



**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**

THURSDAY THE TWENTY FIRST DAY OF MAY  
TWO THOUSAND AND TWENTY SIX

**Appeal No. 07 of 2026-27**

Between

M/s. Shree Gayatri Digitals, H.No.15-3-65/4, Gowliguda, Hyderabad - 500 012,  
represented by Sri B. Surender Reddy, Proprietor, Cell: 8919343019, 9440944114.

**..... Appellant**

**AND**

1. The Assistant Engineer/Operation/Puthli Bowli/TGSPDCL/Hyd.South.
2. The Assistant Divisional Engineer/Operation/Troop Bazar/TGSPDCL/Hyd.South.
3. The Accounts Assistant Officer/ERO/Sultan Bazar/TGSPDCL/Hyd.South.
4. The Divisional Engineer/Operation/Begum Bazar/TGSPDCL/Hyd.South.
5. The Superintending Engineer/Operation/Hyd.South/TGSPDCL/Hyd.South.

**..... Respondents**

This appeal is coming on before me for final hearing on this day in the presence of Sri Ravinder Prasad Srivastava - authorised representative of the appellant, virtually and Sri D. Pranavind - AE/OP/ Puthli Bowli, Smt. G.Shireesha - ADE/OP/Troop Bazar, Smt. K.Suma - AAO/ERO/Sultan Bazar and Sri UCV Annaiah - DE/OP/Begum Bazar for the respondents, virtually and having stood over for consideration till this day, this Vidyut Ombudsman passed the following Award:-

**AWARD**

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - II(GHA), (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TGSPDCL') in C.G.No.

277/2025-26/HYD. South Circle dt.28.04.2026, allowing the complaint in part.

2. The case of the appellant is that the respondents have released the Service Connection No. J2005509 (in short 'the subject Service Connection') under LT-Category III (Industry) initially, later changed it to Category-II (Commercial). The appellant is a proprietary firm with printing activity. As per the Tariff Order, the respondents are entitled to claim under LT -III, but claimed under Commercial Category tariff due to which the appellant was forced to pay the higher CC charges. The appellant made a representation on 09.02.2026 to respondent No.5, under Clause VII 7.1 (i)(ii) of Regulation 5 of 2016 with a request to refund Rs.2,46,383/- which is the excess amount paid from November 2024 to February 2026 as per Clause 4.7.3 of Regulation 5 of 2004 with interest. The respondents ought to have resolved the grievance and refunded the excess amount within 24 hours etc., which was not done. Therefore, the appellant is also entitled for Rs.100/- per day as compensation. It was accordingly prayed to direct the respondents to revise the C.C.charges of the subject Service Connection by applying LT-III Industry Category tariff rate and refund excess amount collected of Rs. 2,46,383/- from November 2024 to February 2026 billing months along-with interest @ 24% per annum as prescribed in Clause 4.7.3 of Regulation 5 of 2004 and interest @ 9% per annum as prescribed in Clause 2.49 (b) of Regulation 3 of 2015 pertaining to the period the amount was with-held by the respondents and Rs. 100/- per day with effect from 09.02.2026 till the date of refund of amount as prescribed in Clause XI of Schedule II of Regulation 5 of 2016.

**WRITTEN SUBMISSIONS OF THE RESPONDENTS BEFORE THE FORUM**

3. In the written reply filed by respondent No.2, it is, inter-alia, submitted that the appellant has not approached for change of Category either directly or through CSC consequent to the change of tariff Category of printing press to Industrial Category i.e., from LT Category-II to Industry Category as per Tariff Order of the Hon'ble Telangana Electricity Regulatory Commission (in short 'the Commission').

**AWARD OF THE FORUM**

4. After considering the material on record and after both sides, the learned Forum has directed the respondents to change the Category of the subject Service Connection from LT-II Category to LT Category-III (Printing press) after receipt of necessary documents from the appellant.

5. Aggrieved by the said award of the learned Forum, the present appeal is preferred reiterating the contents of its complaint filed before the learned Forum. It is accordingly prayed to modify the Award and direct the respondents to pay interest @ 24% p.a., as prescribed in Clause 4.7.3 of Regulation 5 of 2004 and interest @ 9% per annum as prescribed in Clause 2.49(b) of Regulation 3 of 2015 pertaining to the period the amount was with-held by the respondents and Rs.100/- per day with effect from 09.02.2026 till date of refund of amounts as prescribed in Clause XI of Schedule II of Regulation 5 of 2016.

**WRITTEN SUBMISSION OF RESPONDENTS**

6. No written reply was filed by the respondents before this Authority.

## ARGUMENTS

7. It is submitted on behalf of the learned authorised representative of the appellant, that the appellant made representation to respondent No.5 on 09.02.2026 and the grievance was not redressed within the prescribed time. Therefore, the appellant is entitled for compensation @ Rs.100/- per day from 09.02.2026 and also interest @ 24% p.a., as per Clause 4.7.3 of Regulation 5 of 2004 and interest @ 9% p.a, as prescribed under Clause 2.49(b) of Regulation 3 of 2015. Hence it is prayed to grant the said reliefs.

8. On the other hand, it is submitted on behalf of the respondents that the appellant has not registered its grievance in CSC and there is no lapse on the part of the respondents and hence the appellant is not entitled for compensation or interest. It is accordingly prayed to reject the appeal.

## POINTS

9. The points that arise for consideration are:-

- i) Whether the appellant is entitled for interest @ 24% p.a., as claimed by it?
- ii) Whether the appellant is entitled for interest @ 9% p.a., as claimed by it?
- iii) Whether the appellant is entitled for compensation @ Rs.100/- per day as claimed by it?
- iv) Whether the impugned Award of the learned Forum is liable to be set aside?  
and
- v) To what relief?

## POINT Nos. (i) to (iv)

## ADMITTED FACTS

10. The admitted facts are as under:-

i) The respondents have released the subject Service Connection under LT-Category III (Industry) initially, later changed the Category to Category-II (Commercial).

ii) The appellant has not registered its grievance in CSC.

#### **SETTLEMENT BY MUTUAL AGREEMENT**

11. Both the parties have appeared before this Authority virtually. 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**

12. The present appeal was filed on 16.05.2026. This appeal is being disposed of within the period of (60) days as required.

#### **CRUX OF THE MATTER**

13. The learned Forum has granted relief to the extent of change of Category from LT-II (Commercial) to Industry Category of the subject Service Connection. However it did not award interest and compensation as prayed for by the appellant. Thus this appeal is in respect of interest and compensation only.

#### **INTEREST @ 24% p.a., AS PER CLAUSE 4.7.3 OF REGULATION 5 OF 2004**

14. Now relying on the Clause 4.7.3 of Regulation 5 of 2004, the appellant has requested to award interest @ 24% p.a, on excess amount outstanding on account of such wrong billing. The said Clause is reproduced here-under:-

“ 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 adjustment to subsequent bills. The Licensee shall pay to the consumer interest charges at 24% per annum on excess amount outstanding on account of such wrong billing.”

Thus under the Telangana Electricity Regulatory Commission (TGERC) Supply Code, 2004, Clause 4.7.3 specifies that if a distribution licensee issues an erroneous bill, the consumer is entitled to an interest of 24% per annum on any excess amount paid.

**Key provisions under Clause 4.7.3**

**Correction of erroneous bills:** When a distribution company (licensee) determines that a bill is wrong, it must issue a revised bill. The due date for the revised payment cannot be earlier than seven days from the date of its delivery to the consumer.

**Refund mechanism:** If the consumer has already paid an amount higher than the corrected bill, the excess will be refunded through an adjustment in subsequent electricity bills.

**Interest payment:** The licensee is required to pay interest at a rate of 24% per annum on the excess amount that was billed incorrectly and has remained outstanding.

15. As already stated, the learned Forum **gave the relief of revision of bills after changing Category to Industry Category but was silent on the award of interest.** The word used in Clause 4.7.3 is ‘erroneous’. Erroneous means containing error, mistake, incorrect or wrong. Erroneous billing refers to charging a customer incorrectly, often due to a manual error or factual error, it characterises anything that is in-correct or founded upon a mistake whether in facts or actions. Hence, the respondents are liable to pay interest @ 24% p.a., as per the Clause 4.7.3 of Regulation 5 of 2004 on the excess amount outstanding on account of wrong billing by way of adjustment.

16. Though the relief of interest was sought by the appellant as per Clause 4.7.3 of the Regulation 3 of 2004, as already stated, the learned Forum has not at all touched the said subject. When a party seeks certain relief, it is the bounden duty of the adjudicating authority to answer such relief either way. This was not done in this case. In the present case there is excess payment made by the appellant in respect of Commercial Category instead of Industry Category. Further when once payment was made by the appellant and when it is the mistake of the respondents to claim excess, Clause 4.7.3 plays a vital role. Thus under this Clause the appellant is entitled for interest @ 24% p.a., Accordingly, I hold that the appellant is entitled for refund of interest @ 24% on the excess amount paid.

**INTEREST @ 9% P.A., AS PER CLAUSE 2.49(b) OF REGULATION 3 OF 2015**

17. In the present case, the appellant is claiming interest @ 9% p.a., as per Clause 2.49(b) of Regulation 3 of 2015. Clause 2.49(b) is reproduced here-under:-

**Clause 2.49(b) of Regulation 3 of 2015**

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;

The above given Clause is a general Clause and Clause 4.7.3 of Regulation 4 of 2005 awarding interest @ 24% p.a., is the specific Clause. The appellant has the option to avail either of the two but not both. However, the specific Clause to award interest @ 24% p.a., shall prevail over the general Clause. Hence, when once the interest @ 24% p.a., was awarded the appellant cannot be awarded interest @ 9% p.a., again.

**COMPENSATION @ Rs.100/- PER DAY TOWARDS VIOLATION OF STANDARDS OF PERFORMANCE**

18. In the present case the appellant is claiming compensation as per SoP @Rs.100/- per day before the learned Forum on the ground that the respondents have not rectified the consumer bill complaint in stipulated time and breached Guaranteed Standards of Performance item XI of Schedule II of Regulation 5 of 2016. The said item is reproduced below:-

| Sl.No. | Service Area                             | Time Standard                                   | Compensation payable in case of violation of standard         |                                                                    |
|--------|------------------------------------------|-------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------|
|        |                                          |                                                 | to individual consumer if the event affects a single consumer | to individual consumer if the event affects more than one consumer |
| i.     | If no additional information is required | Within 24 working hours of receipt of complaint | Rs.100 for each day of default                                | not applicable                                                     |
| ii     | If additional information is required    | Within 7 working days of receipt of complaint   |                                                               |                                                                    |

Here it is relevant to refer Clause 6 of Schedule-II of Regulation 5 of 2016 which is reproduced below:-

“6. A consumer shall be required to make a claim for compensation for non-compliance of Guaranteed Standard within Thirty (30) days of violation of such service standard by the Licensee to a senior officer (Divisional Engineer) as may be designated by the Licensee for this purpose, who is based at the headquarters of the Licensee. The same officer is responsible for the monitoring compliance of the Regulation and submitting the periodical reports to the Commission as may be required. The licensee shall fix the responsibility on their staff/officers for default in the service and shall realise the amount of compensation from the concerned individual's (employee) salary after adjustment of the compensation in the consumer bill by way of a rebate. The Licensee shall pay compensation to the affected consumers through a rebate in the bill, automatically and without any delay.”



19. From the above factors it is crystal clear that the consumer is required to make a claim for compensation within (30) days of violation of such a service standard by a Licensee to a senior officer (Divisional Engineer etc.,). The above mandatory procedure was not followed by the appellant and hence the appellant is not entitled for this compensation. In view of these reasons, I hold that the appellant is entitled for interest @ 24% p.a., as per Clause 4.7.3 of Regulation 5 of 2024. The appellant is not entitled for interest @ 9% p.a., as per Clause 2.49(b) of Regulation 3 of 2015 and also not entitled for compensation @ Rs.100/- per day as claimed by it. These points are decided accordingly partly in favour of the appellant and partly in favour of the respondents.

**POINT No. (v)**

20. In view of the findings on point Nos. (i) to (iv), the appeal is liable to be allowed in part and the impugned Award is accordingly liable to be set aside to the extent indicated above.

**DUTY OF THE FORUM**

21. Before parting with the Award it is necessary to deal with the Award passed by the learned Forum. Whenever any direction is given or Award is passed by this Authority it is binding on the learned Forum. It is observed very recently that the similar disputes like in the present appeal were adjudicated by this Authority in a series of appeals. The Forum has to go through the Awards passed by this Authority in those appeals and follow the points involved in those appeals. The recent similar appeals disposed of by this Authority are in Appeal Nos. 32 of 2025-26 to 39 of

2025-26 on 31.12.2025 and Appeal Nos. 40 of 2025-26, 41 of 2025-26 on 08.01.2026 and Appeal No. 50 of 2025-26 on 21.02.2026. It appears that the Forum has not followed the Award passed in those appeals as regards awarding interest.

22. In the State of Himachal Pradesh, the Forum has not obeyed the direction issued by the Ombudsman. In that regard the Hon'ble High Court of Himachal Pradesh in M/s. Vardhaman Ispat Udyog vs HPSEB Ltd., & Anr (CMP No.449 of 2023 dt.27.03.2024) has held that the Electricity Consumer Forum is inferior to the Ombudsman and the Forum is bound to follow the Award passed by the Ombudsman.

The relevant paras of the said judgement are extracted as under:-

"12. At the outset, it may be observed that the manner in which the Forum has passed the order dated 29.03.2022 not only leave much to desire, rather the Forum has committed gross impropriety, as is evident from the observations made by it in paras 11 to 13 of the order as quoted above. It cannot be disputed that it is of utmost importance that in disposing of quasi-judicial issues before them, the Forum is bound by the decision of the Ombudsman. The order of the Ombudsman is binding on the consumer forums working within its jurisdiction.

The principal of judicial discipline requires that the orders of the higher appellate authorities should be followed unreservedly by the subordinate authorities."

"13. To my mind, the action of the Forum is clearly subversive to judicial discipline and amounts to gross impropriety. So long the orders of the Ombudsman directing the Forum to act and decide in a particular manner were operative and had attained finality, the Forum had no option but to give effect to the directions so passed."

"14. Judicial discipline requires decorum known to law which warrants that the appellate directions should be followed in the hierarchical system by the Courts/quasi-judicial authorities, which exist in this country. It is, therefore, necessary for each lower tier to accept loyally the decision of the higher tier. The judicial or quasi-judicial system only works if someone is allowed to have the last word and if the last word, once spoken is loyally accepted."

"15. Once the order rendered by the Ombudsman was absolutely clear and unambiguous, then judicial comity, discipline, con-committal,

pragmatism, poignantly point, per force to observe constitutional propriety and adhere to the decision so rendered by the Ombudsman.”

“22. The very object of Constitution of adjudicatory authorities under the Electricity Act in the scheme of administrative justice is to provide an additional and speedy forum of adjudication. It is, therefore, of utmost importance to ensure that these authorities work in a proper, effective and efficacious manner while exercising their powers to hear and dispose of quasi-judicial matters, which require some basic knowledge of law. While making decisions, such authorities must not lack judicious approach.”

“23. The adjudicatory authorities are conferred with the discretion to adjudicate upon quasi-judicial matters and such discretion is governed by the maxim “discretio est discernere per legem quid sit justum” (discretion consists in knowing what is just in law). Discretion in general is the discernment of what is right and proper. It denotes knowledge and prudence that discernment which enables a person to judge critically of what is correct and proper, united with caution, to discern between falsity and truth, between shadow and substance, between equity and colourable glosses and pretences and not to do according to will and private affections or ill-will. It has to be done according to rules of reasons and justice, not according to private opinion. It has to be done according to law and not humour. It is not only to be arbitrary, vague and fanciful but legal and regular.”

“24. Understandably, the Authorities in umpteen cases have come up with a defence that it does not have the requisite number of officers who are well equipped in the field of law or have legal training and legal acumen, however, that by itself cannot be an excuse for playing havoc with the valuable rights of the litigants.”

“27. As already observed above, the manner in which the Forum adjudicated the complaint by sitting over the orders passed by the Appellate Authority i.e. Ombudsman, cannot be countenanced and such conduct is absolutely illegal and shocking. The conduct of both the members of the Forum to say the least is most unbecoming that of quasi-judicial authority and in my considered view both the members of the Forum as of now are absolutely unfit to discharge any such functions.”

“31. Accordingly, the competent authority is directed to forthwith withdraw all the cases from the Forum and at the same time send both these members for judicial training in Judicial Academy at Ghandal and only after proper training and after satisfying itself, the competent authority may, if it finds these officers or any one of them, to be suitable, post them or any one of them as members of the Forum.”

The Hon’ble High Court finally directed the competent Authority to forthwith withdraw all the cases from the Forum and at the same time recommended for sending both

the Members for judicial training in Judicial Academy and only after proper training and after satisfying itself and if they are found suitable they be posted as Member of the Forum. Thus by not following the Award passed by this Authority the parties are forced to appear before this Authority by spending their valuable time. Therefore it is desirable that in future the learned Forum has to follow the Award passed by this Authority strictly.

**RESULT**

23. In the result, the appeal is allowed in part. The appellant is awarded interest @ 24% p.a., on the excess amount paid by it from November 2024 to January 2026 billing months. The appeal in respect of award of interest @ 9% p.a., and compensation @ Rs.100/- per day are rejected. The respondents are directed to adjust the interest amount in future bills of the subject Service Connection of the appellant and file compliance before this Authority 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 21st of May 2026.

**Sd/-  
Vidyut Ombudsman**

1. M/s. Shree Gayatri Digitals, H.No.15-3-65/4, Gowliguda, Hyderabad - 500 012, represented by Sri B. Surender Reddy, Proprietor, Cell: 8919343019, 9440944114.
2. The Assistant Engineer/Operation/Puthli Bowli/TGSPDCL/Hyd.South.
3. The Assistant Divisional Engineer/Operation/Troop Bazar/TGSPDCL/Hyd.South.
4. The Accounts Assistant Officer/ERO/Sultan Bazar/TGSPDCL/Hyd.South.
5. The Divisional Engineer/Operation/Begum Bazar/TGSPDCL/Hyd.South.
6. The Superintending Engineer/Operation/Hyd.South/TGSPDCL/Hyd.South.

**Copy to**

7. The Chairperson, Consumer Grievances Redressal Forum of TGSPDCL-GHA ,Erragada.

