

Electricity Act, 1910

Section 28 - SANCTION REQUIRED BY NON-LICENSEE IN CERTAIN CASES 98 [

1) No person, other than a licensee, shall engage in the business of supplying energy to the public except with the previous sanction of the State Government and in accordance with such conditions as the State Government may fix in this behalf, and any agreement to the contrary shall be void. (1-A) The State Government shall not give any sanction under sub- section (1)- (a) except after consulting the State Electricity Board; and (b) except with the consent- (i) in any case where energy is to be supplied in any area for which a local authority is constituted, of that local authority; (ii) in any case where energy is to be supplied in any area forming part of any cantonment, aerodrome, fortress, arsenal, dockyard or camp or of any building or place in the occupation of the Government for defence purposes, of the Central Government; (iii) in any area falling within the area of supply of a licensee, of that licensee: Provided that except in a case falling under sub-clause (ii), no such consent shall be necessary if the State Government is satisfied that such consent has been unreasonably withheld.] (2) Where any difference or dispute arises as to whether any person is or is not engaging, or about to engage, in the business of supplying energy⁹⁹[to the public] within the meaning of sub-section (1), the matter shall be referred to the¹⁰⁰[State Government] and the decision of the¹⁰⁰[State Government] thereon shall be final. STATE AMENDMENTS Gujarat.-In the principal Act, after Sec. 28, the following section shall be inserted, namely: "28-A. Purchase price of undertaking of sanction-holder purchased according to sanction.-If any condition subject to which sanction is granted under sub-section (1) of Sec. 28 provides for purchase by the purchaser of the undertaking of the sanction-holder either any time before the expiry of the period of sanction or the termination of sanction or on such expiry or termination, then notwithstanding anything contained in such condition, or any agreement between the sanction-holder and the purchaser relating to such purchase, the purchase price of such undertaking and interest, if any, payable thereon shall be determined in accordance with the provisions of Sec. 7-A and sub-section (5-A) of Sec. 6.