



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 THIRTIETH DAY OF AUGUST
TWO THOUSAND AND TWENTY FOUR

Appeal No. 22 of 2024-25

Between

M/s. Vestro Solvents Pvt. Ltd., represented by Sri Nandigala Rama Subba Reddy (Managing Director), s/o. N. Malla Reddy, Ramanthapur (V), Yeldurthy (M), Ramanthapur, Medak District - 502335. Cell: 9346077666.**Appellant**

AND

1. The Assistant Engineer/OP/Yeldurthy/TGSPDCL/Medak.
2. The Assistant Divisional Engineer/OP/Toopran/TGSPDCL/Medak.
3. The Assistant Divisional Engineer/DPE/HT-VI/TGSPDCL/Medak.
4. The Assistant Accounts Officer/ERO/Toopran/TGSPDCL/Medak.
5. The Divisional Engineer/OP/Toopran/TGSPDCL/Medak.
6. The Superintending Engineer/OP/Medak Circle/TGSPDCL/Medak

..... **Respondents**

This appeal is coming on before me for final hearing today in the presence of Sri Rao Padmakar - authorised representative of the appellant and Sri Raja Malleshwaram - ADE/OP/Toopran, Sri K. Srinivas Rao - ADE/DPE/HT-VI and Sri T. Ranveer Singh - AAO/ERO/Toopran for the respondents and having stood over for consideration, this Vidhyut Ombudsman passed the following:-

AWARD

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - I (Rural), (in short 'the Forum') of

Telangana State Southern Power Distribution Company Limited (in short 'TGSPDCL') in C.G.No 317/2023-24/Medak Circle dated:30.07.2024, rejecting the complaint with specific directions.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have released Service Connection No.1011800378 (in short 'the subject Service Connection') in LT Category - III in favour of the appellant company. The third respondent has inspected the premises of the appellant company on 31.10.2022 and found that the appellant has been using the power supply for storage purpose which falls under LT Category-II and a back billing case was registered accordingly. Thereafter from November 2022 the monthly bills were raised under LT Category-II and also raised a demand for Rs.5,20,796/- which is the difference amount between LT-III and LT-II w.e.f.. November 2020.

3. The appellant approached respondent No.6 - Appellate Authority duly paying 50% of the demanded amount. Respondent No.6 on 01.11.2023, withdrawn the entire back billing amount of Rs.5,20,796/-. But the department has raised interest in the monthly bills from February 2023 on unpaid balance of demand without any justification. It was also submitted that the appellant sustained financial loss due to frequent power cuts. Therefore it was prayed to order for refund of the difference amount paid by the appellant.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

4. In the written reply filed by respondent No.4, before the learned Forum, it is submitted about location of the appellant company at Ramanthapur Village, Masaipet Mandal and Section in Toopran Sub-Division. He has also submitted that the appellant-company was inspected again on 25.04.2024. He has stated about the inspection of the appellant company by respondent No.3 and also registering a back billing case for Rs.5,20,796/-. According to him a Provisional Assessment Order (in short 'PAO') notice was issued vide reference Lr.No.ADE/Toopran/F.No.theft, D.No. 3126/22 dt.31.10.2022 (in short 'the subject notice') for an amount of Rs. 5,20,796/-. The appellant paid an amount of Rs.2,60,398/- on 25.01.2023 towards 50% of the provisional assessment amount. He has also submitted that respondent No.5 has also confirmed the back billing amount mentioned in his Final Assessment Order (in short 'FAO'). Finally in the appeal respondent No.6 on 05.01.2024 waived the entire back billing amount claimed. According to this respondent as per Clause 1.4 of Tariff Order of TGSPDCL the supply used for gas/oil storage or transfer stations fall under LT Category-II. Therefore the classification of Category-II in this case is correct.

5. In the written submission of respondent No.2, he has given the load particulars and other particulars of the appellant like its incorporation etc.,

AWARD OF THE FORUM

6. After considering the material on record and after hearing both sides the learned Forum has rejected the complaint with specific directions.

7. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the appellant had been carrying on the activity of processing and/or preserving the goods for sale and as such LT-III Category is correct. It is accordingly prayed to set aside the Award of the learned Forum and to order for refund of excess amount paid by the appellant due to change of Category due to back billing and also to revoke the clubbing of the Service Connections.

WRITTEN SUBMISSION OF RESPONDENTS

8. In the written reply filed by respondent No.2, before this Authority, it is, inter-alia, submitted that as per Clause 1.4 of Tariff Order, the subject Service Connection comes under LT-II. As per the Award of the learned Forum, two LT services of the appellant were clubbed into a single Service as per Clause 3.5.3 of General Terms and Conditions of Supply. (in short 'GTCS').

9. In the written replies filed by respondent Nos.3 to 5 respectively, before this Authority, they too mentioned the similar contents of written reply of respondent No.2.

ARGUMENTS

10. The authorised representative of the appellant has argued that the correct Category of the subject Service Connection is III only; that the learned Forum without power has given directions in respect of the matters which were not asked for by the appellant instead of either allowing or rejecting the complaint as regards its prayer in the complaint and that the respondents have not followed the relevant Clause in GTCS while changing the Category of the subject Service Connection. Hence it is prayed to allow the appeal and set aside the subject notice and notice dt. 17.08.2024.

11. On the other hand, the respondents have supported the Award of the learned Forum and prayed to reject the appeal.

POINTS

12. The points that arise for consideration are:-

- i) Whether the subject notice and notice dt.17.08.2024 are 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 Nos. (i) and (ii)

ADMITTED FACTS

13. It is an admitted fact that the respondents have released the subject Service Connection in LT Category III. It is also an admitted fact that the appellant paid 50% of the amount to the respondents out of the back billing amount as mentioned in the PAO.

SETTLEMENT BY MUTUAL AGREEMENT

14. Both the parties have appeared before this Authority virtually and physically. 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

15. The present appeal was filed on 09.08.2024. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

16. Initially respondent No.3 inspected the premises of the appellant on 31.10.2022 at 10.45 AM. According to his inspection report the correct Category of the subject Service Connection of the appellant is Category-II.

Basing on this report respondent No.2 issued assessment notice to the appellant which is extracted as under:-

From Divisional Engineer Operation : TOOPRAN APCPDCL	To VESTRO SOLVENTS PVT LTD RAMANTHAPUR(V),,YELDURTHY(M),,RAMANTHAPUR
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Lr.No.ADE/OP/TOOPRAN, F.NO:THEFT, D.NO:3126/22 Dt:31/Oct/2022

Sub:Assessment Notice of SC No. 1011800378 Category LT-III-INDUSTRY-Industries for Back Billing

1. Inspection undertaken

The service connection bearing No. 1011800378 Category LT-III-INDUSTRY-Industries, Village/Section was inspected on 31/Oct/2022 at 10:45 at hours by Sri. K.SRINIVASA RAO with designation ADE/DPE/HT-VI. A copy of the Inspection Report was handed over to the consumer / his representative on .

2. The following incriminating points are observed from the Inspection Report:

YES

1. The service was inspected on random basis. 2. At the time of inspection the consumer is availing healthy 3- phase supply. 3. Meter displayed parameters are noted and meter data logged in to LapTop for further analysis. 4. It is observed that the service is being billed under LT-III . 5. During the inspection, it is observed that there is no production activity or manufacturing process. presently the supply is being used for construction works of office/shed and storage of solvents like liquids of Methanol ,Acids etc. 6. As per the statement given by consumer representative i.e., Vestro solvents pvt ltd employee the supply is used for a) M.S storage tanks welding works started from November-2020, b) Storage of tanks loaded & unloaded started from November-2021. These tanks are used for storage solvents only. These solvents are sale to different types of vendors. In this premises there is no manufacturing or production of any type of solvents or materials. 7. The supply is used for Storage of oils or transfer, for which the service is to be billed under LT-II, as per the clause no:1.4 of tariff Order of TSSPDCL, but service is being billed in LT-III. 8. Hence the service is proposed for back billing under LT-II as per the clause 1.4 of tariff orders of TSSPDCL from 06.10.2020 to 04.11.2022.

3. Nature of defect reported

Difference of tariff from LT-III to LT-II

4. Charges payable to the Company for un-authorized use.

On careful consideration of all the relevant aspects, I have provisionally assessed the electricity charges due to the Company as per clause 7.5.1 of the General Terms and Conditions of Supply at Rs 520796.00. The calculation sheets for the same are enclosed for your reference.

5. Future Course of Action

If you wish continuance of supply, you may pay Rs. 260398.00(Rupees) being 50% of the provisionally assessed amount + Supervision charges of Rs. 0.0 to the SAO/MEDAK (designated officer for payment of assessed amount), and furnish receipt to me within 7 days from the date of service of this order.

If you are agreeable to the assessed amount, you may pay the amount in full within 15 days from the date of service of this order. Further proceedings to recover the assessed amount will be closed after production of a receipt towards payment of the provisionally assessed amount of Rs 520796.0 in full, to SAO/MEDAK (designated officer for payment of assessed amount), in addition to the supervision charges of Rs.0.0 and the reconnection charges of Rs.

.. If you are not agreeable to the above assessment, you may make a representation to Superintending Engineer/Operation/MEDAK within 15 days from the date of service of this order. You may also specifically indicate in your representation whether you want to be heard in person.

.. In case there is no representation from you within 15 days from the date of service of this order, the Electricity charges payable by you shall be included in your subsequent CC bill.

Signature of the Assessing Officer
Name : CH RAJA MALLESHAM
Designation : ADE/OP/TOOPRAN

Though the date mentioned in the above notice is 31.10.2022, both sides have reported that it is 30.11.2022. The record shows that after receipt of subject notice the appellant approached respondent No.5 for necessary relief. But respondent No.5 passed FAO confirming the subject notice. After depositing 50% of the back billing amount, the appellant preferred appeal before respondent No.6. Respondent No.6 gave relief to the appellant, by waiving the entire back billing amount and confirming Category-III. Soon after the issuance of the subject notice the respondents started issuing bills to the appellant in Category-II only. Therefore for refund of differential billing of Rs.6,28,383/- (as per the statement filed by the appellant) and excess amount charged, the appellant approached the learned Forum for waiving and refund of the said amount. The relief claimed by the appellant before the learned Forum, the Award passed by the learned Forum and also the notice dt.17.08.2024 issued by respondent No.2 basing on the impugned Award are relevant in this appeal which are mentioned in the following table:-

Relief sought by the appellant (complainant) before the learned Forum	Request for refund of differential billing and additional charges levied.
Award of the learned Forum	<p>i) The grievance of the appellant is not maintainable and is rejected.</p> <p>ii) The sixth respondent i.e., Superintending Engineer/Operation/Medak is hereby directed to follow the schedule of Retail Supply Tariff and Terms and Conditions as per the Tariff Order for the Financial Year 2022-23 and 2023-24 issued by Hon'ble Telangana State Electricity Regulatory Commission under LT Cat-II Clause</p>

	<p>No.1.4 and to continue the billing of the service S.C.No. 1011800378 under LT Cat-II only.</p> <p>iii) The appellate order issued by the sixth respondent i.e., Superintending Engineer / OP / Medak regarding withdrawal of back billing (indicative of back billing) amount of Rs.5,20,796/- (shortfall of difference of Category of billing) is incorrect.</p> <p>iv) The 2 Nos. LT Services shall be clubbed into single service was per the General Terms and Conditions of Supply Clause No.3.5.3.</p> <p>The Clause 3.5.3 of GTCS is reproduced below:-</p> <p>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”</p>
Follow up action of respondent No.2	Respondent No.2 issued notice dt.17.08.2024 to the appellant clubbing (2) LT Service Connections.

17. The above table shows that the appellant sought the relief of refund of the excess amount paid by it after the order of respondent No.6. The

amount to be refunded is around Rs.7,00,000/- (Rupees seven lakhs only). The above table shows the Award of the learned Forum. It rejected the prayer of the appellant vide para (x)(i) of the Award.

18. The learned Forum has passed the Award after instructing the respondent-officials to inspect the premises of the appellant. No doubt the learned Forum has power to direct any official to inspect the premises during the pendency of the case. The order of the learned Forum under para (x)(ii) and (iii) is practically setting aside the order passed by respondent No.6. Like-wise para (x)(iv) of the order also. The appellant has not requested for passing any order in respect of change of Category and back billing as it (appellant) already got such relief. Like-wise the order under para (x)(iv) in the table regarding clubbing of the (2) Service Connections was also not requested by the appellant. Admittedly the learned Forum is not the appellate authority after respondent No.6 passed the order in the appeal. Thus practically the learned Forum has set aside the relief which was already granted by respondent No.6 to the appellant. More-over, as stated above respondent No.2 has issued the notice dt.17.08.2024 clubbing the (2) Service Connections of the appellant in a jet speed, during the pendency of the present appeal even before the expiry of period to file appeal against the impugned Award. The said notice is extracted here under:-

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

From
Asst Divisional Engineer
Operation Sub Division, Toopran
TGSPDCL.

To
M/s. Vestro Solvent Pvt Ltd
Ramanathapur vg, Masaipet (M)
Medak Dist.

Lr.No. ADE/OP/TPRN/F.No. CGRF /D.No. 699/2024, Dt: 17-08-2024

Sir,

Sub: TGSPDCL - Clubbing of multiple LT services in to single service in respect of M/s Vestro Solvent Pvt Ltd, Ramanathapur vg, Masaipet (M) Medak Dist as per the orders of CGRF-I (Rural) TGSPDCL in CG No.317/2023-24 Medak circle -Notice issued for further course of action- Reg.

Ref:- 1) Orders issued by CGRF-I (Rural) TGSPDCL in CG No.317/2023-24 Medak circle.


2) CGRF Complaint No. CG No.317/2023-24.

With reference to the subject cited, it is to inform you that the, vide ref 1st cited, CGRF-I (Rural) TGSPDCL has issued orders dated 30.07.2024 in CG No.317/2023-24 Medak circle , to club the multiple LT services existing in your premises in to single service.

Further your grievance vide ref 2nd cited for refund of differential amount in respect of service No. 1011800378 is herewith rejected and also stated that as per tariff orders for FY 2022-23 & 23-24, the above service comes under cat II, hence the withdrawal of back billing amount Rs 5,20,796/- (Indicative of Back Billing) was found to be incorrect.

In this connection, it is to inform you that to furnish information of Name of the LT services and load particulars of parent service on which single service to be converted by clubbing of existing multiple LT services in your premises . And also the withdrawal of back billing amount is found incorrect as per CGRF Orders ,hence you are liable to pay withdrawn amount of **Rs.5,20,796/-** in the light of the order of CGRF-I (Rural) TGSPDCL within 15 days from the date of receipt of this notice failing which power supply to your service connection will be disconnected without further intimation.

Yours faithfully


Asst Divisional Engineer
Operation: TGSPDCL: Toopran

In view of these factors, now it is necessary to analyse as to the purpose of establishing the Consumer Forum and also the legality of the Award/Order passed by the learned Forum.

PURPOSE OF ESTABLISHING CONSUMER FORUM

19. The Hon'ble Supreme Court in the judgement reported in NATIONAL INSURANCE CO. LTD., v. HARSOLIA MOTORS ¹, has held that Consumer Protection Act 1986 is a social benefit oriented legislation and, therefore, the Court has to adopt a constructive liberal approach while construing the provision of the said Act. Thus the provisions of the Act and Clauses and Regulations etc., have to be construed in favour of the consumer to achieve the purpose of the enactment as it is a social benefit-oriented legislation. This principle equally applies in this case.

20. The Hon'ble Supreme Court in the judgement reported in IREO GRACE REALTECH PVT., LTD., v. ABHISHEK KHANNA² has also held that the Consumer Protection Act is a beneficial legislation, in case of any ambiguity, the Clauses must be read in favour of the consumer.

21. At this stage it is also necessary to refer to the preamble of the Electricity Act 2003 which is as under:-

“An act to consolidate laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conclusive to development of electricity industry, promoting

¹ 2023 Live-Law SC - 313.

² AIR 2021 SC - 437

competition therein, protecting interest of consumers and supply of electricity to all areas, rationalisation of electricity tariff, ensuring transparent policies regarding subsidiaries, promotion of efficient and environmentally benign policies, constitution of Central Electricity Authority, Regulatory Commissions and establishments of Appellate tribunal and for matter connected thereon or incidental thereto.”

This preamble also emphasised the need to protect the interest of the electricity consumer.

22. Now it is necessary to refer to Clauses 2.48 and 2.49 of Regulation 3 of 2015 of Hon’ble Telangana Electricity Regulatory Commission which are as under:-

2.48. On receipt of the comments from the Licensee or otherwise and after conducting or having such inquiry or local inspection conducted as the Forum may consider necessary or expedient, and after affording a reasonable opportunity of being heard to the parties, the Forum shall take a decision by a majority of votes of the members of the Forum present and in the event of equality of votes, the Chairperson, or in his absence the person presiding, shall have a second or casting vote and pass an order in writing as it deems fit. The views of the Independent Member shall form part of the decision making process. However, he has no voting right in the decision making process.

2.49. Where after the completion of the proceedings, the Forum by majority is satisfied that any of the allegations / facts contained in the grievance are correct, it shall issue an order in writing to the Distribution Licensee directing it to do one or more of the following things/acts in a time-bound manner namely:

- a) Remove the cause of grievance in question;
- b) Return to the Complainant the undue charges paid by the Complainant along with simple interest at 9% per annum for the period for which the undue charges were withheld by the Licensee;

c) May direct the Licensee in exceptional grievance(s)/case(s), to pay such amount as may be awarded by it as compensation to the Complainant for any loss or injury suffered by the Complainant owing to the negligence of the Licensee. While awarding compensation, the Forum may consider the Standards of Performance notified by the Commission or may award reasonable compensation as the Forum deems appropriate to the Complainant in the facts and circumstances of the case(s)/grievance(s);

Provided that where the compensation awarded is attributable to the malafide action of the employee or employees, such compensation shall be recovered from the salary or salaries of the employee or employees responsible for such malafide action in proportion to their salaries by the Licensee(s).

d) May direct the Distribution Licensee to initiate departmental disciplinary proceedings against the employee or employees in the facts and circumstances of the grievance or case; or

e) May direct the Distribution Licensee to pay the cost to the complainant in exceptional grievance or case.

A perusal of the above Clauses of the Regulation only indicate that the learned Forum can pass any order in favour of the consumer including awarding compensation and costs. If really the consumer is not entitled to any relief, the learned Forum may reject the relief prayed for by the consumer but it cannot nullify the relief already granted. No doubt the learned Forum has power to direct any official to inspect the premises of the consumer and seek report. But such report can be used in favour of the consumer, if there are sufficient grounds. But it cannot practically set aside the order of respondent No.6 and direct to do particular act in the present proceedings.

23. Similarly basing on the inspection carried out by the officials of the respondents during the pendency of the learned Forum has ordered for clubbing of the (2) Service Connections of the appellant. Thereafter basing on the impugned Award, respondent No.2 issued the notice dt.17.08.2024 to the appellant. This procedure adopted by the learned Forum and also respondent No.2 are uncalled for. Therefore the impugned Award of the learned Forum is not legal. The judgements of the Hon'ble Supreme Court, the preamble of the Electricity Act and also the Clauses of the Regulation only indicate that the purpose of establishing the Forum is to help the consumer if there is any deficit in service or to rectify any mistake of the Licensee and definitely not to nullify the benefit already given to the consumer (appellant herein).

MERITS OF THE CASE

24. Inasmuch as the learned Forum has nullified the order passed by respondent No.6, now it is desirable to examine as to whether the subject notice was properly issued demanding back billing.

25. The record shows that respondent No.3 has inspected the premises of the appellant on 31.10.2022 and found that the subject Service Connection was wrongly categorised. Respondent No.2 thereafter has issued the subject notice to the appellant mentioning about the inspection of the premises of the appellant demanding Rs.5,20,796/- which was provisionally assessed towards

back billing for the relevant period on the ground that the subject Service Connection is covered under Category-II but not Category-III.

26. As already stated, basing on the inspection of the premises of the appellant, respondent No.2 has issued the back billing notice (subject notice) as stated above. At this stage it is necessary to refer to Clause 3.4.1 of the General Terms and Conditions of Supply (in short "GTCS"), which is as under:-

" 3.4.1: Where a consumer has been classified under a particular category and is billed accordingly and it is subsequently found that the classification is not correct (subject to the condition that the consumer does not alter the category/ purpose of usage of the premises without prior intimation to the Designated Officer of the Company), the consumer will be informed through a notice, of the proposed reclassification, duly giving him an opportunity to file any objection within a period of 15 days. The Company after due consideration of the consumer's reply if any, may alter the classification and suitably revise the bills if necessary even with retrospective effect, the assessment shall be made for the entire period during which such reclassification is needed, however, the period during which such reclassification is needed cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of inspection"

This Clause of GTCS makes it quite clear that if the respondents want to change a particular Category of any consumer on the ground that the earlier Category was not correct, the respondents have to issue initial notice to that effect calling for the objections of the consumer within a period of (15) days. Thereafter they have to change the Category after their satisfaction and back-bill the Service Connection if necessary with retrospective effect also. In the present case, admittedly the respondents have not issued the initial notice

as such there was no opportunity to the appellant to explain its stand. Respondent No.2 has straight-away issued the subject back billing notice even by mentioning the back billing amount for the relevant period. Clause 3.4.1 of GTCS makes it quite clear about issuing the first notice explaining about the intention of the respondents-licensee for the proposed change of Category and giving an opportunity to the consumer to file objections. Thereafter the respondents have to consider the reply, if any, of the consumer and then if necessary they have to alter the classification, even with retrospective effect and revise the bill. This procedure was not followed by the respondents in the present case.

27. At this stage it is necessary to refer to the judgement of our own Hon'ble High Court in M/s. Santosh Electricals and Mechanical v. State Power Southern Power Distribution Corporation Ltd., (W.P.No.25326 of 2022 dt.07.12.2022) in a similarly situated case. While referring to Clause 3.4.1 of the GTCS at para No.11 of the judgement, the Hon'ble High Court has held as under:-

“As per the above said clause, the consumer will be informed through notice of the proposed tariff reclassification duly giving him opportunity of file objections, if any, within fifteen days. The respondents after due consideration of the consumer's reply, if any, may alter the classification and suitably revise the bills, if necessary,. even with retrospective effect, the assessment shall be made for the their period during which such reclassification is needed cannot be ascertained, such period shall be limited to a period of twelve months immediately after proceeding the date of inspection.”

Since the procedure mentioned in Clause 3.4.1 of GTCS was not followed in the said judgement, the Hon'ble High Court has set aside the impugned notice therein. The facts in the said case before the Hon'ble High Court and the facts in the present appeal are similar. Therefore this judgement is applicable in the instant case. In view of these factors, I hold that the back billing notice in the present case demanding the appellant to pay Rs.5,20,796/- is not valid and is liable to be set aside, consequently the appellant is entitled for waiving the entire back billing amount. In view of this factor, the notice dt.17.08.2024 is also liable to be set aside.

28. The authorised representative of the appellant has relied upon the judgement of our own Hon'ble High Court in Hindustan Petroleum Corporation v. The Andhra Pradesh Southern Power Distribution Company Ltd., (W.P.No.23037 of 2012 dt.08.10.2015), wherein it is held that since the consumer was utilising the power from the respondents for the activity of both processing and preservation of goods for sale, the consumer is entitled for classification of its service under Category-I. The authorised representative of the appellant has also relied upon the judgement of the Hon'ble Punjab and Haryana High Court in Punjab State Electricity Board v. Shri Sham Sunder and Another dt.06.02.2012 (RSA No.4596 of 2011) in respect of de-clubbing of Service Connection. The authorised representative of the appellant has also relied upon the judgement of the Hon'ble Supreme Court in Commissioner of Central Excise Belapur v. Jindal Drugs Ltd. (Civil Appeal

Nos. 1121 of 2016 with Civil Appeal No. 788-790 of 2022 dt.30.04.2024)

explaining about process and manufacturing activity. Since the subject notice is liable to be set aside and since the notice dt.17.08.2024 is also liable to be set aside, now it is not necessary to deal with the effect of these judgements. Therefore, I hold that the subject notice and notice dt.17.08.2024 are liable to be set aside. Accordingly, the impugned Award of the learned Forum is also liable to be set aside. These points are decided in favour of the appellant and against the respondents.

POINT No. (iii)

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

RESULT

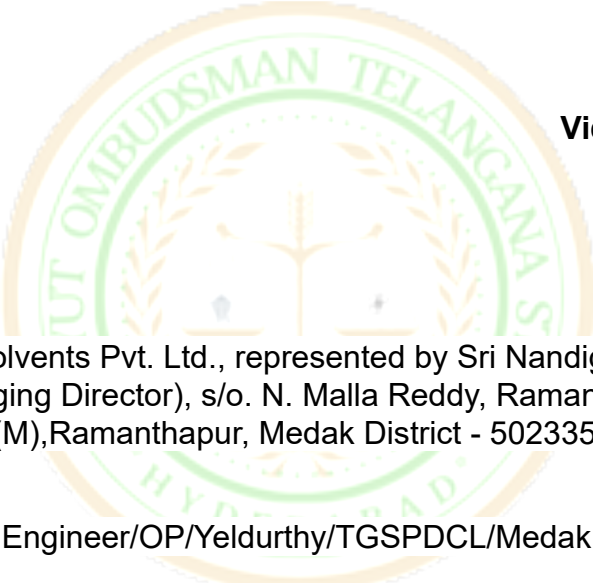
30. In the result, the appeal is allowed and the Award of the learned Forum is set aside. Consequently the initial notice in Lr.No.ADE/OP/TOOPRAN/F.No.THEFT/D.No.3126/22 dt.31.10.2022 is set aside. The latest notice dt.17.08.2024 is also set aside. The respondents are directed to refund the excess amounts collected from the appellant till date including surcharge, if any, by way of adjustment in the future bills of the appellant Service Connection and file compliance within one month from the date of receipt of this Award. It is made clear that this Award does not

preclude the respondents from either issuing notice for change of Category or clubbing of Service Connections of the appellant by undertaking fresh inspection of the premises of the appellant by following the Clauses of GTCS or Tariff Orders issued by Telangana Electricity Regulatory Commission.

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 30th day of August 2024.

**Sd/-
Vidyut Ombudsman**

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1. M/s. Vestro Solvents Pvt. Ltd., represented by Sri Nandigala Rama Subba Reddy (Managing Director), s/o. N. Malla Reddy, Ramanthapur (V), Yeldurthy (M), Ramanthapur, Medak District - 502335. Cell: 9346077666.
 2. The Assistant Engineer/OP/Yeldurthy/TGSPDCL/Medak.
 3. The Assistant Divisional Engineer/OP/Toopran/TGSPDCL/Medak.
 4. The Assistant Divisional Engineer/DPE/HT-VI/TGSPDCL/Medak.
 5. The Assistant Accounts Officer/ERO/Toopran/TGSPDCL/Medak.
 6. The Divisional Engineer/OP/Toopran/TGSPDCL/Medak.
 7. The Superintending Engineer/OP/Medak Circle/TGSPDCL/Medak.

Copy to

8. The Chairperson, Consumer Grievances Redressal Forum of TGSPDCL-Rural, H.No.8-03-167/14, GTS Colony, Yousufguda, Hyderabad - 45.