

**PUNJAB STATE POWER CORPORATION LIMITED  
FORUM FOR REDRESSAL OF GRIEVANCES OF CONSUMERS  
P-1 WHITE HOUSE, RAJPURA COLONY, PATIALA  
PHONE: 0175-2214909 ; FAX : 0175-2215908**

Case No. CG-72 of 2013

Instituted on : 04.06.2013

Closed on : 11.07.2013

**M/S Reliance Industries Ltd.,  
Hoshairpur Manufacturing Divn.,  
Dharamshala Road,  
V.P.O. Chohal,  
Distt. Hoshiarpur.**

.... Appellant

**Name of the Op. Division: Sub-Urban Hoshiarpur.**

A/c No. LS-40

Through

Sh.Rajesh Dhir, G.M.Commercial

V/s

**PUNJAB STATE POWER CORPORATION LTD. ....Respondent**

Through

**Er. P.S. Khamba, ASE/Op. Sub-Urban Divn. Hoshiarpur.**

**BRIEF HISTORY**

Petition No. CG-72 of 2013 was filed against order dt.04.11.2012 of the ZLRCC, Jalandhar deciding that no interest is payable on the

refunded amount of Rs.16,94,603/- to M/S Reliance Industries, Chohal (Hoshiarpur).

The consumer is having LS category connection with sanctioned load of 15408.934KW CD 9884.00 KVA operating under AEE/ Sub-Urban Sub- Divn. Hoshiarpur.

The rates of power supply applicable to various categories of the consumers for the year 2007-08 as per tariff order issued by PSERC were revised w.e.f. 01.09.2007 vide CC No.52/2007 dt. 20.09.2007. As per directions of the Punjab Govt.,it was decided vide CC No.34/08 dt. 16.04.2008 to refund the amount recovered through energy bills on account of tariff hike w.e.f. 01.09.2007 for the period 01.09.2007 to 31.03.2008, in the six bi-monthly installments, to the consumers where bi-monthly billing is applicable and in twelve equal monthly installments where monthly billing is being done.

The consumer vide his request dt. 26.06.2009 demanded refund of Rs. 16,94,602/- on account of with-drawl of enhanced tariff for the period 01.09.2007 to 31.03.2008. As per record, the connection bearing A/C No.LS-15 was operating in the name of M/S Apollo Fibre Ltd. from the period 01.09.2007 to 28.11.2007, from 29.11.2007 to 31.03.2008 in the name of M/S Indian Petro Chemical Corpn. Ltd. ( A/C No.LS-39) and after that from 01.04.2008 the connection was changed in the name of M/S Reliance Industries Ltd., Chohal( A/C No LS-40). The consumer made an appeal in ZLRCC, Jalandhar for refund of Rs 16,94,602. There were legal complications in the refund

case, so the refund committee referred the case to the Legal Section of the PSPCL vide memo.No.12397 dt. 09.05.2012. The Legal Cell of PSPCL vide its memo.No.1109 dt. 23.05.2012 intimated that refund of amount, if any due can be made to the existing firm i.e. M/S Reliance Industries Ltd.

Thereafter the ZLRCC heard the case on 01.06.2012 and decided that the amount of refund Rs.16,94,602/- calculated by the Audit Party is payable to the consumer. The refunded amount may be adjusted in the coming electricity bills. ZLRCC further decided that as per Sales Manual Instruction No.110, there is no provision of payment of interest on refundable amount.

The consumer again made appeal in the ZLRCC, Jalandhar for interest on the refund. The ZLRCC heard the case on 04.11.2012 and decided that no interest is payable on the refunded amount of Rs.16,94,602/- to M/S Reliance Industries, Chohal (Hoshiarpur).

Being not satisfied with the decision dt. 04.11.2012 of the ZLRCC, the consumer made an appeal in the Forum. The Forum heard the case on 18.06.2013, 20.06.2013, 27.06.2013 and finally on 11.07.2013. Then the case was closed for passing speaking orders.

**Proceedings:**

PR contended that amount of refund was due to us from April 08 onwards as per circular No. 34/2008 dt. 16.04.2008. In spite of repeated verbal request from April 08 onwards as well as written follow up from June 09 onwards, the refund was given to us after gap of 4 years

without any valid reasons to hold the refund. We requested for the refund along with up to date interest vide our letter No. 9921 dtd 26.02.2010. However the refund was given in the electricity bill for the month of June 2012. Our refund was held and the funds were utilized by the Board which resulted into financial loss to the organization due to struck off our due refund by them. Hence we are entitled for interest for the delayed period under clause no. 35.4 as PSPCL failed to comply Regulatory Commission by not allowing refund from electricity bill of April 08 onwards as mentioned in the aforesaid circular. Due to non-compliance of Regulatory Commission Instructions for refund from April 08 on wards in the electricity bill in 12 equated installment, the bills raised by them from April on wards till refund was to be allowed automatically falls under the category erroneous bills raised by the PSPCL. Thus we are entitled for the interest payment under clause 35.4 of the electricity supply code and related matters regulations. Moreover under clause No. ESIM-114 it is clarified that interest shall be payable to the consumer for the amount withheld by the PSPCL. Also PSPCL has admitted in their written submission at point No.8 that nonpayment of interest falls under the category of dispute. Thus we are entitled for interest being a disputed matter and noncompliance of instructions of Regulatory Commission.

Representative of PSPCL contended that the case was discussed and decided by Zonal level Refund Case Committee on 4-11-2012 the refund was ordered by the committee which has already been paid to

the company through energy bill of June 2012 as per the decision of the ZLRC Committee. Regarding the matter of payment of interest committee decided that interest is not payable on the refunded amount as per ESIM 114 & regulation 35 of the supply code and related matters Regulations –2007 which relates to disputed electricity bill and in particular regulation No. 35.4 relates to cases of erroneous bills which are revised after examination of a complaint by the consumer. The present refund case is neither disputed electricity bill case nor an erroneous bill case, as in this case all the bills were prepared correctly as per tariff applicable at that time and the refund has become payable only due to reduction in the tariff. Therefore supply code clause No. 35.4 is not applicable in this case.

Also as per CC 34/2008 the refund to all other consumers has been paid in twelve equal monthly installments through energy bills without any interest as per orders/instructions of PSPCL/PSERC. Hence, PSPCL is not liable to pay any interest on the refund due to tariff revision.

**Observations of the Forum:**

Written submission made in the petition, reply, written arguments of the respondents as well as petitioner and other material on record have been perused and carefully considered.

Forum observed that the tariff rates of various categories of consumers were revised from 01.09.2007 on the directions of PSERC vide CC

No.52/2007. As per directions of Punjab Govt. the amount of tariff enhanced from 01.09.2007 to 31.03.2008 was withdrawn vide CC 34/2008 dt. 16.04.2008. The said amount was to be refunded/adjusted in six bi-monthly installments through bills or twelve monthly bills strictly from 4/2008 onwards. But due to frequent changes in the name of companies and being a legal matter the refund to M/S Reliance Industries could not be made immediately as per directions of the PSERC.

Forum observed that the LS category connection bearing A/C No. LS-15 was running in the name of M/S Apollo Fibre Ltd. from the period 01.09.2007 to 28.12.2007. The said connection was changed in the name of M/S Indian Petro Chemical Corpn. Ltd. (A/C No.LS-39) on 29.12.2007 and further the same connection was changed in the name of M/S Reliance Industries Ltd.(A/C No.LS-40) on 31.03.2008. But the refund on account of enhanced tariff could not be made to the consumer, M/S Reliance Industries Ltd., due to frequent change of name and change of Account No.etc.

As per CC No.46/2010 the case of refund was referred to the Chief Engineer/Comml. by the concerned office but the same was not approved by the competent authorities, may be due to incomplete record or any other reasons. Then the case was referred to the Zonal Level Refund Committee, who decided on 01.06.2012, after obtaining the legal advice that the refund of Rs.16,94,602/- to the consumer is

admissible. The same was adjusted vide sundry No. 4/39/9, in the month of 06/2012 and the interest on this refund amount demanded by the consumer was not allowed as per instructions No.110 of ESIM.

Forum further observed that the refund of roll back of hiked tariff was made on the directions of the PSERC and the PSERC has not passed any order under which interest on refundable amount to the consumer, is to be allowed. Sometimes revised tariff is applicable from the back date, so in such cases no interest from the consumer is being recovered.

The consumer in his petition contested that he is entitled for the interest payment under clause 35.4 of the Electricity Supply Code and related matters regulations and also as per clause 114 of ESIM. The Forum observed that interest is not payable on the refundable amount as per ESIM 114 and regulation 35 of the supply code and related matters Regulations-2007 which relates to disputed electricity bills and in particular regulation No.35.4 relates to cases of erroneous bills which are revised after examination of a complaint by the consumers. Forum is of the view that the present refund case was due to withdrawal of hiked tariff, so this is neither disputed electricity bill case nor an erroneous bill case. The refund to the consumer was immediately made after getting clarification from the Legal Cell of the PSPCL.

**Decision:**

Keeping in view the petition, reply, oral discussions, and after hearing both the parties, verifying the record produced by them & observations of Forum, Forum decides that:

- \* **To uphold the decision of the ZLRCC taken in its meeting held on 04.11.2012.**
- \* **Forum further decides that the balance amount recoverable/refundable, if any, be recovered/refunded from/to the consumer along-with interest/surcharge as per instructions of PSPCL.**
- \* **As required under Section-19 (1) & 19 (1A) of Punjab State Regulatory Commission (Forum & Ombudsman) Regulation-2005, the implementation of this decision may be intimated to this office within 30 days from the date of receipt of this letter.**

(CA Rajinder Singh)  
Member/CAO

(K.S.Grewal)  
Member/Independent

(Er.Ashok Goyal)  
EIC/Chairman