



Chhattisgarh State Electricity Regulatory Commission
Irrigation Colony, Shanti Nagar, Raipur - 492 001 (C.G.)
Ph.0771-4048788, Fax: 4073553
www.cserc.gov.in, e-mail: cserc.sec.cg@nic.in



Petition No. 50 of 2017(M)

In the Matter of

“Waiver of surcharge on outstanding power dues on Mandhar Cement Factory in Raipur District and Akaltara Cement Factory in Janjgir-Champa District of Cement Corporation of India Ltd. (CCI)”.

Chhattisgarh State Power Distribution Co. Ltd.
Danganiya, Raipur
Chhattisgarh, 492014

Petitioner

PRESENT : **Narayan Singh, Chairman**
: **Arun Kumar Sharma, Member**

APPEARANCE : Shri S.K. Pandey, EE for petitioner.

ORDER

(Passed on 08/11/2017)

The petitioner Chhattisgarh State Power Distribution Company Limited (CSPDCL) proposes, through this petition, waiver of surcharge amounting to Rs.2,54,63,613/- in respect of Cement Corporation of India Ltd. (CCI) Akaltara and Rs.19,24,039/- in respect of CCI Mandhar, which is incurred upon the power charges dues from 1996.

2. CCI, a central public sector undertaking under Department of Heavy Industries and Public Enterprises, has requested the petitioner to waive interest, penalty and surcharge etc. on outstanding power dues as per terms of rehabilitation scheme sanctioned by BIFR in case No. 501 of 1996. They undertake to clear all principal dues in monthly installment subject to confirmation of waiver request.

3. The CCI operated Cement Plants at Akaltara with contract demand 8000 KVA on 132 KV supply voltage and at Mandhar with contract demand 4000 KVA on 132 KV supply voltage. Both plants were disconnected on 09.12.1996 and 06.06.1996 respectively and the HT agreements were also terminated subsequently due to non-payment of electricity dues.

4. The dues were Rs. 13,23,40,570/- for Akaltara Factory and Rs. 2,39,42,139/- for Mandhar Factory including the surcharge. The data was updated upto 28.02.2017. According to the data, after waiver of the surcharge, Rs. 10,68,76,957/- is recoverable from Akaltara Cement Plant and Rs. 2,20,18,100/- is recoverable from Mandhar Cement Plant.

- 5.** It is also submitted by the petitioner that implementation of waiver of surcharge is further subjected to consent of CCI to deposit the principal dues in installments.
- 6.** Petitioner, vide this petition, requested the Commission to allow waiver of surcharge amounting to Rs. 2,54,63,613/- in respect of Cement Corporation of India Ltd. (CCI) Akaltara and Rs. 19,24,039/- in respect of CCI Mandhar.
- 7.** We called the petitioner for hearing on 16.10.2017. At the time of hearing, A.G.M. (Finance) of CCI was also present as representative of CCI along with the petitioner.
- 8.** We heard both the representatives of CSPDCL and CCI.
- 9.** It is submitted that according to the scheme sanctioned by BIFR in case No. 501 of 1996 for rehabilitation of CCI Cement Plants, CCI is willing and ready to clear all principal dues in monthly installments, if the surcharge is waived off. The petitioner CSPDCL agrees with the proposal and requested for waiving off the surcharge as it will ensure recovery of principal dues Rs. 10,68,76,957/- from Akaltara Cement Plant and Rs. 2,20,18,100/- from Mandhar Cement Plant after waiving off the surcharge.

10. After hearing the parties, we found that CCI is willing to clear all the principal dues in six monthly installments subject to waiver of the surcharge amount, which is also large amount.

11. During the course of hearing, our attention was drawn to the fact that Commission had earlier approved waiver of surcharge of LT consumers who were permanently disconnected due to non-payment of bills and the result of the scheme was very encouraging and led to recovery of significant principal dues.

12. It has been observed that the following provision exists in the Supply Code 2005 and Supply Code 2011 which are applicable in the State since 14/09/2005, the date of publication of Supply Code 2005:

"All consumers who default in the payment of the billed amount shall be liable to pay delayed payment surcharge, on the amount outstanding, at rates as approved by the Commission from time to time. While accepting payment after the due date, the surcharge payable, shall be calculated and the additional amount payable shall be collected along with the normal billed amount."

Therefore, any consumer defaulting in payment of bill shall be liable to pay delayed payment surcharge. Hence, if waiver of surcharge is to be allowed in the instant case so that the principal amount of power dues may be recovered, then above provision of supply code would need to be relaxed.

13. It is noted outstanding bills are due since last over 20 years and surcharge had been levied since then and large principal amount of Rs. 12,88,95,057/- has accumulated. Further, consumer CCI is ready to pay the principal amount in installments subject to waiver of surcharge. Considering similar facilities allowed earlier to LT consumers so that the power dues may be recovered by the licensee, we are of the view that provision of the supply code which mandates the licensee to levy delayed payment surcharge should be relaxed in the instant case so that principal amount may be recovered by the licensee.

14. Accordingly, we relax the provision of levying delayed payment surcharge exercising power of relaxation provided in the supply code for the reasons mentioned in above paragraphs. Consequently, we allow the petitioner to waive off the surcharge amount from Akaltara Cement Plant and Mandhar Cement Plant, if CCI pays principal due amount of Rs. 10,68,76,957/- and

Rs.2,20,18,100/- in respect of its Akaltara Plant and Mandhar Plant respectively in six monthly installments with first installment starting not later than February 2018.

15. In case if consumer CCI Akaltara and Mandhar Plant fails to pay the installment, the benefit of surcharge waiver would stand seized and surcharge shall relapse as outstanding dues.

16. No order regarding the cost.

**Sd/-
(ARUN KUMAR SHARMA)
MEMBER**

**Sd/-
(NARAYAN SINGH)
CHAIRMAN**