

## **KARNATAKA ELECTRICITY BOARD (RECOVERY OF DUES) ACT, 1976**

**51 of 1976**

[ ]

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STATEMENT OF OBJECTS AND REASONS [KARNATAKA ACT No. 51 OF 1976] Karnataka Gazette, Extraordinary, dated 14-8-1974 Under the existing law relating to the recovery of dues due to the Karnataka Electricity Board, Civil suits have to be filed by the Board within 3 years from the date of accrual of such dues. This procedure entails delay and also involves sizeable cost of litigation. There are at present no provisions for recovery of dues of more than 3 years. The Public Accounts Committee in its Report for the year 1966, suggested that the provisions of law relating to the conduct of affairs of the Board be examined and action taken for recovery of arrears due to the Board, as arrears of Land Revenue. It is, therefore, proposed to undertake legislation to enable the Electricity Board to recover the dues due to it from consumers as arrears of Land Revenue, which will help it to improve its finances. Hence the Bill.

### **1. Short title, extent and commencement :-**

(1) This Act may be called the Karnataka Electricity Board (Recovery of Dues) Act, 1976.

(2) It extends to the whole of the State of Karnataka.

(3) it shall come into force on such date as the State Government may, by notification appoint.

## **2. Definitions :-**

In this Act unless the context otherwise requires.

(1) "Board" means the Karnataka Electricity Board constituted under Section 5 of the Electricity (Supply) Act, 1948 (Central Act 54 of 1948);

(2) "Dues" means any sum payable to the Board on account of.

(i) consumption of electrical energy supplied; or

(ii) any remuneration, rent or other charges for hire, inspection, test, installation, connection, repairs, maintenance or removal of any electric meter, electric machinery, control gear, fittings, wires, or apparatus for lighting, heating, cooling or motive power or for any other purpose for which electricity can or may be used, or any industrial or agricultural machinery operated by electricity; or

(iii) price of any such goods as aforesaid taken on loan but not returned;

(3) "Debtor" means a person by whom any dues are payable;

(4) "Prescribed Authority" means any person authorised, whether by virtue of Office or otherwise by the State Government, by notification to perform the functions of the prescribed authority under this Act in and for such area, as may be specified in the notification.

## **3. Bills to state the date by which payments are to be made and consequences of non-payment :-**

(1) Every bill for dues payable to the Board by a debtor shall be in the prescribed form and shall specify conspicuously the date by which such dues are to be paid.

(2) If the dues are not paid by such date, the debtor shall be liable to pay in addition thereto such penalty, as may be prescribed, and such dues and penalty shall be recoverable along with the costs incurred in making such recovery, in the manner hereinafter laid

down in this Act.

#### **4. Notice of demand for dues and penalty not paid :-**

Where the dues are not paid by a debtor by the date specified in the bill therefor, the prescribed authority may at any time serve or cause to be served upon him a notice of demand in the prescribed form, stating the name of the debtor, the amount payable by him on account of the various dues, penalty and the costs of recovery.

Explanation. The sending of the notice by registered post shall be deemed to be sufficient service on the person concerned.

#### **5. Suit to challenge liability to payment :-**

Where a notice of demand has been served on, the debtor or his authorised agent under Section 4, he may, if he denies his liability to pay the dues, penalty or costs or any part of any of them, institute a suit within six months from the date of service of notice of demand, after depositing with the prescribed authority the aggregate amount specified in the notice of demand under protest in writing that he is not liable to pay the same. Subject to the result of such suit, the notice of demand shall be conclusive proof of the various dues, penalty and costs mentioned therein.

#### **6. Recovery of dues etc., if not paid :-**

(1) If the aggregate amount of the various dues, penalty and costs mentioned in the notice of demand served under Section 4 is not deposited with the prescribed authority within three months of the date of such service of such extended period as the prescribed authority may from time to time allow, the debtor shall be deemed to be in default in respect of such amount and the same shall be recoverable as an arrear of land revenue notwithstanding anything to the contrary contained in any other law or instrument or agreement.

(2) For the purpose of such recovery, the prescribed authority may forward to the Deputy Commissioner having jurisdiction a certificate under his signature in the prescribed form stating the amount and details of the demand and the name and description of the debtor in default and the Deputy Commissioner shall on receipt of such certificate, proceed to recover from the debtor the amount of the demand as if it were an arrear of land revenue.

#### **7. Power to make rules :-**

(1) The State Government may, by notification and subject to the condition of previous publication make rules for carrying into effect the purposes of this Act.

(2) Every rule made under this Act, shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is so laid or the sessions immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made. The rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under such rule.