

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

SATURDAY THE TWENTY EIGHTH DAY OF DECEMBER TWO THOUSAND AND TWENTY FOUR

Appeal No. 34 of 2024-25

Between

M/s. Engineering Staff College of India, represented by its Director, Dr.G. Rameshwar Rao, Gachibowli, Hyderabad - 500 032. Cell: 9908086444, 8179559990.

..... Appellant

- 1. The Assistant Engineer/Operation/Gachibowli/TGSPDCL/Cyber City.
- The Assistant Divisional Engineer/Operation/Gachibowli/TGSPDCL/Cyber City.
- 3. The Assistant Accounts Officer/ERO/Gachibowli/TGSPDCL/Cyber City.
- 4. The Divisional Engineer/Operation/Gachibowli/TGSPDCL/Cyber City.
- 5. The Superintending Engineer/Operation/Cyber City/TGSPDCL/Cyber City.
- 6. The Assistant Engineer/DPE/Vikarabad/TGSPDCL/Vikarabad
- 7. The Assistant Divisional Engineer/DPE/Vikarabad/TGSPDCL/Vikarabad.
- 8. The Divisional Engineer/DPE/Vikarabad/TGSPDCL/Vikarabad.

.....Respondents

This appeal is coming on before me for final hearing on this day in the presence of Sri S. Laxmi Kanth Rao, representing the Appellant and Sri K. Satish - ADE/OP/Gachibowli, Smt. J. Naga Rani - AAO/ERO/Gachibowli and Sri P. Yadagiri - DE/OP/Gachibowli for the respondents and having stood over for consideration, this Vidyut Ombudsman passed the following:-

AWARD

This common appeal is preferred aggrieved by the separate Awards passed in C.G.Nos.53/2024-25 dt.29.10.2024, 54/2024-25 dt. 01.11.2024, 55/2024-25 dt.01.11.2024 and 56/2024-25 dt. 05.11.2024, Cyber City Circle passed by the Consumer Grievances Redressal Forum - Greater Hyderabad Area (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TGSPDCL'), rejecting all the complaints. Since, the same point is involved in all the complaints, a single appeal is registered.

CASE OF THE APPELLANT BEFORE THE FORUM

C.G.No. 56 of 2024-25

2. The case of the appellant before the learned Forum is that the respondents have released Service Connection No. 3602 00327 to the appellant under LT Category VII initially with a contracted load of 73 KW. On 22.02.2023, the inspection team visited the premises of the appellant and inspected the subject Service Connection. Thereafter respondent No.2 issued initial notice and back billing notice on 31.03.2023 for an amount of Rs.27,15,146/- for the period from 08.02.2016 to 22.02.2023 in respect of the subject Service Connection. The appellant gave reply to the said notice. But without considering the said reply respondent No.4 confirmed the said back billing assessment issued by respondent No.2. Aggrieved by the said confirmation the appellant preferred appeal before respondent No.5, who also confirmed the back billing amount.

3. The appellant (IEI) was incorporated in 1920 under Indian Companies Act 1913 and later granted recognition under Royal Charter of Great Britain on 13.08.1935 at Buckingham Palace, London. The Royal Charter is a valid written instrument which had not been repealed by any other Act by the Indian Parliament. The object of the appellant is to facilitate the exchange of information and ideas on those subjects amongst the members or persons attached to the appellant including holding conferences, publication of papers etc., It is a no profit no loss organisation. Under Sec.126(5) of the Electricity Act, the back billing shall not be more than twelve months preceding the date of latest inspection. Further also under Clause 3.4.1 of General Terms and Conditions of Supply (in short 'GTCS'), the back billing in case of reclassification shall not be more than twelve months. Accordingly it is prayed to consider the case of the appellant and to do justice.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

- 4. In the written reply submitted by respondent No. 2 and 3, before the learned Forum, they have stated about the inspection of the subject Service Connection on the relevant date. It is further submitted that the appellant is an autonomous organisation with a self financing project. Therefore, the subject Service Connection doesn't fall under LT Category-VII.
- 5. In the written reply submitted by respondent No.7, before the learned Forum, he has mentioned about the inspection of the subject Service

Connection on 22.02.2023. Under Clause 1.22 of Tariff Order, the subject Service Connection doesn't fall under LT Category VII, but falls under LT Category-II.

C.G.No. 55 of 2024-25

- 6. The case of the appellant before the learned Forum is that the respondents have released Service Connection No. 3602 04456 to the appellant under LT Category VII initially with a contracted load of 50 KW. On 22.02.2023, the inspection team visited the premises of the appellant and inspected the subject Service Connection. Thereafter respondent No.2 issued initial notice and back billing notice on 31.03.2023 for an amount of Rs.7,69,981/- for the period from 08.12.2015 to 22.02.2023 in respect of the subject Service Connection. The appellant gave a reply to the said notice. But without considering the said reply respondent No.4 confirmed the said back billing assessment issued by respondent No.2. Aggrieved by the said confirmation the appellant preferred appeal before respondent No.5, who also confirmed the back billing amount.
- 7. The appellant (IEI) was incorporated in 1920 under Indian Companies Act 1913 and later granted recognition under Royal Charter of Great Britain on 13.08.1935 at Buckingham Palace, London. The Royal Charter is a valid written instrument which has not been repealed by any other Act by the Indian Parliament. The object of the appellant is to facilitate the exchange of information and ideas on those subjects amongst the members or persons

attached to the appellant including holding conferences, publication of papers etc., It is a no profit no loss organisation. Under Sec.126(5) of the Electricity Act, the back billing shall not be more than twelve months preceding the date of latest inspection. Further also under Clause 3.4.1 of GTCS, the back billing in case of reclassification shall not be more than twelve months. Accordingly it is prayed to consider the case of the appellant and to do justice.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

- 8. In the written reply submitted by respondent No.2 and 3, before the learned Forum, they have stated about the inspection of the subject Service Connection on the relevant date. It is further submitted that the appellant is an autonomous organisation with a self financing project. Therefore, the subject Service Connection doesn't fall under LT Category-VII.
- 9. In the written reply submitted by respondent No.6, before the learned Forum, he has mentioned about the inspection of the subject Service Connection on 22.02.2023. Under Clause 1.22 of Tariff Order, the subject Service Connection doesn't fall under LT Category VII, but falls under LT Category-II.

C.G.No. 54 of 2024-25

10. The case of the appellant before the learned Forum is that the respondents have released Service Connection No. 3602 07237 to the appellant

under LT Category VII initially with a contracted load of 49 KW. On 22.02.2023, the inspection team visited the premises of the appellant and inspected the subject Service Connection. Thereafter respondent No.2 issued initial notice and back billing notice on 31.03.2023 for an amount of Rs.10,22,337/- for the period from 08.12.2015 to 22.02.2023 in respect of the subject Service Connection. The appellant gave reply to the said notice. But without considering the said reply respondent No.4 confirmed the said back billing assessment issued by respondent No.2. Aggrieved by the said confirmation the appellant preferred appeal before respondent No.5, who also confirmed the back billing amount.

11. The appellant (IEI) was incorporated in 1920 under Indian Companies Act 1913 and later granted recognition under Royal Charter of Great Britain on 13.08.1935 at Buckingham Palace, London. The Royal Charter is a valid written instrument which had not been repealed by any other Act by the Indian Parliament. The objects of the appellant is to facilitate the exchange of information and ideas on those subject amongst the members or persons attached to the appellant including holding conferences, publication of papers etc., It is a no profit no loss organisation. Under Sec.126(5) of the Electricity Act, the back billing shall not be more than twelve months preceding the date of latest inspection. Further also under Clause 3.4.1 of General Terms and Conditions of Supply (in short 'GTCS'), the back billing in case of reclassification shall not be more than twelve months. Accordingly it is prayed to consider the

case of the appellant and to do justice.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

- 12. In the written reply submitted by respondent No.2 and 3, before the learned Forum, they have stated about the inspection of the subject Service Connection on the relevant date. It is further submitted that the appellant is an autonomous organisation with a self financing project. Therefore, the subject Service Connection doesn't fall under LT Category-VII.
- 13. In the written reply submitted by respondent No.8, before the learned Forum, he has mentioned about the inspection of the subject Service Connection on 22.02.2023. Under Clause 1.22 of Tariff Order, the subject Service Connection doesn't fall under LT Category VII, but falls under LT Category-II.

C.G.No. 53 of 2024-25

14. The case of the appellant before the learned Forum is that the respondents have released Service Connection No. 3602 10837 to the appellant under LT Category VII initially with a contracted load of 45 KW. On 22.02.2023, the inspection team visited the premises of the appellant and inspected the subject Service Connection. Thereafter respondent No.2 issued initial notice and back billing notice on 31.03.2023 for an amount of Rs.35,185/- for the period from 02.06.2016 to 22.02.2023 in respect of the subject Service Connection.

The appellant gave reply to the said notice. But without considering the said reply respondent No.4 confirmed the said back billing assessment issued by respondent No.2. Aggrieved by the said confirmation the appellant preferred appeal before respondent No.5, who also confirmed the back billing amount.

The appellant (IEI) was incorporated in 1920 under Indian Companies Act 1913 and later granted recognition under Royal Charter of Great Britain on 13.08.1935 at Buckingham Palace, London. The Royal Charter is a valid written instrument which had not been repealed by any other Act by the Indian Parliament. The objects of the appellant is to facilitate the exchange of information and ideas on those subject amongst the members or persons attached to the appellant including holding conferences, publication of papers etc., It is a no profit no loss organisation. Under Sec.126(5) of the Electricity Act, the back billing shall not be more than twelve months preceding the date of latest inspection. Further also under Clause 3.4.1 of General Terms and Conditions of Supply (in short 'GTCS'), the back billing in case of reclassification shall not be more than twelve months. Accordingly it is prayed to consider the case of the appellant and to do justice.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

16. In the written reply submitted by respondent No.2 and 3, before the learned Forum, they have stated about the inspection of the subject Service Connection on the relevant date. It is further submitted that the appellant is an

autonomous organisation with a self financing project. Therefore, the subject Service Connection doesn't fall under LT Category-VII.

17. In the written reply submitted by respondent No.7, before the learned Forum, he has mentioned about the inspection of the subject Service Connection on 22.02.2023. Under Clause 1.22 of Tariff Order, the subject Service Connection doesn't fall under LT Category VII, but falls under LT Category-II.

AWARD OF THE FORUM

- 18. After considering the material on record and after hearing both sides, the learned Forum has rejected all the complaints.
- 19. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the appellant is an organisation running on no profit no loss basis; that it is a Trust and established during British era and that the back billing amount shall be restricted to a period of one year as per law.

WRITTEN SUBMISSION OF THE RESPONDENTS

20. In the written reply filed by respondent No.2, he has reiterated the contents of the written reply filed before the learned Forum.

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ARGUMENTS

21. It is submitted on behalf of the appellant that the appellant-organisation is running on no profit no loss basis; that it is a Trust charging reasonable fee on the trainees and students and that even otherwise the period of back billing should be restricted to one year only.

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

POINTS

- 23. The points that arise for consideration are:
 - i) Whether the appellant comes under LT Category VII as claimed by it?
 - ii) Whether the claim of back billing should be restricted to one year?
 - iii) Whether the impugned Awards passed by the learned Forum are liable to be set aside? and
 - iv) To what relief?

POINT No. (i) to (iii)

ADMITTED FACTS

24. It is an admitted fact that the respondents have released four Service Connections to the appellant on different dates. It is also an admitted fact that since the beginning the respondents have been issuing bills under LT Category-VII only to all these four Service Connections.

SETTLEMENT BY MUTUAL AGREEMENT

25. Both the parties have appeared before this Authority on different dates both 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

26. The present appeal was filed on 12.12.2024. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

27. The categorisation of Service Connections depends on the Tariff Order of the Hon'ble Telangana Electricity Regulatory Commission (in short 'the Commission'). At this stage it is necessary to refer Clause 9.8 of Tariff Order 2022-23. It reads as under:-

"9.8 LT-VII (A): GENERAL PURPOSE Applicability

9.8.1 Applicable for supply of energy to places of worship like Churches, Temples, Mosques, Gurudwaras, Crematoriums, which are not covered under LT-VII(B), Government Educational Institutions and Student Hostels run by Government agencies, Charitable Institutions i.e., Public Charitable Trusts and Societies registered under the Societies Registration Act running educational and medical institutions on a no profit basis, recognised service institutions and registered Old age homes."

28. The above said Clause makes it quite clear that Clause - VII(A) General Purpose applies to the places and institutions mentioned in the said Clause. The appellant is not a Government educational institution. It is not a Public Charitable Trust. It is also not listed under Societies Registration Act. Therefore, the appellant is not covered under LT Category-VII but it is covered under LT Category-II only.

LIMITATION

29. Further basing on Clause 3.4.1 of GTCS, it is argued on behalf of the appellant that back-billing shall not be for more than twelve months. This Clause permits the respondents to revise the bills if necessary even with retrospective effect. The said retrospective effect, however, is subject to the general law of Limitation. Sec.126(5) of the Act is not applicable in this case. However, now it is to be seen whether the back billing amounts claimed by the respondents are within the period of limitation. Under the general law of Limitation, recovery of any amount can be only upto a period of three years and not beyond that. There is no law under the Electricity Act, GTCS, Tariff Orders or Regulations permitting the respondents to recover the arrears beyond the period of limitation. In the present appeal, the claim of the respondents is more than three years from the date of inspection on 22.02.2023. Therefore, the respondents are not allowed to recover such amounts beyond three years.

- 30. Further, though it is mandatory to inspect the premises of the appellant and give the correct report, it was not done by the respondents. Thus the appellant cannot be surprised with the huge amount of back billing for a longer period. Therefore for this negligence of the respondents, the appellant is entitled for the relief of reducing the back billing upto the period of three years preceding the date of inspection.
- 31. The learned Forum has analysed the record properly and came to the correct conclusion in respect of the categorisation of the four Service Connections. However, the period of back billing shall be restricted to three years only. On this aspect the finding of the learned Forum is not correct. Therefore, I hold that the Category of the subject Service Connection is covered under LT Category-II only and the back billing shall not be restricted to one year but it can be restricted to three years. Therefore the impugned Awards are not liable to be set aside. These points are decided accordingly partly in favour of the appellant and partly in favour of the respondents.

POINT No. (iv)

32. In view of the findings on point Nos. (i) to (iii), the appeal in respect of the change of Category to LT Category-II is to be confirmed. The appeal in respect of back billing is liable to be restricted to three years only.

RESULT

- 33. In the result, the appeal is rejected in respect of change of Category of the Service Connections. However, the appeal is allowed in part in respect of back billing amount in the following manner:-
- i) The back billing amount of Rs.35,185/- imposed on Service Connection No. 3602 10837 (C.G.No.53) is restricted to three years preceding the date of inspection on 22.02.2023.
- ii) The back billing amount of Rs.10,22,337/- imposed on Service Connection No. 3602 07237(C.G.No.54) is restricted to three years preceding the date of inspection on 22.02.2023.
- iii) The back billing amount of Rs.7,69,981/- imposed on Service Connection No. 3602 04456 (C.G.No.55) is restricted to three years preceding the date of inspection on 22.02.2023.
- iv) The back billing amount of Rs.27,15,146/- imposed on Service Connection No. 3602 00327 (C.G.No.56) is restricted to three years preceding the date of inspection on 22.02.2023.

The back billing amounts already paid in these four Service Connections shall be deducted from the respective revised amounts. Accordingly, the respondents are directed to issue revised bills Service Connection wise within one month from today. The balance amounts so arrived shall be paid by the appellant in (12) equal monthly installments commencing within one month from the issue of fresh bills.

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 28th day of December 2024

Sd/-Vidyut Ombudsman

- M/s. Engineering Staff College of India, represented by its Director, Dr.G. Rameshwar Rao, Gachibowli, Hyderabad - 500 032. Cell: 9908086444, 8179559990.
- 2. The Assistant Engineer/Operation/Gachibowli/TGSPDCL/Cyber City.
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- 9. The Divisional Engineer/DPE/Vikarabad/TGSPDCL/Vikarabad.

Copy to

10. 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.