

BEFORE THE VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV Substation, Beside Hyderabad Boat Club Lumbini Park, Hyderabad - 500 063

PRESENT : SRI MOHAMMAD NIZAMUDDIN VIDYUT OMBUDSMAN

TUESDAY THE SIXTH DAY OF JUNE TWO THOUSAND AND TWENTY THREE

Appeal No. 04 of 2023-24

Between

M/s. Aurobindo Reality and Infrastructure Private Ltd., Survey No.325,326 and 336, Chandapur Village, Hathnoora Mandal, Jogipet, Sangareddy District, represented by Sri V. Vijay Kumar. Cell:9985309137.

.....Appellant

AND

- 1. The Assistant Divisional Engineer / Operation / Jogipet / TSSPDCL / Sangareddy.
- 2. The Divisional Engineer / Operation / Jogipet / TSSPDCL / Sangareddy.
- 3. The Senior Accounts Officer / Operation / Sangareddy / TSSPDCL / Sangareddy.
- 4. The Superintending Engineer / Operation / Sangareddy / TSSPDCL / Sangareddy.
- 5. The Chief General Manager(Commercial) / TSSPDCL / Corporate Office / Hyderabad.
- 6. The Chief General Manager (Revenue) / TSSPDCL / Corporate Office / Hyderabad.

..... Respondents

This appeal is coming on before me for final hearing on 09.05.2023 in the presence of Sri V.Harish Kumar - authorised representative of the appellant, Sri C. Raveendra Kumar - DE/OP/Jogipet, Sri M.Prabhu -SAO/OP/Sangareddy, Sri P.V.Ramesh-SE/DPE and Sri C.Ravindra Kumar -DE/DPE/HT-II representing the respondents and having stood over for consideration till this day, this Vidyut Ombudsman passed the following:-

AWARD

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - I (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TSSPDCL') in C.G.No.515/2022-23/Sangareddy Circle dt.16.03.2023, rejecting the complaint.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have issued a notice to the appellant for change of HT Category -I to HT Category-VII (Construction power) for the precast plant of the appellant situated at Chandapur Village in Jogipet Division and demanding electrical charge amount of Rs.1,40,48,082/-. In fact the appellant has supplied the precast structure to the following clients:-

- 1. Raidurgam Developers Limited
- 2. Plerum Infra Projects Private Limited
- 3. Aurobindo Pharma Limited and
- 4. Shreas Industries Limited

Thus the appellant is manufacturing the precast structures not for the own use of the appellant itself but to sell the same to third-parties. It is accordingly prayed to retain HT Category-I to the appellant and to waive off the liability of the electrical charges demanded.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

3. In the written reply submitted by respondent No.2, it is stated that the appellant with HT Service Connection No. SGR2472 is manufacturing the precast structures for their own infrastructure works in Hyderabad. Accordingly HT Category-VII applies as per Clause 9.23.1 of the Tariff Orders 2018 from the date of the release of the Service Connection. Final Assessment Order was issued on 06.12.2022. A sum of Rs.35,12,022/- was paid towards 25% of Final Assessment on 10.01.2023.

AWARD OF THE FORUM

4. After considering the material on record and after hearing both sides, the learned Forum has rejected the complaint.

5. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the learned Forum has not considered the material on record properly and that the appellant has been running its precast unit for the supply of customers and not for their own use. Therefore it is prayed to retain HT Category-I and to waive off the liability of electrical charges demanded by the respondents.

WRITTEN SUBMISSION OF RESPONDENTS

6. In the written reply submitted by respondent No.4, it is submitted that the appellant has supplied the subject material to its four sister-concerns where there are common Directors. One Suneela Rani Penaka and Rohith Reddy Penaka are the said common Directors. Thus the correct Category of the appellant is HT Category-VII and not HT Category-I.

ARGUMENTS

7. Heard both sides.

POINTS

- 8. The points that arise for consideration are:
 - i) Whether the Service Connection of the appellant is to be retained as HT Category-I by waiving off the amount claimed by the respondents?
 - ii) Whether the impugned Award passed by the learned Forum is liable to be set aside? and
 - iii) To what relief?

POINT No. (i) and (ii)

ADMITTED FACTS

9. It is an admitted fact that the respondents have released subject Service Connection to the appellant under HT Category-I. It is also an admitted fact that the appellant has been manufacturing precast structures. Further the appellant paid 25% of the amount demanded by the respondents.

SETTLEMENT BY MUTUAL AGREEMENT

10. Both the parties have appeared before this Authority on different dates. Efforts were made to reach a settlement between the parties through the process of conciliation and mediation. However, no settlement could be reached. The hearing, therefore, continued to provide

reasonable opportunity to both the parties to put-forth their case and they were heard.

REASONS FOR DELAY IN DISPOSING OF THE APPEAL

11. The present representation was filed on 06.04.2023. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

12. The appellant - M/s. Aurobindo Reality and Infrastructure Pvt. Ltd. claims that it is in the business of running a precast unit for the supply of precast moulds supplying to the designated customers. They are having a H.T. Service Connection No. H.T.S.C.No. SGR2472 with a CMD of 499 KVA at Chandapur Village, Jogipet. The appellant has filed the present appeal against the back billing on account of differential tariff between HT Category-I and HT Category-VII concluded by the respondents vide Provisional Assessment PAO') ADE/OP/Jogipet/F.No. Notice short PAO/D.No.1078/2022 (in dt.18.08.2022, assessed for an amount of Rs.1,40,48,082/-. It is the respondents who claim that the precast moulds are being manufactured for the usage of their own purpose at Khanamet for construction of building towers of corporate office and other construction works in Hyderabad city; that these precast moulds are manufactured for the construction works of their own infra projects and not for sale to third-parties. They relied on the Clause 9.23.1 of Tariff Order FY 2022-23. H.T.Category-VII (temporary supply). The said Clause

is reproduced here-under:-

"9.23.1 Construction activities like construction of all types of structures/infrastructure such as residential /commercial buildings (height of 10 meters and above), Row houses, Gated communities construction by Real Estates/Firms meant for sale purpose, bridges, fly-overs, dams, power stations, roads, aerodromes, tunnels for laying of pipelines, etc. The relevant tariff for temporary supply shall be applicable during the phase of construction. Construction activities of structures of height less than 10 meters will fall under LT-II and HT-II, as relevant."

The above Clause mandates that the Real Estates/Firms who are into construction activity meant for sale purpose falls under the H.T.Category-VII.

13. The appellant appealed against the PAO notice before the SE/OP/Sangareddy to retain the billing category under the industrial category i.e. HT Category - I (Industry). Subsequently vide order No.SE/OP/SRD/ComI/D.No.3120/2022-23 dt.06.12.2022 the SE/OP/Sangareddy issued the Final Assessment Order confirming the provisionally assessed amount of Rs.1,40,48,082/-.

14. The appellant's stand is that it is supplying the precast building structure elements to the following firms:-

- 1. Plerum Infra Projects Private Limited
- 2. Aurobindo Pharma Limited
- 3. Shreas Industries Limited
- 4. Raidurgam Developers Limited

In support of its case, invoices were submitted. It is requested to treat this as a special case post Covid-19 and to retain the H.T. Category-I which does not

fall under captive and self consumption. Further it is requested to waive off all

the late payment charges up-to now.

15. Respondent No.5 - CGM/Commercial gave the following clarification

on the claim of the appellant:-

"The consumer has submitted certain sale invoice copies to Superintending Engineer/Operation/Sangareddy. On verification of these sales invoice copies, it is noticed that (1) the invoice copies submitted in respect of M/s. Shreas Industries Limited, Chittivalss, Andhra Pradesh pertains to date 20th Oct 2022 to 28th Oct 2022 i.e. ter service inspection date by the inspecting officer. (2) certain invoices submitted are pertains to M/s. Aurobindo Pharma Ltd. which is a sister concern unit with pharma based industry (3) Invoice copy dt.29-Nov-21 was furnished in respect of M/s. Plerum Infra Projects Private Limited. On verification it is noticed that a multi storied building infra project for commercial space is under construction pertains to M/s. Aurobindo Reality and Infra at Madhapur, Hyderabad. Supply is being utilising for this construction works through HT Service No.CBCT111 which is billing under HT-VII. The consumer name of this service is M/s. Plerum Infra Projects Private Ltd. Thus it is noticed that M/s. Plerum Infra Projects Private Limited is also working on behalf of M/s. Aurobindo Reality and Infra at Madhapur, Hyderabad."

16. As per the tariff order issued from time to time by the Hon'ble Telangana State Electricity Regulatory Commission the billing category is defined by the purpose of usage of supply. The Clause 9.23.1 of the tariff order specifies a specific category for construction activities of all types of infrastructure to residential or the commercial buildings, construction by real estates/firms meant for sale purpose. The respondents finding is that the subject firm is using the precast moulds to their own purpose/sister concerns which attracts the billing Category H.T.-VII. The appellant's stand is that the

precast structures are manufactured for sale to other industries but equally did not deny that the Aurobindo Pharma Limited whom they are supplying structures is not connected to them or prove that they are separate entities. The Clause 9.23.1 envisages the Licensee to bill under H.T. Category -VII which is applicable for construction by real estates/firms meant for sale purpose.

17. In view of the aforementioned paras, the appellant's Service Connection shall qualify to be billed under H.T. Category-VII and hence change of tariff from H.T.Category-I to H.T.Category-VII is tenable. Accordingly, I hold that the Service Connection of the appellant is not liable to be retained as HT Category-I by waiving off the amount claimed by the respondents and the Award passed by the learned Forum is not liable to be set aside.

POINT No. (iii)

18. In view of the findings on point Nos. (i) and (ii), the appeal is liable to be rejected.

RESULT

19. In the result, the appeal is rejected, confirming the Award passed by the learned Forum.

A copy of this Award is made available at https://vidyutombudsman-tserc.gov.in.

Typed to my dictation by Office Executive cum Computer Operator, corrected and pronounced by me on the 6th day of June 2023.

Sd/-

Vidyut Ombudsman

- 1. M/s. Aurobindo Reality and Infrastructure Private Ltd., Survey No.325,326 and 336, Chandapur Village, Hathnoora Mandal, Jogipet, Sangareddy District, represented by Sri V. Vijay Kumar. Cell:9985309137.
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- 7. The Chief General Manager (Revenue) / TSSPDCL / Corporate Office / Hyderabad.

Copy to

8. The Chairperson, Consumer Grievances Redressal Forum of TSNPDCL- I, H.No.2-5-58, Opp: Head Post Office, Nakkalagutta, Hanamkonda, Warangal District, Pin code - 506001.