

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

APPEAL No. 14/2021

Date of Registration : 26.02.2021

Date of Hearing : 31.03.2021

Date of Order : 07.04.2021

Before:

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

In the Matter of:

M/s. Vishal Paper Mills Pvt. Ltd.,
Sangrur Road, Malerkotla-148023.

Contract Account Number L36-MS01-00012

...Appellant

Versus

Senior Executive Engineer,
DS Division,
PSPCL, Malerkotla.

...Respondent

Present For:

Appellant: Sh. Mayank Malhotra,
Appellant's Counsel.

Respondent : Er. Abdul Sattar,
Assistant Executive Engineer,
DS Sub-urban, Sub-Division,
PSPCL, Malerkotla.

Before me for consideration is an Appeal preferred by the Appellant against the decision dated 27.01.2021 of the Consumer Grievances Redressal Forum (Forum), Patiala in Case No. CGP-37 of 2021, deciding that:

“The electricity connection existing in the premises of M/s. Nabha Food Products be considered permanently disconnected w.e.f. 16.08.19 and no subsequent MMC/ FC are chargeable. Account of the Petitioner be overhauled accordingly & amount be recovered without any surcharge/ interest. However, if the petitioner defaults in making payment then the amount shall be recovered along with interest/ surcharge as per the General Conditions of Tariff.

The requisite action regarding shifting of transformer to a safer place be taken after observing the proper procedure by the respondent.

The security amount existing in the name of M/s. Nabha Food Products be refunded to the petitioner alongwith applicable interest.”

2. Registration of the Appeal

A scrutiny of the Appeal and related documents revealed that the Appeal was received in this Court on 26.02.2021 i.e. within

thirty days of receipt of the decision dated 27.01.2021 of the CGRF, Patiala in Case No. CGP-37 of 2021 by the Appellant. The Appellant submitted copy of receipt No. 72/52746 dated 23.02.2021 for ₹ 1,49,047/- as evidence of deposit of requisite 40% of the disputed amount of ₹ 3,72,047/- as confirmed by the Respondent vide letter No. 305 dated 18.02.2021. Therefore, the Appeal was registered and copy of the same was sent to the Senior Executive Engineer/ DS Division, PSPCL, Malerkotla for sending written reply/ parawise comments with a copy to the office of the CGRF, Patiala under intimation to the Appellant vide this office letter nos. 232-234/OEP/A-14/2021 dated 26.02.2021.

3. Proceedings

With a view to adjudicate the dispute, a hearing was fixed in this Court on 17.03.2021 at 11.30 AM and an intimation to this effect was sent to both the sides vide letter nos. 278-79/OEP/A-14/2021 dated 10.03.2021. In response, the Appellant's Counsel, vide e-mail dated 12.03.2021 and again on 15.03.2021 requested for fixing of hearing after 25.03.2021. Accordingly, hearing was rescheduled for 31.03.2021 at 11.00 AM and both the sides were asked, vide letter no. 316-17/A-14/2021 dated 15.03.2021, to attend the same. As rescheduled, the hearing was

held on 31.03.2021 in this Court. Copies of the minutes of the proceedings were sent to the Appellant and the Respondent vide this office letter nos. 461-62/OEP/A-14/2021 dated 31.03.2021.

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 Counsel 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. L36-MS01-00012, with sanctioned load of 2495 kW.
- (ii) The Appellant had filed the present Appeal against the decision of the Forum conveyed to it by the Respondent vide Memo No. 305 dated 18.02.2021 vide which illegal demand of ₹ 6,90,669/- (₹ 6,51,669/- as principal amount plus ₹ 39,100/- as interest) relating to another consumer i.e. M/s. Nabha Food

Products, Dhuri Road, Malerkotla charged to the account of the Appellant, had been reduced to ₹ 3,72,047/-.

- (iii) The Appellant had made payments of all legal and correct bills issued by the Respondent from time to time in the past and nothing was due against the above account of the Appellant.
- (iv) The Respondent had issued notice vide memo no. 755 dated 29.06.2020 relating to another consumer i.e. M/s. Nabha Food Products, Dhuri Road, Malerkotla. The amount of another consumer had been charged to the account of the Appellant illegally by taking plea that the property in respect of which, defaulting amount of another consumer was outstanding had been purchased by the Appellant.
- (v) The Appellant submitted an application dated 10.08.2020 with the Respondent stating that it had only purchased land and fixed assets from the owner of Rice Mill and Appellant had not taken the liabilities of the Unit. It was further requested to give detail of claim after deducting security of ₹ 4,400/- and ACD amounting to ₹ 62,250/- but the Respondent failed to supply details of the claimed amount on behalf of the old owner of the property.
- (vi) The Appellant had submitted another letter dated 07.10.2020 to the Respondent regarding removal of transformer from

premises of the Appellant. It was specifically intimated that no power has been used since July, 2018 in the premises and loose live wires of transformer causes electric sparks which poses a great threat of fire to the plant of the Appellant. The Respondent had not shifted transformer from premises of the Appellant and issue of letter no. 1550 dated 03.11.2020 was an afterthought. The Respondent had never asked the Appellant to open the gate.

- (vii) The Appellant, in continuation of earlier letter dated 07.10.2020, vide letter dated 23.10.2020 had again requested the Respondent to shift the live transformer from the premises of the Appellant but transformer had not been shifted outside premises of the Appellant.
- (viii) The meter of the previous owner M/s. Nabha Food Product was checked on 24.11.2020 by ASE/ EA & MMTS, PSPCL, Barnala vide DDL No. 042/560 dated 24.11.2020. The Checking Officer also directed to get the connection permanently disconnected as per instructions of the Respondent.
- (ix) The Appellant submitted another representation dated 24.11.2020 to the Respondent and supplied detail of amount outstanding against previous owner of the premises. It was

submitted that the connection of Rice Mill had not been running since May, 2018 and an amount of ₹ 1,566/- was due to the Respondent in respect of bill issued on 30.05.2018. It was submitted that usually Respondent disconnected the connection if bill was not paid for 2/3 months. It was also submitted that an amount of ₹ 6,90,769/- (which has now been reduced to ₹ 3,72,047/-) cannot be claimed from the Appellant and same can be recovered from M/s. Nabha Food Product only.

- (x) The Respondent had again issued another memo no. 1705 dated 03.12.2020 and directed to deposit an amount of ₹ 6,90,769/- (which has now been reduced to ₹ 3,72,047/-) relating to another consumer i.e. Nabha Food Products.
- (xi) The Appellant had again submitted representation dated 14.12.2020 to the Respondent and requested to waive off illegal demand of ₹ 6,90,769/- (which has now been reduced to ₹ 3,72,047/-) and to remove the transformer from the premises of the Appellant.
- (xii) The Appellant had submitted representation dated 07.12.2020 before the Forum for consideration of the matter.
- (xiii) The Forum had arbitrarily decided to consider the connection of M/s. Nabha Food Product permanently disconnected w.e.f.

16.08.2019. There was no basis for consideration of the connection disconnected w.e.f. 16.08.2019 permanently.

(xiv) ESIM Instruction No. 91.1 provided that “Notice for disconnection must be issued next day after the due date as per Regulation 32 of Supply Code. The accumulation of defaulting amount shall be the direct responsibility of RA/AE/AEE/Xen/ASE (DS).” Further Regulation 32.1 of Supply Code provides that “Where a consumer fails to deposit the billed amount with the Distribution Licensee by the due date mentioned in the bill, the Distribution Licensee may after giving not less than fifteen clear days notice in writing to such consumer and without prejudice to his other rights to recover such amount by suit, disconnect supply to the consumer.” The connection of M/s. Nabha Food Product was required to be considered permanently disconnected w.e.f. 23.07.2018 (i.e. after 15 days from the due date of bill No. 6093 dated 08.07.2018) when defaulting amount was only ₹ 470/-. Similarly, it was required to be considered permanently disconnected w.e.f. 23.08.2018 when defaulting amount was only ₹ 2,370/-.

(xv) It was submitted that ASE/ EA & MMTS, Barnala, vide DDL No. 042/560 dated 24.11.2020 had directed to get the

connection permanently disconnected (PDCO) as per instructions of the Respondent. The Respondent had admitted in the proceedings before the Forum that TDCO had been issued late and the Appellant would not be burdened with financial liability due to deficiency in services/non performance of duties by the officials of the Respondent.

(xvi) The electricity charge was not a charge on the property and it was a charge on the person/firm in whose name, electricity charges were outstanding. Even Regulation 30.12 under title “Change of occupancy” cast an obligation of outstanding dues of old consumer in case of change of occupancy of existing connection. In the case of Appellant, there was no change of occupancy of connection of old consumer i.e. Nabha Food Products. The Appellant had its own electric connection and no plant and machinery of old owner of the property was ever used by the Appellant. The type of industry of the Appellant was paper mill and it had no concern/ dealing with Rice Mill.

(xvii) The order of the Forum was non-speaking, arbitrary, illegal and was not sustainable in the eyes of law and was against the instructions of the Respondent (which provided that the decision should be speaking decision) by ignoring genuine submissions of the Appellant.

- (xviii) The Forum failed to appreciate the fact that the Respondent had not issued notice in compliance of ESIM Instruction No. 57.5 which provided that recovery of charges can be done only after serving show cause notice to the consumer.
- (xix) The Forum had failed to direct the Respondent to implement instructions regarding disconnection of electric connection of M/s. Nabha Food Product temporarily and permanently for recovery of defaulting amount.
- (xx) The Forum failed to appreciate the fact that the Respondent cannot recover defaulting amount of a consumer from the account of another consumer as arrears/ electricity charges were not a charge on the property.
- (xxi) The Forum failed to appreciate the fact that the Respondent can recover defaulting amount of M/s. Nabha Food Product by way of recovery suit after adjustment of security/ACD/AACD deposited by the consumer.
- (xxii) The Forum failed to appreciate the fact that the Respondent had admitted in the proceedings dated 19.01.2021 that TDCO had been issued late by the Respondent.
- (xxiii) The Appellant had prayed that the demand of the amount made, vide Memo No. 305 dated 18.02.2021 so reduced to ₹ 3,72,047/-, may be set aside and further to consider that the

connection of M/s. Nabha Food Product was disconnected temporarily and permanently w.e.f. 23.07.2018 and 23.08.2018 respectively and excess billing may be refunded/adjusted in the account of the Appellant. Further, the Respondent may be directed not to disconnect electric connection of the Appellant.

(b) Submission during hearing

During hearing on 31.03.2021, the Appellant's Counsel reiterated the submissions made in the Appeal. In addition he submitted a copy of Sale Deed/Agreement to Sell dated 13.03.2019 between Smt. Deepika Singla and M/s Vishal Paper Mills Pvt. Ltd., (Appellant) signed in the office of the Sub Registrar, Malerkotla.

(B) Submissions in written reply

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

- (i) A Large Supply Category Connection, bearing Account No. L36MS0100012 with sanctioned load of 2495 kW and CD as 2495 kVA was running in the name of the Appellant. The Appellant was issued a demand vide Memo No. 1705 dated 03.12.2020 on account of defaulting amount in the account of M/s. Nabha Food Products as the premises of the M/s. Nabha

Food Products were purchased by the appellant and the partition between the two premises was removed and now both the firms were in a single premises. Against the said demand, the Appellant had approached the Forum and revised notice to deposit the outstanding amount after the decision of the Forum had been issued to the Appellant on 18.02.2021.

- (ii) The amount charged to the Appellant was as per rules and regulations of the Respondent, which had not been deposited by the Appellant.
- (iii) The security of the Appellant had already been adjusted in the revised notice of ₹ 3,72,047/-.
- (iv) The metering equipment and transformer were installed outside the premises of the Appellant on the adjoining road. A road was passing between the premises of M/s. Nabha Food Products and M/s. Vishal Paper Mills. The supply of another consumer having Account No. L36MS360138N in the name of M/s. Pacific Wire Product was also running from the same transformer but after purchase of the land of M/s. Nabha food Products, M/s. Vishal Paper Mills had installed a gate and occupied the road alongwith transformer and metering equipment between M/s. Nabha Food Products and M/s. Vishal Paper Mill (Appellant). Therefore, notice no. 1550 dated

03.11.2020 was issued to the Appellant to remove the gate. The metering equipment was removed after checking done by Enforcement and would be returned to ME Lab after clearance of defaulting outstanding amount against the premises. After the decision of the Forum, notice had been issued to the Appellant for depositing the shifting charges as per regulations of the Respondent.

- (v) The metering equipments were removed after checking by the Enforcement and compliance of the permanent disconnection order (PDCO) was already made on 05.02.2020.
- (vi) The Appellant had stated that the Rice Mill had not been running since May, 2018 but after verifying the record as given below, it was found that the electricity was being used by the Appellant till August, 2019:-

Reading date	kWh reading	kVAh reading	Consumption (kWh)	Consumption (kVAh)
18.03.2018	65628	68592		
18.04.2018	66182	69298	1108	1412
17.05.2018	66305	69421	246	246
18.06.2018	66430	69546	250	250
18.07.2018	66535	69651	210	210
18.08.2018	66728	69846	386	390
18.09.2018	66896	70016	336	340
16.10.2018	67009	70130	226	228
19.11.2018	67085	70208	152	156
18.12.2018	67156	70281	142	146
16.01.2019	67206	70334	100	106
14.02.2019	67222	70403	32	138
11.03.2019	67316	70452	188	98
13.04.2019	67354	70497	76	90
13.05.2019	67450	70602	192	210
17.06.2019	67537	70697	174	190
17.07.2019	67605	70770	136	146
16.08.2019	67743	70912	276	284
05.02.2020	67743	70912	0	0

- (vii) The outstanding amount against M/s. Nabha Food Products had been charged to the Appellant because the Appellant had purchased the said premises and now partition between M/s. Nabha Food Products and M/s. Vishal Paper Mills had been removed and now both the firms were in single premises.
- (viii) The TDCO No. 57/50146 was issued on 25.07.2019 and as per Regulations of the Respondent, this connection was required to be permanently disconnected after 30 days from issue of TDCO. Therefore, the Forum directed to consider 16.08.2019 as date of PDCO.
- (ix) The claim of the Appellant for considering the connection of M/s. Nabha Food Products disconnected with effect from 23.08.2018 was not/cannot be accepted because consumption of electricity was there even after 23.08.2018.
- (x) The Appellant had itself admitted that it had not taken over the liabilities of M/s. Nabha Food Products, therefore the Appellant had not been authorized to raise any dispute against the bills issued to M/s. Nabha Food Products i.e. the original Consumer of Respondent. The outstanding amount against M/s. Nabha Food Products had been charged to M/s. Vishal Paper Mills because the partition between two firms had been removed and now both the firms were in single premise. No claim or

application from M/s. Nabha Food Products was received by the Respondent for disconnection or bills issued.

- (xi) The amount charged to the Appellant was correct and was recoverable.

(b) Submission during hearing

During hearing on 31.03.2021, the Respondent reiterated the submissions made in the written reply and prayed for dismissal of the same.

5. Analysis and Findings

The issue requiring adjudication is the legitimacy of the charging of ₹ 3,72,047/-, on account of defaulting dues of another consumer (M/s Nabha Food Products) to the account of the Appellant by the Respondent vide Memo No. 305 dated 18.02.2021.

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

- (i) The Appellant's Counsel stated that the Respondent had issued notice vide memo no. 755 dated 29.06.2020 relating to another consumer i.e. M/s. Nabha Food Products, Dhuri Road, Malerkotla. The amount of another consumer had been charged to the account of the Appellant illegally by taking plea that the

property in respect of which, defaulting amount of another consumer was outstanding had been purchased by the Appellant. The Appellant submitted an application dated 10.08.2020 with the Respondent stating that it had only purchased land and fixed assets from the owner of Rice Mill and Appellant had not taken the liabilities of the Unit. It was further requested to give detail of claim after deducting security of ₹ 4,400/- and ACD amounting to ₹ 62,250/- but the Respondent failed to supply details of the claimed amount on behalf of the old owner of the property. The Appellant had submitted another letter dated 07.10.2020 to the Respondent regarding removal of transformer from premises of the Appellant. It was specifically intimated that no power had been used since July, 2018 in the premises and loose live wires of transformer causes electric sparks which poses a great threat of fire to the plant of the Appellant. The Respondent had not shifted transformer from premises of the Appellant and issue of letter nos. 1550 dated 03.11.2020 was an afterthought. The Respondent had never asked the Appellant to open the gate. The meter of the previous owner M/s. Nabha Food Product was checked on 24.11.2020 by ASE/ EA & MMTS, PSPCL, Barnala vide DDL No. 042/560 dated 24.11.2020. The

Checking Officer also directed to get the connection permanently disconnected as per instructions of the Respondent. The Appellant submitted another representation dated 24.11.2020 to the Respondent and supplied detail of amount outstanding against previous owner of the premises. It was submitted that the connection of Rice Mill had not been running since May, 2018 and an amount of ₹ 1,566/- was due to the Respondent in respect of bill issued on 30.05.2018. It was submitted that usually Respondent disconnected the connection if bill was not paid for 2/3 months. It was also submitted that an amount of ₹ 6,90,769/- (which has now been reduced to ₹ 3,72,047/-) cannot be claimed from the Appellant and same can be recovered from M/s. Nabha Food Product only. The Appellant had again submitted representation dated 14.12.2020 to the Respondent and requested to waive off illegal demand of ₹ 6,90,769/- (which has now been reduced to ₹ 3,72,047/-) and to remove the transformer from the premises of the Appellant. The Forum had arbitrarily decided to consider the connection of M/s. Nabha Food Product permanently disconnected w.e.f. 16.08.2019. There was no basis for consideration of the connection disconnected w.e.f. 16.08.2019 permanently.

(ii) The Respondent, in its defence, stated that a Large Supply Category connection, bearing Account No. L36MS0100012 with sanctioned load of 2495 kW and CD as 2495 kVA was running in the name of the Appellant. The Appellant was issued a demand vide Memo No. 1705 dated 03.12.2020 on account of defaulting amount in the account of M/s. Nabha Food Products as the premises of the M/s. Nabha Food Products were purchased by the appellant and the partition between the two premises was removed and now both the firms were in a single premises. Aggrieved with the said demand, the Appellant had approached the Forum and revised notice to deposit the outstanding amount after the decision of the Forum had been issued to the Appellant on 18.02.2021. The amount charged to the Appellant was as per rules and regulations of the Respondent and had not been deposited by the Appellant. The security of the Appellant had already been adjusted in the revised notice of ₹ 3,72,047/-. The metering equipment and transformer were installed outside the premises of the Appellant on the adjoining road. A road was passing between the premises of M/s. Nabha Food Products and M/s. Vishal Paper Mills. The supply of another consumer having account No. L36MS360138N in the name of M/s. Pacific Wire Product

was also running from the same transformer but after purchase of the land of M/s. Nabha food Products, M/s. Vishal Paper Mills had installed a gate and occupied the road alongwith transformer and metering equipment between M/s. Nabha Food Products and M/s. Vishal Paper Mill (Appellant). Therefore, notice no. 1550 dated 03.11.2020 was issued to the Appellant to remove the gate. The metering equipment was removed after checking done by Enforcement and would be returned to ME Lab after clearance of defaulting outstanding amount against the premises. After the decision of the Forum, notice had been issued to the Appellant for depositing the shifting charges as per regulations of the Respondent. The metering equipments were removed after checking by the Enforcement and compliance of the permanent disconnection order (PDCO) was already made on 05.02.2020. The Appellant had stated that the Rice Mill had not been running since May, 2018 but after verifying the record, it was found that the electricity was being used by the Appellant till August, 2019. The outstanding amount against M/s. Nabha Food Products had been charged to the Appellant because the Appellant had purchased the said premises and now partition between M/s. Nabha Food Products and M/s. Vishal Paper Mills had been removed and now both

the firms were in single premises. The TDCO No. 57/50146 was issued on 25.07.2019 and as per Regulations of the Respondent, this connection was required to be permanently disconnected after 30 days from issue of TDCO. Therefore, the Forum directed to consider 16.08.2019 as date of PDCO. The claim of the Appellant for considering the connection of M/s. Nabha Food Products disconnected with effect from 23.08.2018 was not/ cannot be accepted because consumption of electricity was there even after 23.08.2018. The Appellant had itself admitted that it had not taken over the liabilities of M/s. Nabha Food Products, therefore the Appellant had not been authorized to raise any dispute against the bills issued to M/s. Nabha Food Products i.e. the original Consumer of Respondent. The outstanding amount against M/s. Nabha Food Products had been charged to M/s. Vishal Paper Mills because the partition between two firms had been removed and now both the firms were in single premises. No claim or application from M/s. Nabha Food Products was received by the Respondent for disconnection or bills issued. The amount charged to the Appellant was correct and was recoverable.

- (iii) The Appellant contended that it had purchased assets held by M/s Gagan Rice Mills, Malekotla through its owners-Smt.

Geetanjali, Smt. Deepika and Smt. Yogita and the said Rice Mill was just adjoining to the Appellant's Unit, M/s Vishal Paper Mill, Malerkotla. The Appellant's Counsel, on being directed telephonically by this Court on 23.03.2021, submitted during hearing dated 31.03.2021 a copy of Sale Deed/Agreement to Sell dated 13.03.2019 between Smt. Deepika Singla and M/s Vishal Paper Mills Pvt. Ltd., Malerkotla (Appellant). A perusal of the said agreement revealed that a Note at Page 4 was given dully signed stating as under:

“ਨੋਟ:- ਵਿਕਰੀਕਾਰਾ ਨੇ ਉਕਤ ਵੇਚੀ ਭੋ/ ਬਿਲਡਿੰਗ ਜਿਸ ਨੂੰ ਨਾਲ ਲੱਗੇ ਨਕਸ਼ਾ ਵਿਚ ਲਾਲ ਰੰਗ ਸੇ ਦਿਖਾਇਆ ਗਿਆ ਹੈ ਨੂੰ ਮਏ ਫਿਟਿੰਗ ਵ ਕੂਨੈਕਸ਼ਨ ਬਿਜਲੀ ਵ ਮਏ ਮਸ਼ੀਨਰੀ ਵ ਮਏ ਕੁਲ ਹਕੂਕ ਅਸ਼ਾਇਸ਼ ਵ ਮਏ ਦੀਗਰ ਕੁਲ ਸੰਬਧਤ ਹਕਾਂ ਸਮੇਤ ਬਦਸਤ ਖਰੀਦਾਰ ਬੈ ਕਰਕੇ ਖਰੀਦਾਰ ਨੂੰ ਉਕਤ ਵੇਚੀ ਭੋ ਵ ਬਿਲਡਿੰਗ ਦਾ ਪੂਰਨ ਮਾਲਕ ਅਤੇ ਕਾਬਜ ਕਰਾਰ ਦੇ ਦਿੱਤਾ ਹੈ ਅੱਜ ਤੋ ਖਰੀਦਾਰ ਨੂੰ ਉਕਤ ਵੇਚੀ ਭੋ/ ਬਿਲਡਿੰਗ ਸੰਬਧੀ ਕੁਲ ਹਕੂਕ ਮਾਲਕਾਨਾ ਬੈ ਰਹਿਨ ਇੰਤਕਾਲ ਆਦਕ ਹਰ ਕਿਸਮ ਹਾਸਲ ਹੋਨਗੇ । ਖਰੀਦਾਰ ਨੂੰ ਇਸ ਵਿਕਰੀਨਾਮਾ ਅਨੁਸਾਰ ਉਕਤ ਭੋ ਦਾ ਇੰਤਕਾਲ ਬੈ ਆਪਨੇ ਹਕ ਵਿਚ ਮੰਜੂਰ ਕਰਵਾਨ ਦਾ ਪੂਰਨ ਹਕ ਹਾਸਲ ਹੋਵੇਗਾ ।”

Similar Note was also given in the agreements dated 05.11.2018 and 05.10.2020 executed/signed by the Appellant, M/s Vishal Paper Mills, Malerkotla with Smt. Yogita Singla

and Smt. Geetanjali Singla alias Smt. Geetanjali Garg (Sellers) respectively.

By signing the above agreement, the Appellant became the owner of all the assets, machinery, electricity connection etc. and virtually became liable to take care of the obligations/responsibility of the electricity connection installed in the premises purchased by it. As such, the contention of the Appellant that it was not liable to pay the electricity dues relating to the connection of M/s Nabha Food Products gets falsified/disproved.

- (iv) The Appellant's Counsel also referred to its representations dated 29.06.2020, 20.08.2020, 07.10.2020 and 23.10.2020 to remove live transformer belonging to M/s Nabha Food Products, Malerkotla bearing Account No. L36MS360098X as the same had come in the premises of the Appellant by default. The Appellant's Counsel added that Rice Mills was not running since May 2018 and the owner had ₹ 90,000/- against bill dated 04.04.2018 for ₹ 86,970/-. Since then, Rice Mill was closed and no motive electricity was used. It is observed that the above submissions of the Appellant's Representative are at variance with the factual position on record. The Consumption Data relating to 18.03.2018 to 16.08.2019 provided by the

Respondent is ample/sufficient to disprove the averment of the Appellant's Counsel as per details given below:

Reading date	kWh reading	kVAh reading	Consumption (kWh)	Consumption (kVAh)
18.03.2018	65628	68592		
18.04.2018	66182	69298	1108	1412
17.05.2018	66305	69421	246	246
18.06.2018	66430	69546	250	250
18.07.2018	66535	69651	210	210
18.08.2018	66728	69846	386	390
18.09.2018	66896	70016	336	340
16.10.2018	67009	70130	226	228
19.11.2018	67085	70208	152	156
18.12.2018	67156	70281	142	146
16.01.2019	67206	70334	100	106
14.02.2019	67222	70403	32	138
11.03.2019	67316	70452	188	98
13.04.2019	67354	70497	76	90
13.05.2019	67450	70602	192	210
17.06.2019	67537	70697	174	190
17.07.2019	67605	70770	136	146
16.08.2019	67743	70912	276	284
05.02.2020	67743	70912	0	0

- (v) It is also observed that the Appellant's Counsel had adopted double standards in its oral and written submissions in this Court. On the one hand, he stated that the liability of outstanding/defaulting dues of another consumer, M/s Nabha Food Products) did not rest with the Appellant's Unit and recovery of the defaulting amount against M/s Nabha Food Products be made by filing a recovery suit in terms of provisions contained in Supply Code Regulations. But, on the other hand, the Appellant's Counsel also requested for adjustment of excess billing of M/s Nabha Food Product (considering its permanent disconnection on 23.08.2018) in the

account of the Appellant. This clearly shows that the Appellant is concerned about the assets relating to electricity bills refundable (as per Appellant's version). However, the Appellant has repeatedly stated in its Petition before the Forum and Appeal in this Court that the Respondent could not recover the electricity dues of a consumer from another consumer as arrears of electricity dues were not a charge on the property.

- (vi) In this connection, it is worthwhile to peruse the observations of the Forum in its order dated 27.01.2021 reproduced as under: "Forum observed that the property belonging to M/s Nabha Foods Product (alongwith installed machinery) was acquired by the petitioner in 3 parts during Nov, 2018, March, 2019 & October, 2020. The payment against the existing electricity connection in the premises of M/s Nabha Food Products was made in June, 2018 and subsequently the account was cleared in 09/2018. As per the consumption data submitted by the respondent, electricity consumption in small quantum has regularly taken place upto 16.08.2019. The TDCO of the consumer was issued vide no. 57/50146 dtd 25.07.19 on defaulting amount of Rs. 4,85,263/-. Subsequently PDCO was again issued vide no. 90/50146 dtd 30.01.20 and the connection was disconnected on 05.02.20 after checking of Enforcement

Agency on 24.11.20. It has been observed that the respondent has not taken any action for disconnection/ recovery of defaulting amount when no payment was being received after 09/2018 and the matter was allowed to linger on till February, 2020. Forum has also observed that the Petitioner is a LS consumer and the petitioner did not take appropriate remedy at appropriate time and has failed to exercise its obligation to approach respondent in time for disconnection of electricity connection existing in the premises of Firm M/s Nabha Food Products which has been purchased by him. The onus for not taking appropriate remedies also rests on the petitioner, being a LS consumer. As such, forum is of the opinion that the electricity connection existing in the premises of M/s Nabha Food Products needs to be considered permanently disconnected w.e.f 16.08.19 and no subsequent MMC/FC are chargeable.”

- (vii) There is merit in the submissions of the Respondent that the claim of the Appellant for considering the connection of M/s. Nabha Food Products disconnected with effect from 23.08.2018 was not/ cannot be accepted because consumption of electricity was there even after 23.08.2018. The Appellant had itself admitted that it had not taken over the liabilities of

M/s. Nabha Food Products, therefore the Appellant had not been authorized to raise any dispute against the bills issued to M/s. Nabha Food Products i.e the original Consumer of Respondent. The outstanding amount against M/s. Nabha Food Products had been charged to M/s. Vishal Paper Mills because the partition between two firms had been removed and now both the firms were in single premises. No claim or application from M/s. Nabha Food Products was received by the Respondent for disconnection or in respect of bills issued. The amount charged to the Appellant was correct and was recoverable.

(viii) During hearing on 31.03.2021, the attention of the Appellant's Counsel was invited to the provisions contained in Regulation 30.15 of Supply Code-2014 which reads as under:

“30.15 In case of transfer of property by sale/inheritance, the purchaser/ heir shall be liable to pay all charges due with respect to such property and found subsequently recoverable from the consumer.”

The Appellant's Counsel was apprised that the above provisions are legal and also relevant in the present context, therefore, binding on the Appellant. The Appellant's Counsel

did not dispute/contest the legality of the above provisions and simply reiterated its submissions for relief as prayed.

- (ix) The Court observed that a LS Category Consumer, purchasing any property adjoining its own unit, cannot feign ignorance to the essential requirements about installation of Electricity Connection in the premises of the unit purchased/intended to be purchased and also about the energy consumption alongwith the dues becoming payable from time to time. Had the Appellant took appropriate timely remedy in the year 2018 itself (at the time of purchase of first part of property) and requested/persued the matter about permanent disconnection of M/s Nabha Product, Malerkotla the present dispute would have been avoided. A LS Category Consumer needs to be sincere, responsible and vigilant in discharging its obligations instead of finding lacunae in the working of the Licensee.
- (x) On being asked during hearing on 31.03.2021, the Respondent stated that the matter regarding taking appropriate action against the defaulting officials/officers for dereliction of duty in not ensuring timely disconnection of connection in the name of M/s Nabha Food Product after noticing default in payment of electricity dues was being looked into.

The Respondent needs to ensure to get the matter investigated expeditiously and action as per rules of PSPCL be taken against those found guilty.

- (xi) From the above analysis, it is concluded that the amount of ₹ 3,72,047/- raised vide Memo No. 305 dated 18.02.2021 on account of defaulting dues of M/s Nabha Food Product by considering it permanently disconnected with effect from 16.08.2019 is fully recoverable from the Appellant in terms of provisions contained in Regulation 30.15 of Supply Code-2014 and by virtue of its (Appellant) having become the owner of the electricity connection etc. of M/s Nabha Food Product as per agreements signed for purchase of property from the concerned owners. The order dated 27.01.2021 of the Forum in the present dispute is correct and does not warrant any interference by this Court.

6. Decision

As a sequel of above discussions, the order dated 27.01.2021 of the CGRF, Patiala in Case No. CGP-37 of 2021 is 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.

April 07, 2021
S.A.S. Nagar (Mohali)

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