

Ministry of Power appoints the date for enforcement of the provisions of the Jan Vishwas (Amendment of Provisions) Act, 2026, relating to the Electricity Act, 2003

The Ministry of Power (“**MoP**”), by its notification dated May 18, 2026, has appointed June 1, 2026 as the date on which the provisions of the Jan Vishwas (Amendment of Provisions) Act, 2026 (“**Jan Vishwas Act**”) relating to Serial Number 58 in the Schedule to the Jan Vishwas Act (“**Serial Number 58**”) and entries related thereto, have come into force. Accordingly, certain provisions of the Electricity Act, 2003 (“**Electricity Act**”) stand amended.

On May 20, 2026, the MoP had issued a letter requesting all States Governments, State and Joint Electricity Regulatory Commissions, and State Government-owned distribution licensees/generating companies, to take necessary steps to ensure compliance with the provisions of the Jan Vishwas Act. The MoP has also directed such entities to raise awareness among stakeholders and the general public regarding the decriminalisation of offences.

Background

On April 8, 2026, the Ministry of Law and Justice, Government of India, notified the Jan Vishwas Act, which amends various Central Acts to decriminalise and rationalise offences thereunder. The objective of the Jan Vishwas Act is to promote trust-based governance and improve ease of living and doing business.

Section 1(2) of the Jan Vishwas Act empowers the Central Government to appoint the dates on which amendments relating to different enactments will come into force. Accordingly, on May 18, 2026, the MoP issued a notification in exercise of its powers under Section 1(2), appointing June 1, 2026 as the date on which the provisions relating to Serial Number 58 and the entries related thereto, pertaining to the Electricity Act, came into force and are now in effect.

Key amendments

Some of the key amendments introduced to the Electricity Act under Serial Number 58 include as follows:

1. the penalty prescribed under Section 139 of the Electricity Act, for negligently breaking or damaging works, has been revised from a fine of up to INR 10,000 (Indian Rupees ten thousand), to a minimum fine of INR 5,000 (Indian Rupees five thousand), extendable up to INR 1,00,000 (Indian Rupees one lakh), which may only be imposed by an officer duly authorised by the appropriate Government.

A minimum penalty of INR 5,000 (Indian Rupees five thousand) is leviable in case of a second or subsequent offence, which may extend up to INR 1,00,000 (Indian Rupees one lakh);

2. the penalty prescribed under Section 140 of the Electricity Act, for intentionally injuring works, has been revised from a fine of up to INR 10,000 (Indian Rupees ten thousand) to a minimum fine of INR 5,000 (Indian Rupees five thousand), extendable up to INR 1,00,000 (Indian Rupees one lakh);
3. Section 141 of the Electricity Act, which prescribed a fine of INR 2,000 (Indian Rupees two thousand) for maliciously extinguishing any public lamp, has been omitted from the Electricity Act;
4. Section 142 of the Electricity Act has been amended as follows:
 - a) the marginal heading has been revised from 'Punishment for non-compliance of directions by the Appropriate Commission' to 'Penalty by Appropriate Commission for non-compliance of order or direction'. While the provision previously empowered the appropriate commission to impose penalties for the contravention of its directions, it now authorises the appropriate commission to impose penalties for the contravention of any orders or directions issued under the Electricity Act;
 - b) the penalty for contravention of any provision of the Electricity Act, or any rules, regulations, orders or directions issued thereunder, has been revised from a fine of up to INR 1,00,000 (Indian Rupees one lakh), to a minimum fine of INR 10,000 (Indian Rupees ten thousand), extendable up to INR 5,00,000 (Indian Rupees five lakh); and
 - c) the additional penalty of INR 6,000 (Indian Rupees six thousand) per day for a continuing offence has now been revised to a minimum fine of INR 1,000 (Indian Rupees one thousand), extendable up to INR 10,000 (Indian Rupees ten thousand), for each day of continued contravention;
5. Section 146 of the Electricity Act previously prescribed imprisonment for a term of up to 3 (three) months, a fine of up to INR 1,00,000 (Indian Rupees one lakh), or both, for non-compliance with orders or directions issued under the Electricity Act within the prescribed time period. The penalty for the same has now been revised to a minimum fine of INR 10,000 (Indian Rupees ten thousand), extendable up to INR 10,00,000 (Indian Rupees ten lakh).
The additional penalty for each day of continued non-compliance has been revised from a fine of up to INR 5,000 (Indian Rupees five thousand), to a minimum fine of INR 1,000 (Indian Rupees one thousand), extendable up to INR 50,000 (Indian Rupees fifty thousand).
6. Section 152 of the Electricity Act has been amended as follows:
 - a) offences under Section 138 of the Electricity Act, for interference with meters or works of licensees, and Section 140 of the Electricity Act, for intentionally injuring works, have been made compoundable at the rate of INR 10,000 per kilowatt/horsepower or part thereof for low tension supply, and per kilovolt-ampere of contracted demand for high tension supply; and
 - b) acceptance of the sum of money for compounding an offence is now deemed to amount to an acquittal within the meaning of Section 278 of the Bharatiya Nagarik Suraksha Sanhita, 2023, instead of Section 300 of the Code of Criminal Procedure, 1973.

Conclusion

The above amendments mark a significant shift in the regulatory compliance landscape. The transition from criminal prosecution to monetary penalties for various offences reflects the legislative philosophy of trust-based governance and improving the ease of doing business. However, enhanced penalty ceilings and the introduction of minimum fines indicate that the decriminalisation of offences is a recalibration rather than a relaxation in enforcement.

Entities across the power sector, including generators, licensees, and other utilities, may wish to review their existing compliance and risk management systems in light of the amendments. The expanded scope of Section 142 of the Electricity Act, which now covers the contravention of any order or direction under the Electricity Act, along with the revised penalty structure under Section 146 of the Electricity Act, considerably expands risk exposure for regulated entities. While the elimination of imprisonment as a punishment may ease operational anxieties, the prospect of

heavier fines paired with additional penalties for continued non-compliance, calls for the introduction of robust internal governance mechanisms. Overall, the amendments are likely to expedite enforcement proceedings, while raising the financial stakes for non-compliance.

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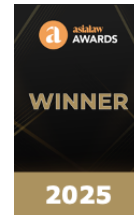
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