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DD(L.B.G.)-06/02/2018

Government Of Uttar Pradesh
Urja Anubhag-3
No.....236...../24-P-32018
Lucknow : Dated 05 February, 2018

Notification

1. On the basis of exemption in Electricity duty allowed under Para 3.4.2.9 of the Uttar Pradesh Industrial and Service Sector Policy-2004 to all new units for a period of 10 years and Para 4.5 to all units declared as Pioneer Units for a period of 15 years, Department of Energy by issuing notification No. 1765/24-3-2009-2000(124)/09, dated 21.01.2010 created a provision for exemption in electricity duty to all new Industrial and all units declared as Pioneer Units for a period of 10 years and 15 years respectively.

2. With respect to notification dated 21.01.2000 issued by Energy Department, Honorable High Court in writ petition No. 19842/2003 through order dated 07.11.2010 directed exemption in electricity duty to industrial units from the date of issuance of notification. Against above order in civil appeal No. 10446-10447/2017 and No. 10448-10449/2017 filed before the Honorable Supreme Court by M/S Gallant Ispat Limited, Gorakhpur and M/S Sarvottam Rolling Mills Pvt. Ltd respectively, Supreme Court passed order dated 11.08.2017 setting aside the order of Hon'ble High Court dated 07.11.2014. Relevant portion of the order passed by Honorable Supreme Court is as follows:-

".....The High Court has taken the view that the appellant would not be entitled to any benefit under the said notification. We cannot agree. While it is correct that the benefit of exemption is required to be made by the exercise of the statutory power under the Act, which came in the form of the notification dated 21.01.2010, what cannot escape our attention is the fact that the appellant's case before the High Court was that he has established his unit, inter alia, on the strength of the representation held out in the Industrial Policy which came to be given effect to by notification date 21.01.2010. There is no dispute on the said fact.

If that is so, the appellant on the basis of the basis of representation held out by the State would be entitled to the benefit of the said notification for the period for which exemption has been promised, commencing from the date of the notification. The benefit under the industrial policy of 2004 will become available to all eligible units not from the date of establishment of the unit but with effect from the date of issuance of the requisite notification under the Act which came to be issued on 21.01.2010...."

3. So, in view of Honorable Supreme Court Order dated 11.08.2017, Industrial units and Pioneer Units established before issuance of notification dated 21.01.2010 of energy department under U.P. Industrial and Service Sectors Policy 2004 and after enforcement of

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Industrial and Service Sectors Policy 2004 will be allowed benefits of 10 years and 15 years respectively from the date of notification i.e 21.01.2010 as per law.

4. The adjustment of electricity duty deposited against energy consumed by units established before issuance of notification dated 21.01.2010 and after enactment of Industrial and Service Sectors Policy 2004, will be done from the date of issuance of this notification.

5. The claims submitted by New and Pioneer Units w.e.f 21.01.2010 for electricity duty as per law will be adjusted from date of enactment of this notification and the time period for adjustment can be increased as per requirement.

6. If any units shut, it can avail reimbursement of electricity duty exemption from Director, Electricity Safety.

7. For Example:-

- i. Establishment date of new unit-01 April, 2007.
- ii. Period of Electricity Duty exemption from-21.01.2010 to 21.01.2020.
- iii. Date of enactment of present notification 05.02.2018.
- iv. From 21.01.2010 to 04.02.2018 (Till date of enactment of present notification) will be credited to beneficiary.
- v. Electricity Duty will be exempted from 05.02.2018 to 21.01.2020
- vi. After 21.01.2020 the credited amount will be adjusted against present Electricity Duty till the entire credited amount gets adjusted.

8. Industrial units will have to submit their claims in prescribed format to Director, Electricity Safety and units submitting claims to Director, Electricity Safety only will be allowed adjustment of exemption amount. Along with the claim, the Certificates of being New Unit and Pioneer Unit issued by competent authority duly verified by concerned officer authorized for electricity duty exemption shall have to be submitted.

9. Formats for submission of claim by industrial units and reimbursement to be given by department on it, are attached herewith.

By Order

Alok kumar
Principal Secretary