

THE ELECTRICITY OMBUDSMAN, UTTARAKHAND

M/s Galwalia Ispat Udhyog Pvt. Ltd.
Narain Nagar Industrial Estate,
Bazpur Road, Kashipur,
Distt. Udham Singh Nagar, Uttarakhand

Vs

Executive Engineer,
Electricity Distribution Division,
Uttarakhand Power Corporation Ltd.
Kashipur, Distt. Udham Singh Nagar , Uttarakhand

Representation No. 11/2019

Order

Date: - 07.05.2019

The petitioner, M/s Galwalia Ispat Udyog Pvt. Ltd. aggrieved with the order dated 18.02.2019 of the Consumer Grievance Redressal Forum, Kumaon zone (hereinafter referred to as Forum) has filed this petition for amendment in the LPS charged to him which petitioner maintains is not in accordance with the tariff order and therefore the amount of Rs. 5,91,680.00 calculated by UPCL needs to be changed to Rs. 4,57,156.52 as per calculation sheet submitted along with petition. Petitioner is therefore of the view that the Forum have erred in allowing UPCL to charge LPS for the whole month and therefore have requested for correction in the order of the Forum since the portion of the order pertaining to admissibility of LPS is bad in Law.

2. Forum, in their order, have detailed out the four grievances that petitioner had approached the Forum for redressal of. Apart from adjustment of tariff on open access power drawn by the petitioner not being provided in full by the opposite party UPCL, and for this reason LPS being charged where no amount would have been due had appropriate adjustment been provided in time, wrongful charging of FCA (Fuel Cost Adjustment) to the consumer, and finally interest payable on security amount not having been provided, have been listed out. Forum through long drawn out discussion and calculations have on 08.02.2019 concluded that on three of these four points both parties have agreed that no further dispute remains. On the security amount of Rs.

6,53,098.00 interest for the month of October 2014 comes to Rs. 1,32,588.00 which has not been adjusted by the opposite party and they accepted that this amount is payable to the petitioner; as far as Rs. 62,095.00 having been incorporated in the bill a second time, opposite party accepted that this is not payable to them. The Forum accordingly allowed the complaint partly while disallowing complainant's objection on the amount of LPS charged by the opposite party as the same has been worked out in accordance with the tariff provisions.

3. Respondent, in their written statement have responded to petitioner's statement that LPS for 18 months amounting to Rs. 5,91,680.00 has been charged by quoting from the tariff and stating that as per Tariff provisions LPS is chargeable for the whole month in case of delayed payment. They have agreed with the example given by the petitioner in his petition para 8. However, they have disputed petitioner's reading of the tariff order in para 9 and reiterated that in the event of delayed payment beyond the grace period, LPS will be charged for the whole month and have also quoted the example given in the Tariff. Respondent have stated that the Forum have very clearly dismissed petitioner's argument that LPS is not chargeable for the whole month but for the relevant days by which payment has been delayed and they have stated that the LPS charged by the respondent is in accordance with Tariff provisions and there is no cause for any amendment thereto.
4. Petitioner has, in his rejoinder, reiterated his statements in the petition. Petitioner has again stated that imposition of surcharge by the respondent is against law and is not even consistent with tariff order as stated by the respondent. Petitioner has argued that the example quoted in the tariff is an illustration to represent the rate at which LPS is to be charged but the amount payable will depend not only on the rate but also the number of days. Petitioner reasoning is that LPS cannot be charged for period after the date on which payment has been made simply because as per respondent LPS is chargeable for one full month even when the delay in payment is only a few days.
5. Both parties have been heard and the record available has been perused. All other elements of the dispute of the petitioner have already been addressed in the order of the Forum and now the only dispute that remains is whether LPS of Rs. 5,91,680.00 is chargeable as maintained by respondent or Rs. 4,57,156.52, as argued by petitioner.

In this matter the provisions of the tariff of years 2010-11 to 2017-18 are applicable. The provision (which has remained same from 2010-11 to 2017-2018) is extracted below:

“Delayed Payment Surcharge (DPS) (for all categories except PTW)

In the event of electricity bill rendered by licensee, not being paid in full within 15 days’ grace period after due date, a surcharge of 1.25% on the principal amount of the bill which has not been paid, shall be levied from the original due date for each successive month or part thereof until the payment is made in full without prejudice to the right of the licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. The licensee shall clearly indicate in the bill itself the total amount, including DPS, payable for different dates after the due date, after allowing for the grace period of 15 days, taking month as the unit as shown exemplified below:”

Amount payable by Due date	Rs. 100/-	
Due date	1 st May 2016	
	<u>Amount payable</u>	
On or before	After	After
16 th May 2016	16 th May 2016	1 st June 2016
Rs. 100/-	Rs. 101.25	Rs. 102.50

6. It is clear therefore that tariff provides for LPS in case payment is delayed beyond the grace period. The rate at which LPS will be charged will be the same for any period in excess of the due date up to one month at which time a similar amount will become chargeable again. Forum order regarding imposition of LPS is unambiguous and is consistent with provisions of tariff. There is no cause to interfere with the same. Petition is dismissed. Forum order is upheld.

Dated: 07.05.2019

(Vibha Puri Das)
Ombudsman