

THE ENERGY CONSERVATION ACT, 2001



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THE ENERGY CONSERVATION ACT, 2001

ACT NO. 52 OF 2001



[29th September, 2001.]

An Act to provide for efficient use of energy and its conservation and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the Energy Conservation Act, 2001.

(2) It extends to the whole of India ^{1***}.

(3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) “accredited energy auditor” means ³[an energy auditor accredited in accordance with the provisions of] clause (p) of sub-section (2) of section 13;

(b) “Appellate Tribunal” means the Appellate Tribunal for Energy Conservation ⁴[referred to in section 30];

⁵[(c) “building” means any structure or erection or part of structure or erection—

(i) constructed after the rules relating to energy conservation and sustainable building codes have been notified by the Central Government under clause (p) of section 14 and by the State Government under clause (a) of section 15;

(ii) which has a minimum connected load of 100 Kilowatt (kW) or contract demand of 120 Kilovolt Ampere (kVA); and

(iii) which is used or intended to be used for commercial purpose or as an office building or for residential purpose:

Provided that the State Government may specify a lower connected load or contract demand than the load or demand specified above;]]

(d) “Bureau” means the Bureau of Energy Efficiency established under sub-section (1) of section 3;

⁷[(da) “carbon credit certificate” means the certificate issued by the Central Government or any agency authorised by it under section 14AA;

(db) “carbon credit trading scheme” means the scheme for reduction of carbon emissions notified by the Central Government under clause (w) of section 14;]

(e) “Chairperson” means the Chairperson of the Governing Council;

1. The words “except the State of Jammu and Kashmir” omitted by Act 34 of 2019, s. 95 and the Fifth Schedule (w.e.f. 31-10-2019).

2. 28th June, 2012 (sections 31, 33, 44, 45), vide notification No. S. O. 1433(E), dated 28th June, 2012, see Gazette of India, Extraordinary, Part II, sec. 3(ii).

1st March, 2002 (sections 1 to 29 and 46 to 62), vide notification No. S.O. 268 (E), dated 1st March, 2002, see Gazette of India, Extraordinary, Part II, sec. 3(ii).

3. Subs. by Act 28 of 2010, s. 2, for “an auditor possessing qualifications specified under” (w.e.f. 24-8-2010).

4. Subs. by s. 2, *ibid.*, for “established under section 30” (w.e.f. 24-8-2010).

5. Subs. by s. 2, *ibid.*, for clause (c) (w.e.f. 24-8-2010).

6. Subs. by Act 19 of 2022, s. 2, for clause (c) (w.e.f. 1-1-2023).

7. Ins. by s. 2, *ibid.* (w.e.f. 1-1-2023).

(f) “designated agency” means any agency designated under clause (d) of section 15;

(g) “designated consumer” means any consumer specified under clause (e) of section 14;

¹[(h) “energy” means any form of energy derived from fossil fuels or non-fossil sources or renewable sources;]

(i) “energy audit” means the verification, monitoring and analysis of use of energy including submission of technical report containing recommendations for improving energy efficiency with cost benefit analysis and an action plan to reduce energy consumption;

²[(ia) “energy auditor” means any individual possessing the qualifications prescribed under clause (m) of section 14;]

³[(j) “energy conservation and sustainable building code” means the code which provides norms and standards for energy efficiency and its conservation, use of renewable energy and other green building requirements for a building;]

(k) “energy consumption standards” means the norms for process and energy consumption standards specified under clause (a) of section 14;

(l) “Energy Management Centre” means the Energy Management Centre set up under the Resolution of the Government of India in the erstwhile Ministry of Energy, Department of Power No. 7(2)/87- EP(Vol. IV), dated the 5th July, 1989 and registered under the Societies Registration Act, 1860 (21 of 1860);

(m) “energy manager” means any individual possessing the qualifications prescribed under clause (m) of section 14;

⁴[(ma) “energy savings certificate” means any energy savings certificate issued to the designated consumers under sub-section (I) of section 14A;

(maa) “equipment or appliance” means any equipment or appliance which consumes, generates, transmits or supplies energy and includes any device that consumes any form of energy and produces a desired work;]

(n) “Governing Council” means the Governing Council referred to in section 4;

(o) “member” means the member of the Governing Council and includes the Chairperson;

(p) “notification” means a notification in the Gazette of India or, as the case may be, the Official Gazette of a State;

(q) “prescribed” means prescribed by rules made under this Act;

⁵[(qa) “registered entity” means any entity, including designated consumers, registered for carbon credit trading scheme specified under clause (w) of section 14;]

(r) “regulations” means regulations made by the Bureau under this Act;

(s) “Schedule” means the Schedule to this Act;

(t) “State Commission” means the State Electricity Regulatory Commission established under sub-section (I) of section 17 of the Electricity Regulatory Commissions Act, 1998 (14 of 1998);

⁶[(ta) “vehicle” shall have the same meaning as assigned to it in clause (28) of section 2 of the Motor Vehicles Act, 1988 (59 of 1988);

(tb) “vessel” includes every description of water craft used or capable of being used in inland waters or in coastal waters, including any ship, boat, sailing vessel, tug, barge or other description of vessel including non-displacement craft, amphibious craft, wing-in-ground craft, ferry, roll-on-roll-off

1. Subs. by Act 19 of 2022, s. 2, for clause (h) (w.e.f. 1-1-2023).

2. Ins. by s. 2, *ibid.* (w.e.f. 1-1-2023).

3. Subs. by s. 2, *ibid.*, for clause (j) (w.e.f. 1-1-2023).

4. Ins. by Act 28 of 2010, s. 2 (w.e.f. 24-8-2010).

5. Ins. by Act 19 of 2022, s. 2, (w.e.f. 1-1-2023).

6. Ins. by s. 2, *ibid.* (w.e.f. 1-1-2023).

vessel, container vessel, tanker vessel, gas carrier or floating unit or dumb vessel used for transportation, storage or accommodation within or through inland waters and coastal waters;]

(u) words and expressions used and not defined in this Act but defined in the Indian Electricity Act, 1910 (9 of 1910) or the Electricity (Supply) Act, 1948 (54 of 1948) or the Electricity Regulatory Commissions Act, 1998 (14 of 1998) shall have the meanings respectively assigned to them in those Acts.

CHAPTER II

BUREAU OF ENERGY EFFICIENCY

3. Establishment and incorporation of Bureau of Energy Efficiency.—(1) With effect from such date¹ as the Central Government may, by notification, appoint, there shall be established, for the purposes of this Act, a Bureau to be called the Bureau of Energy Efficiency.

(2) The Bureau shall be a body corporate by the name aforesaid having perpetual succession and a common seal, with power subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued.

(3) The head office of the Bureau shall be at Delhi.

(4) The Bureau may establish offices at other places in India.

4. Management of Bureau.—(1) The general superintendence, direction and management of the affairs of the Bureau shall vest in the Governing Council which shall consist of not less than ²[thirty-one, but not exceeding thirty-seven], members to be appointed by the Central Government.

(2) The Governing Council shall consist of the following members, namely:—

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| (a) the Minister in charge of the Ministry or Department of the Central Government dealing with the Power | <i>ex officio</i> Chairperson; |
| (b) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Power | <i>ex officio</i> member; |
| (c) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Petroleum and Natural Gas | <i>ex officio</i> member; |
| (d) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Coal | <i>ex officio</i> member; |
| (e) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Non-conventional Energy Sources | <i>ex officio</i> member; |
| (f) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Atomic Energy | <i>ex officio</i> member; |
| (g) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Consumer Affairs | <i>ex officio</i> member; |
| ³ [(ga) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Environment, Forest and Climate Change | <i>ex officio</i> member; |

1. 1st March, 2002 *vide* notification No. S.O. 269(E), dated 1st March, 2002 *see* Gazette of India, Extraordinary, Part II, sec. 3(ii)

2. Subs. by Act 19 of 2022, s. 3, for “twenty, but not exceeding twenty-six” (w.e.f. 1-1-2023).

3. Ins. by s. 3, *ibid.* (w.e.f. 1-1-2023).

- (gb) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Housing and Urban Affairs *ex officio* member;
- (gc) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Road Transport and Highways *ex officio* member;
- (gd) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Steel *ex officio* member;
- (ge) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Civil Aviation *ex officio* member;
- (gf) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government dealing with the Ports, Shipping and Waterways *ex officio* member;
- (gg) Member of the Railway Board (in charge of Energy), Ministry of Railways *ex officio* member;]
- (h) Chairman of the Central Electricity Authority established under the Electricity (Supply) Act, 1948 (54 of 1948) *ex officio* member;
- (i) Director-General of the Central Power Research Institute registered under the Karnataka Societies Act, 1960 (Karnataka Act 17 of 1960) *ex officio* member;
- (j) Executive Director of the Petroleum Conservation Research Association, a society registered under the Societies Registration Act, 1860 (XXI of 1860) *ex officio* member;
- (k) Chairman-cum-Managing Director of the Central Mine Planning and Design Institute Limited, a company incorporated under the Companies Act, 1956 (1 of 1956) *ex officio* member;
- (l) Director-General of the Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986 (63 of 1986) *ex officio* member;
- (m) Director-General of the National Test House, Department of Supply, Ministry of Commerce and Industry, Kolkata *ex officio* member;
- ¹[(ma) Director-General of the National Productivity Council, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry *ex officio* member;]
- (n) Managing Director of the Indian Renewable Energy Development Agency Limited, a company incorporated under the Companies Act, 1956 (1 of 1956) *ex officio* member;
- ²[(o) one official each from the energy or power department of the five States from the five power regions, not below the rank of Principal Secretary to the State Government, to be appointed by the Central Government member;]

1. Ins. by Act 19 of 2022, s. 3, (w.e.f. 1-1-2023).

2. Subs. by s. 3, *ibid.*, for clause (o) (w.e.f. 1-1-2023).

¹[(p) such number of persons, not exceeding seven, as may be prescribed, to be appointed by the Central Government as members, from amongst persons who, in the opinion of the Central Government, are experts or capable of representing industry, equipment and appliance manufacturers, architects, institutes and consumers member;]

(q) such number of persons, not exceeding two as may be nominated by the Governing Council as members member;

(r) Director-General of Bureau *ex officio* member-secretary.

(3) The Governing Council may exercise all powers and do all acts and things which may be exercised or done by the Bureau.

(4) Every member referred to in clauses (o), (p) and (q) of sub-section (2) shall hold office for a term of three years from the date on which he enters upon his office.

(5) The fee and allowances to be paid to the members referred to in clauses (o), (p) and (q) of sub-section (2) and the manner of filling up of vacancies and the procedure to be followed in the discharge of their functions shall be such as may be prescribed.

5. Meetings of Governing Council.—(1) The Governing Council shall meet at such times and places, and shall observe such rules of procedure in regard to the transaction of business at its meetings (including quorum at such meetings) as may be provided by regulations.

(2) The Chairperson or, if for any reason, he is unable to attend a meeting of the Governing Council, any other member chosen by the members present from amongst themselves at the meeting shall preside at the meeting.

(3) All questions which come up before any meeting of the Governing Council shall be decided by a majority vote of the members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding, shall have a second or casting vote.

6. Vacancies, etc., not to invalidate proceedings of Bureau, Governing Council or Committee.—No act or proceeding of the Bureau or the Governing Council or any Committee shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Bureau or the Governing Council or the Committee; or

(b) any defect in the appointment of a person acting as a Director-General or Secretary of the Bureau or a member of the Governing Council or the Committee; or

(c) any irregularity in the procedure of the Bureau or the Governing Council or the Committee not affecting the merits of the case.

7. Removal of member from office.—The Central Government shall remove a member referred to in clauses (o), (p) and (q) of sub-section (2) of section 4 from office if he—

(a) is, or at any time has been, adjudicated as insolvent;

(b) is of unsound mind and stands so declared by a competent court;

(c) has been convicted of an offence which, in the opinion of the Central Government, involves a moral turpitude;

(d) has, in the opinion of the Central Government, so abused his position as to render his continuation in office detrimental to the public interest:

Provided that no member shall be removed under this clause unless he has been given a reasonable opportunity of being heard in the matter.

1. Subs. by Act 19 of 2022, s. 3, for clause (p) (w.e.f. 1-1-2023).

8. Constitution of Advisory Committees and other committees.—(1) Subject to any regulations made in this behalf, the Bureau shall, within six months from the date of commencement of this Act, constitute Advisory Committees for the efficient discharge of its functions.

(2) Each Advisory Committee shall consist of a Chairperson and such other members as may be determined by regulations.

(3) Without prejudice to the powers contained in sub-section (1), the Bureau may constitute, such number of technical committees of experts for the formulation of energy consumption standards or norms in respect of equipment or processes, as it considers necessary.

9. Director-General of Bureau.—(1) The Central Government shall, by notification, appoint a Director-General from amongst persons of ability and standing, having adequate knowledge and experience in dealing with the matters relating to energy production, supply and energy management, standardisation and efficient use of energy and its conservation.

(2) The Central Government shall, by notification, appoint any person not below the rank of Deputy Secretary to the Government of India as Secretary of the Bureau.

(3) The Director-General shall hold office for a term of ¹[five years] from the date on which he enters upon his office or until he attains the age of sixty years, whichever is earlier.

(4) The salary and allowances payable to the Director-General and other terms and conditions of his service and other terms and conditions of service of the Secretary of the Bureau shall be such as may be prescribed.

(5) Subject to general superintendence, direction and management of the affairs by the Governing Council, the Director-General of the Bureau shall be the Chief Executive Authority of the Bureau.

(6) The Director-General of the Bureau shall exercise and discharge such powers and duties of the Bureau as may be determined by regulations.

10. Officers and employees of Bureau.—(1) ²[The Bureau] may appoint such other officers and employees in the Bureau as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of service of officers and other employees of the Bureau appointed under sub-section (1) shall be such as may be prescribed.

11. Authentication of orders and decisions of Bureau.—All orders and decisions of the Bureau shall be authenticated by the signature of the Director-General or any other officer of the Bureau authorised by the Director-General in this behalf.

CHAPTER III

TRANSFER OF ASSETS, LIABILITIES, ETC., OF ENERGY MANAGEMENT CENTRE TO BUREAU

12. Transfer of assets, liabilities and employees of Energy Management Centre.—(1) On and from the date of establishment of the Bureau—

(a) any reference to the Energy Management Centre in any law other than this Act or in any contract or other instrument shall be deemed as a reference to the Bureau;

(b) all properties and assets, movable and immovable of, or belonging to, the Energy Management Centre shall vest in the Bureau;

(c) all the rights and liabilities of the Energy Management Centre shall be transferred to, and be the rights and liabilities of, the Bureau;

(d) without prejudice to the provisions of clause (c), all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Energy Management Centre immediately before that date, for or in connection with the purposes of the said Centre shall be deemed to have been incurred, entered into, or engaged to be done by, with or for, the Bureau;

1. Subs. by Act 28 of 2010 s. 3, for “three years” (w.e.f. 24-8-2010).

2. Subs. by s. 4, *ibid.*, for “The Central Government” (w.e.f. 24-8-2010).

(e) all sums of money due to the Energy Management Centre immediately before that date shall be deemed to be due to the Bureau;

(f) all suits and other legal proceedings instituted or which could have been instituted by or against the Energy Management Centre immediately before that date may be continued or may be instituted by or against the Bureau; and

(g) every employee holding any office under the Energy Management Centre immediately before that date shall hold his office in the Bureau by the same tenure and upon the same terms and conditions of service as respects remuneration, leave, provident fund, retirement or other terminal benefits as he would have held such office if the Bureau had not been established and shall continue to do so as an employee of the Bureau or until the expiry of six months from that date if such employee opts not to be the employee of the Bureau within such period.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947 (14 of 1947) or in any other law for the time being in force, the absorption of any employee by the Bureau in its regular service under this section shall not entitle such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.

CHAPTER IV

POWERS AND FUNCTIONS OF BUREAU

13. Powers and functions of Bureau.—(1) The Bureau shall, effectively co-ordinate with designated consumers, designated agencies and other agencies, recognise and utilise the existing resources and infrastructure, in performing the functions assigned to it by or under this Act.

(2) The Bureau may perform such functions and exercise such powers as may be assigned to it by or under this Act and in particular, such functions and powers include the function and power to—

(a) recommend to the Central Government the norms for processes and energy consumption standards required to be notified under clause (a) of section 14 ¹[and other standards required to be prescribed under other provisions of this Act];

²[(aa) recommend to the Central Government for issuing of the energy savings certificate under section 14A;]

(b) recommend to the Central Government the particulars required to be displayed on label on equipment or on appliances and manner of their display under clause (d) of section 14;

(c) recommend to the Central Government for notifying any user or class of users of energy as a designated consumer under clause (e) of section 14;

(d) take suitable steps to prescribe guidelines for ³[energy conservation and sustainable building codes] under clause (p) of section 14;

(e) take all measures necessary to create awareness and disseminate information for efficient use of energy and its conservation;

(f) arrange and organise training of personnel and specialists in the techniques for efficient use of energy and its conservation;

(g) strengthen consultancy services in the field of energy conservation;

(h) promote ⁴[or undertake] research and development in the field of energy conservation;

(i) develop testing and certification procedure and promote testing facilities for certification and testing for energy consumption of equipment and appliances;

(j) formulate and facilitate implementation of pilot projects and demonstration projects for promotion of efficient use of energy and its conservation;

(k) promote use of energy efficient processes, equipment, devices and systems;

(l) promote innovative financing of energy efficiency projects;

1. Ins. by Act 19 of 2022, s. 4, (w.e.f. 1-1-2023).

2. Ins. by Act 28 of 2010, s. 5 (w.e.f. 24-8-2010).

3. Subs. by Act 19 of 2022, s. 4, for “energy conservation building codes” (w.e.f. 1-1-2023).

4. Ins. by s. 4, *ibid.* (w.e.f. 1-1-2023).

- (m) give financial assistance to institutions for promoting efficient use of energy and its conservation;
- (n) levy fee, as may be determined by regulations, for services provided for promoting efficient use of energy and its conservation;
- (o) maintain a list of accredited energy auditors as may be specified by regulations;
- ¹[(p) specify, by regulations, the qualifications, criteria and conditions subject to which a person may be accredited as an energy auditor and the procedure for such accreditation;]
- (q) specify, by regulations, the manner and intervals of time in which the energy audit shall be conducted;
- (r) specify, by regulations, certification procedures for ²[energy auditors and energy managers] to be designated or appointed by designated consumers;
- (s) prepare educational curriculum on efficient use of energy and its conservation for educational institutions, boards, universities or autonomous bodies and coordinate with them for inclusion of such curriculum in their syllabus;
- ³[(sa) conduct examination for capacity building and strengthening of services in the field of energy conservation including certification of energy managers and energy auditors;]
- (t) implement international co-operation programmes relating to efficient use of energy and its conservation as may be assigned to it by the Central Government;
- ⁴[(ta) collaborate with any international institution or organisation or to obtain membership of bodies having similar objectives as that of the Bureau, in consultation with the Central Government;
- (tb) authorise any agency in the country or outside the country to carry out any of the functions of the Bureau, for such purposes, and subject to such terms and conditions, as may be specified by regulations;
- (tc) undertake, or authorise any other body which meets with such technical qualifications, as may be specified by regulations, to test samples for purposes other than those specified in section 14;
- (td) empanel technical experts to promote energy efficiency and carbon credit trading activities undertaken to meet the objectives of the Act;
- (te) recommend to the Central Government on the requirements to be specified in the carbon credit trading scheme to be notified under clause (w) of section 14;
- (tf) recommend minimum share of consumption of non-fossil sources by designated consumers as energy or feedstock;]
- (u) perform such other functions as may be prescribed.

⁵[**13A. Prohibition of use of deceptive name, etc.**—(1) No person shall, without previous permission of the Bureau, use any name which so nearly resembles the name of the Bureau as to deceive or likely to deceive the public.

(2) Notwithstanding anything contained in any other law for the time being in force, no registering authority shall register any company, firm or other body of persons which bears any name or mark resembling the name of the Bureau.]

CHAPTER V

POWER OF CENTRAL GOVERNMENT TO FACILITATE AND ENFORCE EFFICIENT USE OF ENERGY AND ITS CONSERVATION

14. Power of Central Government to enforce efficient use of energy and its conservation.—The Central Government may, by notification, in consultation with the Bureau,—

1. Subs. by Act 28 of 2010, s. 5, for clause (p) (w.e.f. 24-8-2010).

2. Subs. by s. 5, *ibid.*, for “energy managers” (w.e.f. 24-8-2010).

3. Ins. by s. 5, *ibid.* (w.e.f. 24-8-2010).

4. Ins. by Act 19 of 2022, s. 4 (w.e.f. 1-1-2023).

5. Ins. by s. 5, *ibid.* (w.e.f. 1-1-2023).

(a) specify the norms for processes and energy consumption standards for any equipment,¹[appliance, vehicle, vessel, industrial unit, building or establishment] which consumes, generates, transmits or supplies energy;

(b) specify equipment or appliance²[or vehicle, vessel, industrial unit, building or establishment] or class of equipments or appliances, as the case may be, for the purposes of this Act;

³[(c) prohibit manufacture or import of any equipment or appliance or vehicle or vessel specified under clause (b), unless it conforms to energy consumption standards specified under clause (a):

Provided that an industrial unit specified under clause (b) shall close its operations unless it conforms to the norms for processes or energy consumption standards specified under clause (a):

Provided further that from the date of notification of norms for processes and energy consumption standards under clause (a), no notification prohibiting such manufacture or import shall be issued—

(i) within a period of six months in the case of equipment or appliance or vehicle or vessel; and

(ii) within a period of two years for closure of industrial unit:

Provided also that the Central Government may, having regard to the market share and the technological development having impact on equipment or appliance or vehicle or vessel, and for reasons to be recorded in writing, extend the said period of six months referred to above, by a further period not exceeding six month;]

(d) direct display of such particulars on label on equipment or on appliance specified under clause (b) and in such manner as may be specified by regulations;

(e) specify, having regard to the intensity or quantity of energy consumed and the amount of investment required for switching over to energy efficient equipments and capacity of industry to invest in it and availability of the energy efficient machinery and equipment required by the industry,⁴[any user or class of users of energy in the energy intensive industries and other establishments as specified in the Schedule as a designated consumer] for the purposes of this Act;

(f) alter the list of Energy Intensive Industries⁵[and other establishments] specified in the Schedule;

(g) establish and prescribe such energy consumption norms and standards for designated consumers as it may consider necessary:

Provided that the Central Government may prescribe different norms and standards for different designated consumers having regard to such factors as may be prescribed;

(h) direct, having regard to quantity of energy consumed or the norms and standards of energy consumption specified under clause (a), the Energy Intensive Industries⁵[and other establishments] specified in the Schedule to get energy audit conducted by an accredited energy auditor in such manner and intervals of time as may be specified by regulations;

(i) direct, if considered necessary for efficient use of energy and its conservation, any designated consumer to get energy audit conducted by an accredited energy auditor;

(j) specify the matters to be included for the purposes of inspection under sub-section (2) of section 17;

(k) direct any designated consumer to furnish to the designated agency, in such form and manner and within such period, as may be prescribed, the information with regard to the energy consumed and action taken on the recommendation of the accredited energy auditor;

(l) direct any designated consumer to designate or appoint⁶[energy auditor or energy manager] in charge of activities for efficient use of energy and its conservation and submit a report, in the form

1. Subs. by Act 19 of 2022, s. 6, for “appliance” (w.e.f. 1-1-2023).

2. Ins. by s. 6, *ibid.* (w.e.f. 1-1-2023).

3. Subs. by s. 6, *ibid.*, for clause (c) (w.e.f. 1-1-2023).

4. Subs. by Act 28 of 2010, s. 6, for “any user or class of users of energy as a designated consumer” (w.e.f. 24-8-2010).

5. Ins. by Act 19 of 2022, s. 6, (w.e.f. 1-1-2023).

6. Subs. by s. 6, *ibid.*, for “energy manager” (w.e.f. 1-1-2023).

and manner as may be prescribed, on the status of energy consumption at the end of every financial year to the designated agency;

(m) prescribe minimum qualification for ¹[energy auditors and energy managers] to be designated or appointed under clause (l);

(n) direct every designated consumer to comply with energy consumption norms and standards;

(o) direct any designated consumer, who does not fulfil the energy consumption norms and standards prescribed under clause (g), to prepare a scheme for efficient use of energy and its conservation and implement such scheme keeping in view the economic viability of the investment in ²[such form, the time within which and the manner] as may be prescribed;

(p) prescribe ³[energy conservation and sustainable building codes] for efficient use of energy and its conservation in the building or building complex;

(q) amend the ³[energy conservation and sustainable building codes] to suit the regional and local climatic conditions;

(r) direct every owner or occupier of the building or building complex, being a designated consumer to comply with the provisions of ³[energy conservation and sustainable building codes] for efficient use of energy and its conservation;

(s) direct, any designated consumer referred to in clause (r), if considered necessary, for efficient use of energy and its conservation in his building to get energy audit conducted in respect of such building by an accredited energy auditor in such manner and intervals of time as may be specified by regulations;

(t) take all measures necessary to create awareness and disseminate information for efficient use of energy and its conservation;

(u) arrange and organise training of personnel and specialists in the techniques for efficient use of energy and its conservation;

(v) take steps to encourage preferential treatment for use of energy efficient equipment or appliances;

⁴[(w) specify the carbon credit trading scheme;

(x) specify minimum share of consumption of non-fossil sources by designated consumers as energy or feedstock, provided different share of consumption may be specified for different types of non-fossil sources for different designated consumers:]

Provided that the powers under clauses (p) to (s) shall be exercised in consultation with the concerned State.

⁵[14A. **6**[Issuance of energy savings certificate].—(1) The Central Government ⁷[or any agency authorised by it] may issue the energy savings certificate to the designated consumer whose energy consumption is less than the prescribed norms and standards in accordance with the procedure as may be prescribed.

(2) The designated consumer whose energy consumption is more than the prescribed norms and standards shall be entitled to purchase the energy savings certificate to comply with the prescribed norms and standards.

⁷[Provided that any other person may also purchase energy saving certificate or carbon credit certificate on voluntary basis.]

1. Subs. by Act 28 of 2010, s. 6, for “energy managers” (w.e.f. 24-8-2010).

2. Subs. by s. 6, *ibid.*, for “such form and manner” (w.e.f. 24-8-2010).

3. Subs. by Act 19 of 2022, s. 6, for “energy conservation building codes” (w.e.f. 1-1-2023).

4. Ins. by s. 6, *ibid.* (w.e.f. 1-1-2023).

5. Ins. by Act 28 of 2010, s. 7, (w.e.f. 24-8-2010).

6. Subs. Act 19 of 2022, s. 7, for the marginal heading “Power of Central Government to issue energy savings certificate” (w.e.f. 1-1-2023).

7. Ins. by s. 7, *ibid.* (w.e.f. 1-1-2023).

¹[**14AA. Issuance of carbon credit certificate.**—(1) The Central Government, or any agency authorised by it may issue carbon credit certificate to the registered entity which complies with the requirements of the carbon credit trading scheme.

(2) The registered entity shall be entitled to purchase or sell the carbon credit certificate in accordance with carbon credit trading scheme specified under clause (w) of section 14.]

14B. Power of Central Government to specify value of energy.—The Central Government may, in consultation with the Bureau, prescribe the value of per metric ton of oil equivalent of energy consumed for the purposes of this Act.]

CHAPTER VI

POWER OF STATE GOVERNMENT TO FACILITATE AND ENFORCE EFFICIENT USE OF ENERGY AND ITS CONSERVATION

15. Power of State Government to enforce certain provisions for efficient use of energy and its conservation.—The State Government may, by notification, in consultation with the Bureau—

(a) amend the ²[energy conservation and sustainable building codes] to suit the regional and local climatic conditions and may, by rules made by it, specify and notify ³[energy conservation and sustainable building codes] with respect to use of energy in the buildings ³[and implement the same through building bye-laws of the State];

(b) direct every owner or occupier of a building or building complex being a designated consumer to comply with the provisions of the ³[energy conservation and sustainable building codes];

(c) direct, if considered necessary for efficient use of energy and its conservation, any designated consumer referred to in clause (b) to get energy audit conducted by an accredited energy auditor in such manner and at such intervals of time as may be specified by regulations;

(d) designate any agency as designated agency to coordinate, regulate and enforce provisions of this Act within the State;

(e) take all measures necessary to create awareness and disseminate information for efficient use of energy and its conservation;

(f) arrange and organise training of personnel and specialists in the techniques for efficient use of energy and its conservation;

(g) take steps to encourage preferential treatment for use of energy efficient equipment or appliances;

(h) direct, any designated consumer to furnish to the designated agency, in such form and manner and within such period as may be specified by rules made by it, information with regard to the energy consumed by such consumer;

⁴[(ha) levy such fee as may be prescribed for the services rendered by the designated agency to promote efficient use of energy and its conservation under this Act;]

(i) specify the matters to be included for the purposes of inspection under sub-section (2) of section 17.

⁴[**15A. Budget of designated agency.**—The designated agency shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure and forward the same to the State Government, which shall include the same in the annual budget.]

1. Ins. by Act 19 of 2022, s. 8 (w.e.f. 1-1-2023).

2. Subs. by s. 9, *ibid.*, for “energy conservation building codes” (w.e.f. 1-1-2023).

3. Ins. by s. 9, *ibid.* (w.e.f. 1-1-2023).

4. Ins. by s. 10, *ibid.* (w.e.f. 1-1-2023).

¹[**16. Establishment of Fund by State Government.**— (1) There shall be constituted a Fund for the purposes of promotion of efficient use of energy and its conservation within the State to be called the State Energy Conservation Fund and there shall be credited thereto—

(a) all grants and loans that may be made by the State Government or the Central Government or any other organisation or individual for the purposes of this Act;

(b) all fees received by the State Government or the designated agency under this Act;

(c) all sums received by the State Government or the designated agency from such other sources as may be decided by the State Government.

(2) The Fund shall be utilised for meeting the expenses—

(a) of the designated agency in the discharge of its functions;

(b) for the objects and purposes authorised by or under this Act.

(3) The Fund created under sub-section (1) shall be administered by such person or authority and in such manner as may be prescribed by the rules made by the State Government.]

17. Power of inspection.—(1) The designated agency may appoint, after the expiry of five years from the date of commencement of this Act, as many inspecting officers as may be necessary for the purpose of ensuring compliance with energy consumption standards specified under clause (a) of section 14 or ensure display of particulars on label on equipment or appliance specified under clause (b) of section 14 or for the purpose of performing such other functions as may be assigned to them.

(2) Subject to any rules made under this Act, an inspecting officer shall have power to—

(a) inspect any operation carried on or in connection with the equipment or appliance specified under clause (b) of section 14 or in respect of which energy standards under clause (a) of section 14 have been specified;

(b) enter any place of designated consumer at which the energy is used for any activity and may require any proprietor, employee, director, manager or secretary or any other person who may be attending in any manner to or helping in, carrying on any activity with the help of energy—

(i) to afford him necessary facility to inspect—

(A) any equipment or appliance as he may require and which may be available at such place;

(B) any production process to ascertain the energy consumption norms and standards;

(ii) to make an inventory of stock of any equipment or appliance checked or verified by him;

(iii) to record the statement of any person which may be useful for, or relevant to, for efficient use of energy and its conservation under this Act.

(3) An inspecting officer may enter any place of designated consumer—

(a) where any activity with the help of energy is carried on; and

(b) where any equipment or appliance notified under clause (b) of section 14 has been kept,

during the hours at which such place is open for production or conduct of business connected therewith.

(4) An inspecting officer acting under this section shall, on no account, remove or cause to be removed from the place wherein he has entered, any equipment or appliance or books of account or other documents.

18. Power of Central Government or State Government to issue directions.—The Central Government or the State Government may, in the exercise of its powers and performance of its functions

1. Subs. by Act 19 of 2022, s. 11, for section 16 (w.e.f. 1-1-2023).

under this Act and for efficient use of energy and its conservation, issue such directions in writing as it deems fit for the purposes of this Act to any person, officer, authority or any designated consumer and such person, officer or authority or any designated consumer shall be bound to comply with such directions.

Explanation.—For the avoidance of doubts, it is hereby declared that the power to issue directions under this section includes the power to direct—

- (a) regulation of norms for process and energy consumption standards in any industry or building or building complex; or
- (b) regulation of the energy consumption standards for equipment and appliances.

CHAPTER VII

FINANCE, ACCOUNTS AND AUDIT OF BUREAU

19. Grants and loans by Central Government.—The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Bureau or to the State Governments grants and loans of such sums of money as the Central Government may consider necessary.

20. Establishment of Fund by Central Government.—(1) There shall be constituted a Fund to be called as the Central Energy Conservation Fund and there shall be credited thereto—

- (a) any grants and loans made to the Bureau by the Central Government under section 19;
 - (b) all fees received by the Bureau under this Act;
 - (c) all sums received by the Bureau from such other sources as may be decided upon by the Central Government.
- (2) The Fund shall be applied for meeting—
- (a) the salary, allowances and other remuneration of Director-General, Secretary, officers and other employees of the Bureau;
 - (b) expenses of the Bureau in the discharge of its functions under section 13;
 - (c) fee and allowances to be paid to the members of the Governing Council under sub-section (5) of section 4;
 - (d) expenses on objects and for purposes authorised by this Act.

21. Borrowing powers of Bureau.—(1) The Bureau may, with the consent of the Central Government or in accordance with the terms of any general or special authority given to it by the Central Government, borrow money from any source as it may deem fit for discharging all or any of its functions under this Act.

(2) The Central Government may guarantee, in such manner as it thinks fit, the repayment of the principal and the payment of interest thereon with respect to the loans borrowed by the Bureau under sub-section (1).

22. Budget.—The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Bureau and forward the same to the Central Government.

23. Annual report.—The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

24. Annual report to be laid before Parliament.—The Central Government shall cause the annual report referred to in section 23 to be laid, as soon as may be after it is received, before each House of Parliament.

25. Accounts and audit.—(1) The Bureau shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Bureau shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Bureau to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Bureau shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts, and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Bureau.

(4) The accounts of the Bureau as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

CHAPTER VIII

PENALTIES AND ADJUDICATION

¹[**26. Penalty.**—(1) If any person fails to comply with the provisions of clause (h) or clause (i) or clause (k) or clause (l) of section 14 or clause (c) or clause (h) of section 15, he shall be liable to a penalty which shall not exceed ten lakh rupees:

Provided that in the case of continuing failures, the person shall be liable to an additional penalty which may extend to ten thousand rupees for every day during which such failures continue.

(2) Notwithstanding anything contained in this Act or any other Act for the time being in force, if any person fails to comply with the provisions of clauses (c) and (d) of section 14, he shall in addition to the penalty of ten lakh rupees, be also liable to pay additional penalty which shall not exceed five thousand rupees per appliance or equipment in relation to which the non-compliance has occurred, but shall not be lower than two thousand rupees:

Provided that where such non-compliance relates to any industrial unit or vessel, he shall also be liable to an additional penalty which shall not exceed twice the price of every metric ton of oil equivalent consumed in excess of the prescribed norms:

Provided further that if the manufacturer of a vehicle fails to comply with the fuel consumption norms, he shall also be liable to pay an additional penalty per unit of vehicles sold in the corresponding year, as follows, namely:—

(i) twenty-five thousand rupees per vehicle for non-compliance of norms up to 0.2 litres per 100 kms;

(ii) fifty thousand rupees per vehicle for non-compliance of norms above 0.2 litres per 100 kms.

(3) If any person fails to comply with the directions issued under clauses (n) and (x) of section 14, he shall be liable to a penalty which shall not exceed ten lakh rupees for each such failure:

Provided that he shall also be liable to an additional penalty which shall not exceed twice the price of every metric ton of oil equivalent prescribed under this Act, which is in excess of the prescribed norms.

(4) If a person fails to comply with the provisions of sub-section (1) of section 13A or fails to provide any information under section 52, he shall be liable to a penalty which may extend to fifty thousand rupees on first such non-compliance or failure:

Provided that for every subsequent non-compliance or failure, he shall be liable to pay an additional penalty which shall not exceed ten thousand rupees per day of such non-compliance or failure.

(5) Any amount payable under this section, if not paid, may be recovered as if it were an arrear of land revenue.]

27. Power to adjudicate.—(1) For the purpose of adjudging under section 26, the State Commission shall appoint any of its members to be an adjudicating officer for holding an inquiry in such manner as

1. Subs. by Act 19 of 2022, s. 12, for section 26 (w.e.f. 1-1-2023).

may be prescribed by the Central Government, after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

(2) While holding an inquiry, the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject-matter of the inquiry, and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of any of the clauses of the sections specified in section 26, he may impose such penalty as he thinks fit in accordance with the provisions of any of those clauses of that section:

Provided that where a State Commission has not been established in a State, the Government of that State shall appoint any of its officer not below the rank equivalent to a Secretary dealing with legal affairs in that State to be an adjudicating officer for the purposes of this section and such officer shall cease to be an adjudicating officer immediately on the appointment of an adjudicating officer by the State Commission on its establishment in that State:

Provided further that where an adjudicating officer appointed by a State Government ceased to be an adjudicating officer, he shall transfer to the adjudicating officer appointed by the State Commission all matters being adjudicated by him and thereafter the adjudicating officer appointed by the State Commission shall adjudicate the penalties on such matters.

¹[**27A. Power of State Commission to make regulations.**—(1) The State Commission may, by notification, make regulations for discharging its functions under this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for—

(a) the manner of making application before the State Commission and the fee payable;

(b) any other matter which is to be, or may be, provided by regulations by the State Commission for the purposes of its function:

Provided that every regulation made by the State Commission under this section shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House.]

28. Factors to be taken into account by adjudicating officer.—While adjudicating the quantum of penalty under section 26, the adjudicating officer shall have due regard to the following factors, namely:—

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the repetitive nature of the default.

²[(c) the loss caused to a consumer and amount of compensation thereof.]

29. Civil court not to have jurisdiction.—No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which an adjudicating officer appointed under this Act or the Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

CHAPTER IX

APPELLATE TRIBUNAL FOR ENERGY CONSERVATION

³[**30. Appellate Tribunal.**—The Appellate Tribunal established under section 110 of the Electricity Act, 2003 (36 of 2003) shall, without prejudice to the provisions of the Electricity Act, 2003, be the Appellate Tribunal for the purposes of this Act and hear appeals against the orders of the adjudicating officer or the Central Government or the State Government or any other authority under this Act.]

1. Ins. by Act 19 of 2022, s. 13 (w.e.f. 1-1-2023).

2. Ins. by s. 14, *ibid.* (w.e.f. 1-1-2023).

3. Subs. by Act 28 of 2010, s. 9, for section 30 (w.e.f. 24-8-2010).

31. Appeal to Appellate Tribunal.—(1) Any person aggrieved, by an order made by an adjudicating officer or the Central Government or the State Government or any other authority under this Act, may prefer an appeal to the Appellate Tribunal for Energy Conservation:

Provided that any person, appealing against the order of the adjudicating officer levying any penalty, shall, while filing the appeal, deposit the amount of such penalty:

Provided further that where in any particular case, the Appellate Tribunal is of the opinion that the deposit of such penalty would cause undue hardship to such person, the Appellate Tribunal may dispense with such deposit subject to such conditions as it may deem fit to impose so as to safeguard the realisation of penalty.

(2) Every appeal under sub-section (1) shall be filed within a period of forty-five days from the date on which a copy of the order made by the adjudicating officer or the Central Government or the State Government or any other authority is received by the aggrieved person and it shall be in such form, verified in such manner and be accompanied by such fee as may be prescribed:

Provided that the Appellate Tribunal may entertain an appeal after the expiry of the said period of forty-five days if it is satisfied that there was sufficient cause for not filing it within that period.

(3) On receipt of an appeal under sub-section (1), the Appellate Tribunal may, after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against.

(4) The Appellate Tribunal shall send a copy of every order made by it to the parties to the appeal and to the concerned adjudicating officer or the Central Government or the State Government or any other authority.

(5) The appeal filed before the Appellate Tribunal under sub-section (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finally within one hundred and eighty days from the date of receipt of the appeal:

Provided that where an appeal could not be disposed of within the said period of one hundred and eighty days, the Appellate Tribunal shall record its reasons in writing for not disposing of the appeal within the said period.

(6) The Appellate Tribunal may, for the purpose of examining the legality, propriety or correctness of any order made by the adjudicating officer or the Central Government or the State Government or any other authority under this Act, as the case may be, in relation to any proceeding, on its own motion or otherwise, call for the records of such proceedings and make such order in the case as it thinks fit.

¹**[31A. Procedure and powers of Appellate Tribunal.**—The provisions of sections 120 to 123 (both inclusive) of the Electricity Act, 2003 (36 of 2003) shall, *mutatis mutandis*, apply to the Appellate Tribunal in the discharge of its functions under this Act as they apply to it in the discharge of its function under the Electricity Act, 2003.]

32. Composition of Appellate Tribunal. [Omitted by the Energy Conservation (Amendment) Act, 2010 (28 of 2010), s.11 (w.e.f. 24-8-2010)].

33. Qualifications for appointment of Chairperson and Members of Appellate Tribunal. [Omitted by s. 11, *ibid.* (w.e.f. 24-8-2010)].

34. Term of office. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

35. Terms and conditions of service. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

36. Vacancies. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

37. Resignation and removal. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

38. Member to act as Chairperson in certain circumstances. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

39. Staff of Appellate Tribunal. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

40. Procedure and powers of Appellate Tribunal. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

1. Ins. by Act 28 of 2010, s. 10 (w.e.f. 24-8-2010).

41. Distribution of business amongst Benches. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

42. Power of Chairperson to transfer cases. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

43. Decision to be by majority. [Omitted by s.11, *ibid.* (w.e.f. 24-8-2010)].

44. Right of appellant to take assistance of legal practitioner or accredited auditor and of Government to appoint presenting officers.—(1) A person preferring an appeal to the Appellate Tribunal under this Act may either appear in person or take the assistance of a legal practitioner or an accredited energy auditor of his choice to present his case before the Appellate Tribunal, as the case may be.

(2) The Central Government or the State Government may authorise one or more legal practitioners or any of its officers to act as presenting officers and every person so authorised may present the case with respect to any appeal before the Appellate Tribunal, as the case may be.

45. Appeal to Supreme Court.—Any person aggrieved by any decision or order of the Appellate Tribunal, may, file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Appellate Tribunal to him, on any one or more of the grounds specified in section 100 of the Code of Civil Procedure, 1908 (5 of 1908):

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

CHAPTER X

MISCELLANEOUS

46. Power of Central Government to issue directions to Bureau.—(1) Without prejudice to the foregoing provisions of this Act, the Bureau shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time:

Provided that the Bureau shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

47. Power of Central Government to supersede Bureau.—(1) If at any time the Central Government is of opinion—

(a) that on account of grave emergency, the Bureau is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or

(b) that the Bureau has persistently made default in complying with any direction issued by the Central Government under this Act or in discharge of the functions and duties imposed on it by or under the provisions of this Act and as a result of such default, the financial position of the Bureau had deteriorated or the administration of the Bureau had deteriorated; or

(c) that circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification, supersede the Bureau for such period, not exceeding six months, as may be specified in the notification.

(2) Upon the publication of a notification under sub-section (1) superseding the Bureau,—

(a) all the members referred to in clauses (o), (p) and (q) of sub-section (2) of section 4 shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Bureau, shall until the Bureau is reconstituted under sub-section (3), be exercised and discharged by such person or persons as the Central Government may direct; and

(c) all property owned or controlled by the Bureau shall, until the Bureau is reconstituted under sub-section (3), vest in the Central Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government may reconstitute the Bureau by a fresh appointment and in such case any person or persons who vacated their offices under clause (a) of sub-section (2), shall not be deemed disqualified for appointment:

Provided that the Central Government may, at any time, before the expiration of the period of supersession, take action under this sub-section.

(4) The Central Government shall cause a notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before each House of Parliament at the earliest.

48. Default by companies.—(1) Where a company makes a default in complying with the provisions of clause (c) or clause (d) or clause (h) or clause (i) or clause (k) or clause (l) or clause (n) or clause (r) or clause (s) of section 14 or clause (b) or clause (c) or clause (h) of section 15, every person who at the time of such contravention was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to have acted in contravention of the said provisions and shall be liable to be proceeded against and imposed penalty under section 26 accordingly:

Provided that nothing contained in this sub-section shall render any such person liable for penalty provided in this Act if he proves that the contravention of the aforesaid provisions was committed without his knowledge or that he exercised all due diligence to prevent the contravention of the aforesaid provision.

(2) Notwithstanding anything contained in sub-section (1), where any contravention of the provisions of clause (c) or clause (d) or clause (h) or clause (i) or clause (k) or clause (l) or clause (n) or clause (r) or clause (s) of section 14 or clause (b) or clause (c) or clause (h) of section 15 has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to have contravened the said provisions and shall be liable to be proceeded for imposition of penalty accordingly.

Explanation.—For the purposes of this section, “company” means a body corporate and includes a firm or other association of individuals.

49. Exemption from tax on income.—Notwithstanding anything contained in the Income-tax Act, 1961 (43 of 1961) or any other enactment for the time being in force relating to tax on income, profits or gains—

(a) the Bureau;

(b) the existing Energy Management Centre from the date of its constitution to the date of establishment of the Bureau,

shall not be liable to pay any income-tax or any tax in respect of their income, profits or gains derived.

50. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Central Government or Director-General or Secretary or State Government or any officer of those Governments or State Commission or its members or any member or officer or other employee of the Bureau for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

51. Delegation.—The Bureau may, by general or special order in writing, delegate to any member, member of the committee, officer of the Bureau or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 58) as it may deem necessary.

52. Power to obtain information.—Every designated consumer or manufacturer of equipment or appliance ¹[or any other person or entity covered under this Act shall furnish to the Bureau such information, documents or records relating to energy consumption, and such samples] of any material or substance used in relation to any equipment or appliance, as the Bureau may require.

1. Subs. by Act 19 of 2022, s. 15, for the words, brackets, letter and figures “specified under clause (b) of section 14 shall supply the Bureau with such information, and with such samples” (w.e.f. 1-1-2023).

53. Power to exempt.—If the Central Government or the State Government is of the opinion that it is necessary or expedient so to do in the public interest, it may, by notification and subject to such conditions as may be specified in the notification, exempt any designated consumer or class of designated consumers from application of all or any of the provisions of this Act:

Provided that the Central Government or the State Government, as the case may be, shall not grant exemption to any designated consumer or class of designated consumers for a period exceeding five years:

Provided further that the Central Government or the State Government, as the case may be, shall consult the Bureau of Energy Efficiency before granting such exemption.

54. Chairperson, Members, officers and employees of the Appellate Tribunal, Members of State Commission, Director-General, Secretary, members, officers and employees of the Bureau to be public servants.—The ^{1***} members, Director-General, Secretary, officers and other employees of the Bureau shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

55. Power of Central Government to issue directions.—The Central Government may give directions to a State Government or the Bureau as to carrying out into execution of this Act in the State.

56. Power of Central Government to make rules.—(1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) such number of persons to be appointed as members by the Central Government under clauses (o), (p) and (q) of sub-section (2) of section 4;

(b) the fee and allowances to be paid to the members under sub-section (5) of section 4;

(c) the salary and allowances payable to the Director-General and other terms and conditions of his service and other terms and conditions of service of the Secretary of the Bureau under sub-section (4) of section 9;

(d) the terms and conditions of service of officers and other employees of the Bureau under sub-section (2) of section 10;

(e) performing such other functions by the Bureau, as may be prescribed, under clause (u) of sub-section (2) of section 13;

(f) the energy consumption norms and standards for designated consumers under clause (g) of section 14;

(g) prescribing the different norms and standards for different designated consumers under the proviso to clause (g) of section 14;

(h) the form and manner and the time within which information with regard to energy consumed and the action taken on the recommendations of the accredited energy auditor be furnished under clause (k) of section 14;

(i) the form and manner in which the status of energy consumption be submitted under clause (i) of section 14;

(j) the minimum qualifications for ²[energy auditors and energy managers] under clause (m) of section 14;

(k) the form and manner for preparation of scheme and its implementation under clause (o) of section 14;

(l) the ³[energy conservation and sustainable building codes] under clause (p) of section 14;

1. Certain words omitted by Act of 28 of 2010, s. 12 (w.e.f. 24-8-2010).

2. Subs. by s. 13, *ibid.*, for “energy managers” (w.e.f. 24-8-2010).

3. Subs. by Act 19 of 2022, s. 16, for “energy conservation building codes” (w.e.f. 1-1-2023).

¹[(*la*) prescribing the procedure for issuing the energy savings certificate under sub-section (*l*) of section 14A;

(*laa*) the value of per metric ton of oil equivalent of energy consumed under section 14B;]

(*m*) the matters relating to inspection under sub-section (2) of section 17;

(*n*) the form in which, and the time at which, the Bureau shall prepare its budget under section 22;

(*o*) the form in which, and the time at which, the Bureau shall prepare its annual report under section 23;

(*p*) the form in which the accounts of the Bureau shall be maintained under section 25;

(*q*) the manner of holding inquiry under sub-section (*l*) of section 27;

(*r*) the form and fee for filing appeal under sub-section (2) of section 31;

2* * * *

(*v*) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, or may be made, by rules.

57. Power of State Government to make rules.—(*1*) The State Government may, by notification, make rules for carrying out the provisions of this Act and not inconsistent with the rules, if any, made by the Central Government.

(2) In particular, and without prejudice to the generality of the foregoing, power, such rules may provide for all or any of the following matters, namely:—

(*a*) ³[energy conservation and sustainable building codes] under clause (*a*) of section 15;

(*b*) the form, the manner and the period within which information with regard to energy consumption shall be furnished under clause (*h*) of section 15;

⁴[(*ba*) the fee to be levied for the services rendered by the designated agency for promoting efficient use of energy and its conservation under clause (*ha*) of section 15;

(*bb*) the form in which and the time at which, the budget of the designated agency shall be prepared under section 15A;]

(*c*) the person or any authority who shall administer the Fund and the manner in which the Fund shall be administered under sub-⁵[section (3)] of section 16;

(*d*) the matters to be included for the purposes of inspection under sub-section (2) of section 17;

(*e*) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, or may be made, by rules.

58. Power of Bureau to make regulations.—(*1*) The Bureau may, with the previous approval of the Central Government and subject to the condition of previous publication, by notification, make regulations not inconsistent with the provisions of this Act and the rules made thereunder to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(*a*) the times and places of the meetings of the Governing Council and the procedure to be followed at such meetings under sub-section (*l*) of section 5;

(*b*) the members of advisory committees constituted under sub-section (2) of section 8;

(*c*) the powers and duties that may be exercised and discharged by the Director-General of the Bureau under sub-section (6) of section 9;

1. Ins. by Act 28 of 2010, s. 13, (w.e.f. 24-8-2010).

2. Cls. (*s*), (*t*) and (*u*) omitted by s. 13, *ibid.* (w.e.f. 24-8-2010).

3. Subs. by Act 19 of 2022, s. 17, for “energy conservation building codes” (w.e.f. 1-1-2023).

4. Ins. by s. 17, *ibid.* (w.e.f. 1-1-2023).

5. Subs. by s. 17, *ibid.*, for “section (4)” (w.e.f. 1-1-2023).

(d) the levy of fee for services provided for promoting efficient use of energy and its conservation under clause (n) of sub-section (2) of section 13;

(e) the list of accredited energy auditors under clause (o) of sub-section (2) of section 13;

¹[(f) the qualifications, criteria and conditions subject to which a person may be accredited as an energy auditor and the procedure for such accreditation under clause (p) of sub-section (2) of section 13;]

(g) the manner and the intervals of time in which the energy audit shall be conducted under clause (q) of sub-section (2) of section 13;

(h) certification procedure for ²[energy auditors and energy managers] under clause (r) of sub-section (2) of section 13;

³[(ha) the purposes, and the terms and conditions subject to which, an agency may be authorised to carry out the functions of the Bureau under clause (tb) of sub-section (2) of section 13;

(hb) the technical qualification to test samples under clause (tc) of sub-section (2) of section 13;]

(i) particulars required to be displayed on label and the manner of their display under clause (d) of section 14;

(j) the manner and the intervals of time for conduct of energy audit under clause (h) or clause (s) of section 14;

(k) the manner and the intervals of time for conducting energy audit by an accredited energy auditor under clause (c) of section 15;

(l) any other matter which is required to be, or may be, specified.

59. Rules and regulations to be laid before Parliament and State Legislature.—(1) Every rule made by the Central Government and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament 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 immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation, or both Houses agree that the rule or regulation should not be made, the rule or regulation 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 that rule or regulation.

(2) Every rule made by the State Government shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House.

60. Application of other laws not barred.—The provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force.

61. Provisions of Act not to apply in certain cases.—The provisions of this Act shall not apply to the Ministry or Department of the Central Government dealing with Defence, Atomic Energy or such other similar Ministries or Departments or undertakings or Boards or institutions under the control of such Ministries or Departments as may be notified by the Central Government.

62. Power to remove difficulty.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of two years from the date of the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

1. Subs. by Act 28 of 2010, s. 14, for clause (f) (w.e.f. 24-8-2010).

2. Subs. by s. 14, *ibid.*, for “energy managers” (w.e.f. 24-8-2010).

3. Ins. by Act 19 of 2022, s. 18 (w.e.f. 1-1-2023).

THE SCHEDULE

[See section 2(s)]



LIST OF ENERGY INTENSIVE INDUSTRIES AND OTHER ESTABLISHMENTS ^{1***}

1. Aluminium;
2. Fertilizers;
3. Iron and Steel;
4. Cement;
5. Pulp and paper;
6. Chlor Alkali;

²[7. Sugar-Units of sugar plants or establishment those are under production of sugar and its variants such as white sugar, brown sugar and liquid sugar;]

8. Textile;

³[9. Chemical-Units of such chemical plants or establishments those are under production of chemicals with following sub-categories:

- (i) Alkali Chemical (Soda Ash, Potassium Hydroxide);
- (ii) Inorganic Chemicals;
- (iii) Organic Chemicals;
- (iv) Pesticides (Technical);
- (v) Dyes and Pigments; and
- (vi) Pharmaceuticals [Active Pharmaceutical Ingredients (API).]

10. Railways;

11. Port Trust;

12. Transport Sector (industries and services);

13. Petrochemical, Gas Crackers, Naphtha Crackers and Petroleum Refineries;

14. Thermal power stations, hydel power stations, electricity transmission companies and distribution companies;

15. Commercial buildings or establishments.

⁴[16. Ceramic- Units of such ceramic plants or establishments those are under production of vitrified tiles, floor tile, wall tiles and sanitary ware etc., including all variants such as stoneware, porcelain and fire bricks.

17. Glass- Units of such glass plants or establishments those are under production of glass and it's finished products.

18. Zinc- Units of such zinc plants or establishments those are under production of zinc and it's finished products.

19. Copper- Units of such copper plants or establishments those are under production of copper and it's finished products.

20. Mines including exploration-Units of such mines those are involved in surface, underground or other category of mining of minerals as well as exploration of oil and natural gas.]

1. The words "specified as designated consumers" omitted by Act 28 of 2010, s. 15 (w.e.f. 24-8-2010).

2. Subs. by notification No. S.O. 09(E), dated 3-1-2022.

3. Subs. by notification No. S.O. 09(E), dated 3-1-2022.

4. Ins. by notification No. S.O. 09(E), dated 3-1-2022.