

Electricity Act, 1910

Section 3 - GRANT OF LICENCES

1) The State Government may, on application made in the prescribed form and on payment of the prescribed fee (if any)¹⁸[grant after consulting the State Electricity Board, a licence to any person] to supply energy in any specified area, and also to lay down or place electric supply lines for the conveyance and transmission of energy,- (a) where the energy to be supplied is to be generated outside such area, from a generating station situated outside such area to the boundary of such area, or (b) where energy is to be conveyed or transmitted from any place in such area to any other place therein, across an intervening area not included herein, across such area. (2) In respect of every such licence and the grant thereof the following provisions shall have effect, namely: (a) any person applying for a licence under this Part shall publish a notice of his application in the prescribed manner and with the prescribed particulars, and the licence shall not be granted- (i) until all objections received by the State Government with reference thereto have been considered by it : Provided that no objection shall be so considered unless it is received before the expiration of three months from the date of the first publication of such notice as aforesaid ; and (ii) until, in the case of an application for a licence for an area including the whole or any part of any cantonment¹⁹[aerodrome], fortress, arsenal, dockyard or camp or of any building or place in the occupation of the Government for²⁰[defence purposes], the State Government has ascertained that there is no objection to the grant of the licence on the part of the ²¹[Central Government]: (b) where an objection is received from any local authority concerned, the State Government shall, if in its opinion the objection is insufficient, record in writing and communicate to such local authority its reasons for such opinion ; (c) no application for a licence under this Part shall be made by any local authority except in pursuance of a resolution passed at a meeting of such authority held after one month's previous notice of the same and of the purpose thereof has been given in the manner in which notices of meetings of such local authority are usually given; (d) a licence under this Part- (i) may prescribe such terms as to the limits within which, and the conditions under which, the supply of energy is to be compulsory or permissive, ²²[***] and generally as to such matters as the State Government may think fit ; and (ii) save in cases in which under Sec. 10-, Cl. (b), the provisions of ²³[Secs. 5 and 6], or either of them, have been declared not to apply, every such licence shall declare whether any generating station to be used in connection with the under- taking shall or shall not form part of the undertaking for the purpose of purchase under ²³[Sec. 5-orSec. 6-] ; (e) the grant of a licence under this Part for any purpose shall not in any way hinder or restrict the grant of licence to another person within the same area of supply for a like purpose; (f) the provisions contained in the Schedule shall be deemed to be incorporated with, and to form part of, every licence granted under this Part, save in so far as they are expressly added to, varied or excepted by the licence, and shall, subject to any such additions, variations or exceptions which the ²⁴[State Government] is hereby empowered to make, apply to the undertaking authorised by the licence; Provided that where a licence is granted in accordance with the provisions of Cl. IX of the Schedule for the supply of energy of other licencees for distribution by them, then in so far as such licence relates to such supply, the provisions of Cls. IV, V, VI, VII, VIII and XII of the Schedule shall not be deemed to be incorporated with the licence.²⁵[* * *

STATE AMENDMENTS Gujarat.- Same as in Maharashtra, [Bombay Act 44 of 1951, read with Act 11 of 1960, Sec. 87.] Maharashtra.-In its application to the State of Maharashtra, in Sec. 3 after subsection (1) insert the following : "(1-A) If the applicant under sub-section (1) is a local authority, the area specified in the licence may include any area outside the area for which such local authority is constituted : Provided that under the enactment constituting such local authority, such local authority is authorized to supply energy in such area." [Bombay Act 44 of 1951, Sec. 6 and Schedule (w.e.f. 27th November, 1951).] In Sec. 3 of the Indian Electricity Act. 1910 (IX of 1910), in its application to the State of Maharashtra hereinafter referred to as the principal Act),- (1) after sub-section (1), the following new sub-section shall be added and shall be deemed always to have been added, namely : "(1 -AA) Every licence granted under sub-section (1) shall be published in the Government Gazette."(2) in sub-section (2), after Cl. (c). the following new clause shall be

added and shall be deemed always to have been added, namely: "(cc) a licence under this Part shall commence on the date on which such licence is published in the Government Gazette"; And accordingly, the provisions of any rule made under the principal Act and for the time being in force or of any such licence which are inconsistent with the provisions of Cl. (cc) of sub-section (2) of Sec. 3 of the principal Act shall be and shall be deemed always to have been repealed. (Maharashtra Act 52 of 1947, Sec. 2.1. Uttar Pradesh.-In its application to the State of Uttar Pradesh, in Sec. 3- (1) In sub-section (2), for Cl. (e). substitute the following : "(e) the grant of licence under this Part for any purpose shall not in any way bind or restrict- (i) the grant of licence to another person within the same area of supply for a like purpose ; or (ii) the supply of energy by the State Government or the State Electricity Board within the same area, where the State Government deems such supply necessary" in public interest"; (2) after sub-section (2), add the following: "(3) Where the supply of energy in any area by the State Electricity Board is deemed necessary under sub-clause (ii) of Cl. (e) of sub-section (2), the Board may, subject to any terms and conditions that may be laid down by the State Government, supply energy in that area not- withstanding anything to the contrary contained in this Act or the Electricity Supply Act, 1948." [U.P. Act. 30 of 1961, Sec. 2 (w.e.f 23-10-1961).

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