

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

FRIDAY THE EIGHTH DAY OF SEPTEMBER
TWO THOUSAND AND TWENTY THREE

Appeal No. 19 of 2023-24

Between

M/s. Ranjana Industry, # 4-14-103/1/1, Hassan Nagar, Mir Alam Tank, Hyderabad, represented by Sri Prabhu Haladker, Cell: 9440944114, 9000006504.

.....Appellant

AND

- 1. The Assistant Engineer/OP/Miralam/TSSPDCL/Hyderabad.
- 2. The Assistant Divisional Engineer/OP/Miralam/TSSPDCL/Hyderabad.
- 3. The Assistant Accounts Officer/ERO/Charminar/TSSPDCL/Hyderabad.
- 4. The Divisional Engineer/OP/Charminar/TSSPDCL/Hyderabad.
- 5. The Superintending Engineer/OP/Hyderabad South Circle/ TSSPDCL/ Hyderabad.
- The Accounts Officer(Revenue)/Hyderabad South Circle/TSSPDCL/ Hyderabad.
- 7. The Senior Accounts Officer/OP/Hyderabad South Circle/TSSPDCL / Hyderabad.

..... Respondents

This appeal is coming on before me for final hearing on 06.09.2023 in the presence of Sri Ravinder Prasad Srivatsava - authorised representative of the appellant, Sri M. Srinivas - AAE/OP/Mir Alam and Sri Venkatesh - ADE/OP/Mir Alam for 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 - (Greater Hyderabad Area), Hyderabad (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TSSPDCL') in C.G.No 409/2022-23, Hyderabad South Circle dt: 09.06.2023, rejecting the complaint.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have released Service Connection No. V3005254 for supply of 74 HP power supply under LT Category-III. Like-wise the respondents have released two other Service Connections. The particulars of the said Service Connections are shown as under:-

SI. No.	SC No.	Contracted load	Category	Name of the service	Purpose
1.	V3005254	74 HP (55.5 KVA)	LT Cat-III	M/s. Ranjana Industry	Plastic Industry
2.	V3005256	95HP(71.25 KVA)	LT Cat-III	M/s. Utsav Industry	Plastic Industry
3.	HDS 632	250 KVA	HT Cat-I	M/s. Plastex Industry	Plastic Industry

Respondent No.2 issued a notice No. ADE/OP/Mir Alam Sub Division/D.No.1531/2022-23 dt.30.11.2022 (in short 'the impugned notice') under Clause 3.5.3 of General Terms and Conditions of Supply (in short 'the

GTCS') for merging the two LT Service Connections into M/s. Plastex Industry, HT Service Connection.

- 3. The appellant filed its representation in response to the said notice on 24.12.2022 and requested not to disconnect the power supply. On 30.01.2023, respondent No.2 issued one more notice informing the dismantlement of Service Connection No.V3005254. The appellant submitted its reply on 21.02.2023. Respondent No.4 addressed a letter dt.28.02.2023 to M/s. Utsav Industry and he sought for certain information. The said M/s. Utsav Industry replied to respondent No.4 on 09.03.2023.
- 4. An application was filed for dismantling the Service Connection No. V3005254. The Service Connection No. HDS632 of M/s. Plastex Industry is situated at premises No. 4-14-103, Hassan Nagar, Hyderabad. The Service Connection No. V3005256 of M/s. Utsav Industry is situated at premises No. 4-14-103/8. They are owned by different persons. The premises on which these industries are situated are different. Therefore, these services are not to be clubbed. It was accordingly prayed to set aside the impugned notice and to grant any other relief.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

5. In the written reply submitted by respondent No.2, it is stated that he has inspected the industries in this case on 25.11.2022. According to him,

M/s. Plastex Industry is the plastic waste washing plant and M/s. Utsav Industry is a pellet extrusion plant. Again respondent No.2 inspected the subject premises on 30.01.2023. M/s. Utsav Industry is owned by one Sri Prabhu Haladker and M/s. Plastex Industry is owned by his wife Smt. Ranjana Haladker and in the same premises these industries are located. The (3) services involved in this case belong to the same family manufacturing plastic granules. The labourers working in these industries are also the same. Therefore it is necessary for clubbing the three services.

AWARD OF THE FORUM

- 6. After considering the material on record and after hearing both sides, the learned Forum has rejected the complaint.
- 7. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that one Mr. Prabhu Haladker, is the owner of M/s. Utsav Industry, situated at 4-14-103/8. One Mrs. Ranjana Haladker is the owner of M/s. Plastex Industry situated at 4-14-103. These services are situated at different premises and owned by different persons. Therefore only Clauses 3.5.1 and 3.5.2 of GTCS apply and not Clauses 3.5.3 and 3.5.4 of GTCS. Therefore it is prayed to set aside the impugned notice and Award and also to direct the respondents not to disconnect the power supply to these industries..

WRITTEN SUBMISSION OF RESPONDENTS

- 8. In the written reply filed by respondent No.2, he has reiterated his written submissions made before the learned Forum.
- 9. In the written reply filed by respondent No.3, it is, inter-alia, submitted that the impugned Award passed by the Forum is correct and that the Service Connections involved in this case are liable to be clubbed.
- 10. In the rejoinder filed by the appellant, the contents of the grounds of the appeal were reiterated.

ARGUMENTS

- 11. The authorised representative of the appellant filed written arguments and additional written arguments, contending among other things, that both the industries are owned by different persons and they are situated at different premises therefore the respondents are not authorised to club the said Service Connections.
- 12. On the other hand, respondent No.2 has submitted written arguments contending that both the industries are situated at the same premises and the owners of both the industries are family members. Therefore these two Service Connections are liable for clubbing.

POINTS

- 13. The points that arise for consideration are:
 - i) Whether the subject Service Connections are not liable for clubbing?
 - 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

14. It is an admitted fact that there are three industries involved in this case, which are as under:-

SI. No.	SC No.	Contracted load	Category	Name of the service	Purpose
1.	V3005254	74 HP (55.5 KVA)	LT Cat-III	M/s Ran <mark>ja</mark> na Industry	Plastic Industry
2.	V3005256	9 <mark>5</mark> HP(71.25 KVA)	LT Cat-III	M/s. Utsav Industry	Plastic Industry
3.	HDS 632	250 KVA	HT Cat-I	M/s. Plastex Industry	Plastic Industry

As far as M/s. Ranjana Industry is concerned, admittedly an application was filed for dismantling the said Service Connection, which is pending. Further the proprietor of the said company has also filed a Writ Petition before the Hon'ble High Court. Therefore in the present Appeal this Authority is not deciding anything in respect of M/s. Ranjana Industry.

15. The respondents have released Service Connections in favour of the industries as stated in the table shown above. Admittedly one Prabhu Haladker is the owner of M/s. Utsav Industry. Admittedly Mrs. Ranjana is the owner of M/s. Plastex Industry. They are husband and wife. According to the certificate dt. 24.02.2023 issued by the Chartered Accountants, M/s. Utsav Industry took M/s. Plastex Industry on lease.

SETTLEMENT BY MUTUAL AGREEMENT

16. 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

17. The present appeal was filed on 18.07.2023. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

18. The appellant has filed copies of two registered sale deeds. The first registered sale deed No. 2445/94, dt.22.03.1994 shows that one Mrs. Ranjana Haladker wife of Prabhu Haladker purchased an extent of

1622 sq. yards of land situated at Attapur Village, Rajendra Nagar Mandal, Ranga Reddy District with specific boundaries from its owner in Sy.No. 296. Like-wise under the second registered sale deed dt.21.07.1994 one Sri Prabhu Haladker has purchased an extent of 275 sq. yards of land in Sy.No.295 and 296 situated at Attapur Village, Rajendra Nagar Mandal, Ranga Reddy District with specific boundaries from his vendor.

19. Respondent No.2 issued the impugned notice for clubbing the Service Connections mainly basing on Clause 3.5.3 and 3.5.4 of GTCS. The appellant is opposing the clubbing of services basing on Clauses 3.5.1 and 3.5.2 of GTCS. At this stage it is necessary to extract the above said Clauses.

<u>Clause 3.5.1:-</u> For the purpose of the GTCS, separate establishments shall include the following types of establishments:

i Having distinct set-up and staff;

ii Owned or leased by different persons;

iii Covered by different licences or registrations under any law where such procedures are applicable; and

iv For domestic category, the households having a separate kitchen.

<u>Clause 3.5.2:-</u> Each separate establishment will be given a separate point of supply.

<u>Clause 3.5.3:-</u> Notwithstanding the above provisions, the Company reserves the right, where it is reasonably established, that the consumers of the same group or family or firm or company who are availing supply under different service connections situated within a single premises by splitting the units, the Company may treat such

multiple connections existing in the single premises as a single service connection and charge the total consumption of all the consumers at the appropriate tariffs applicable for a single service connection. Any officer authorised by the Company shall issue notices to the concerned consumers asking them to furnish a single application for all such services and to pay required charges for merging the services into a single service.

<u>Clause 3.5.4:-</u> Wherever the total connected load of all such multiple connections exceeds 75 HP, the consumers must necessarily switch over to HT supply or LT III(B) as the case may be and regularise their services duly following the procedure for availing such supply, within 60 days from the Date of Service of such notice,. If the consumer still fails to pay the necessary charges to convert to the specified category, the services will be disconnected after 60 days from the date of service of the notice. Pending such switch over, the licensee shall be entitled to bill the service at HT tariff as per the procedure mentioned under clause 12.3.3.2(i).

A perusal of Clause 3.5.3 of GTCS makes it quite clear that if the Licensee finds that consumers of the same family or company who are availing supply under different Service Connections within a single premises by splitting the units, the company may treat such multiple connections as a single Service Connection and charge the total consumption appropriately.

20. The impugned notice is extracted as under:-

SOUTHERN POWER DISTRIBUTION COMPANY OF TS LTD

The Asst. Divisional Engineer, Operation, TSSPDCL, Miralam Sub-Division. Hyderabad south Ciircle.

M/s Ramjana Industry, 4-14-103/1/1, Hasannagar, Miralam tank, Hyderabad.

Lr.No. ADE/OP/Miralam Sub Divin/D.No. 1531 /2022-23 / Date. 30/11/2022.

To

Sub:- Elecy.-TSSPDCL - OSD - Miralam - Multiple services existing in the same premises for the same activity purpose i.e., Plastic industry of processing for granule Manufacturing industry - Clubbing of (2) No's LT services V3005254(74HP-55.5KVA), V3005256(95HP 71.25KVA) into HT service HD\$632 (250KVA) making a total load of 376.75KVA rounded to 377KVA at 4-14-103/1/1, Hasannagar, Miralam tank in Miralam tank section, Miralan Sub Division – clubbing and billing under HT category as per GTCS – 30days Notice issued - Reg.

Ref:- 1) Clause 3.5.3 & 3.5.4 of General Terms & Conditions of Supply 2) Inspection of premises by ADE/O/Miralam on dt. 25.11.2022

With reference to subject cited above, the ADE/Op/Miralam along witl AAE/O/Miralam tank section have inspected the premises on at.25.11.2022 in the presence of Sri Prabhu Kaladker (Proprietor) mobile no.9000006504 and identified tha (2) nos LT services are existing in the HT premises having common entrance and are using for same purpose /process i.e., The nature of activity is common for all the services i.e., Plastic industry of processing for granule Manufacturing industry purpose The multiple services existing in the same premises are as mentioned below.

The I	multiple serv	ices existing in	C-1- man	Name of service existing	Purpose
SI	SC No	Contracted	Category	Name of service existing	
No		load			Plastic industry
1	V3005254	74HP(55.5KVA)	LT cat-III	M/s Ramjana Industry	
-		95HP	LT cat-III	M/s Ustav Industry	Plastic industry
2	V3005256	(71.25KVA)			
			HT cat-I	M/s Plastex Industry	Plastic Industry
3	HDS632	250KVA	FileCal-i	111/01/100/01/11/100/11/	

Total Load: 376.75KVA

As per the GTCS clause 3.5.3, the multiple service connections existing in the single premises can be treated as single service and charge the total consumption of all the service at the appropriate tariff applicable for a single service connection. Here the total load of a (3) services is 376.75KVA will be billed under HT cat-I on expiry of 30days from date of receip of this notice.

Further as per the clause 3.5.4 of GTCS you have to merge 2nos LT services into H service duly following procedure for availing such supply within 60days from date of receipt c notice, If you failed to follow the above to switch over the LT services to HT category b merging them and the service will continue to bill under HT category including disconnection of power supply as the case may be.

The receipt of notice is to be acknowledged.

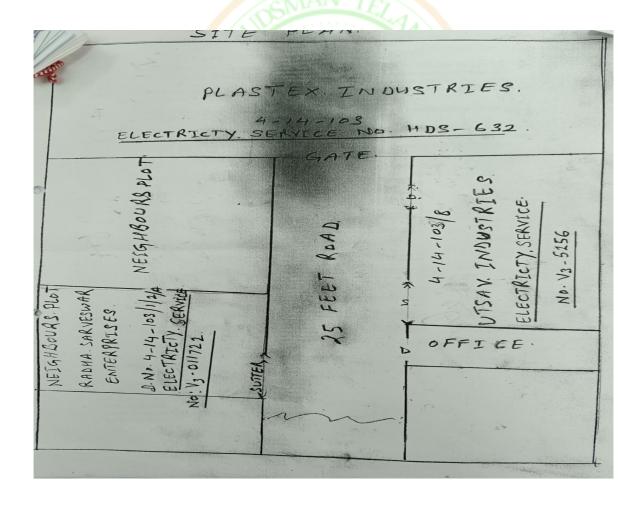
Yours faithfully,

Asst. Divisional Engineer Operation, TSSPDCL, Miralam Sub-Division.

Copy Submitted to:-

The Superintending Engineer/Op/Hyderabad South circle for favor of information please

- 21. The impugned notice prima-facie proves that respondent No.2 inspected the premises involved in the case on 25.11.2022 in the presence of Sri Prabhu Haladker and found that M/s. Plastex Industry and M/s. Utsav Industry are situated in the same premises. Further the material on record establishes that these two industries are owned by wife and husband. Accordingly he proposed clubbing the Service Connections by giving (60) days time as required under Clause 3.5.4 of GTCS.
- 22. The appellant has filed site plot which is as under:-



23. Likewise the appellant has also filed the Google Map of the industries involved in this case apart from other documents, which is as under:-



The site plan and Google Map prima-facie show that both the industries are situated in the same premises. There is no other property of any third-parties between these two industries. They are abutting each other.

24. At the cost of repetition, we are not concerned with M/s. Ranjana Industry in the present appeal as the Writ Petition is pending before the Hon'ble High Court.

- 25. According to Clause 3.5.1 of GTCS, if the industry is with different staff, owned by different persons etc., it can be treated as separate establishment. In the present case when respondent No.4 sought information from M/s. Utsav Industries in respect of registration of the firm etc., including staff pattern, no such information in respect of staff was produced to respondent No.4. Nothing prevented the consumer from providing such information. The information sought for was not supposed to be suppressed. The said consumer in the reply dt.19.03.2023 claimed that Clauses 3.5.3 and 3.5.4 of GTCS do not apply.
- 26. The material on record including the letter dt.30.01.2023 of respondent No.2 goes to show that M/s. Plastex Industry is owned by Mrs. Ranjana Haladker (wife) and M/s. Utsav Industry is owned by Mr. Prabhu Haladker (husband), though situated in different municipal numbers, is situated in a single premises. As already stated there is no other property of the third party between these two industries. Merely because the property was purchased under two different sale deeds and though there are different municipal numbers, as long as there is no property of third party as long as these two industries abutting each other, as in the present case it can be termed as single premises. Admittedly the wife and husband are involved in the present case who are family members. As per Clause 3.5.3 in spite of

Clause 3.5.1 if the consumer of the same group or family or firm or company are availing supply under different Service Connections, situated in a single premises by splitting the units, the Licensee may treat such multiple connections as a single Service Connection. Thus in the present case Clauses that applicable are 3.5.3 and 3.5.4 of GTCS and not Clauses 3.5.1 and 3.5.2 of GTCS.

- 27. It is the argument on behalf of the appellant that clubbing Service Connections without consent of the owner is a violation of Article 21 of the Constitution of India. The respondents are not denying electricity Service Connection to the industry but the wife and husband have obtained separate Service Connections by splitting the industries to cause financial loss to the respondents, the question of violation of Article 21 of the Constitution of India does not arise. Further since the respondents themselves are proposing to club both the services, therefore the question of any offence under Sec.135(e) of the Electricity Act also does not arise.
- 28. The respondents have relied upon the judgement of the High Court of Telangana at Hyderabad, in <u>Anup Kumar Bhandari v. The Southern Power Distribution Company of Telangana Ltd., and (5) ors.</u> (W.P.No. 458 of 2023 dt.06.01.2023). The Hon'ble High Court has referred to the judgement of the Hon'ble Supreme Court reported in <u>Punjab State Electricity Board and</u>

Another v. Ashwani Kumar¹, wherein the Hon'ble Supreme Court in Paragraph No. 10 and 11 has held as under:-

- "10. The bare reading of the above regulations and circular makes it apparent that the aim of the Electricity Board is to provide single connection in the premises. Not only this, it is the obligation of the consumer, to get the connections clubbed where more than one connection exists in the same premises. This policy is, primarily, meant to encourage single connection as well as consumers to opt for clubbing of their loads and also to facilitate a smooth transmission. Besides this, the most important aspect is the mischief that these provisions ought to suppress.
- 11. A consumer who gets two meters installed in his premises and in that garb receives bulk supply instead of medium supply clearly makes an attempt to avoid payment of higher tariff. It cannot be disputed that a consumer of a medium supply is subjected to a lower tariff than the one receiving bulk supply. Therefore, the intention, thus, is to avoid revenue loss to the Board by circulating the prescribed procedure. These regulations and circulars, thus, cannot be interpreted so as to defeat the very object of suppressing such a mischief in the consumption of electricity. Therefore, if the Electricity Board finds that such mischief is being played, there is nothing in law preventing the Board from treating it as a clubbed connection and impose such tariff and penalty as is permissible in accordance with law. No consumer can be permitted to defeat the spirit of the regulations and take undue advantage of receiving electric supply through all different meters in the same premises and with an intention to defraud the Electricity Board of its genuine dues for supply of electricity."

Finally, the Hon'ble High Court has held that if the different consumers in single premises belong to one family and if they are availing different Service Connections by splitting the same premises into different units Clause 3.5.3 and 3.5.4 of GTCS apply. The facts in the said case and the facts of the present case are more or less similar. In the present case it is reasonably established by the respondents that the consumers in this case belong to the

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¹ (2010) 7 SCC-569

same family and availing supply under different Service Connections situated within the same premises by splitting the units to cause loss to the respondents. Therefore this judgement is applicable in the present case also. In view of these factors, I hold that the Service Connections of M/s. Utsav Industry is liable to be clubbed in the Service Connection of M/s. Plastex Industry and the impugned Award is not liable to be set aside.

POINT No. (iii)

29. In view of the findings on point Nos. (i) to (iii), the appeal is liable to be rejected.

RESULT

30. 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 8th day of September 2023.

Sd/-Vidyut Ombudsman

1. M/s. Ranjana Industry, # 4-14-103/1/1, Hassan Nagar, Mir Alam Tank, Hyderabad, represented by Sri Prabhu Haladker, Cell: 9440944114, 9000006504.

- 2. The Assistant Engineer/OP/Miralam/TSSPDCL/Hyderabad.
- 3. The Assistant Divisional Engineer/OP/Miralam/TSSPDCL/Hyderabad.
- 4. The Assistant Accounts Officer/ERO/Charminar/TSSPDCL/Hyderabad.
- 5. The Divisional Engineer/OP/Charminar/TSSPDCL/Hyderabad.
- 6. The Superintending Engineer/OP/Hyderabad South Circle/ TSSPDCL/ Hyderabad.
- 7. The Accounts Officer(Revenue)/Hyderabad South Circle/TSSPDCL/Hyderabad.
- 8. The Senior Accounts Officer/OP/Hyderabad South Circle/TSSPDCL / Hyderabad.

Copy to

9. The Chairperson, Consumer Grievances Redressal Forum of TSSPDCL-Greater Hyderabad Area, Door No.8-3-167/E/1, Central Power Training Institute (CPTI) Premises, TSSPDCL, GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad - 45.