



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 THIRTEENTH DAY OF JUNE
TWO THOUSAND AND TWENTY THREE

Appeal No. 07 of 2023-24

Between

M/s. Ravi Stone Crushers, Munjampally Village, Manakondur Mandal,
Karimnagar District, represented by Sri S.Ravi (Proprietor), Ph No.9848444733.

.....**Appellant**

AND

1. The Assistant Divisional Engineer / Operation / Alugunoor - 9491061734.
2. The Divisional Engineer / Operation / Rural / Karimnagar - 7901093945.
3. The Senior Accounts Officer / Circle Office/ Karimnagar - 9440911501.
4. The Superintending Engineer / Operation / Karimnagar - 9440811393.

..... **Respondents**

This appeal is coming on before me for final hearing on 30.05.2023 in the presence of Sri S.Srinivas, authorised representative of the appellant and Sri G.Srinivas - ADE/OP/Alugunoor and Sri A. Rajesham - SAO/CO/Karimnagar 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 Northern Power Distribution Company Limited (in short 'TSNPDCL') in C.G.No.507/2022-23, Karimnagar Circle dt.23.03.2023, disposing of the

complaint with specific directions.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have released the Service Connection in favour of the appellant in 2007 with a connected load of 74 HP. Subsequently the load was enhanced to 200 KVA on the request of the appellant on 31.10.2015, with Service Connection No. KRN 587 under HT Category-I (A). On the complaint of neighbouring farmers the Pollution Control Board (in short "the Board") visited the appellant-Stone Crusher and directed the respondents on 06.01.2016 to disconnect the power supply of the appellant. Accordingly the power supply of the appellant was disconnected on 19.01.2016. Owing to disconnection of the power supply the appellant sustained loss to the tune of Rs. 2,00,00,000/-. The respondents have issued a notice to the appellant for payment of minimum charges of Rs. 15,85,846/-, which is not correct. Therefore, it is prayed to withdraw the said notice and to refund the Security Deposit.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

3. In the written reply submitted by respondents No.3, it is stated that the appellant paid the bills up-to January 2016. On the direction of the Board to disconnect the power supply respondent No. 1 disconnected the Service Connection of the appellant on 19.01.2016. As per the agreement the appellant is liable to pay the arrears as per ledger as on the date of bill stop status of Rs 36,15,491.94/-. As per new amendment the one year minimum

period bill was arrived at from November 2015 to October 2016 to Rs. 14,07,420/-. Subsequently the service was reviewed and an amount of Rs. 12,37,902/- was withdrawn and the Security Deposit was adjusted to CC bills of Rs. 2,44,202/- . Thus the appellant is liable to pay an amount of Rs. 15,85,846/- as on 12.10.2022.

AWARD OF THE FORUM

4. After considering the material on record and after hearing both sides, the learned Forum has disposed of the complaint with specific directions.

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 while appellant unit was functioning properly on 19.01.2016 power supply was disconnected by the respondents on the ground that the Board has directed to do so. It is also submitted that the respondents have not informed the appellant that the appellant has to obtain the certificate from the Board and that the respondents have delayed the matter in issuing the subject notice.

WRITTEN SUBMISSION OF RESPONDENTS

6. In the written reply submitted by respondent No.4, it is stated that the impugned notice is valid and the amount mentioned there-in is correct and the appellant has to pay the amount demanded by the respondents.

ARGUMENTS

7. Heard both sides.

POINTS

8. The points that arise for consideration are:-

i) Whether the impugned notice is liable to be set-aside?

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 the subject Service Connection in favour of the appellant on 31.10.2015. It is also an admitted fact that on the direction of the Board the respondents have disconnected power supply of the appellant on 19.01.2016.

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 09.05.2023. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

12. The appellant filed the present appeal seeking withdrawal of monthly minimum charges levied by the respondents during the disconnection period. The Service Connection No. KRN587(earlier LT S.C.No. 2408-682) was initially released under LT-III with a connected load of 74 HP. Later on, on detection of an additional load of 47 HP, CC bills were issued for 121 HP under HT tariff from 2002 to 2012. Further on the request of the appellant additional load was released resulting in a total CMD of 200 KVA w.e.f 31.10.2015.

13. The dispute is raised in view of the disconnection of power supply on the orders of the Board vide order.No 15-RJM/PCB/ZO/HYD/2016-7024 dated 06.01.2016, which was issued for disconnection of power supply consequent to causing pollution in the surrounding area. At this stage it is necessary to refer to Clause 17.2 of General Terms and Conditions of Supply (in short 'the GTCS') which envisages the licensee to disconnect the power supply on the direction of the Board. The relevant portion of the Clause is given under:-

“Provided that in the cases where specific directions in writing are issued by AP Pollution Control Board in exercise of the power vested with it. Under section 33(A) of the water (Prevention and Control of Pollution) Act 1974, to disconnect power supply to any

industrial unit, the designated Designated officer of the company shall comply with such directions without the necessity of issuances of the notice mentioned in this Clause”.

14. Subsequently the supply was disconnected on 19.01.2016 with final readings, KWH 329609, KVAH 398406. In the event of Non-compliance of the conditions laid down by the Board the supply remained under disconnection. The DE/OP/Rural/Karimnagar(respondent No.2) submitted a proposal for dismantling of service vide Lr.N 768 Dt: 02.07.2020. Initially Form-A notice was issued to the appellant for payment of Rs. 15,85,846/- for dismantling the Service Connection. The appellant preferred a complaint before the learned Forum for consideration of waiver of minimum charges. Based on the clarification issued by the Hon'ble Telangana State Electricity Regulatory Commission vide Lr.No.APERC/E-223/DD-Dist/2009 dated 15-10-2009, the learned Forum has further reduced the amount to be paid for the dismantling of the Service Connections directing the respondents as stated below:-

“The respondents are directed to serve the fresh demand notice and collect monthly minimum charges 4 months from date of disconnection of supply i.e. 19.01.2016 for 200 KVA and collect monthly minimum charges for additional load of 105 KVA up to date of completion of the period of HT agreement i.e. up to 31.10.2016 duly adjusting the available security deposit within (15) days.

If the consumer fails to pay the amount as per revised demand notice within the stipulated time period, delayed payment surcharge may be levied as per rules in vogue”.

15. The following Clauses of GTCS touch the issue, which are reproduced here-under:-

“Clause 5.9.3.2:- Period of HT Agreement: The minimum period of HT Agreement for supply at High Tension shall normally be one

year(amended) from the date of commencement of supply. The Agreement shall continue to be in force till it is terminated by the consumer or by the Company as provided in Clause 5.9.4.2 hereof.

Provided that where an Agreement is amended or a revised Agreement executed pursuant to sanction of an additional load/demand, the minimum period liability for the additional load shall commence from the date of commencement of supply for the additional load / demand.”

“Clause 5.9.4.2:- The consumer may seek reduction of contracted maximum demand or termination of HT Agreement after the expiry of the minimum period of the Agreement by giving not less than one month notice in writing expressing his intention to do so. However, if for any reason the consumer chooses to derate the CMD or terminate the Agreement, before the expiry of the minimum one year period of Agreement, the CMD will be derated or the Agreement will be terminated with effect from the date of expiry of the initial one year period of the Agreement or after expiry of one month notice period whichever is later. The company can also terminate the HT Agreement, at any time giving one month notice if the consumer violates the terms of the HT Agreement, or the GTCS or the provision of any law touching the Agreement including the Act and rules made there under and AP Electricity Reforms Act, 1998. On termination of the HT Agreement the consumer shall pay all sums due under the Agreement as on the date of its termination.”

Clause 5.9.4.3:-

xxxxxxx
xxxxxxx

Provided further that where the minimum period of the Agreement is not yet completed by the date of such termination, the consumer shall be liable to pay the minimum charge as otherwise applicable calculated up to the date of completion of the period of Agreement.

xxxxxxx”

The above Clauses envisage the Licensee to terminate the HT agreement based on the closure notice of the Board read with Section 31(A) of the AIR (Prevention and Control of Pollution) Amendment Act 1987. The liability of

minimum Agreement period mandates the appellant to pay the monthly minimum charges even though there is no usage of supply as reckoned in Clause 5.9.4.3 of GTCS. In view of the aforementioned paras the learned Forum aptly considered to collect the monthly minimum charges for additional load of 105 KVA up to the date of mandatory period of HT agreement i.e. up to 31.10.2016 in addition to the monthly minimum charges of (4) months for 200 KVA CMD duly adjusting the Security Deposit. Accordingly, I hold that the impugned notice is not liable to be set aside and the Award of learned Forum is not liable to be set aside.

POINT No. (iii)

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

RESULT

17. 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 13th day of June 2023.

Sd/-
Vidyut Ombudsman

1. M/s. Ravi Stone Crushers, Munjampally Village, Manakondur Mandal, Karimnagar District, represented by Sri S.Ravi (Proprietor), Ph No.9848444733.
2. The Assistant Divisional Engineer / Operation / Alugunoor - 9491061734.
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5. The Superintending Engineer / Operation / Karimnagar - 9440811393.

Copy to

6. 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.

