

THE ELECTRICITY OMBUDSMAN, UTTARAKHAND

M/s Uttaranchal Iron and Ispat
Plot no. 3-4, UPSIDC Industrial Area,
Jasodharpur, Kotdwara,
Distt. Pauri Garhwal, Uttarakhand.

Vs

Executive Engineer,
Electricity Distribution Division,
Uttarakhand Power Corporation Ltd.
Kotdwara, Distt. Pauri Garhwal, Uttarakhand

Representation No. 02/2019

Order

Date: - 26.03.2019

The petitioner, M/s Uttaranchal Iron and Steel ISPAT (through Shri Avnish Kumar Agarwal S/o Shri Suraj Prakash Agarwal) aggrieved by the order dated 10.12.2018 of the Consumer Grievance Redressal Forum, Garhwal zone (hereinafter referred to as Forum) in complaint no. 115/2018, has filed this petition

2. The case in brief, is, that the petitioner with connection no. 899 and sanctioned load of 2600 KVA, had requested for correction of his bill for the period September 2016 to September 2017 so as to amend the MCG and LPS charges levied on him. Petitioner claims that in August 2016 he had accumulated losses in his unit and had accordingly accumulated unpaid electricity bills of Rs. 1,31,00,000.00 upon which respondent had cut off his connection. Because of these serious losses he lost his mental balance and when respondent issued an RC for recovery of the overdue amount he approached the MD of the UPCL and was allowed to pay his accumulated dues in installments. He paid the first installment of Rs. 10,00,000.00 on 15.10.2017 and his connection was restored. However, since his unit was closed for a long time and the machinery required major repairs, petitioner was not able financially to bring the unit into working condition and therefore in the month of September, his connection was again cut off. Petitioner claims that he was not aware that from the moment his connection was restored he will become liable for payment for the period

the factory remained closed and it is with this request that MCG demand charges and LPS charged be modified that he approached the Forum. However, the Forum in their order dated 10.12.2018 did not find any merit in his complaint and dismissed the same. Petitioner alleges that the Forum has paid no heed to the fact that his factory had been in operation for the last time in October 2016 but till November 2017 including MCG, demand charges, and LPS, the outstanding amount against the petitioner had risen to Rs. 3,68,54,165.00. He has further stated that respondent UPCL had permanently disconnected the connection in June 2018 after adjusting his security at which time the outstanding was shown as Rs. 3,20,42,414.00. Respondent issued notice for recovery of this amount on 29.06.2018 which is wrong and contrary to law. Accordingly, the petitioner has requested that the order of the Forum be set aside and he given justice.

3. Forum, in their order dated 10.12.2018, have stated that while petitioner was allowed payment in installments vide OM no. 3552/UPCL/Commercial dated 28.08.2017, petitioner paid only one installment on 17.10.2017 upon which his connection was restored but petitioner failed to deposit any further installment and therefore on 15.11.2017 his connection was once again disconnected and an outstanding of Rs. 3,20,42,414.00 was notified in their OM and a recovery certificate to DM, Pauri was issued. Forum have quoted from UERC (The Electricity Supply Code) Regulations, 2007 sub regulation 4.3 (2) which provides for reconnection of the connection disconnected for more than 6 months only after formalities as required in the case of a new connection are complied with. Forum observed that the action of respondent UPCL is consistent with regulations and rules and therefore found the complaint of the petitioner baseless. They accordingly dismissed the complaint and observed that petitioner is liable to pay amount shown as due at the time of permanent disconnection on 15.11.2017 (this is the date for temporary disconnection whereas the correct date for permanent disconnection is 06.06.2018 as observed in the written statement of respondent and evident from the OM no. 1871 dated 29.06.2018).
4. Respondent in their written statement have disputed the petitioner's averments that Forum have not considered his personal problems because of which he was unable to make payment of the installments fixed and have observed that Forum are not empowered under any regulations to look at personal problems of petitioner. They

have disputed that petitioner company did not work from September 2016 to September 2017. They have stated that it is irrelevant whether the petitioner company was working during the said period. They have further brought attention to the fact that Forum appreciated that the connection of the petitioner was disconnected on 28.10.2016 and while a notice under section 3 was issued on 18.11.2016, petitioner did not pay any amount and therefore RC was issued on 23.12.2016, and also that petitioner had filed petition no. 3172 of 2016 before the Hon'ble High Court of Uttarakhand in which it was held that the corporation has established a committee to consider the grant of installment and if the petitioner approaches the said committee corporation will take action thereon. Forum also observed that installments were fixed vide corporation order dated 28.08.2017 but petitioner paid only one installment and therefore his connection was temporarily disconnected on 15.11.2017 and permanently disconnected on 06.06.2018. Accordingly respondent have stated that there is no ground for revision or interference with the judgment of the Ld. Forum and the present representation has been filed only to delay recovery proceedings initiated by the respondent. Accordingly they have requested that representation be dismissed as petitioner company is not entitled to any relief.

5. Petitioner in his rejoinder had reiterated the points already made in his petition and has disputed averments made in the written statement and has argued that he has never denied the payment of the demand raised to the tune of Rs. 1,31,96,638.00. He has also sought to focus attention on the fact that the bills which have been raised from November 2018 to June 2018 (probably petitioner means November 2017) show the contracted load as 0 units consumed as 0 and in all the bills the current reading and the last reading are both shown as 80610 and it is with reference with this that the petitioner disputes the statement made in the written statement that it is wrong to allege that the appellant company was not working. Further petitioner has also brought attention to the fact that no consumption record has been submitted by the respondent to support their statement that the appellant company was indeed working during this period. Petitioner argues that the bills had merely been raised to extort money and obtain a wrongful gain at the expense of an honest person accordingly petitioner has argued that the Forum order be set aside and his appeal be allowed.

6. Both parties have been heard and the record available on file including the quoted Regulation 4.3.2 of UERC (The Electricity Supply Code) Regulations, 2007 has been carefully studied. The OM no. 3552 dated 28.08.2017 of the respondent UPCL has laid down conditionalities for payment of outstanding dues in 12 installments. While it has not been indicated on record either by the respondent or by the petitioner that 12 post dated cheques for all monthly installment had been given but it is an admitted fact that only one installment of these 12 installments was paid by the petitioner on 15.10.2017 as mentioned in the written statement or 17.10.2017 as mentioned in the bill of October 2017. The request of the petitioner for waiver of MCG, LPS and demand charges and his claim that he was not aware that these charges will be levied for the one year period his unit remained closed up to September 2017, has not been accepted as valid by the Forum. Forum have also observed that the entire action of the opposite party in response to the application of the petitioner for payment in installments and their OM of 28.08.2017 are in accordance with provisions of sub regulation 4.3.2 of Supply Code and therefore the entire electricity dues up to the date of temporary disconnection 15.11.2017 (inadvertently mentioned as permanent disconnection in the order of the Forum), is both consistent with Regulations and justified. Accordingly Forum have dismissed the complaint. No further arguments or evidence has been adduced after the order of the Forum except to claim that bills issued between November 2017 and June 2018 have shown contracted load as 0, units consumed as 0, and in all the bills the current and last reading has been shown as 80610. The claim of contracted load being shown as 0, is incorrect as a perusal of the bills from November 2017 to April 2018 shows. Demand has been shown as 350KVA in the bill for November 2017 and the energy consumption 22500 units. This reading of the bill contradicts the claim made during hearing that the connection was never restored as also the claim in the rejoinder that the reading in the bill has remained static at 80610. Further, there is no ground for, or provision of, waiver of MCG, demand charges and LPS in a case where there is apparently willful default even after restoration of a connection and enabling payment of arrears in installments. The request of the petitioner for waiver of MCG, demand charges, and LPS is not admissible. There is therefore no ground which may justify interference with the order of the Forum. The petition is therefore dismissed. Forum order is upheld.

Dated: 26.03.2019

(Vibha Puri Das)
Ombudsman