



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 SEVENTEENTH DAY OF JANUARY
TWO THOUSAND AND TWENTY THREE

Appeal No. 26 of 2022-23

Between

M/s. Devi Industries, Industrial Area, Jangaon District, 506 167, represented by
Sri Md. Shadullah Baba, Ph.No.8099259453.

.....Appellant

AND

1. The Assistant Engineer / Operation / Jangaon Town-II - 9494841128.
2. The Assistant Divisional Engineer / Operation / Jangaon - 9440811338.
3. The Assistant Accounts Officer /ERO / Jangaon - 9440811286.
4. The Divisional Engineer / Operation / Jangaon - 9440811319.

..... Respondents

This appeal is coming on before me for final hearing on 09.12.2022 in the presence of Sri Md.Shadullah Baba, appellant in person, Sri P. Shankar - AE/OP/Jangaon Town - II, Sri C. Papi Reddy - ADE/OP/Jangaon and Sri N.V.B. Gopal Reddy - AAO/ERO/Jangaon for the respondents and having stood over for consideration till this day, this Vidhut Ombudsman passed the following:-

AWARD

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - I of Telangana State Northern

Power Distribution Company Limited (in short 'TSNPDCL') in C.G.No.88/2021-22 of Jangaon Circle dt.10.05.2022, disposing of the complaint by setting aside the bill issued in May 2021 for Rs 4,96,533/- and also directing the respondents to revise the CC bills from September 2020 to May 2021 on an average of 2812 KVAH units per month as per the highest recorded consumption in a month after replacement of meter, apart from other directions.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the appellant-industry runs a milk dairy and the monthly bill usually was less than Rs 15,000/- per month. But in May 2021 the appellant received a bill for Rs 4,96,533/-. Respondent No. 2 arranged an inspection with the CT meter section and installed a new CT meter but the bill was not reduced. Therefore it was prayed to reduce the bill.

REPLY OF THE RESPONDENT BEFORE THE FORUM

3. In the written reply submitted by respondent No.1, it is stated that on inspection of the subject Service Connection they found current's of 10 KVAR LT capacitor normal. The meter was not defective. MRI data report shows that error was 0.858%.

AWARD OF THE FORUM

4. After considering the material on record and after hearing both sides, the learned Forum has disposed the complaint as stated above.

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 fully considered the case of the appellant and the respondents were threatening to disconnect the power supply. Therefore it is prayed to do justice.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

6. In the written submissions of Respondent No 2, before this Authority it is stated that as directed by the learned Forum they have revised the bill and after withdrawal of the amount the appellant has to pay Rs 1,59,378.70/-, in two instalments.

7. Heard both sides.

POINTS

8. The points that arise for consideration are:-

- i) Whether the appellant is liable to pay Rs 1,59,378.70/-?
- ii) Whether the impugned Award of 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 appellant is having Service Connection No 13612-17391 in the name of the appellant industry. It is also an admitted fact that the appellant runs a dairy.

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. Since I took charge as Vidyut Ombudsman on 01.07.2022 and since there was no regular Vidyut Ombudsman earlier, the appeal was not disposed of within the prescribed period.

CRUX OF THE MATTER

12. The present appeal is against the exorbitant bill issued by the respondents during the month of May 2021 for an amount of Rs. 4,96,533/- against the Service Connection No. 13612-17391- M/s. Devi Industries, Milk Chilling Center, Category - III, Jangaon Town. The appellant preferred to appeal against the above said bill before the learned Forum in C.G.No. 88/2021-22. The Forum set aside the abnormal bill of Rs. 4,96,533/- and directed the respondents to revise the CC bills for the period from 09/2020 to 05/2021 taking average units of 2812 per month. Notwithstanding the above, the appellant preferred the present appeal before this Authority to revise the

bill further based on the Clause 7.5.1.4.1 and 7.5.1.4.2 of General Terms and Conditions of Supply (in short 'GTCS').

13. The record goes to show that during the month of May 2021, the appellant received an abnormal bill of Rs.4,96,533/-. The alleged meter was tested in the presence of the consumer by the ADE/HT,LT and CT meters and the meter was found not defective. The said officer concluded that KVAH reading is recorded along-with KVARH units due to ineffective utilisation of capacitor by the consumer. It is reported that the MRI data was not able to be retrieved with CMRI, thereby the meter was replaced during the month of August 2021. The learned Forum rejected the remarks submitted by the respondents over inefficient usage of capacitors, since the reason of capacitor inefficient usage is not prudent over recording 74,269 KVAH units in one month of May 2021 as the same meter recorded 2213 and 1515 units during the next two months of June and July respectively, quite normal to the regular consumption. In addition, testing of the meter results confirms that the meter was not defective. The learned Forum held that there were no proper records to evaluate such abnormal consumption and the respondents have failed to figure out the exact reasons. However the learned Forum directed to revise the CC bill for the period from 09/2020 to 05/2021 based on the highest recorded consumption after replacement of the meter i.e.2812 KVAH units per month. The recorded consumption after replacement of the meter during 09/2021 is as follows:-

TABLE-A

Month	KWH Units	KVAH Units	PF
09/2021	1250	2025	0.62
10/2021	1875	2812	0.67
11/2021	899	1299	0.69
12/2021	1359	2047	0.66
01/2022	1221	1924	0.63
02/2022	1234	1864	0.66
03/2022	1192	1707	0.70
04/2022	1392	2025	0.69

By complying with the above said orders of the learned Forum, the respondents withdrew an amount of Rs. 3,51,182/- vide RJE No. 13,08/2022 and also late payment surcharge towards the withdrawn amount of Rs.3,51,182/- from the month of July 2021 to August 2022 of Rs.69,534/-.

14. Now the appellant sought further reduction of the revised bill based on the Clause 7.5.1.4.1 and 7.5.1.4.2 of GTCS which is reproduced here-under:-

7.5.1.4.1: The number of units to be billed during the period in which the meter ceased to function or became defective, shall be determined by taking the average of the electricity supplied during the preceding three billing cycles to the billing cycle in which the said meter ceased to function or became defective provided that the condition with regard to use of electricity during the said three billing cycles were not different from those which prevailed during the period in which the Meter ceased to function or became defective.

7.5.1.4.2 If the conditions with regard to use of electricity during the periods as mentioned above were different, assessment shall be made on the basis of any 3 (three) consecutive billing cycles during the preceding 12 months when the conditions of working were not different.”

In addition to the above, he has produced a lease agreement showing that he has taken lease of the said premises for a period of (5) years w.e.f. 01.01.2021 and produced the procurement module of Priya Milk Products (Pvt.) Ltd. depicting that they have started operations from during the month of Jan'2021. Further the order of the learned Forum of taking highest consumption from the healthy meter of 2812 units is not correct.

15. A perusal of the rival contentions of both the parties goes to show that, the Clauses 7.5.1.4.1 and 7.5.1.4.2 mandate procedure for taking average units when the energy meter ceases to function or if the meter is defective. In the present case, though an abnormal consumption was recorded during the month of May 2021, the subsequent (2) months, June and July, the same meter recorded normal consumption of 2213 and 1515 units respectively and the results of the meter testing shows that the meter is healthy and has no defect. Under such circumstances, the given Clauses do not apply, since the (3) months average units shall be taken only in the case of meter defect cases.

16. The circumstances and the facts on record, do not reveal the exact cause of such abnormal consumption. One reference point is that the meter was periodically tested during the month of August 2020 and found that the

meter errors were within the limits and healthy. This goes to show that the meter performance as of August 2020, is healthy. The appellant held that he has started the operation of Milk Chilling Industry on 01.01.2021 and he has produced the production reports for the month of January. The consumption pattern since September 2020, is placed below:-

Month	KVAH units	Remarks
09/2020	52	
10/2020	1286	
11/2020	01	
12/2020	15	
01/2021	223	
02/2021	49	
03/2021	222	
04/2021	1141	Average Door lock consumption.
05/2021	74269	Abnormal consumption.
06/2021	2213	
07/2021	1516	
08/2021	3243	Meter change
09/2021	2025	New meter
10/2021	2812	New meter

A close look of the consumption pattern since the inception of the appellant Industry from the month of January 2021 to March 2021, where the actual operations started, it is much less compared to their subsequent consumption

(leaving the May month consumption). This indicates that the meter might have partially recorded consumption. Hence taking balance view of both sides, the highest consumption of 2812 units taken by the learned Forum is further revised by taking average of total consumption recorded from 09/2021 to 04/2022 of the replaced meter that is given at Table-A (supra) which workouts to 1963 units per month. The respondents shall revise the bills for the period from 09/2020 to 05/2021 taking monthly average of 1963 KVAH units instead of 2812 KVAH units as directed by the learned Forum.

17. It is relevant to produce here the Regulation 5 of 2004 under Clause 4.7.3 and 4.7.4 which is here-under:-

4.7.3:- On examination of the complaint, if the Licensee finds the bill to be erroneous, a revised bill shall be given to the consumer indicating a revised due date of payment, which should be fixed not earlier than seven days from the date of delivery of the revised bill to the consumer. If the consumer has paid any excess amount, it shall be refunded by way of adjustment in the subsequent bills. The Licensee shall pay to the consumer interest charges at 24% per annum on the excess amount outstanding on account of such wrong billing.

4.7.4:- If the Licensee finds the bills to be correct, the consumer shall be intimated accordingly and notified to pay the amount with additional charges for belated payment from the date.

It is admitted that the bill for the month of May 2021 for an amount of Rs.4,96,533/- is erroneous. The appellant is liable to pay additional charges for belated payment when the erroneous bills were revised and fresh demand is placed. As per the records the fresh demand was raised on 11.09.2022 and consumer paid such amount on 16.09.2022. Hence as per the above given

regulation the late payment surcharges shall be levied from the due date i.e. (7) days after the date of fresh demand i.e. 18.09.2022. Since the appellant paid the amount within the due date, no late payment surcharges shall be levied. However the respondents given the benefit of refund of Rs 69,534/-, of late payment surcharges against the amount withdrawn in compliance of the Award of the learned Forum of Rs. 3,51,182/- only. Whereas the same benefit should have been given for the total disputed amount of Rs. 4,96,533/-. Hence, as per the Regulation 5 of 2004 late payment surcharges shall be withdrawn against the disputed amount of Rs. 4,96,533/- instead of Rs.3,51,182/-. Accordingly, I hold that the appellant is liable to pay revised amount instead of the pending due of Rs. 1,59,378.70/- and the Award of the learned Forum is liable to be set aside to this extent. These points are decided partly in favour of the appellant and partly in favour of the respondents.

POINT No. (iii)

18. In view of the findings on point No. (i) and to (ii), the appeal is liable to be allowed in part.

RESULT


19. In the result, the appeal is allowed in part. However, the Award of the learned Forum is further revised by taking 1963 units (average units of healthy meter consumption from September 2021 to April 2022) instead of 2812 average units per month for the period from 09/2020 to 05/2021. The respondents are directed to withdraw the Late Payment Surcharge as on

18.09.2022, i.e. date of issue of fresh demand if levied against the total disputed amount of Rs.4,96,533/- and such amount shall be withdrawn and shall be adjusted in future bills.

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

Typed to my dictation by Private Secretary, corrected and pronounced by me on this the 17th day of January 2023.

Sd/-
Vidyut Ombudsman

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1. M/s. Devi Industries, Industrial Area, Jangaon District, 506 167 represented by Sri Md. Shadullah Baba, Ph.No.8099259453.
 2. The Assistant Engineer / Operation / Jangaon Town-II - 9494841128.
 3. The Assistant Divisional Engineer / Operation / Jangaon - 9440811338.
 4. The Assistant Accounts Officer /ERO / Jangaon - 9440811286.
 5. The Divisional Engineer / Operation / Jangaon - 9440811319.

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.