



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 SIXTH DAY OF JUNE
TWO THOUSAND AND TWENTY FIVE

Appeal No. 05 of 2025-26

Between

M/s. Hersh Industries, represented by Sri Haladker Prabhu,
s/o. Sri Sangramappa Haladker, H.No. 4-14/103/8, Hasanagar, Mir Alam Tank,
Hyderabad.

..... Appellant

AND

1. The Assistant Engineer/Operation/Miralam Tank/TGSPDCL/Hyderabad.
2. The Assistant Divisional Engineer/Operation/Miralam/TGSPDCL/Hyderabad.
3. The Assistant Accounts Officer/ERO/Charminar/TGSPDCL/Hyderabad.
4. The Divisional Engineer/Operation/Charminar/TGSPDCL/Hyderabad.
5. The Superintending Engineer/Operation/Hyderabad South
Circle/TGSPDCL/Hyderabad.
6. The Accounts Officer/Revenue/Hyderabad South/TGSPDCL/Hyderabad.

.....Respondents

This appeal is coming on before me for final hearing on 04.06.2025 in the presence of Sri Ravinder Prasad Srivastava - authorised representative of the appellant and Sri K. Venkatesh Goud - ADE/OP/Miralam, Smt. A.Kavitha - AAO/ERO/Salarjung, Sri Chandra Sekhar Rao - JAO/ERO-III for the respondents and having stood over for consideration, this Vidyut Ombudsman passed the following:-

AWARD

This appeal is preferred aggrieved by the Award 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') in C.G.No 187/2024-25 /Hyderabad South circle dt.29.03.2025, rejecting the complaint.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have released Service Connection No. V3005255 under Category-III (in short 'the subject Service Connection') to the appellant. The premises of the appellant was dismantled by the Revenue Divisional Officer, Rangareddy and Greater Hyderabad Municipal Corporation team under Mir-Alam tank FTL. The appellant requested to dismantle the subject Service Connection. Accordingly the said Service Connection was disconnected. The then Additional Assistant Engineer addressed a letter to the Additional Accounts Officer/ERO-III/Charminar vide his Lr.No.AAE/OP/Miralam/Sec-90/SD-XXI/D.No.32/2021 dt.23.04.2021 to refund the available Security Deposit of Rs.2,96,736/-. But the said Security Deposit was not refunded to the appellant so far. Since there is delay in refunding the Security Deposit amount, the appellant is also entitled for Rs.1,92,167/- which is twice the interest rate on Security Deposit as on 31.01.2025. The appellant has also

addressed a letter to respondent No.5 on 24.01.2025 to refund the total amount of Rs.4,88,903/-.

(Security Deposit of Rs. 2,96,736/- +
twice the interest rate is Rs.1,92,167/-).

It was accordingly prayed to refund the amount of Rs.4,88,903/- as stated above.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

3. In the written reply submitted by respondent No.3, it is admitted that the premises of the subject Service Connection was dismantled by the Revenue Divisional Officer, Ranga Reddy and Greater Hyderabad Municipal Corporation team under Miralam Tank FTL issue. Since W.P. No 11896 of 2023 is pending before the Hon'ble High Court the dismantling proposal for the subject Service Connection was not processed. More-over, on 04.08.2022, there was a short circuit in the office and bills pertaining to the Mir Alam sub-division and other files of 2021-22 were burnt. As of now a sum of Rs.1,49,771/- is available towards the Security Deposit of the appellant which will be settled based on the result of the Writ Petition.

AWARD OF THE FORUM

4. After considering the material on record and after hearing both sides, the learned Forum has rejected the complaint.

5. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the pendency of Writ Petition is nothing to do with the present appeal. Therefore, It is prayed to set aside the impugned Award and to refund Rs. 4,88,903/- with twice the rate of interest thereon and from 31.01.2025 till its refund.

WRITTEN SUBMISSION OF RESPONDENTS

6. In the written reply filed by respondent No.3, she has reiterated her written submissions made before the learned Forum.

ARGUMENTS

7. The authorised representative of the appellant has argued that the appellant is entitled for refund of Security Deposit with twice the rate of interest till it is refunded. Therefore it is prayed to direct the respondents to refund the same.

8. On the other hand, respondent No.3 has supported the impugned Award and prayed to reject the appeal.

POINTS

9. The points that arise for consideration are:-

- i) Whether the appellant is entitled for refund of the Security Deposit amount with twice the interest rate as prayed for ?
- ii) Whether the impugned Award passed by the learned Forum is liable to be set aside? and

iii) To what relief?

POINT No. (i) and (ii)

ADMITTED FACTS

10. It is an admitted fact that the W.P. No.11896 of 2023 against the respondents herein and others was filed by the appellant. It is also an admitted fact that the said Writ Petition is pending.

SETTLEMENT BY MUTUAL AGREEMENT

11. Both the parties have appeared before this Authority on different dates virtually and physically. During the course of hearing this Authority felt that there is an element of scope for settlement after thorough discussion with both the parties herein. Efforts were made in that direction to reach a settlement between the parties through the process of conciliation and mediation and the mediation is fruitful, except in respect of Development Charges and Fixed Charges. Therefore in respect of the items consented by both parties appropriate Award is being passed without touching merits. Like-wise the Development Charges and Fixed Charges will be dealt with separately on merits.

REASONS FOR DELAY IN DISPOSING OF THE APPEAL

12. The present appeal was filed on 21.04.2025. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

13. The contention of the appellant is that since the subject Service Connection was dismantled in 2020 itself, the appellant is entitled for refund of the Security Deposit and since the said amount was not refunded, the appellant is also entitled for twice the interest rate. On the other hand, the respondents have put-forth their case that the appellant has not submitted indemnity bond etc., for processing the refund of the Security Deposit.

Consent of both parties in respect of Security Deposit, FSA, theft of energy case amount and excess paid amount etc.,.

14. As already stated, the settlement process was fruitful in the present case. Both the parties have agreed for refunding the Security Deposit amount to the appellant with the adjustment of certain amounts. Therefore this Authority is passing the Award basing on the settlement without touching the merits of the case in respect of Security Deposit, FSA, theft of energy case amount, excess paid amount and already paid amount.

15. The respondents have filed a calculation sheet in the present case and in three other similar cases. The said calculation is as under:-

Service No	V3011721	V3011723	V3039660	V3005255
Date of disconnection	Nov-20	Dec-20	Jul-19	Jul-19
4 Months Minimum Bill	0.00	0.00	10560.00	0.00
Different units bill	0.00	0.00	0.00	0.00
FSA TO BE LEVELED(2009-10)	45758.01	64680.00	0.00	70139.06
DEVELOPMENT CHARGES CASE	0.00	0.00	34364.00	39868.00
Theft of Energy case	0.00	0.00	0.00	92415.00
FIXED CHARGES	0.00	0.00	62370.00	46550.00
TOTAL	45758.01	64680.00	107294.00	248972.06
ALREADY PAID	6809.00	0.00	3756.00	87558.00
TCA/ ficticias demand/EXCESS PAID	50001.01	50002.00	2109.00	14449.07
SD AVAILABLE	254450.00	199494.00	64986.00	296736.00
TOTAL	311260.01	249496.00	70851.00	398743.07
SD BALANCE	265502.00	184816.00	-36443.00	149771.01

M/S.SHIVA INDUSTRIES,	V3011721	265502.00
M/S.CAPTAIN INDUSTRIES,	V3011723	184816.00
M/S.HERSH INDUSTRIES,	V3005255	149771.01
TOTAL		600089.01
	600089.01*6.25%*5	187527.82
TOTAL		787616.83
MS BALAJI INDUSTRIES	V3039660	-36443.00 (TO BE PAID AMOUNT)
TO BE TRANSFER SD AMOUNT WITH INTREST TO CC ACCOUNT OF		751173.83
SC.No: V3005256		

kan
Anandachandran
Assistant Accounts Officer
ERO-3, Salarjung, TGSPDCL,
Near Salarjung Museum, Hyd-500 022.

The particulars of the present case are now being shown separately as under:-

Service No.	V30005255
Date of disconnection	July-19
4 months minimum bill	0.00
Different units bill	0.00
FSA to be levied (2009-10)	70,139.06
Development charges case	39868.00
Theft of energy case	92415.00
Fixed charges	46550.00
Total	248972.06
Already paid	87558.00
TCA/Fictitious demand/Excess paid	14449.07
SD available	296736.00
Total	398743.07
SD Balance	149771

The respondents have deducted the FSA amount, theft of energy case amount from the Security Deposit. This was not objected by the appellant. Similarly the respondents have given credit to the excess amount and already paid amount by the appellant. FSA amount is shown as Rs.70,139/-. Out of the refundable amount, the respondents are with-holding this amount to be adjusted after disposal of the dispute pending before the proper Court with an understanding that if the respondents win the case this amount will be retained with them. If it is otherwise, the amount will be refunded to the appellant with proper interest.

Contest by both parties in respect of Development Charges and Fixed Charges

16. Both the parties have contested in respect of claims of the Development Charges and Fixed Charges. Therefore it is desirable to decide such claims on merits.

Purpose and collection of Development Charges and Fixed Charges

17. Development Charges in electricity are collected from consumers to fund infrastructure upgrades and expansions needed to supply electricity to new connections or to increase existing loads. The purpose is to recover costs associated with laying new power lines, installing distribution transformers and other related infrastructure. These charges are collected by distribution licensees, such as DISCOMs, and are calculated based on the connected load. These development charges are collected from consumers seeking new electricity connections and also charged when existing consumers request to

increase their electricity load on one time basis. Fixed charges are regular fees on connected load of consumers other than actual electricity usage to cover the cost of providing and maintaining the power infrastructure. These charges help to cover expenses like meter maintenance, infrastructure upgrade and customer service. Whenever development charges cases are booked for regulation of additional loads detected for a particular service connection, on payment by consumer, additional loads get regularised from the date of inspection. Accordingly, fixed charges are raised from the date of inspection. The relevant Clause of General Terms and Conditions of Supply (in short 'GTCS') is as under:-

5.3.3 Development Charges

5.3.3.1 The amounts payable by the consumer towards development charges of new connection/ additional load under LT and HT categories shall be at the rates notified by the Company with the approval of the Commission from time to time. The consumer shall pay these charges in advance, failing which the works for extension of supply shall not be taken up. These charges are non-refundable.

Provided that where any applicant withdraws his requisition before the Company takes up the works of the sanctioned scheme, the Company may refund the development charges paid by him without any interest. However where the service line charges are not sufficient to cover the 10% of the cost of the sanctioned scheme, mentioned in clause 5.3.2.1 above, the balance amount of 10% of the cost of the sanctioned scheme shall be deducted from the development charges paid by him.

In the present case, the record shows that the respondents have claimed Rs. 39,868/- towards Development Charges and Rs. 46,550/- towards Fixed Charges. These charges were also mentioned in the bills issued to the

appellant regularly. But the appellant neither paid the said sums nor got regularised the load. It is significant to note that these charges are for the appellant using excess load than sanctioned one. In view of these reasons, the appellant is liable to pay the Development Charges and Fixed Charges to the respondents.

18. Thus after adjustment of the amounts in favour of the appellant and in favour of the respondents, the respondents are liable to refund Rs.1,49,771/-. The other calculations are made correctly as mentioned in the above extracted table. Further basing on the present settlement the appellant is entitled for only single rate of interest on the available Security Deposit amount. In view of these factors, the appellant is entitled for refund of the Security Deposit amount with single interest rate. As regards FSA amount, the respondents are entitled to retain the same with condition to refund it to the appellant if the case pending is decided against the respondents. Both parties have agreed for deduction of the amount of Rs.36,443/- due by the appellant in Appeal No. 03/25-26 to the respondents from the excess amount payable in the present appeal, as the proprietor of these two companies is the same person. Therefore the impugned Award is liable to be set aside to the extent mentioned above.

POINT No. (iii)

19. In view of the discussion on point Nos. (i) and (ii), the appeal is liable to be allowed in part.

RESULT

20. In the result, the appeal is allowed in part by setting aside the impugned Award. The respondents are liable to refund the balance Security Deposit amount of Rs.1,49,771/- (Rupees one lakh forty nine thousand seven hundred and seventy one only) with interest as per Reserve Bank of India guidelines from 05.10.2020. Out of the amount arrived at, the respondents are entitled to deduct Rs.36,443/- (Rupees thirty six thousand four hundred and forty three only) due to the respondents in Appeal No. 03 of 2025-26. The respondents are entitled to retain the amount of Rs.70139/- (Rupees seventy thousand one hundred and thirty nine only) towards FSA amount to be levied during 2009-10 which is subject to the outcome of the final judgement, as stated above. The balance amount shall be credited to the account of M/s Utsav Industries (SC.No.V3005256). The respondents shall take steps accordingly and file compliance within (15) days from the date of receipt of copy of this Award.

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 June 2025.

Sd/-
Vidyut Ombudsman

1. M/s. Hersh Industries, represented by Sri Haladker Prabhu, s/o. Sri Sangramappa Haladker, H.No. 4-14/103/8, Hasanagar, Miralam Tank, Hyderabad, Cell: 9000006504, 9440944114.
2. The Assistant Engineer/Operation/Miralam Tank/TGSPDCL/Hyderabad.
3. The Assistant Divisional Engineer/Operation/Miralam/TGSPDCL/Hyderabad.
4. The Assistant Accounts Officer/ERO/Charminar/TGSPDCL/Hyderabad.
5. The Divisional Engineer/Operation/Charminar/TGSPDCL/Hyderabad.
6. The Superintending Engineer/Operation/Hyderabad South Circle/TGSPDCL/Hyderabad.
7. The Accounts Officer/Revenue/Hyderabad South/TGSPDCL/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..

