



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 SIXTH DAY OF APRIL
TWO THOUSAND AND TWENTY FOUR

Appeal No. 63 of 2023-24

Between

1. M/s. Ritesh Textiles, represented by Sri Abdul Asif (present occupier), s/o. Late Syed Hussain.
2. M/s. Mukesh Oil Industries, represented by Sri Harshith Gupta (present occupier), s/o. Alok Gupta, Plot No.140, [Sy.No.48](#), Kattedan, Rajendranagar, Hyderabad - 500 077, Cell: 9063237172, 891938393, 7036205211, 9440944114.

.....Appellants

AND

1. The Assistant Engineer/Operation/Katedan/TSSPDCL/Hyderabad.
2. The Assistant Divisional Engineer/Operation/Gaganpahad/ TSSPDCL / Hyderabad.
3. The Assistant Accounts Officer/ERO/Gaganpahad/TSSPDCL/Hyderabad.
4. The Divisional Engineer/OP/Rajendranagar/TSSPDCL/ Hyderabad.
5. The Superintending Engineer/Operation/Rajendra Nagar Circle / TSSPDCL / Hyderabad.

..... Respondents

This appeal is coming on before me for the final hearing on this day in the presence of Sri Ravinder Prasad Srivatsava - authorised representative of the appellant and Sri K. Eshwar Prasad - ADE/OP/Gaganpahad, Sri K. Venkatesh - ADE/DPE/HT and Sri M. Ravinder - JAO/ERO/Gaganpahad for the respondents, and having stood over for consideration, this Vidyut Ombudsman passed the following:-

AWARD

This appeal is preferred aggrieved by the order/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') vide Lr.No.Chairperson/CGRF-II/ComplaintReturn/23-24/D.No.925/2024 dt.04.03.2024 (in short 'the impugned order').

2. In the complaint dt.17.02.2024, the appellants have submitted before the learned Forum that in view of the observation of the learned Forum in its Award dt.12.01.2024 passed in C.G.No.218/2023-24, that the appellants have failed to produce MSME of both industries, industries registration certificate of both industries, GST Certificate and registration certificate of Sri Abdul Asif, the appellants have obtained the MSME Certificate and filed letter dt.21.01.2014. The GST Certificate of Sri Harshith Gupta was also filed. Since the turn-over of Sri Abdul Asif is less than Rs.30,00,000/- it was claimed that there is exemption for GST registration. Thereafter the complainant submitted the complaint dt.17.02.2024 before the learned Forum seeking direction to the respondents to compensate Rs.25,000/- as on 14.02.2024 and Rs.1,000/- per day from 15.02.2024 till implementation of the Award and to direct the respondents to implement the Award in C.G.No.218/2023-24 immediately etc.,

3. The learned Forum has rejected the prayer by returning the petition in inward No.266 dt.17.02.2024 on the ground that the learned Forum has rejected the grievance of the appellants in C.G.No.218/2023-24.

4. Aggrieved by the order returning the petition on 04.03.2024, this Appeal is preferred, contending among other things, that they have complied with the Award of the learned Forum in C.G.No.218/2023-24 by submitting the relevant documents as observed in paragraph No. (9) of the said Award. Therefore it is prayed to set aside the impugned order/Award, to set aside the HT bill No.3 dt.12.08.2023 issued to appellant No.2 during August 2023 billing month and to refund Rs.60,490/- with interest @ 24% p.a, from the date of payment till its refund etc.,

5. In view of the nature of the present grievance it is very much essential to refer to the necessary facts and pleadings made in CG.No.218/2023-24 in detail including the Award dt.12.01.2024.

6. The case of the appellants before the learned Forum in C.G.No.218/2023-24 is that the respondents have released two Service Connections shown as under:-

Sl. No.	SC No.	Contracted load	Category	Name of the service	Purpose
1.	340501325 released on 12.03.2005 (in short the "subject Service Connection")	98 HP	LT Cat-III	M/s. Riteesh Textiles <u>Abdul Asif is present occupier</u> Owner: Sri Naveen Kumar Kedia	Textile Industry
2.	340500418 released on 12.03.2005 (in short the "subject Service Connection")	74 HP	LT Cat-III	M/s. Mukesh Oil Industry <u>Harshith Gupta is present occupier</u> Owner: Sri Naveen Kumar Kedia	Oil industries

The appellants are present occupiers of the premises in Plot No.140, Sy.No.48, Kattedan, Rajendra Nagar, where the subject Service Connections were installed as shown above.

7. Respondent No.2 issued a notice No. ADE/OP/Gaganpahad/D.No.107/23 dt.21.04.2023 back billing for Rs. 7,88,088/- in respect of both the subject Service Connections in this case. The dispute in respect of this back billing is the subject matter in C.G.No.88/2023-24/Rajendra Nagar Circle dt.15.06.2023.

8. The respondents have issued C.C. charges bill for the subject Service Connections in LT Category till July 2023 billing months. Respondent No.4 vide bill No. 43 dt.12.08.2023 issued CC charges bill for Rs.1,53,369/-

to appellant No.1. Appellant No.1 paid the said amount. Similarly respondent No.4 vide bill No. 46 dt.12.08.2023 issued CC charges bill for Rs.1,59,544/- to appellant No.2. That amount was also paid by appellant No.2. Respondent No.4 vide bill No.3 dt.12.08.2023 issued duplicate HT bill for Rs.3,73,403/- pertaining to August 2023 billing month under Category-IIIA of subject Service Connection No.2 in the name of appellant No.2. Appellant No.2 paid the entire amount, including the difference amount of Rs 60,293/- on 26.08.2023 under protest, which is in violation of Clause 3.5.3 of General Terms and Conditions of supply (in short "GTCS") and is liable to be set aside. It was accordingly prayed to direct the respondents to set aside the impugned notice and refund the excess amount of Rs.60,490/- with interest @ 24% p.a., under Clause 4.7.3 of Regulation 5 of 2004 dt.17.03.2004.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

9. In the written reply filed by respondent No.3, before the learned Forum in C.G.No.288/2023-24, it is, inter-alia, submitted that on 04.02.2023 the Asst.Divisional Engineer/DPE has inspected the subject premises and found both Service Connections were existing in the same premises and availing supply for single activity. Thereafter a notice was issued for Rs.7,88,088/- towards back billing from May 2022 to April 2023 for clubbing both services. The said notice was challenged before the learned Forum in C.G.No.88/2023-24. The learned Forum in its Award has directed to withdraw the said back billing amount. The learned Forum has, however, held that the

respondents are entitled to club both the subject Service Connections into single Service Connection. The said Award became final. Subsequently basing on said Award, HT bill was issued in August 2023 for Rs.3,73,403/- duly clubbing both the Services involved in this case. This clubbing was challenged by the appellant in C.G.No.218/2023-24.

AWARD OF THE FORUM

10. After considering the material on record and after hearing both sides, the learned Forum has rejected the complaint in C.G.No.218/2023-24. That Award was not challenged by the appellant before this Authority.

11. The appellant thereafter filed a petition before the learned Forum on 17.02.2024 for implementation of the Award. That petition was rejected and returned under the impugned order. Aggrieved by the Order/Award dt.04.03.2024 returning the complaint dt.17.03.2024, the present appeal is preferred, contending among other things, that both the Service Connections involved in this case belong to different owners and situated on different premises and also used for different purposes. Clause 3.5.3 and Clause 3.5.4 of GTCS are not applicable in this case.

GROUND OF APPEAL

12. The grounds of appeal are also similar to that of the facts stated supra. Therefore it is prayed to set aside the return letter No.

Chairperson/CGRF-II/Complaint Return 23-24/D.No.925/2024 dt.04.03.2024 along-with the Award dt.12.01.2024 passed in C.G.No.218/2023-24/Rajendra Nagar Circle and to set aside the bill No.3 dt.12.08.2023 for Rs.3,73,403/- issued to appellant No.2 for August 2023 billing month and to refund Rs.60,490/- which is the excess amount collected along with interest @ 24% p.a., from the date of payment till its refund. It is also prayed to declare the bill No.43 and 46 dt.12.08.2023 issued to appellant No.1 and 2 respectively as illegal and also to direct the respondents to issue CC charges bills from September 2023 billing month onwards under LT Category etc.,

WRITTEN SUBMISSION OF RESPONDENTS

13. In the written reply filed by respondent No.2, it is inter-alia, submitted that the present case is covered under Clause 3.5.3 of GTCS, as such the respondents are entitled to club the two subject Service Connections into a single service. Therefore it is prayed to reject the appeal.

14. In the rejoinder filed by the appellant, the contents of the grounds of the appeal were reiterated and also submitted that appellant No.1 has been manufacturing waste paper granules and appellant No.2 has been manufacturing the carry bags.

ARGUMENTS

15. The authorised representative of the appellants has submitted that both the industries/units involved in this Appeal are owned by different persons and they are situated at different premises doing different businesses and therefore the respondents are not authorised to club the said two Service Connections. It is accordingly prayed to set aside the order/Award dt.04.03.2024 and also the Award passed in C.G.No.218/2023-24 dt.12.01.2024 and to set aside bill No.3 dt.12.08.2024 and to refund Rs.60,490/- with interest as stated above etc.,

16. On the other hand, the respondents have submitted that both the industries/units are situated at the same premises and the owner of both the industries cover under the same group of persons, doing the same business and therefore these two Service Connections are liable for clubbing into single HT Service Connection. The Assistant Divisional Engineer/DPE who inspected the premises on 04.02.2023 is present today and submitted that when he visited the premises, he found that both the industries were manufacturing plastic granules and there was load sharing of power supply from one premises to other premises of the Service Connections running LT cable and hence both the services are liable for clubbing.

POINTS

17. The points that arise for consideration are:-

i) Whether the subject Service Connections are not liable for clubbing and the appellants are entitled for revision of bills and refund of excess amount with interest @ 24% p.a., as prayed for?

ii) Whether the impugned Order/Award and Award in C.G.No.218/2023-24 passed by the learned Forum are liable to be set aside? and

iii) To what relief?

POINT No. (i) and (ii) ADMITTED FACTS

18. It is an admitted fact that there are two industries or units involved in this case where two Service Connections were released, which are as under:-

Sl. No.	SC No.	Contracted load	Category	Name of the service	Purpose
1.	340501325 released on 12.03.2005 (in short the "subject Service Connection")	98 HP	LT Cat-III	M/s. Riteesh Textiles <u>Abdul Asif is present occupier</u> Owner: Sri Naveen Kumar Kedia	Textile Industry
2.	340500418 released on 12.03.2005 (in short the "subject Service Connection")	74 HP	LT Cat-III	M/s. Mukesh Oil Industry <u>Harshith Gupta is present occupier</u> Owner: Sri Naveen Kumar Kedia	Oil industries

There is no dispute that the Award in C.G.No.88/2023-24 attained finality.

SETTLEMENT BY MUTUAL AGREEMENT

19. 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

20. The present appeal was filed on 11.03.2024. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

21. The learned Forum has rejected the complaint of the appellants in C.G.Nos.218/2023-24 stating that the appellants have failed to submit MSME certificates of both the industries, Industries Registration Certificate and GST Registration Certificate of appellant No.1 which are essential for treating them as industrial services and cannot be de-clubbed until the said documents are submitted by the appellants. The appellants thereafter again approached the learned Forum by submitting the MSME Certificates and GST Certificate of Sri Harshith Gupta and in respect of appellant No.1,

contending that there is exemption for GST registration as the turnover is less than Rs. 30 lakhs in a year. The learned Forum again rejected the grievance of the appellants by returning the complaint on 04.03.2024 on the ground that C.G.No. 218/2023-24 was rejected, as such the question for non-implementation does not arise.

22. It is significant to note that the record reveals that the Assistant Divisional Engineer/DPE has inspected the LT SC No.3405 00418 of M/s. Mukesh Oil Industries, Category-III on 04.02.2023 to verify the damaged meter and found another Service Connection SC No.305 01325 of M/s. Ritesh Textile, Category-III, existing in the same premises and both the services are availing supply for single activity. This is the origin of the dispute. Thereafter from May 2022 to April 2023 back billing was proposed for Rs.7,88,088/- vide Case No.DPE/RJNR/HT03/LT197/23 and PAO was issued vide Lr.No.ADE/OP/GPHD/D.No.107/23 dt.21.04.2023. Further the ADE/DPE/HT RR Zone was requested to issue single HT bill duly clubbing two services from May 2023 onwards. In the month of June 2023, the appellants have filed a complaint before the learned Forum for withdrawal of back billing amount. The learned Forum passed the Award in C.G.No.88/2023-24 directing the respondents to withdraw the back billing and stated that the respondents are entitled to club the said two Service Connections into single service connection as per Clause 3.5.3 of GTCS and claim the bills under HT Category from the consumption month in which the

clubbing of services proposed until switching over to HT. Thereafter the appellants have filed C.G.No.218 of 2023-24 on 10.11.2023 regarding the HT bill issued in the month of August 2023 duly clubbing the two services i.e., SC No. 3405 00418 and 3405 03125. In the month of August 2023 these two services were clubbed and single HT bill was issued to the consumers with clubbing ID No.ID-25592(PA) for SC No.3405 00418 and ID-25592 (CH) for SC No.3405 01325 for Rs.3,73,403/- on 12.08.2023. Before clubbing the services, individual bills under LT-III Category were generated and issued to consumers. During the demand finalisation process the clubbing bill was generated under HT-I and served to the consumers. At this stage it is necessary to extract the relevant Clauses of GTCS which are as under:-

Clause 3.5.1:- 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.

Clause 3.5.2:- Each separate establishment will be given a separate point of supply.

Clause 3.5.3:- 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.

A perusal of Clause 3.5.3 of GTCS makes it quite clear that if the Licensee finds that consumers of the same group or 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.

23. The respondents claimed that both the industries/units involved in this case are existing in the same premises and both the services are availing supply for similar activity and also sharing the load in between the sheds by using cable. In view of these factors it is necessary to see as to whether the respondents have reasonably established the above factors fulfilling the ingredients of Clause 3.5.3 of GTCS.

Whether the twin industries involved in this case are same group, doing the same business in the same premises.

24. The owner of both the premises is Sri Naveen Kumar Kedia. Appellant No.1 Sri Abdul Asif is one of the occupiers running an industry/unit in the name of M/s. Ritesh Textiles with SC No.3405 01325 with contracted load of 98 HP. Appellant No.2 Sri Harshith Gupta is another occupier running

an industry/unit in the name of M/s. Mukesh Oil Industry with SC No.3405 00418 with contracted load of 74 HP.

25. During the course of arguments the Assistant Divisional Engineer/DPE who is a crucial person in this matter has submitted that he visited the premises on 04.02.2023 and found that both the occupiers were manufacturing plastic granules in the same premises and there was load sharing from one service to another service and they obtained photographs and video and filed in C.G.No.218/2023-24 before the learned Forum. I do not see no reason to disbelieve these submissions. Further the written reply filed by respondent No.2 and the material on record establishes that both the industries/units involved in this case are inter-connected. The documents filed by the appellants before this Authority themselves show that the twin industries involved in this case are situated side by side or abutting each other and the property of the third party is not at all separating these two properties. Thus both the units are situated in a single premises.

26. The material on record, prima-facie, establishes that the occupier No.1 and 2 involved in this case form a group of persons taking up the same activity which is manufacturing the plastic granules in the same premises. As per Clause 3.5.3 if the consumer of the same group is 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.

27. It is the argument on behalf of the appellants that both the consumers are third party to each other and their activities are different with each other and that appellant No.1 is manufacturing of waste paper Granules and appellant No.2 is manufacturing carry bags and hence GTCS Clause 3.5.3 is not applicable. It appears that as on 04.02.2023 both the units were manufacturing plastic granules. Thereafter it appears that one unit started manufacturing plastic covers. Even then it can be termed that the product of plastic granules and plastic cover is a similar activity and connected to each other. In view of the material available on record the argument of the authorised representation of the appellant cannot be accepted. Both the appellants are covered under “ same group”.

28. At this stage it is necessary to refer to the judgement of the High Court of Telangana at Hyderabad, in Anup Kumar Bhandari v. The Southern Power Distribution Company of Telangana Ltd., and (5) ors. (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 Punjab State Electricity Board and Another v. Ashwani Kumar¹, wherein the Hon'ble Supreme Court in Paragraph No. 10 and 11 has held as under:-

¹ (2010) 7 SCC-569

"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 the same group 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 same group doing similar business and availing supply under different Service Connections situated within the same premises by splitting

the units to cause financial loss to the respondents. Therefore this judgement is applicable in the present case also.

29. In this case the HT billing was done only after giving notices and clarification by the respondents as per the GTCS clause of 3.5.3 and 3.5.4. Accordingly, I hold that the subject Service Connections are liable for clubbing and the appellants are not entitled for revision of bills and not entitled for refund of excess amount and interest. However the order/Award dt.04.03.2024 rejecting the complaint and returning it is liable to be confirmed but for different reasons stated above. These points are accordingly decided against the appellants and in favour of the respondents.

POINT No. (iii)

30. In view of the findings on point Nos. (i) to (iii), the appeal is liable to be rejected for different reasons than the reason mentioned by the learned Forum.

RESULT

31. In the result, the appeal is rejected, confirming the Award passed by the learned Forum, but for different reasons.

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 06th day of April 2024.

**Sd/-
Vidyut Ombudsman**

1. M/s. Ritesh Textiles, represented by Sri Abdul Asif (present occupier), s/o. Late Syed Hussain
2. M/s. Mukesh Oil Industries, represented by Sri Harshith Gupta (present occupier), s/o. Alok Gupta, Plot No.140, [Sy.No.48](#), Kattedan, Rajendranagar, Hyderabad - 500 077, Cell: 9063237172, 891938393, 7036205211, 9440944114.
3. The Assistant Engineer/Operation/Katedan/TSSPDCL/Hyderabad.
4. The Assistant Divisional Engineer/Operation/Gaganpahad/ TSSPDCL / Hyderabad.
5. The Assistant Accounts Officer/ERO/Gaganpahad/TSSPDCL/Hyderabad.
6. The Divisional Engineer/OP/Rajendranagar/TSSPDCL/ Hyderabad.
7. The Superintending Engineer/Operation/Rajendra Nagar Circle / TSSPDCL / Hyderabad.

Copy to

8. 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.

