

GOVERNMENT OF KARNATAKA

Energy Department

NO. EN 171 EBS 2015

Karnataka Government Secretariat,
Vikasa Soudha,
Bangalore, dated: 02.05.2015.

NOTIFICATION

In exercise of the powers conferred by section 8 of Karnataka Electricity (Taxation on Consumption or Sale) Act, 1959, the Govt. of Karnataka as per the Karnataka Industrial Policy 2014-2019, hereby exempts electricity duty / tax on the Electricity units consumed from the Grid mains of the Supplier as well as the units generated and consumed from self generation for different category of MSMEs as mentioned below, subject to fulfilling all the requirements laid down under the Electricity Act, 2003, Indian Electricity Rules 1956 or any rules made thereunder, under the provisions of Electricity Act 2003 & Karnataka Electricity (Taxation on consumption or sale) Act & Rules 1959

a) Exemption from Tax on Electricity Tariff MSMEs: General Category

100% exemption of tax on electricity tariff is provided for the initial period of six years, five years, four years, seven years and six years in Zone 1, Zone 2, Zone 3, HK Zone 1 & HK Zone 2 respectively.

b) Exemption from Tax on Electricity Tariff MSMEs: SC /ST Entrepreneurs

100% exemption of tax on electricity tariff is provided for the initial period of seven years, six years, five years, four years, eight years and seven years in Zone 1, Zone 2, Zone 3, Zone 4, HK Zone 1 & HK Zone 2 respectively.

c) Exemption from Tax on Electricity Tariff MSMEs: Women Entrepreneurs

100% exemption of tax on electricity tariff is provided for the initial period of seven years, six years, five years, four years, eight years and seven years in Zone 1, Zone 2, Zone 3, Zone 4, HK Zone 1 & HK Zone 2 respectively.

d) Exemption from Tax on Electricity Tariff MSMEs: Minorities, Backward Classes (Category 1 & 2A only), Physically Challenged and EX-Servicemen Entrepreneurs

100% exemption of tax on electricity tariff is provided for the initial period of seven years, six years, five years, four years, eight years and seven years in Zone 1, Zone 2, Zone 3, Zone 4, HK Zone 1 & HK Zone 2 respectively.

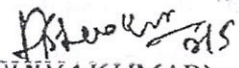
...2)

c) **Electricity Duty Exemption to Focused Manufacturing Sectors i.e. Automotive, Machine Tool (excluding Steel & Cement) Ultra Mega and Super Mega projects:**

Electricity duty exemption is provided for Ultra Mega and Super Mega projects for a period of Nine Years (09), Eight years (08) & Seven years (7) years in Zone 1, 2 & 3 of other than Hyderabad Karnataka Area respectively and Ten (10) & Nine (09) years in Zone 1 & 2 of Hyderabad Karnataka area respectively.

MSMEs shall obtain necessary certificate from the Department of Industries and Commerce for availing the above benefits.

BY ORDER AND IN THE NAME OF
THE GOVERNOR OF KARNATAKA


(N. SHIVAKUMAR)
Desk Officer,
Energy Department.

To:-

The Compiler, Karnataka Gazette, Government Press, Bangalore, with a request to publish this in the forthcoming Gazette, and to furnish 200 printed copies for reference, to the Government.

Copy to:-

1. The Accountant General, Karnataka, Bangalore.
2. The Chief Secretary to Government of Karnataka, Vidhana Soudha, Bangalore.
3. The Additional Chief Secretary, Commerce and Industries Department, Vikasa Soudha, Bangalore.
4. The Secretary, Ministry of Power, Government of India, New Delhi.
5. The Chairman, Central Electricity Regulatory Commission, New Delhi.
6. The Chairman, State Electricity Regulatory Commission, M.G.Road, Bangalore.
7. The Chairman, Central Electricity Authority, New Delhi.
8. The Principal Secretary to Hon'ble Chief Minister, Vidhana Soudha, Bangalore.
9. All the Principal Secretaries / Secretaries to Government, Bangalore.
10. The Chairman & Managing Director, Power Finance Corporation Limited, New Delhi.
11. The Chairman & Managing Director, Rural Electrification Corporation Limited, New Delhi.
12. The Chairman, Karnataka Power Transmission Corporation Limited, Kaveri Bhavan, Bangalore-09.
13. The Managing Director, Karnataka Power Transmission Corporation Limited, Kaveri Bhavan, Bangalore-09.
14. The Managing Director, Karnataka Power Corporation Limited, Shakthi Bhavan, Bangalore-1.
15. All Managing Directors of ESCOMs
16. The Chief Electrical Inspector to Government, No:32/1, Crescent Towers, 2nd Floor, Crescent Tower, Crescent Road, Bangalore.
17. The Development Commissioner, Industries and Commerce Department, Khanija Bhavana, Race Course Road, Bangalore.
18. P.S. to Minister for Energy, Vidhana Soudha, Bangalore.
19. P.S. to Addl. Chief Secretary to Government, Energy Dept., Vikasa Soudha, Bangalore.
20. P.A. to Deputy Secretary to Government, Energy Department, Vikasa Soudha, Bangalore.
21. Weekly Gazette / Section Guard File/Spare copies.