



VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA
First Floor 33/11 kV substation, Hyderabad Boats Club Lane
Lumbini Park, Hyderabad - 500 063

:: Present:: Smt. UDAYA GOURI

Wednesday the Twentieth Day of November 2019

Appeal No. 22 of 2019-20

Preferred against Order dt.31.07.2019 of CGRF in
CG No.41/2019-20 of Jangaon Circle

Between

M/s. Venkateshwara Stone Crusher, H.No.1-3-/5/M, BC Colony, Fatehpur(V),
Chilpur (M), Jangaon - Dist. Cell: 9912601265.

... Appellant

AND

1. The ADE/OP/Station Ghanpur - 9440811339.
2. The DE/OP/Station Ghanpur - 7901093947.
3. The SAO/OP/Jangaon - 7901092686.
4. The SE/OP/Jangaon - 7901093959.

... Respondents

The above appeal filed on 05.09.2019, coming up for final hearing before the Vidyut Ombudsman, Telangana State 06.11.2019 at Hyderabad in the presence of Sri. B.Venkataram - On behalf of the Appellant company and Sri. V. Murali Krishna Rao - AAO/Jangaon Circle on behalf of SAO/OP/Jangaon for the Respondents and having considered the record and submissions of both parties, the Vidyut Ombudsman passed the following;

AWARD

This is an Appeal against the orders of the CGRF, Jangaon Circle in CG No.41/2019-220 dt. 31.07.2019.

2. The Appellant contended that he lodged a complaint before the CGRF/Jangaon Circle seeking withdrawal of the arrears sought by the Respondents and to adjust the amount already paid towards the future bills and the learned CGRF

failed to appreciate the same and disposed the same, as such they preferred the present appeal.

3. The Appellant bearing a HT SC No. JGN-050 stated that she has applied for a new service connection in the month of July'2017 for Stone Crusher Industry. The said Industry was closed by the Police Department due to lack of Explosive Magazine clearance and that later after obtaining the clearance certificate, when she went to the Respondents for reconnection, the Respondents demanded her to clear the arrears. As it was a huge amount, the Appellant pleaded the Respondents for sanction of installments and the Respondents sanctioned 6 instalments, out of which the Appellant paid the 1st installment for an amount of Rs 1,76,000/- and was unable to pay the remaining 5 installments. The Appellant pleaded to withdraw the arrears and adjust the amount already paid to the future bills.

4. **Written submissions of the Respondents:-**

The Respondents through the Respondent No.4, SE/OP/Jangaon submitted their written submissions stating as follows:-

That the detailed estimate was sanction for release of HT Cat-I for a CMD of 150 KVA to above firm (Prop. Smt. Banothu Shantha) at Sy.No.893 of Fatehpur Village by the SEE/OP/Warangal. Upon receipt of the required payments the extension work of departmental side was completed and informed to the consumer to obtain the Electrical Inspector permission for release of supply to his firm.

The consumer got the Electrical Inspector permission for energization of his electrical equipment for release of supply. Consequently the then DE/Elec./Operation/Jangaon was issued specific release order.

The service was released after completion of the HT meter test by the ADE/HT-Meters/Warngal on 15.07.2017, also collected the HT agreement from consumer for supply of electricity of High Tension on dt.15.07.2017 and issued the release certificate for utilising the electrical supply.

The consumer utilised the supply upto 09/2017 due to non payment of August'2017 CC charges the supply to the service was disconnected on 29.09.2017.

That the consumer was signed the agreement for supply of electricity of High Tension as per terms and conditions of the company. In this agreement vide Para

No. 10 Monthly Minimum Charges is also signed and the extract of the agreement is as follows:-

“ I/We shall pay minimum charges every month as per prescribed tariff, and the General Terms and Conditions of supply, even if no electricity is consumers for any reason whatsoever and also if the charges for electricity actually consumed are less than the minimum charges. The minimum charges shall also be payable by me/us even if electricity is not consumer because supply has been discontinued by the company because of non payment of electricity charges. Theft of electricity or unauthorised use of electricity or for any other valid reason.”

As per the above agreement and Terms and Conditions of the supply and Tariff Order issued by TSERC, The monthly minimum charges raised against HT SC No. JGN050 (WGL587).

Further in respect of the installments it is to submit that as and when the representations received, the installments were sanctioned for 3,6 & 6 instalments respectively and the consumer failed to pay the installments given and the consumer has paid only one instalments against the 6 instalments sanctioned for Rs 1,63,600/- and ACD arrears Rs 12,379/- total amount Rs 1,75,979/- on receipt of 1st Instalment from consumer the power supply was restored to his firm on 24.11.2018.

Further the consumer has not paid the 2nd instalment of CC arrears Rs 1,6,600/- and ACD arrears Rs 12,379/-. The power supply was disconnected on 25/12/2018.

One month notice (as per clause 5.9.4.3 of GTCCS) issued to the consumer through ADE/OP/Ghanpur or payment of arrears and regularise the service otherwise Termination of Agreement and adjustment of Security Deposit available against the dues.

The ADE/OP/Ghanpur stated that, the AE/OP/Rajavaram visited the consumer premises along with O&M staff to serve the notice to the consumer, but the consumer refused to acknowledge the notice. After 4 visits, the departmental staff pasted the notice to the control panel of the Factory on 10.06.2019.

The consumer has not acknowledged the one month notice and not turned up for payment of dues and regularise the service. Total arrears to end of May'20119

Rs 13,14,941/- and ACD due Rs 61,891/- and Security Deposit is available Rs 1,62,379/- and the service was under bill stopped from June'2019 onwards.

The consumer has approached the CGRF, TSNPDCL on 24.06.2019 requesting for waiver of monthly minimum bill or Rs 15,00,000/- whereas in view of the above submitted grounds the Chairperson, CGRF,TSNPDCL has passed an order accordingly that the grievance of the complainant is rejected and the monthly minimum charges raised by the Respondents during no supply is liable to be paid by the Complainant and disposed of the case.

The consumer aggrieved by the order issued by the Forum represented to the Hon'ble Vidyut Ombudsman on the same grievance stating that he has paid only Rs 1,76,000/- and requested for adjustment to the old bills and waiver of the minimum bills, which cannot be done on the above grievance due to the circumstances submitted as above and which has been opined and passed the orders by the Chairperson, CGRF for payment of the total amount raised by the Respondents during the no supply period as per the agreement.

5. Rejoinder of the Appellant

The Appellant filed his rejoinder dt.23.10.2019 stating that she has approached the Respondents for supply of 24 hrs electricity and the Respondents gave a demand notice to her for paying the Security Deposit, Development charges and Inspection charges. She further stated that she has paid the said charges through a Demand Draft and purchased the material required and labour at her own cost. After the completion of the line work, she herself has obtained the permission from the Chief Electrical Inspector to the Government and submitted it the DE/Jangaon. On 17.07.2017 the service connection HT SC No. WGL-587 was released.

The Appellant stated that on 17.07.2017, at the time of start of industry the police department has stopped the running of this industry due to Explosive Magazine Clearance Certificate. She further stated that the Respondents has issued a demand of Minimum Charges for an amount of Rs 1,47,472/- and as the industry was closed, she could not pay the demanded amount and the Respondents disconnected the power supply.

The Appellant further stated that she has obtained the Explosive Magazine clearance certificate on 15.09.2018 and approached the SE/Jangaon for

reconnection. The SE/Jangaon has issued a bill for an amount of Rs 7,81,836/- even without using the power supply. That she approached the CMD/TSNPDCCL and out of the 6 installments sanctioned by the CMD/TSNPDCCL, she has paid the first installment amounting to Rs 1,75,979/- and as the industry is closed for a long time, she could not pay the rest of the installments. The Respondents issued another notice dt.18.04.2019 for an amount of Rs 13,14,941/- and told her that they were adjusting the security deposit and development charges to the arrears and that placing the service connection under Bill stop status. As she could not pay such a huge amount she rejected the notice.

The Appellant requested to withdraw the bill raised for an amount of Rs 13,14,941/- in the month of May'2019 and to adjust the already paid amounts in the future bills. She further stated that as the industry is closed, she could not repay the bank loan and the Bank has issued her a notice. Hence, the Appellant requested to issue directions to the Respondents to restore the power supply to the Appellant.

6. Reply of the Respondents to the Rejoinder filed by the Appellant

The SE/OP/Jangaon on behalf of the Respondents submitted a reply to the re-joinder of the Appellant stating that the consumer has requested to arrange the supply on semi turn key basis on considering his request a demand notice has been issued to the consumer under semi turn key basis and the said charges as mentioned by the complainant which is mandatory was received as per the demand notice. On payment of the charges and on producing the certificate from Chief Electrical Inspector to Government, the supply was released to the Appellant by the DE/OP/Jangaon.

Further stated that obtaining of certificates, approvals, fulfillment of statutory obligations rests with the consumer, it is common to all Industrial consumers, the same is mentioned in agreement also wherein it is stated that " I/We shall pay minimum charges every month as per prescribed tariff, and the General Terms and Conditions of supply, even if no electricity is consumers for any reason whatsoever and also if the charges for electricity actually consumed are less than the minimum charges. The minimum charges shall also be payable by me/us even if electricity is not consumer because supply has been discontinued by the company

because of non payment of electricity charges. Theft of electricity or unauthorised use of electricity or for any other valid reason.”

Heard both sides.

Issues

7. In the face of the said contentions by both sides, the following issues are framed:-

1. Whether the Appellants are entitled for withdrawal of the arrears and adjustment of the said amount towards future bills by the Respondents?
2. To what relief?

Issue No.1

8. The admitted facts on record are that M/s Venkateshwara Stone Crushers HT service was released on 15.07.2017 with a CMD of 150 KVA under HT Category I, Fatehpur Village, Chilpur Mandal. The service was disconnected on 29.09.2017, due to non payment of August'2017 CC charges. The Appellant stated that there was clearance issue from the Police Department over explosive magazine and hence he could not run the industry. The Appellant preferred to restore the electricity supply and against his request, 3 instalments was accorded approval by CGM/Finance vide Lr.No.284 dt.20.07.2018 for the amounts as stated below:-

	C.C	ACD	Due date
1st Installment	Rs 2,18,921/-	Rs 24,757/-	+RC & Others if any (immediately)
2nd Installment	Rs 2,18,920/-	Rs 24,757/-	On 19/08/2018
3rd Installment	Rs 2,18,920/-	Rs 24,756/-	On 19/09/2018

The Appellant did not availed the above given approval for installments and further requested to increase the given three numbers installments. Subsequently he was awarded 6 nos. Installments vide Lr.No.324 dt.02.08.2018 as follows:-

	C.C	ACD	Due date
1st Installment	Rs 1,30,306/-	Rs 12,379/-	+RC & Others if any (immediately)
2nd Installment	Rs 1,30,306/-	Rs 12,379/-	On 02/09/2018
3rd Installment	Rs 1,30,306/-	Rs 12,378/-	On 02/10/2018

4th Installment	Rs 1,30,306/-	Rs 12,378/-	On 02/11/2018
5th Installment	Rs 1,30,306/-	Rs 12,378/-	On 02/12/2018
6th Installment	Rs 1,30,306/-	Rs 12,378/-	On 02/01/2019
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Total	Rs 7,81,836/-	Rs 74,270/-	
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Again the Appellant could not pay the installments accorded to him. And again applied for the fresh installments, subsequently 6 installments was accorded as given below:-

	C.C	ACD	Due date
1st Installment	Rs 1,63,600/-	Rs 12,379/-	+RC & Others if any (immediately)
2nd Installment	Rs 1,63,600/-	Rs 12,379/-	On 22/12/2018
3rd Installment	Rs 1,63,600/-	Rs 12,378/-	On 02/01/2019
4th Installment	Rs 1,63,600/-	Rs 12,378/-	On 02/02/2019
5th Installment	Rs 1,63,599/-	Rs 12,378/-	On 02/03/2019
6th Installment	Rs 1,63,599/-	Rs 12,378/-	On 02/04/2019
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Total	Rs 9,81,598/-	Rs 74,270/-	
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Here the Appellant paid 1st installment and thereby the supply was restored to the industry on 24.11.2018. In the event of non payment of the next installment, the supply was disconnected again on 25.12.2018. From there no payments were received from the Appellant and supply remained under disconnection. The Respondents issued 1 month notice as mandated under Clause 5.9.4.3 of GTCS for payment of arrears and regularisation of the service connection. In the event of non regularisation of service connection by the Appellant, the agreement was terminated duly adjusting the available Security Deposit against the dues.

9. The Appellant contended that when he got the police permission with regard to explosive magazine on 15.09.2018, he approached the Respondents for the supply of power and that till then i.e. from the date of disconnection he has not used any supply but yet the Respondents raised the bills to an extent of Rs 7,71,836/- in spite of there being no supply. Hence he approached the CMD of TSNPDCL for payment of the dues in installments and he was allowed to pay the same in 6 equal

installments, as such he paid the first installment of Rs 1,75,979/- and by the time he could arrange the labour and the machinery the date for payment of 2nd installment arrived but he could not raise the funds to pay the second installment and as such his supply was again disconnected. He contended that in the face of the difficulties faced by him for running the industry and the financial problems faced by him, he sought for the withdrawal of the monthly minimum charges and to restore the power supply to his industry.

10. Admittedly the Tariff rates to be paid are guided by the Tariff Orders issued by the Hon'ble Commission from time to time and as per Clause 7.122 of the Tariff Order 2018-19 "every consumer whether he consumes energy or not shall pay monthly minimum charges calculated on the billing demand plus energy charges specified for each category in this part(B) to cover the cost of a part of the fixed charges of the Licensee."

11. A perusal of the above clause clearly shows that whether the Appellant has utilised the supply or not, the monthly minimum charges are liable to be paid to cover the cost of fixed charges of the Licensee. At the time of the release of the supply, the Appellant himself executed the HT agreement and undertook to abide by the condition of payment of monthly minimum charges even though there is no usage of supply. Hence, in the said circumstances there are no provisions to relax the payment of arrears as sought by the Appellant. Hence concludes that the Appellant is liable to pay the monthly minimum charges invariably. Hence decides this issue against the Appellant.

Issue No.2

12. In the result the Appeal is dismissed.

TYPED BY Office Executive cum Computer Operator, Corrected, Signed and Pronounced by me on this the 20th day of November, 2019.

Sd/-
Vidyut Ombudsman

1. M/s. Venkateshwara Stone Crusher, H.No.1-3-/5/M, BC Colony, Fatehpur(V), Chilpur (M), Jangaon - Dist. Cell: 9912601265.
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3. The DE/OP/Station Ghanpur - 7901093947.
4. The SAO/OP/Jangaon - 7901092686.
5. The SE/OP/Jangaon - 7901093959.

Copy to :

6. The Chairperson, CGRF - 1,TSNPDCL,Nakkalagutta, Hanamkonda, Warangal.
7. The Secretary, TSERC, 5th Floor Singareni Bhavan, Red Hills, Lakdikapul,Hyd.