GUJARAT ELECTRICITY REGULATORY COMMISSION
BEFORE THE ELECTRICITY OMBUDSMAN, GUJARAT STATE
Polytechnic Compound, Barrack No.3, Ambawadi,
Ahmedabad-380015

CASE NO. 162/2015

Appellant: M/s. Snow-White Products,
Shed No.C-1-1027, GIDC, Panoli
Ta. Ankleshwar. Dist. Bharuch

Represented by: Shri S.Y.Makani, Authorized representative.

V/s.

Respondent: Deputy Engineer,
Dakshin Gujarat Vij Company Ltd.,
Industrial Sub-Division Office,
ANKLESHWAR. Dist. Bharuch.

Represented by: Shri V.B.Patel, DE, DGVCL, Ind. S/d.,Ankleshwar.

:::**PROCEEDINGS**:::

1.0. The Appellant had submitted representation aggrieving with the order No.16567 dated 30.10.2015, passed by the Consumer Grievances Redressal Forum, Dakshin Gujarat Vij Company Limited, Surat, in complaint No.130-2015-16. The representation was registered at this office as Case No.162/2015. The hearing of this case was kept on 28.01.2015. As Appellant had requested for submission of rejoinder, the next hearing was kept on 11.02.2016.

2.0. The Appellant has represented the case as under.

2.1. Appellant is having Industrial connection at Shed No. C-1-1027, GIDC, Panoli, Dist. Ankleshwar, for 10 HP. The connection was released in 1997.

2.2. Appellant has made application for load extension on 27.03.2015 along with relevant documents. An estimate of Rs.45952/- was issued on 01.05.2015 by Respondent, which was paid by DD

No.04602 by Appellant on 05.05.2015. Appellant has also signed the agreement with Respondent.

2.3. Appellant has made expenditure for load extension, ELCB, capacitor, cable, foundation for transformer, machinery etc. Then after Respondent had issued a letter dated 06.07.2015 mentioning that there is arrears pending against Plot No.C-1-1027, GIDC, Panoli of previous consumer M/s. Narmada Drugs and Fine chem, and denied to give additional load demand.

2.4. It is submitted that Appellant is not liable for payment of dues, and denied the liability of Civil Suit No.114/1994, Darkhast No.8/2009 of Rs.71191.13. The said dues are not payable by Appellant. Extension of load is rights of customer and Respondent cannot deny his demand.

2.5. Appellant has submitted rejoinder on 02.02.2016 and stated as under:

(a) The findings of CGRF as per Point No.5 Appellant has submitted copy of GR No. GFC GIC 102003-1711-P dated 07.02.2004 issued by Government of Gujarat and stated that content of the GR should be taken to account for the case.

(b) It is stated that as per Point No.2 of above GR the dues of bills is of the past owner may be distributed on the pro-rata basis from the auction amount. In the present case past owner M/s. Narmada Drugs & Fine Chem and hence dues cannot be carry forwarded on the premises.

(c) As per Point No.5 of above GR no amount shall be collected from new purchaser/owner in auction sale. The asset/ property of new purchaser/owner in auction sale is free from any burden/liability. As per Point No.6 of above GR, Board should provide help to keep the factory running.

2.6. In reply to letter dated 07.05.2011 written by GUVNL, Principal Secretary, GOG, EPD, vide letter No.GUV-102011-373750 dated

29.07.2011 clarified that new purchasers/owners in auction sale of GSFC are not liable to pay past dues and therefore Clause No. 4.1.11 cannot be applied on premises of new purchaser/owner in auction sale of GSFC.

2.7. Respondent has released new connection to industrial consumers without asking dues amount as per GR dated 07.02.2004. Therefore Clause No. 4.1.11 is not applicable to the instant case.

2.8. It is stated that past owner M/s. Narmada Drugs & Fine Chem is liable to pay the arrears as per order of Bharuch Civil Court. Appellant is not liable to pay arrears as per Court order.

2.9. Appellant has referred letter No. GSFC/JGM/Legal/282/8011 dated 18.07.1995 issued by Joint General Manager, GSFC and stated that purchaser of units in auction of GSFC cannot be asked to pay past dues of previous owner.

2.10. Appellant has prayed as under:

(a) To quash the CGRF order dated 30.10.2015.

(b) To refund estimated amount of Rs. 45952/- credited against arrears of past owner M/s. Narmada Drugs & Fine Chem, along with interest.

(c) To grant extension of load to Appellant.

3.0. Respondent has represented the case as under:

3.1. Appellant has purchased Shed No.C-1-1027 vide GSFC sale letter No.GSFC/SRO/RLC/Sale/C-33/4634 dated 20.01.1996.

3.2. In response to letter dated 02.02.2016 of Appellant and in Para No.2,3,4 and 5 it is mentioned that Plot No. C1-1027 purchased by Appellant through auction from GSFC vide GSFC letter No.4634 dated 20.01.1996, Respondent has not received any pro-rata amount from GSFC for pending dues of previous consumer in above Plot. The GOG GR No. GFC-GIC-102003-1711-P dated 07.02.2004 states that this facility is applicable to those cases auctioned after issue of this Tharav and not to reopen previous cases.

3.3. As per approval letter No. 4267 dated 08.04.1996, 10 HP power supply was released in Plot No.C-1-1027 in the name of M/s. Snow-White Products on 28.09.1996, bearing consumer No. 12114/00767/7. Appellant had applied for load extension from 12 KW to 27 KW on 06.04.2015.

3.4. Estimate was issued vide SR No.2729815 dated 02.05.2015 as under:

Agreement fee:	Rs.	100/-
Fixed charges:	Rs.	16700/-
Security Deposit:	Rs.	29152/-
	Rs.	45952/-

The estimate was paid on 08.05.2015 vide MR No.FB103106 to FB103108. Agreement was executed by Appellant on 30.05.2015.

3.5. It is submitted that details of dues pending against the connection are as under:

Name of present consumer.	Address	Name of previous consumer.	Civil Suit No.	Darkhast No.	Civil Suit amount.	Arrears as on 05.11.2015
Snow-White Products. Con.No. 12114007677 SR No.2729815	Plot No. C1-1027, GIDC, Panoli	Narmada Drugs & Fine Chem. Conn.No. 12114002560	114/94	8/2009	71191.13	448043.97

3.6. As per GERC Notification No. 6 of 2010, Clause No. 4.1.11 Respondent has intimated Appellant to pay the dues amount with delay payment charges and legal charges within 15 days vide letter No.970 dated 06.07.15 and 1060 dated 22.07.2015. Appellant has not paid the dues within a given time period. Application of load extension dated 06.04.2015 was cancelled vide letter No.1407 dated 19.09.2015. It was informed to Appellant that the application for load extension is cancelled and therefore he may apply afresh after payment of dues.

3.7. As per letter No. Ankl/Ind/Legal/1707 dated 05.11.2015 Respondent has intimated Appellant that paid estimated amount

of Rs. 45952/- is adjusted against arrears of same premises as per norms.

3.8. As per GERC Notification No.4 of 2015, Clause No. 4.30, load extension of appellant cannot be considered due to pending arrears.

:**::ORDER::**:

4.0. I have considered the contentions of the Appellant and the Respondent and the facts, statistics and relevant papers, which are on record, and considering them in detail, my findings are as under.

4.1. Plot No. C-1-1027 at GIDC, Panoli of M/s. Narmada Drugs & Fine Chem has been handed-over to Appellant as per sale letter No.GSFC/SRO/RLC/Sale/C-33/4634 dated 20.01.1996 by GSFC under auction.

4.2. In reference to application of Appellant dated 25.03.1996, Chief Engineer, GEB has given approval for release of connection in the premises of M/s. Narmada Drugs & Fine Chem, situated at C-1-1027 GIDC, Panoli, Dist. Bharuch, purchased in auction from GSFC. Accordingly Dy. Engineer, Ankleshwar sub-division has approved new industrial connection of 10 HP to Appellant vide letter No. ANK/T/1279 dated 21.06.1996.

4.3. As per Para No.3.3 approval given by competent authority, Respondent has released electric supply for 10 HP to Appellant at Plot No. C-1-1027, GIDC, Panoli on 28.09.1996, bearing connection No.12114/00767/7.

4.4. Respondent had filed Civil Suit for recovery of old dues of M/s. Narmada Drugs & Fine Chem, C-1-1027, GIDC, Panoli vide C.S.No.114/1994, which was decided by Court in favour of Respondent vide order dated 26.12.2000. Accordingly Respondent has filed Darkhast appeal vide No.8/2009 for recovery of dues.

The dues as on 05.11.2015 is shown Rs. 448043.97 against M/s. Narmada Drugs & Fine Chem, Plot No. C-1-1027, GIDC, Panoli, where premises is occupied by present Appellant and having electric connection No. 12114/00767/7.

4.5. GERC Supply Code Notification No.11 of 2005, Clause No. 4.1.11 effective from 31.03.2005.

Amendment in Clause No. 4.1.11 is as under which is effective from 20.08.2010.

"An application for new connection, reconnection, addition or reduction of load, change of name or shifting of service line for any premises need not be entertained unless any dues relating to that premises or any dues of the applicant to the Distribution Licensee in respect of any other service connection held in his name anywhere in the jurisdiction of the Distribution Licensee have been cleared.
Provided that in case the connection is released after recovery of earlier dues from the new applicant and in case the licensee, after availing appropriate legal remedies, get the full or p art of the dues from the previous consumer/owner or occupier of that premises, the amount shall be refunded to the new consumer/owner or occupier from whom the dues have been recovered after adjusting the expenses to recover such dues".
Based on above regulation, dues shown by Respondent against above premises as declared recoverable by Court is recoverable for any addition/reduction in contract demand of Appellant.

4.6. In order issued by CGRF, findings recorded in Para No. 4,5,6 and 7 ordered that action taken by Respondent for recovery of dues is as per norms. In review order issued by CGRF dated 10.12.2015, CGRF has also upheld the original order and action of Respondent.

4.7. Resolution dated 07.02.2004 of Industries & Mines Department, GoG States regarding industrial development after sale of plots through GSFC under auction and various Government departments dues recovery of old plot holder, pro-rata settlement of amount among the various Government departments after sale of plot under auction.

In instant case, erstwhile GEB has approved the electric connection to Appellant at premises C-1-1027 purchased under auction from GSFC from old owner M/s. Narmada Drugs & Fine Chem at GIDC, Panoli, without insisting old due amount of old consumer M/s. Narmada Drugs & Fine Chem.

The dues recovery Civil Suit was ordered by Civil Court as per litigation filed by Respondent and for recovery of dues amount Respondent has also filed Darkhast.

The existing electric connection of Appellant is governed by GERC Supply Code Notification after enactment of Electricity Act,2003. GERC has published Supply Code Regulation Notification No.11 of 2005 effective from 31.03.2005.

As per said regulation, Clause No. 4.1.11, amendment thereof, any dues are recoverable to process the additional load demand of Appellant.

Respondent had already intimated Appellant to pay the dues and then after, paid estimated amount for load extension was adjusted against the old dues, and not granted load extension.

The action of Respondent for recovery of dues amount is as per above mentioned proviso of regulation framed by GERC.

4.8. I order accordingly.

4.9. No order as to costs.

4.10. With this order, representation/Application stands disposed of.

(Dilip Raval)
Electricity Ombudsman
Gujarat State

Ahmedabad.
Date: 16.02.2016