

**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. 01/2024**

**Date of Registration : 12.01.2024**

**Date of Hearing : 23.01.2024**

**Date of Order : 01.02.2024**

**Before:**

**Er. Anjuli Chandra,  
Lokpal (Ombudsman), Electricity, Punjab.**

**In the Matter of:**

M/s. T C Spinners Pvt. Ltd.,  
Chandigarh- Ambala Highway,  
Lalru, Distt. Mohali (S.A.S. Nagar).

**Contract Account Number: Z23-LL02-00081 (LS)**

...Appellant

Versus

Senior Executive Engineer,  
DS Division, PSPCL,  
Lalru.

...Respondent

**Present For:**

Appellant: Sh. M. R. Singla,  
Appellant's Representative.

Respondent : Er. Mandeep Kumar,  
Senior Executive Engineer,  
DS Division, PSPCL,  
Lalru.

Before me for consideration is an Appeal preferred by the Appellant against the decision dated 12.12.2023 of the Corporate Consumer Grievances Redressal Forum, Ludhiana (Corporate Forum) in Case No. T-189/2023, deciding that:

*“Forum observed that the grievance filed is regarding non-compliance of orders of PSERC, which does not come under the purview of Corporate CGRF. Petitioner may approach appropriate authority in this regard. The present petition is dismissed accordingly being non-maintainable in Corporate CGRF.”*

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

A scrutiny of the Appeal and related documents revealed that the Appeal was received in this Court on 12.01.2024 i.e. within the period of thirty days of receipt of the decision dated 12.12.2023 in Case No. T-189/2023 of the CCGRF, Ludhiana. The Appellant was not required to deposit the requisite 40% of the disputed amount as this is a refund case. Therefore, the Appeal was registered on 12.01.2024 and copy of the same was sent to the Addl. Superintending Engineer/ DS Division, PSPCL, Lalru for sending written reply/ parawise comments with a copy to the office of the CCGRF, Ludhiana under intimation to the Appellant vide letter nos. 25-27/OEP/A-01/2024 dated 12.01.2024.

### **3. Proceedings**

With a view to adjudicate the dispute, a hearing was fixed in this Court on 23.01.2024 and intimation to this effect was sent to both the parties vide letter nos. 41-42/OEP/A-01/2024 dated 18.01.2024. As scheduled, the hearing was held in this Court on 23.01.2024. Arguments of both the parties were heard & the case was closed for pronouncement of final orders.

### **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 deliberations made by the Appellant's Representative and the Respondent along with material brought on record by both the parties.

#### **(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 LS Category Connection, bearing Account No. Z23-LL02-00081 in the name of M/s. T.C. Spinners Pvt. Ltd. with present Sanctioned Load/CD of 9200 kVA under DS Division, PSPCL, Lalru.

- (ii) The Appellant applied for extension in Contract Demand of 3900 kVA on 10.10.2013 from existing CD of 2500 kVA to 6400 kVA. Feasibility for the same was accorded at 66 kV by EIC/Commercial, Patiala vide Memo No. 258 dated 27.05.2014.
- (iii) As per Feasibility Clearance, for erecting 66 kV line, Sr. Xen, TL Division, PSPCL, Patiala vide Memo No. 1662 dated 15.07.2014 asked the Appellant to deposit Estimated Cost of ₹ 1,23,26,696/-, which was deposited by the Appellant vide BA-16 No. 40/47501 dated 23.07.2014. In addition to above, a sum of ₹ 49,23,000/- was also deposited vide BA-16 No. 26/5273 dated 12.08.2014 towards cost of erection of 66 kV Bay.
- (iv) After deposit of above mentioned amounts and complying with other necessary documents for release of extension in Load/Contract Demand, the Respondent released the extension in load/CD on 20.11.2014 from 66 kV sub-station Alamgir temporarily as per feasibility clearance. Finally the connection was to be given supply from 220 kV sub-station Lalru after completion of 66 kV line works.
- (v) Erection work of 66 kV line was in progress but the Respondent raised additional Demand amounting to ₹ 42,01,274/- due to revision of estimate for 66 kV line. Raising of additional Demand before the completion of work was in violation of the Regulations

of Supply Code, 2014, when all the amounts as per Demand Notice stood deposited. Against this wrong demand, Petition no. 69 of 2015 was filed before the Hon'ble Commission, being it was in violation of the Supply Code Regulations. 2<sup>nd</sup> issue was raised in Petition for refund of amount in excess to actual expenditure for 66 kV Bay work which stood completed at that time.

- (vi) Petition no. 69 of 2015 was decided by the Hon'ble PSERC on 22.01.2016. As per orders, additional Demand of ₹ 42,01,274/- was set-aside and it was specifically ordered to Respondent to work out actual recoverable cost after completion of work and settle the account accordingly as per Regulation 9.3.6 of Supply Code, 2014. Erection work of 66 kV line was completed on 07.02.2022 but actual recoverable cost was not worked out by the Respondent as per Regulation 9.3.6 of Supply Code, 2014.
- (vii) In violation of the PSERC orders, the Respondent asked the Appellant on 23.02.2022 to deposit Estimated Cost of ₹ 42,01,274/- as demanded earlier before filing of Petition No. 69 of 2015. Amount of ₹ 42,01,774/- plus GST amount of ₹ 7,56,230/- total ₹ 49,57,504/- were deposited under compulsion on 17.03.2022 to avoid any coercive measures to be taken by the Department.
- (viii) As per orders of the PSERC in Petition 69 of 2015 & Regulation 9.3.6 of Supply Code, 2014, the Respondent was bound and it was

obligatory to work out actual recoverable cost of security works within 60 days after completion of work and to settle the account accordingly but till date, it had not been done in violation of orders of the Hon'ble PSERC dated 22.01.2016 and Supply Code Regulations.

- (ix) Issue was raised with the Respondent verbally so many times but without any result. Matter was again raised in writing with the notified office & ASE, Lalru Division on 18.10.2023, but no response was received on the issue from the Respondent. As per assessment of the Appellant, actual expenditure (recoverable cost of security works was much less than the total amount of security works deposited, i.e. ₹ 49,23,000/- + 1,23,26,696/- + ₹49,57,504/- = ₹ 2,22,07,200/-.
- (x) As no response was given by the Respondent, so information was sought through RTI from ASE Grid Const., Patiala & ASE TL Division, PSPCL, Patiala for intimating actual expenditure of works carried out. ASE Grid Const., Patiala had supplied the information & ASE/TL Division, PSPCL, Patiala had not given complete information and it was still awaited.
- (xi) ASE Grid Const., Patiala who had erected the 66 kV Bay had intimated that actual expenditure was of ₹ 24,97,616/- for the erection of 66 kV Bay. Amount deposited for 66 kV Bay was ₹

49,23,000/-, so actual expenditure was less to the tune of ₹ 24,25,384/- than the amount of deposit. Similarly as per assessment of the Appellant there was much less expenditure for erection of 66 kV line also as the actual work done at site was much less than estimated work. Hence, the total recoverable cost was much less than the deposited amount of Security works and the Appellant was entitled for refund of amount for 66 kV Bay as well as for 66 kV line also after adjusting recoverable cost from the deposited amount of security works.

- (xii) For not finalizing the account by the Respondent as per the Hon'ble PSERC decision/Orders dated 22.01.2016 in Petition No. 69 of 2015, Petition was filed before Corporate CGRF vide Case No. T-189/2023 but instead of deciding the Case, the Corporate CGRF in proceedings dated 12.12.2023 had given the observation that non-compliance of orders of the PSERC does not come under their purview and the Petitioner may approach appropriate authority in this regard.
- (xiii) Hon'ble Ombudsman, Electricity Punjab is requested to kindly accept the Appeal and pass orders to the Respondent to refund the excess amount of security works with interest in excess to actual expenditure as per Regulation 9.3.6 of Supply Code, 2014.

**(b) Submission during hearing**

During hearings on 23.01.2024, the Appellant's Representative (AR) reiterated the submissions made in the Appeal and prayed to allow the same.

**(B) Submissions of the Respondent**

**(a) Submissions in written reply**

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

- (i) The present Appeal has been filed by T.C. Spinners Pvt. Ltd., Lalru against the decision of the Corporate Forum, Ludhiana in Case No. T-189 of 2023. The Appellant had filed the petition before the Corporate Forum, Ludhiana for warrants action as per Section 142 of Electricity Act-2003 for non compliance and violation of Hon'ble PSERC order against Petition No. 69 of 2015, non refund of security works amount in excess to recoverable expenditure as Regulation 9.3.6 of Supply Code-2014.
- (ii) The Appellant was having LS Category Connection bearing a/c no. Z23-LL02-00081 running a Spinning Mill in the name of M/s T. C. Spinners Pvt. Ltd., Chandigarh-Ambala Highway, Lalru with sanction load/CD as 12625.18 kW/9200 kVA fed at 66 kV. Before

20.11.2014, the sanctioned load/CD was 3695.050 kW/2500 kVA which was fed at 11 kV.

- (iii) The Appellant had applied for extension in load/demand of 5071.13 kW/3900 kVA on 10.10.2013. The feasibility was originally cleared on 14.11.2013 at 66 kV, which was revised on 27.05.2014.
- (iv) In response to Sr. Xen/TL Division, PSPCL, Patiala Memo No. 1662 dated 15.07.2014, M/s T.C. Spinners Pvt. Ltd., had deposited a sum of ₹ 1,23,26,696/- on 23.07.2014 towards estimated cost of 66 kV line and ₹ 49,23,000/- towards cost of 66 kV Bay on 12.08.2014.
- (v) As per provision of feasibility clearance, the extension in load was temporarily released from 66 kV Sub-Station, Alamgir on 20.11.2014. It was also provided in feasibility clearance that eventually, the connection would be given from 220 kV Sub-Station, Lalru after erecting a new and separate 66 kV line. After completion of work of 66 kV line, the actual expenditure recoverable from the Appellant was required to be determined as per provisions of feasibility clearance dated 27.05.2014.
- (vi) In compliance to revised feasibility ASE/TL Division, PSPCL, Patiala had revised estimate for erection of 66 kV line and tentative estimate cost was raised to ₹ 1,65,27,970/-. Accordingly, AEE/DS Division, PSPCL, Lalru vide Memo No. 1522 dated 21.10.2015

had demanded an additional amount of ₹ 42,01,274/-. This amount was also subject to further revision. As order of Hon'ble PSERC in Petition No. 69 of 2015 the additional demand of ₹ 42,01,274/- was withheld. However, the Appellant on 17.03.2022 had deposited ₹ 42,01,274/- plus GST amount of ₹ 7,56,230/- with Respondent as demanded earlier.

- (vii) As per the orders of Hon'ble PSERC in Petition No. 69 of 2015 & Regulation 9.3.6 & 9.3.7 of Supply Code-2014, the PSPCL is in process to adjust expenditure actually incurred (recoverable amount) and adjust Security (works) against such recoverable amount as security works of 66 kV line was completed on 19.10.2022. The ASE/TL Division, PSPCL, Patiala vide this office Memo No. 6167 dated 11.12.2023, Memo No. 6358 dated 21.12.2023, Memo No. 6480 dated 27.12.2023 and again vide Memo No. 219 dated 15.01.2024 had been requested to provide the actual expenditure incurred on erection of 66 kV line. As per their office Memo No. 382 dated 22.01.2024 it will take 15 days to work out the same. The ASE/Civil Works Division, Patiala vide Memo 198 dated 15.01.2024 and ASE/Grid construction, Division, Patiala vide Memo No. 3658 dated 13.12.2023 have already provided the actual cost of civil work and cost of 66 kV Bay.

(viii) It is humbly submitted that PSPCL is already in process of adjusting the Security (works) against actual incurred expenditure. The Appellant had filed the petition before Corporate Forum, Ludhiana for non-compliance of PSERC orders and Corporate Forum, Ludhiana observed that the grievance filed was regarding non-compliance of orders of PSERC, which does not come under the Corporate Forum, Ludhiana, the petition was dismissed accordingly for non-maintainable in Corporate Forum, Ludhiana. So, accordingly it is humbly submitted that the case may also be dismissed in the Court of Ombudsman, Electricity, Punjab.

**(b) Submission during hearing**

During hearings on 23.01.2024, 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 the legitimacy of the claim of the Appellant regarding refund after implementation of the decision dated 22.01.2016 of Hon'ble PSERC in Petition No. 69 of 2015.

*My findings on the points that emerged and my analysis is as under:*

- (i) The Corporate Forum in its order dated 12.12.2023 observed as under:-

“Forum observed that dispute filed is regarding refund of amount deposited against security works for erection of 66 KV line and 66 KV Bay for which order has already been passed by the Honorable PSERC on 22.01.016 against petition no. 69 of 2015.

Relevant portion of the pleadings submitted by the petitioner, which is reproduced under:-

*“As per orders of PSERC in petition 69 of 2015 & Regulation 9.3.6 of Supply Code 2014 Respondent was bound and it was obligatory for him to work out actual recoverable cost of security works within 60 days after completion of work and settle the account accordingly but till date it has not been done. It is violation of the Hon’ble PSERC orders and Supply code Regulations which warrants action as per Section 142 of E.AA 2003 for non compliance.”*

Forum observed that the grievance filed is regarding non-compliance of orders of PSERC, which does not come under the purview of Corporate CGRF Petitioner may approach appropriate authority in this regard.

The present petition is dismissed accordingly being non-maintainable in Corporate CGRF.”

- (ii) I have gone through the written submissions made by the Appellant in the Appeal, written reply of the Respondent as well as oral arguments of both the parties during the hearings on 23.01.2024. The Respondent prayed to dismiss the Appeal as it is not maintainable in this Court. It is observed that the grievance of the Appellant is regarding the refund of excess amount deposited

against the Security (Works) for the erection of 66 kV line & 66 kV Bay as per Regulation 9.3.6 of Supply Code, 2014. But for this grievance, the Appellant had earlier filed Petition No. 69 of 2015 with the PSERC, which was decided by the Commission on 22.01.2016 in the favour of the Appellant. This fact is admitted by the Appellant itself in the Appeal.

- (iii) It is observed that the Appellant filed a wrong declaration with this Court that the subject matter of their representation had not been decided by any other Authority/Court/Arbitrator.
- (iv) In this connection, I have gone through Regulation 3.18 (iv) of the PSERC (Forum and Ombudsman) Regulations, 2016 reproduced as under:

*“3.18 No representation to the Ombudsman shall lie unless:*

*(iv) The representation by the Complainant, in respect of the same grievance, is not pending in any proceedings before any court, tribunal or arbitrator or any other authority; a decree or award or a final order has not been passed by any such court, tribunal, arbitrator or authority.”*

- (v) It is evident from the perusal of above Regulation 3.18 (iv) that the present Appeal is not maintainable as the final order had already been passed by the Hon'ble PSERC on 22.01.2016 for the same subject matter of the present Appeal in Petition No. 69 of 2015. The Appellant filed wrong declaration before this Court at the time of

filing of this Appeal on 12.01.2024. The Appeal is disposed of accordingly.

- (vi) Also, this Court has no jurisdiction to hear cases regarding non-implementation of orders of Hon'ble PSERC.

**6. Decision**

As a sequel of above discussions, it is decided that the present Appeal is not maintainable. However, the Appellant may approach the appropriate authority for his grievance regarding non-implementation of orders of Hon'ble PSERC.

7. The Appeal is disposed of accordingly.

8. 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.

February 01, 2024  
S.A.S. Nagar (Mohali).

(ANJULI CHANDRA)  
Lokpal (Ombudsman)  
Electricity, Punjab.