

**COURT OF THE LOK PAL (OMBUDSMAN),  
ELECTRICITY, PUNJAB,  
PLOT NO. A-2, INDUSTRIAL AREA, PHASE-1,  
S.A.S. NAGAR (MOHALI).**

**(Constituted under Sub Section (6) of Section 42 of  
Electricity Act, 2003)**

**APPEAL No. 101/2021**

**Date of Registration : 17.12.2021**

**Date of Hearing : 04.01.2022**

**Date of Order : 04.01.2022**

**Before:**

**Er. Gurinder Jit Singh,  
Lokpal (Ombudsman), Electricity, Punjab.**

**In the Matter of:**

Ajay Kumar Jain,  
Ajar Amar Steels,  
# 1725/10-G3-A,  
Focal Point, Ludhiana-141010

**Contract Account Number: 3002808923(LS)**

...Appellant

Versus

Additional Superintending Engineer,  
DS Focal Point (Spl.) Division,  
PSPCL, Ludhiana.

...Respondent

**Present For:**

Appellant: Sh. Rajesh Jain,  
Appellant's Representative.

Respondent : Er. Manik Bhanot,  
AEE/ Commercial,  
DS Focal Point (Spl.) Divn.,  
PSPCL, Ludhiana.

Before me for consideration is an Appeal preferred by the Appellant against the decision dated 11.11.2021 of the Consumer Grievances Redressal Forum (Forum), Ludhiana in Case No. CGL-430 of 2021 (T-381/21), deciding that:

- “i. Admissible threshold rebate had already been allowed in view of CC 49/2014 in decision of ZLDSC.*
- ii Petitioner is not eligible for threshold rebate as per CC 31/2016.*
- iii Interest for delay in providing threshold rebate as per CC 49/2014 is disallowed.”*

## **2. Registration of the Appeal**

A scrutiny of the Appeal and related documents revealed that the Appeal was received in this Court on 17.12.2021 i.e within a period of thirty days of receipt of copy of the decision dated 11.11.2021 of the CGRF, Ludhiana in Case No. CGL-430 of 2021 (T-381/21). The Appellant received the copy of the decision of the CGRF, Ludhiana vide Memo No. 3981-82 dated 16.11.2021 on 25.11.2021. Accordingly, the Appeal was filed within 30 days of receipt of copy of decision of the Forum. The Appellant filed the Appeal for payment of interest on the amount of threshold rebate already granted to it so the Appellant was not required to deposit requisite 40% of the

disputed amount. Therefore, the Appeal was registered on 17.12.2021 and copy of the same was sent to the Addl. SE/ DS Focal Point (Spl.) Division, PSPCL, Ludhiana for sending written reply/ parawise comments with a copy to the office of the CGRF, Ludhiana under intimation to the Appellant vide letter nos. 1766-68/OEP/A-101/2021 dated 17.12.2021.

### **3. Proceedings**

With a view to adjudicate the dispute, a hearing was fixed in this Court on 04.01.2022 at 1.00 PM and an intimation to this effect was sent to both the parties vide letter nos. 1797-98/OEP/A-99/2021 dated 29.12.2021. As scheduled, the hearing was held in this Court and arguments of both parties were heard.

### **4. Submissions made by the Appellant and the Respondent**

Before undertaking analysis of the case, it is necessary to go through written submissions made by the Appellant and reply of the Respondent as well as oral submissions made by the Appellant's Representative and the Respondent alongwith material brought on record by both the sides.

**(A) Submissions of the Appellant**

**(a) Submissions made in the Appeal**

The Appellant made the following submissions in its Appeal for consideration of this Court:-

- (i) The Appellant was having a Large Supply Category Connection, bearing Account No. 3002808923 with sanctioned load of 2397.381 kW and CD as 1800.00 kVA under DS Focal Point (Spl.) Division, PSPCL, Ludhiana.
- (ii) The Appellant filed its case for grant of the threshold rebate of excess consumption of electricity as per CC Nos. 49/2014 and 31/2016 before the Chairman, ZLDSC, headed by the Chief Engineer/ DS (Central), PSPCL, Ludhiana and he vide Memo No. 3115/16T-285/21 dated 09.09.2021 sent the case to the Respondent-Senior Xen/ DS Focal Point (Spl.) Division, PSPCL, Ludhiana for allowing the threshold rebate.
- (iii) The Respondent informed the Forum that the Appellant had applied for Threshold Rebate of Excess consumption as per CC Nos. 49/2014 and 31/2016 to the Chief Engineer/DS (Central), PSPCL, Ludhiana but as per Memo No. 4930 dated 30.07.2020 of the Chief Engineer/DS (Central), PSPCL, Ludhiana only refund of excess consumption as per CC No. 49/2014 had been considered. Same had been represented before ZDSC and

decided by the Committee in its meeting. As per decision refund had been intimated to the Appellant vide Memo No. 3012 dated 04.05.2021.

- (iv) The Respondent informed the Forum that the Appellant was not eligible for the Threshold Rebate as per CC No. 31/2016.
- (v) The Forum vide its order dated 11.11.2021, disallowed the Threshold Rebate as per CC No. 31/2016 being not eligible and also disallowed the accrued interest on the delayed payment made by the Respondent in terms of CC No. 49/2014 in 05/2021.
- (vi) The impugned order of the Forum was against the rules of the PSPCL and also against the provisions of Indian Electricity Act-2003. The action of the Forum in disallowing the accrued interest on the payments made by the Respondent after 7 years amounts to miscarriage of justice and the same passed without discussing the various pleas put forth by the representative of the Respondent and without discussing any provisions contained in the CC No. 49/2014.
- (vii) As per Instruction No. 17/17.1 of Supply Code, 2014; interest on Security (Consumption) and Security (Meter) had been allowed and the Respondent was bound to pay interest to the Appellant as per Instruction No. 17.1 of the Supply Code, 2014,



if PSPCL pays interest on the Security (Consumption) and Security (Meter) on its own, the same can also be applied for the threshold rebate on its delayed payment to the Appellant.

- (viii) The Respondent charged the interest on the outstanding amount of consumption charges from the consumers for the period the amount of consumption charges remained outstanding. On the similar analogy, the Respondent was bound to pay interest on the amount which was due to the Appellant in the year 2014-15, whereas the rebate was credited in the Appellant's account in 05/2021. The decision of the Forum in disallowing the interest on the delayed payment arbitrarily was not fair which needs to be set-aside by affording the credit of interest for the period of seven years as per the prevalent rate of interest notified by the PSPCL.
- (ix) It was prayed that the order passed by the Forum dated 11.11.2021 be set-aside being illegal and unconstitutional. It was further prayed that the Respondent be directed to allow the interest for the period of 7 years to the Appellant on the prevalent rates notified by the PSPCL as the payment of threshold rebate was made in 05/2021.

**(b) Submission during hearing**

During hearing on 04.01.2022, the Appellant's Representative (AR) reiterated the submissions already made in the Appeal. AR pleaded that threshold rebate for FY 2016-17 is not payable and as such the Appellant does not want to pursue this issue.

**(B) Submissions of the Respondent**

**(a) Submissions in written reply**

The Respondent submitted the following written reply for consideration of this Court:-

- (i) The Appellant was having a Large Supply Category Connection with sanctioned load of 2397.381 kW and CD as 1800.00 kVA.
- (ii) The Appellant had raised a dispute in ZLDSC, Ludhiana for the claims of Threshold Rebate as per CC No.49/2014 and CC No. 31/2016 decided on 05.03.2021 by ZLDSC, Ludhiana that since RBS for Threshold Rebate was already prepared by CBC and Rebate was to be given as per CC No. 49/2014 to the Appellant.
- (iii) The Appellant filed an Appeal in the Forum for claiming the Threshold Rebate as per CC No. 31/2016 as well as claiming the interest in delay in payment of Threshold Rebate as per CC No. 49/2014 and CC No. 31/2016. For which a Rejoinder was

filed by the Respondent upon receiving e-mail from the CBC regarding RBS of Threshold Rebate as per CC No. 31/2016 that the Rebate was already given to the Appellant in the bills of 04/2017. The claims of interest due to delay in payment of Threshold Rebate, the Forum had decided not to allow interest on the rebate due to period being lapsed by 7 years, considering the negligence of the Appellant despite bills being issued to it duly on time.

- (iv) The Respondent should be excused from the charge of interest due to lapse of period by almost seven years. The decision by ZLDSC, Ludhiana in favour of the Appellant to allow the Appellant Threshold Rebate as per CC No. 49/2014 should not have been made.
- (v) As per Supply Code, 2014; the interest on Security (Consumption) and Meter (Security) was allowed as per rules. It was also submitted that interest on due bills was indeed charged as per the rules. In this case, Threshold Rebate as per CC No. 31/2016 was not applicable as per the RBS provided by CBC, Ludhiana whereas Threshold Rebate as per CC No. 49/2014 was not due till ZLDSC decided for the same. Threshold Rebate was given by the office of the Respondent on the request of the Appellant. Hence, delay in the same shall be



the accountability of the Appellant. Additionally, a reference of a previous case of similar nature in Appeal no. 36/2017 was made to make a point in this regard. This Court had decided the case in the favour of the Respondent on 04.10.2017 quoted as saying “The respondent is directed to allow the requisite rebate to the Appellant in letter and spirit in terms of instructions contained in CC no. 49/2014 and as per RBS No. 14/2017 dated 23.02.2017 prepared by CBC, Ludhiana. However, no interest on this payment was allowed.”

**(b) Submission during hearing**

During hearing on 04.01.2022, the Respondent reiterated the submissions made in the written reply to the Appeal and prayed for the dismissal of the Appeal.

**5. Analysis and Findings**

The issue requiring adjudication is relating to grant of interest on the amount of Threshold rebate to the Appellant as per CC No. 49/2014 for previous seven year's period.

*My findings on the points emerged, deliberated and analysed are as under:*

- (i) The Appellant's Representative (AR) reiterated the submissions made by the Appellant in the Appeal. He pleaded that the

Forum had wrongly decided its Petition by not allowing interest for the period of past 7 years on the amount of Threshold Rebate. The AR alleged that the Respondent was negligent in performing its duties and it was the responsibility of the Respondent to allow the rebate and interest, if any, on the delayed payment, to the Appellant as and when it became due. He had requested for acceptance of the Appeal as prayed for.

- (ii) On the other hand, the Respondent controverted the pleas raised by the Appellant in its Appeal and reiterated the submissions made by the Respondent in the written reply. The Respondent argued that the Appellant was not eligible for threshold rebate as per CC No. 31/2016. So far as grant of interest on the amount of threshold rebate was concerned, the Appellant itself was negligent as it being a Large Supply Consumer was duty bound to bring it to the notice of the Respondent regarding non-grant of threshold rebate and this negligence of the Appellant cannot be attributed to the Respondent. Therefore, it was prayed that the Appeal of the Appellant may be dismissed being devoid of merit and the eligible rebate was already granted to the Appellant by the ZLDSC. The Appellant though was not entitled to threshold rebate as per CC No. 49/2014 after lapse of more than 7 years yet it was granted the relief by the

ZLDSC. The decision of the Forum is legal and valid and requires no interference by this Court.

- (iii) The observations of the Forum in its order dated 11.11.2021 are as below:-

*“Forum observed that the dispute was filed for interest for delay on threshold rebate now provided as per CC 49/2014 and threshold rebate as per CC 31/2016. Forum observed that as per petition filed in ZLDSC, Petitioner claimed threshold rebate as per CC 49/2014 & 31/2016. ZDSC decided that rebate be allowed as per RBS prepared by CBC. Petitioner claimed that RBS of threshold rebate as per CC 49/2014 is prepared and it did not include threshold rebate as per CC 31/2016. Respondent was directed to submit details/ reasons of whether the RBS submitted in ZLDSC is for both CC 49/2014 & CC 31/2016 or for only 49/2014 and if it is for threshold rebate as per CC 49/2014 then why the RBS of threshold rebate for 31/2016 was not submitted in ZDSC. Respondent submitted that Petitioner is not eligible for threshold rebate as per CC 31/2016.*

*Forum observed that the Petitioner remained silent for a period of 7 years from 2014 to 2020 and did not represent to Respondent for threshold rebate as per CC 49/2014 and being a LS category connection, Consumer is ought to be vigilant and prompt in bringing to the notice of the Respondent the fact of non-credit of threshold rebate. Petitioner received regularly the energy bills issued by PSPCL but did not point out or file a claim/ representation to the Respondent about non-credit of threshold rebate. Therefore, interest for the delayed period is disallowed. Further, as per comments submitted by Respondent, the Petitioner is not eligible for threshold rebate as per CC 31/2016”.*

- (iv) It is worthwhile to note that the Appellant was a Large Supply Category Industrial Consumer and he was supposed to know all the regulations, tariff orders and instructions of the Licensee

(PSPCL) relating to its connection. All the regulations and tariff orders were/ are available on the Websites of PSERC and PSPCL. Commercial Circulars and important instructions are also available on the website of PSPCL. PSPCL cannot get all the regulations/ tariff orders/ instructions noted from the Consumers. As per A&A forms, the Appellant had to follow the regulations and tariff orders. All the electricity bills served to the Appellant invariably depicted rebates allowed. In case of missing rebates in the monthly bills, the Appellant was supposed to avail the facility of challenging the bills as per Supply Code Regulations. The Appellant had not challenged the bills relating to the FYs 2014-15 to 2016-17. He did not file any representation in the office of the Respondent for Threshold Rebate yet it was granted threshold rebate as per CC No. 49/2014 by the ZLDSC. There was no concealment of any documents/ instructions relating to Threshold Rebate by the Respondent. The Appellant failed to scrutinize the monthly electricity bills in time and it could not take timely action to get the mistake rectified as per Regulations. The Appellant had already been benefitted by ZLDSC by allowing it threshold rebate as per CC No. 49/2014 even after a long period of 7 years. Now, the claim of the Appellant for grant of interest on the amount of threshold rebate after lapse of 7 years period cannot be considered because the



Appellant failed to take appropriate action at appropriate time. The energy bills were not challenged to get the rebate.

- (v) In view of the above, this Court is not inclined to interfere with the orders of the Forum on the issue raised in the Appeal relating to grant of interest on the amount of threshold rebate for FY 2014-15. So far as the other issue regarding grant of threshold rebate as per CC No. 31/2016 is concerned, the Appellant is not eligible for the same. The Appellant requested to drop this issue during hearing on 04.01.2022.

**6. Decision**

As a sequel of above discussions, the order dated 11.11.2021 of the CGRF, Ludhiana in Case No. CGP-430/21 (T-381/21) is hereby upheld.

7. The Appeal is disposed of accordingly.
8. As per provisions contained in Regulation 3.26 of Punjab State Electricity Regulatory Commission (Forum and Ombudsman) Regulations-2016, the Licensee will comply with the award/order within 21 days of the date of its receipt.
9. In case, the Appellant or the Respondent is not satisfied with the above decision, it is at liberty to seek appropriate remedy against this order from the Appropriate Bodies in accordance



with Regulation 3.28 of the Punjab State Electricity Regulatory Commission (Forum and Ombudsman) Regulations-2016.

January 04, 2022  
S.A.S. Nagar (Mohali)

(GURINDER JIT SINGH)  
Lokpal (Ombudsman)  
Electricity, Punjab.

