

**HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED**

**(A state Government undertaking)**

No. HPSEBL/CE (Comm.)/S-4/2012-

2333-2652

Dated:-

2-05-2012

To

1. All the Chief Engineers (Op.) in HPSEBL Ltd.
2. All the Dy. Chief Engineers/Superintending Engineers, (Op.) in HPSEB Ltd.
3. All the Additional Superintending Engineers/Sr. Executive Engineers, (Op.) in HPSEB Ltd.
4. All the Executive Engineer/Assistant Executive Engineers / Assistant Engineers, (Op.) in HPSEB Ltd.

**Sub: - Guidelines for monitoring & recovery of the defaulting amount within time limit fixed by HPERC i.e. within one year.**

Sir,

In connection with the subject captioned above the detailed guidelines were issued vide this office letter No. HPSEB/CE-(Comm.)/S-4/2011-16611-16925 dated 3rd January 2012. However, to implement these directions more effectively, the HPSEB Limited, has emphasized to adopt following procedure meticulously for affecting expeditious recovery and monitoring the position of arrears from the defaulting consumers: -

**A. Monitoring the position of defaulting arrears:**

At present the electricity bills of the consumers having connected load of 100kW and above (excluding Bulk Supply & WIPS consumers) are prepared at circle level CBC, whereas bulk supply & WIPS, irrespective of connected load and other categories of consumers having connected load less than 100kW are billed at sub-divisional level. In order to have a thorough and complete watch, so that the consumers, specially being billed at circle level do not become defaulter, the following procedure for monitoring and recovery of defaulting arrears, shall be followed:-

- (i) The Assistant Engineer/Sr. Assistant (Commercial) of the respective Electrical Sub Division shall ensure proper implementation of tariff for the bills to be prepared in the Sub-Division. The entire responsibility for computerized billing rests with Assistant Engineer of the concern Sub-Division.
- (ii) The Assistant Engineer/Sr. Assistant (Commercial) of the respective Electrical S/Division shall ensure that outstanding amount, if any, including sundry charges has been mentioned in the bill clearly ***(in case of arrears for the past period, whenever pointed out, separate bill should be issued to the consumer clearly indicating the amount on account, period etc. in the first instance and subsequently, if this bill is not paid within due date, the total outstanding amount on whatsoever account it is, should be reflected continuously in the subsequent energy bills, till date the payment is received or permanent disconnection is affected)***. The details of defaulted amount recovered / to be recovered from the consumers during the next month should be intimated to the Divisional Office along with detail of defaulting consumers and record a certificate at the end of month that outstanding amount/sundry charges have been mentioned in the bill of all consumers where ever required and no entry has been left.
- (iii) At Divisional level the Divisional Accountant will compile and verify the detail of all such certificates of all sub-Divisions. A combined certificate will be prepared by the Divisional Accountant, countersigned by the Sr. Executive Engineer that defaulted amount of all sub-division under his division has been pointed/billed in the bill of the concerned consumer and submit the same to circle Office. Sr. Executive Engineer should simultaneously also take steps to recover the defaulting amount.

- (iv) On receipt of the requisite certificate from the divisional offices, the Sr. Executive Engineer (Comm.)/A.A.O. shall after ensuring that outstanding amount, if any, including sundry charges in respect of bills prepared in circle office have been mentioned in the bill clearly. The Sr. Executive Engineer (Commercial), shall record a certificate at the end of month that outstanding amount/sundry charges in respect of his circle have been mentioned in the bills of all consumers, where ever required, and no entry has been left. The details of defaulting amount recovered/ to be recovered shall then be submitted by him to the concerned Chief Engineer (Op.)/ Chief Accounts Officer.
- (v) Proper implementation of the tariff for the bills are being prepared in circle office, should be ensured by the Sr. Executive Engineer (Comm.)/A.A.O.
- (vi) A separate ledger showing month wise defaulting/outstanding amount of consumers shall be prepared and maintained by Dealing Assistant in the circle office and get it verified from the A. A.O. The detail so verified shall be put up to the Sr. Executive Engineer (Commercial) for recording the certificate. The Sr. Executive Engineer shall further put up it to the Superintending Engineer.
- (vii) The month wise return of such defaulting amount shall be sent to Chief Accounts Officer of HPSEB Ltd. /Chief Engineer (Op.) by the respective Superintending Engineer (OP). The Chief Accounts Officer after scrutiny shall put up the same to Director (Finance) on quarterly basis for his perusal.
- (viii) Chief Auditor shall ensure and develop mechanism that the commercial audit of all the Sub-Division are conducted within a period of one year so that any recovery detected during audit is pointed out in the bill of consumer within one year to adhere to two year limitation period as per section 56(2) of the Electricity Act 2003 as well as clause 5.2.6 of the HPERC Electricity supply Code-2009.

**Note - Reports of all such consumers who have outstanding amount pending for recovery can be generated on computerized billing and accordingly action at sub division level shall be taken well in time to recover the outstanding amount.**

#### **B. Recovery of defaulting amount:**

Discontinuance of supply of electric energy to a consumer who defaults in liquidating the electric energy bill is not an end in itself but is only a step towards not only arresting further accumulation of arrears but even forcing him to make the payment. However, all out efforts should be made to recover the amount, and such efforts should not be relaxed as long as the recovery is not actually affected.

- (i) Whenever the consumer does not make the payments of dues or violates the supply code, the connection should be disconnected temporarily from the service mains after serving 15 days notice and the connection should remain disconnected. **It is, however, mandatory that TDCOs/ PDCOs are issued immediately after the monthly accounts in the subdivision are finalized.**
- (ii) The SDO (A.E/A.E.E.)/J.E. should go on pressing (say by issuing reminders to be delivered through peon or if necessary, to be sent by Registered post and through bonafide representatives of the HPSEB Ltd., to the defaulting consumer for payment of the outstanding dues of the Board.
- (iii) In case of continued default in payment of any amount, due to the licensee by any consumer for a period of more than six months, the licensee may terminate the agreement executed with the consumer in accordance with the 'Conditions of Supply'

of the licensee and remove the electric line or works connected with the supply of electricity to the consumer.

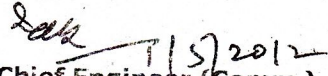
- (iv) In the meantime after the expiry of one month, the matter should be intimated to the Sr. Executive Engineer concerned with a detailed report indicating the action taken or proposed to be taken. If there are no prospects of the recovery of the dues through some other connection held by the defaulting consumer, the matter should be taken up at Sr. XEN's level who should, at his earliest convenience write to the defaulting consumer requesting early settlement of the account. If it is found that the consumer has left the station or does not have a connection at the local station, but is getting supply from HPSEBL at some other station, the concerned Sr. Executive Engineer of that division should be asked to debit the charges to him against the connection held by him under his charge. The Sr. XEN should whenever he makes a reference to the consumer, endorse a copy to the SDO (A.E./A.E.E.) for his information so that the SDO (A.E./A.E.E.) should not issue any further written reminder to the defaulter, but who at the same time, should not slacken his efforts, in affecting the recovery through bonafide representatives of the Board. The amount should, however be carried forward in the Consumer's ledger from month to month and surcharge should continue to be levied as required, till date the recovery or permanent disconnection is affected.
- (v) **In no case, at any time, the defaulting amount should be more than the security deposit.** However, the refund of initial/ additional security of the consumer lying with the Board, if becomes due, after the adjustment of outstanding amounts, may be refunded within one month of the date of termination of agreement/ permanent disconnection. However, in cases where the security is insufficient to meet with the outstanding amount in that case balance outstanding should be transferred to any other connection which may be held in the name of the same consumer. The other connection/connections may likewise be considered for recovery after observing the necessary formalities.

**C. Action to be taken at SE/CE (Op.) Level:**

- (vii) The cases, for recovery of defaulting amount after being received in the Superintending Engineer's/ Chief Engineer's office should be scrutinized so as to arrive at any further line of action. In collaboration with the Legal Section of the Board, the desirability of launching legal proceedings should be assessed and initiated under the provision of order 38 rule 5 of CPC, so that the necessary action could be taken well before the expiry of the period of limitation, which is only two years as per section 56(2) of the Electricity Act, 2003, from the date when such sum became first due, unless such sum has been shown continuously as recoverable as arrears of charges for electricity supply, from the date when such sum became first due. The action for recovery through civil suit should be initiated under the provisions of civil procedure code order 38 rule 5, so that HPSEBL is at least in a position to recover the amount in execution of decree by distress and sale of immoveable property so attached.

The procedure laid down above, shall be adopted meticulously in letter and spirit by field units at every level for chalking out the defaulters and recovery of defaulting amounts from the defaulting consumers, besides all defaulting consumers, specially, in case of consumers having connected load above 100KW.

By Order of HPSEBL,

  
**Chief Engineer (Comm.)**

HPSEBL, Vidyut Bhawan,  
Shimla-171004.

**Copy of above is forwarded to:-**

1. The Principal Secretary (MPP& Power), H.P. Govt. Shimla-2.
2. The Secretary, HPERC, Keonthal Commercial Complex, Khalini, Shimla.
3. The Chief Electrical Inspector, H.P. Govt., Block No.29, SDA Complex, Kasumpti, Shimla-9.
4. The Chief Engineer (S.O.)/ ES/ Generation HPSEBL Shimla/ Hamirpur/ Sundernagar.
5. The Executive Director (Personnel) HPSEB Ltd. Vidyut Bhawan Shimla-4, along with a copy of memorandum regarding review of decision of WTD along with decision of 13<sup>th</sup> meeting held on 26.3.2012 for taking action as per item A (x), (xi) & (xiii) of the memorandum.
6. The Chief Accounts Officer F&A wing HPSEB Ltd. Vidyut Bhawan, Shimla-4 along with copy of memorandum regarding review of decision of WTD along with decision of 13<sup>th</sup> meeting held on 26.3.2012 for taking action as per item A(vii) & (xiv).
7. Chief Auditor, F&A wing HPSEB Ltd. Vidyut Bhawan, Shimla-4 along with copy of memorandum regarding review of decision of WTD along with decision of 13<sup>th</sup> meeting held on 26.3.2012 for taking action as per item A (viii) & (xii).
8. The Resident Audit Officer HPSEB Ltd. Shimla-4
9. The Deputy Secretary (Law), HPSEB Ltd. Shimla-1.
10. The Superintending Engineers (Enf. & EA) /SERC of this office.
11. The Addl. Secy.-cum-Ps/ Sr. PS to CMD/Directors for the kind information of CMD /Directors.

**DA:- As Above**

  
**Chief Engineer (Comm.)**  
HPSEBL, Vidyut Bhawan,  
Shimla-171004