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**Madhya Pradesh Upkar (Sanshodhan) Adhimiyam  
(Amendment), 2001**

**18 of 2001**

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[Received the assent of the Governor on the 17 th September 2001: assent first published in the Madhya Pradesh Gazette (Extraordinary) dated 17th September 2001 ] An Act further to amend the Madhya Pradesh Upkar Adhiniyam, 1981. Be it enacted by the Madhya Pradesh Legislature in the Fifty-Second Year of the Republic of India as follows:-

**1. Section 1 :-**

This Act may be called the Madhya Pradesh Upkar (Sanshodhan) Adhiniyam, 2001.

**2. Section 2 :-**

For section 3 of the Madhya Pradesh Upkar Adhiniyam 1981 (No. 1 of 1982 ) the following section shall be substituted, namely :-

3(1) Every distributor of electrical energy shall pay to the State Government at the prescribed time and in the prescribed manner an energy development cess at the rate of one paise per unit on the total units of electrical energy sold or supplied to a consumer or consumed by himself or his employees during any month.

Provided that no cess shall be payable in respect of electric energy -

(i) (a) sold or supplied to the Government of India for consumption by that Government; or

(b) sold or supplied to the Government of India or a railway company for consumption in the construction, maintenance or operation of any railway administered by the Government of India;

(ii) sold or supplied in bulk to a Rural Electric Cooperative Society registered under the Madhya Pradesh Cooperative Societies Act, 1960 (No. 17 of 1961);

Explanation -For the purpose of this sub-section month means such period as may be prescribed.

(2) Every producer producing electrical energy by his captive power unit or diesel generator set of capacity exceeding 10 Kilowatt in total shall pay to the State Government an energy development cess at the rate of 20 paise per unit on the total units of electrical energy produced whether for sale or supply to a consumer or for consumption by himself or his employees during any month.

Provided that no cess shall be payable in respect of electrical energy produced by -

(i) the Government of India for consumption by that Government.

(ii) the Government of India or a railway company for consumption in the construction, maintenance or operation of any railway administered by the Government of India.

(iii) the State Government for consumption by that Government.

(iv) a Rural Electric Cooperative Society registered under the Madhya Pradesh Cooperative Societies Act, 1960 (No. 17 of 1961).

(v) the Local bodies including Municipal bodies and Panchayats for consumption in public street lamp or lamps in any market place or water works or any other places of public resort maintained by such bodies.

Provided further that the amount of energy development cess shall be collected by the Madhya Pradesh State Electricity Board and the amount so collected shall be made available to the State Government.

(3) The proceeds of the cess under sub-section (1) and (2) shall first be credited to the Consolidated Fund of the State and the State Government may, at the commencement of each financial year, after due appropriation has been made by law, withdraw from the Consolidated Fund of the State an amount equivalent to the proceeds of cess realized by the State Government in the preceding financial year and shall place it to the credit of a separate fund to be called the Energy Development Fund and such credit to the said fund shall be an expenditure charged on the Consolidated Fund of the State Government of Madhya Pradesh.

(4) The amount in the credit of the funds shall, at the discretion of the State Government be utilized for -

(a) research and development in the field of energy including electrical energy as well as other conventional and non-conventional sources of energy;

( b ) improving the efficiency of generation, transmission, distribution and utilization of energy including reduction of losses in transmission and distribution;

(c) research in design, construction, maintenance, operation, and materials of the equipment used in the field of energy with a view to achieve optimum efficiency, continuity and safety;

(d) survey of energy sources including non-perennial sources to alleviate energy shortage;

(e) energy conservation programmes;

(f) extending such facilities and services to the consumers as may be deemed necessary;

(g) creation of a laboratory and testing facilities for testing of electrical appliances and equipments and other equipments used in the field of energy;

(h) programmes of training conducive to achieve any of the above objectives;

(i) transfer of technology in the field of Energy;

(j) any purpose connected with safety of electrical installations; and

(k) any other purposes connected with improvement of generation, transmission, distribution or utilization of electrical and other forms of energy, as the State Government may, by notification, specify.

Explanation- In this sub-section energy includes all conventional and non-conventional forms of energy.

(5) If any question arises as to whether the purpose for which the fund is being utilized is a purpose falling under sub-section (4) or not, the decision of the State Government thereon shall be final and conclusive.

### **3. Section 3 :-**

The Madhya Pradesh Upkar (Sansodhan) Adhyadesh, 2001 (No. 2 of 2001 ) is hereby replaced.