

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Petition No. 27 of 2019
Date of Hearing: 18.12.2019
Date of Order: 31.12.2019

Petition under Regulation 68,69 and 71 and provisions of Chapter XIII of PSERC (Conduct of Business) Regulations 2005 as amended up to date and other relevant rules and regulations as approved by the Commission read with the relevant provisions of the Electricity Act, 2003 and for directing the respondent PSPCL to accept the request of the petitioner for processing of one time settlement proposal submitted by the petitioner for the payment of the alleged defaulting amount to be paid by M/s Pact Industries Limited and to take a final decision on the One time Settlement (OTS) Proposal submitted by the Petitioner to determine the final amount to be paid by the Petitioner in terms thereof and for further directing the Respondents to return the cheques submitted by the Petitioner for the approval of the OTS proposal.

In the matter of: M/s KK Alloys having office at U-2, Bilga Road, Village Sahnewal Khurd, Sahnewal, District Ludhiana, through its partner Sh. Mahesh Gupta.

.Petitioner

Versus

1. Punjab State Power Corporation Limited, The Mall, Patiala, Punjab, through its Managing Director.
2. Chief Engineer, Central Zone, Punjab State Power Corporation Limited, Ferozpur Road, Ludhiana.
3. Sub-Divisionjal Officer/Distribution, Punjab State Power Corporation Limited, (Sahnewal Sub Division, District Ludhiana.
4. M/s Pact Industries Limited, having office at Taksonz Towers, Opposite Railway Station, GT Road, Ludhiana, through its Directors/Authorised Representatives/Authorized Signatory.
5. Sh. Avtar Singh S/o Sh. Sardar Singh R/o # 95B, BRS Nagar, Ludhiana, Director M/s Pact Industries Limited.
6. Sh. Harpreet Singh S/o Sh. Avtar Singh, R/o # 90B, BRS Nagar Ludhiana, Director M/s Pact Industries Limited.

.Respondents

Present: Ms. Kusumjit Sidhu, Chairperson
Sh. S.S. Sarna, Member

KK Alloys: Sh. Aditya Grover, Advocate
Sh. Ravinder Kumar, Advocate
Sh. Praynak Gupta, Advocate

ORDER

M/s KK Alloys (petitioner) has filed the present petition for directing PSPCL to take a final decision on the request of the petitioner for processing the one time settlement proposal for payment of the alleged defaulting

amount to be paid by M/s Pact Industries Ltd. and for restraining PSPCL from encashing the remaining cheques for deciding OTS proposal and to restrain PSPCL from disconnecting the electricity connection.

It has been submitted that M/s Pact Industries Ltd., Ludhiana had an Induction Furnace Unit at UT-2, Bilga Road, Sahnewal Khurd, Ludhiana and the Petitioner (KK Alloys) took the same on lease from M/s Pact Industries Ltd. with effect from 19.11.2018 till 28.02.2019. The petitioner purchased the same vide sale deed dated 04.03.2019 along with the current assets for a sum of Rs. 10 Crore. The large supply electricity connection continues to stand in the name of M/s Pact Industries Ltd. though, the petitioner firm has been paying the electricity bills well within time. At the time of purchase of the land, it was assured by M/s Pact Industries Ltd. that the land was free from any dispute or encumbrance. However, later on, the petitioner came to know that M/s Pact Industries Ltd. is in default for payment of Rs. 1,26,40,902/- against electricity bills. The petitioner has further submitted that M/s Pact Industries Ltd. filed a complaint before the CGRF Ludhiana. In compliance of the CGRF's Order dated 10.05.2019 PSPCL issued demand notice for a payment of Rs. 1,26,40,902/-. The petitioner filed a complaint under Section 406,420,506 and 120-B IPC before the police as well as before the court for taking action against M/s Pact Industries Ltd. and its partners/manager for playing fraud upon the petitioner. The petitioner has also filed a civil suit at Ludhiana impleading PSPCL as well as the Pact Industries Ltd. A civil suit has also been filed by M/s Pact Industries Ltd. in the Civil Court at Ludhiana impleading PSPCL and others as defendants and the petitioner as proforma defendant. The Hon'ble Civil Court vide Order dated 10.06.2019 granted an ad interim injunction in favour of M/s Pact Industries Ltd. restraining PSPCL from disconnecting the electricity connection on the basis of impugned demands subject to payment of 50% of the total demand raised by PSPCL till 21.06.2019 failing which, ex-parte interim relief shall be treated as vacated automatically. As per the submissions made in the petition the payment of the amount as directed by the Hon'ble Court has not been made by M/s Pact Industries Ltd.

The petitioner apprised PSPCL that M/s Pact Industries Ltd has committed a fraud with the petitioner and the defaulting amount may be recovered from M/s Pact Industries Ltd. The petitioner while discussing the entire issue in person with the Chief Engineer, PSPCL was informed by PSPCL that the One Time Settlement Scheme of PSPCL is in operation and has advised to submit a request for OTS. On the advice of the PSPCL the petitioner vide letter dated 06.08.2019 requested for

One Time Settlement offering to pay a sum of Rs. 45,20,832/-. The petitioner submitted the request for deciding the due amount as per OTS alongwith 10 cheques comprising of full amount of Rs. 1,26,40,902/- and was advised that the cheques will be presented only after the finalization of OTS and cheques of the excess amount shall be returned back. The petitioner has not been informed till date about the fate of the OTS proposal. However, the cheques submitted by the petitioner are being presented/encashed without a decision in the OTS proposal. The petitioner has also deposited a sum of Rs. 42,00,000/- on account of the demand raised by PSPCL towards additional ACD.

The petition was taken up for hearing on admission. On a perusal of the submissions made in the petition and the arguments advanced by the Ld. Counsel for the petitioner, we find that no case is made out of violation of any Regulations notified by the Commission. It is observed that the electric connection is in the name of M/s Pact Industries Ltd., Ludhiana and not in the name of the petitioner whereas the OTS scheme of PSPCL is meant for the consumers of PSPCL only. The parties concerned are also locked in litigation against each other in the Hon'ble Court in Ludhiana. Keeping in view the above, the petition before the Commission is not maintainable and is accordingly dismissed.

-Sd-
(S.S. Sarna)
Member

-Sd-
(Kusumjit Sidhu)
Chairperson

Chandigarh
Dated: 31.12.2019