

Bill Summary

The Electricity (Amendment) Bill, 2005

- The Electricity (Amendment) Bill, 2005 was introduced in the Lok Sabha on December 23, 2005 to amend the Electricity Act, 2003. The Bill was referred to the Parliamentary Standing Committee on Energy (Chairperson: Shri Gurudas Kamat), which was scheduled to submit its report on March 23, 2006.
- The Bill proposes to amend the Act by deleting the provision for 'elimination' of cross subsidies. It, however, retains the provision for reduction of cross subsidies. The provision was deleted taking into concern the fact that it might not be possible to eliminate cross subsidies in the near future.
- The Bill seeks to provide that both the Central Government and State Government would jointly attempt to supply electricity to all areas including villages and hamlets through rural electricity infrastructure and electrification of households. In the Act, the onus of rural electrification was solely on the State Government.
- The offences relating to theft of electricity, electric lines, and interference with meters are cognizable offences. There was concern that the Act stood as a barrier to investigation of these offences by the police. The Bill seeks to amend the section in the following manner:
 - It emphasizes that a person cannot be prosecuted for any offence punishable under the Act without the permission of the Central Government or Appropriate Commission or a Chief Electrical Inspector or an Electrical Inspector or licensee or the generating company. An Appropriate Commission could be the Central Regulatory Commission or State Regulatory Commission or Joint Commission.
 - It clarifies that the police have the power to investigate cognizable offences under the Act.
 - In order to facilitate speedy trials, it provides that a Special Court (the state government can constitute any number of Special Courts for such areas as may be specified, to facilitate speedy trials of offences) shall be competent to take cognizance of an offence without the accused being committed to it for trial.
- Finances
 - The Financial Memorandum of the Bill estimates that the Rajiv Gandhi Grameen Vidyutikaran Yojana (with an outlay of Rs 16,225 crore) would have a subsidy component of Rs 14,750 crore to be funded from the Consolidated Fund of India in two phases. Phase 1 of the scheme has begun from the financial year 2005-2006 with a sanction of Rs 5,000 crore of subsidy from the Consolidated Fund of India. No other expenditure, recurring and non recurring, from Consolidated Fund of India would be involved.

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