benefit to the officers of the licensee or supplier so as to incentivize efficient crackdown of theft of electricity.

NEW DELHI;
February 13, 2015

FEROZE VARUN GANDHI

ANNEXURE

EXTRACT FROM THE ELECTRICITY ACT, 2003

(36 OF 2003)

* * * * *

PART XIV

OFFENCES AND PENALTIES

* * * * *

Theft of electricity.

135. (1) Whoever, dishonestly,—

(a) taps, makes or causes to be made any connection with overhead, underground or under water lines or cables, or service wires, or service facilities of a licensee or supplier as the case may be; or

(b) * * * * *

(c) * * * * *

(d) * * * * *

(e) * * * * *

Provided that in a case where the load abstracted, consumed, or used or attempted abstraction or attempted consumption or attempted use—

(i) does not exceed 10 kilowatt, the fine imposed on first conviction shall not be less than three times the financial gain on account of such theft of electricity and in the event of second or subsequent conviction the fine imposed shall not be less than six times the financial gain on account of such theft of electricity;

(ii) exceeds 10 kilowatt, the fine imposed on first conviction shall not be less than three times the financial gain on account of such theft of electricity and in the event of second or subsequent conviction, the sentence shall be imprisonment for a term not less than six months, but which may extend to five years and with fine not less than six times the financial gain on account of such theft of electricity:

* * * * *

(1A) Without prejudice to the provisions of this Act, the licensee or supplier, as the case may be, may, upon detection of such theft of electricity, immediately disconnect the supply of electricity:

Provided that only such officer of the licensee or supplier, as authorised for the purpose by the Appropriate Commission or any other officer of the licensee or supplier, as the case may be, of the rank higher than the rank so authorised shall disconnect the supply line of electricity:

Provided further that such officer of the licensee or supplier, as the case may be, shall lodge a complaint in writing relating to the commission of such offence in police station having jurisdiction within twenty four hours from the time of such disconnection:

Provided also that the licensee or supplier, as the case may be, on deposit or payment of the assessed amount or electricity charges in accordance with the provisions of this Act, shall, without prejudice to the obligation to lodge the complaint as referred to in the second proviso to this clause, restore the supply line of electricity within forty-eight hours of such deposit or payment.

* * * * *

LOK SABHA

A
BILL

further to amend the Electricity Act, 2003.

(Shri Feroze Varun Gandhi, M.P.)