



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 SECOND DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE

Appeal No. 29 of 2025-26

Between

M/s. Greenmark Properties, D.No.1-98/6/J/26/NR, Plot No.26, Jubilee Enclave,
Madhapur, Serilingampally Mandal, Hyderabad - 500 081. Ph.No.9177252596.

.....Appellant

AND

1. The Assistant Divisional Engineer/Operation /Mokila/TGSPDCL/Cyber City Circle.
2. The Divisional Engineer/Operation/Ibrahimbagh/TGSPDCL/Cyber City Circle.
3. The Senior Accounts Officer/Operation/Cyber City Circle/TGSPDCL/Cyber City Circle.
4. The Superintending Engineer/Operation/Cyber City Circle/TGSPDCL/Cyber City Circle.
5. The Assistant Divisional Engineer/DPE/HT-III/TGSPDCL/Cyber City Circle.
6. The Chief Engineer/R.R.Zone/TGSPDCL/Cyber City Circle.

..... Respondents

This appeal is coming on before me for final hearing on this day in the presence of Sri V. Ramachandra Reddy - authorised representative of the appellant and Sri M.P. Ravi Kumar - SAO/OP/Cyber City , Sri B. Ramulu - ADE/DPE/RR Zone for the respondents and having stood over for consideration till this day, this Vidhyut Ombudsman passed the following Award:

AWARD

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - II (Greater Hyderabad Area), (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TGSPDCL') in C.G.No. 65/2025-26/Cyber City Circle dt.22.09.2025, rejecting the complaint.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant is that the respondents have released HT Service Connection No.CBC 3102 (in short 'the subject Service Connection') to the appellant for construction of (678) row houses in Sy.Nos.161,162,163,171 and 172 situated at Kondakal Village, Shankarpally Mandal, Ranga Reddy District in September 2018 with a Contracted Maximum Demand of 260 KW which was changed subsequently for which there is no dispute. The first respondent has issued an initial Notice vide Lr.No.ADE/OP/Ibrahimbagh/D.No.1678 dt.11.01.2022 proposing to change the Category of the subject Service Connection from Category HT-II to HT-VII from 14.09.2018 by giving (15) days to reply.

3. Respondent No.1 issued a Provisional Assessment Order notice on 19.03.2022 (in short 'the impugned notice') requiring the appellant to pay an amount of Rs.54,01,003/- (Rupees fifty four lakhs one thousand three only) towards back billing. Respondent No.4, on initial appeal passed Final

Assessment Order in respect of the subject Service Connection on 13.04.2023, confirming the short billing electricity charges of Rs.54,01,003/- from 14.09.2018 to 15.02.2022. Thereafter respondent No.6 passed final orders against the order passed by respondent No.4 on 13.04.2023 confirming the order passed by respondent No.4. The appellant thereafter approached the learned Forum and requested it to withdraw the back billing amount finally passed by respondent No.6, withdraw the proposal of termination of HT agreement and withdraw the action against link services with costs etc.,

WRITTEN SUBMISSIONS OF THE RESPONDENTS BEFORE THE FORUM

4. In the written reply filed by respondent No.6, before the learned Forum, it is, inter-alia, submitted that the appellant was availing electricity supply for construction of (678) villas under HT-II Category. Respondent No.5 addressed a letter to respondent No.1 on 31.12.2021 asking to issue a notice to the appellant calling upon the appellant for objections for change of Category. Since the row houses are meant for commercial sale purposes, the correct Category is HT-VII (Temporary) Category as per Tariff Order. Therefore, the service was back billed from the date of release i.e., from 14.09.2018 to 15.02.2022 as per Clause 3.4.1 of General Terms and Conditions of Supply (in short 'GTCS') demanding an amount of Rs.54,01,003/-.

AWARD OF THE FORUM

5. After considering the material on record and after hearing the respondents, the learned Forum has rejected the complaint. Aggrieved by the award of the learned Forum, the present appeal is preferred reiterating the contents of the complaint filed before the learned Forum.

WRITTEN SUBMISSION OF RESPONDENTS

6. In the written reply filed by respondent No.4 before this Authority reiterating the contents of the written reply filed by respondent No.6 before the learned Forum.

ARGUMENTS

7. The learned authorised representative of the appellant, has submitted that the row houses under construction comes under HT Category-II as per Clause 7.113 of Tariff Order for the FY 2018-19 and therefore any other interpretation cannot be accepted and that the impugned notice is against Clause 7.113 of the Tariff Order FY 2018-19. Accordingly it is prayed to set aside the impugned Award, impugned notice issued by respondent No.1 and to withdraw the proposal to terminate the HT agreement and to withdraw the action against the link services and to grant compensation etc.,

8. On the other hand, the respondents have supported the impugned Award of the learned Forum. It is accordingly prayed to reject the appeal.

POINTS

9. The points that arise for consideration are:-
- i) Whether the impugned notice is liable to be set aside?
 - ii) Whether the impugned Award of the learned Forum is liable to be set aside?
 - iii) Whether the subject Service Connection is not a link service?and
 - iv) To what relief?

POINT Nos. (i) to (iii)

ADMITTED FACTS

10. The admitted facts are as under:-
- i) The respondents have released the subject Service Connection under HT Category-II (Commercial) on 14.02.2018.
 - ii) The appellant has initially approached the Hon'ble High Court and filed W.P.No.21778 of 2022 challenging the initial notice dt.11.01.2022.
 - iii) The first respondent has issued the impugned notice calling upon the appellant to pay Rs.54,01,003/- towards the short billing amount after changing the Category from HT Category - II (Commercial) to HT Category -VII (Temporary construction) from 14.09.2018 to 15.02.2022.
 - iv) The appellant challenged the impugned notice by filing an appeal before respondent No.4, who confirmed the same.
 - v) The appellant thereafter approached the Hon'ble High Court by filing W.P.No.20775 of 2023. The Hon'ble High Court dismissed the said Writ Petition, leaving it open to the appellant to file further appeal before respondent No.6 aggrieved by the FAO passed by respondent No.4.
 - vi) Thereafter on further appeal respondent No.6 confirmed the FAO passed by respondent No.4.

SETTLEMENT BY MUTUAL AGREEMENT

11. Both the parties have appeared before this Authority 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

12. The present appeal was filed on 18.11.2025 This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

13. The Hon'ble Telangana Electricity Regulatory Commission (in short 'TGERC') erstwhile TSERC, in exercise of its powers under the Electricity Act, 2003 and the Regulation No.4 of 2005 being (Terms and Conditions for determination of tariff for Wheeling and Retail Sale of electricity) Regulation, 2005 from time to time accords tariff rates against various categories of consumers on yearly basis, generally during the month of April. The present dispute is in regard to correct Categorisation of usage of supply to construction of independent houses/villas. The Hon'ble TGERC introduced a new Category in the Tariff Order 2018-19 towards construction purpose under HT supply which is reproduced here under:-

Clause 7.113 of Retail Supply Tariff Order for FY 2018-19 is as under:-

HT-VII: Temporary supply Applicability

7.113. Construction activities like construction of all types of structures/infrastructure such as residential /commercial buildings (height of 10 meters and above), bridges, flyovers, dams, power stations, roads, aerodromes, tunnels for laying of pipelines, etc. The relevant tariff for temporary supply shall be applicable during the phase of construction. Construction activities of structures of height less than 10 meters will fall under LT-II and HT-II, as relevant.

The above said Clause remained unchanged until the Tariff Order FY 2022-23, wherein the DISCOMs proposed to amend the applicability of HT-VII category to be applicable for row houses and villas constructed by the Real Estates/Firms which are meant for sale purpose. Subsequently, the Hon'ble TGERC approved the proposal of the DISCOMs towards applicability of HT-VII category for row houses and villas constructed by the Real Estate Developers which are meant for sale purpose. Consequently the Clause 7.113 of Tariff Order was amended with the following Clause in the year 2022-23 Tariff Order:-

9.23 HT-VII: TEMPORARY SUPPLY Applicability

9.23.1 Construction activities like construction of all types of structures/infrastructure such as residential /commercial buildings (height of 10 meters and above), **Row houses, Gated communities construction by Real Estates/Firms meant for sale purpose**, bridges, fly-overs, dams, power stations, roads, aerodromes, tunnels for laying of pipelines, etc. The relevant tariff for temporary supply shall be applicable during the phase of construction. Construction activities of structures of height less than 10 meters will fall under LT-II and HT-II, as relevant.

It is clear from the above that the Clause 9.23 governs that the Row houses, Gated communities construction by Real Estates/Firms meant for sale purpose falls under the ambit of HT Category-VII Temporary supply from the FY 2022-23., w.e.f., 01.04.2022, which was not existed in the previous Tariff Orders. The appellant utilised the power supply for the construction of (678) Nos. independent houses/villas, which falls under the Category of HT-VII (Temporary) since 01.04.2022. The following are the rates towards HT Category-VII and HT Category-II in the Tariff Order FY 2018-19, difference of rates are quite relevant which are as under:-

HT VII: Temporary

Category	Demand Charge (Rs./month)		Energy charge (Rs./kVAh)
	Unit	Rate	
HT VII: Temporary			
11 kV	kVA	500	10.80
33 kV	kVA	500	10.00
132 kV and above	kVA	500	9.80
Demand charge is calculated at Rs./kVA/month of the billing demand			

HT II : Others

Category	Demand Charge (Rs./month)		Energy charge (Rs./kVAh)
	Unit	Rate	
HT II: Others			
11 kV	kVA	390	7.80
33 kV	kVA	390	7.00
132 kV and above	kVA	390	6.80
Demand charge is calculated at Rs./kVA/month of the billing demand			

14. The impugned notice (PAO notice) categorically specifies that the usage of supply for the above said purpose is meant for commercial sale, the category of the service falls under HT Category-VII (Temporary) and not HT Category-II, thereby, backbilling was proposed from the date of release i.e. from 14.09.2018 to 15.02.2022. It is significant to note the Clause 7.113 of Retail Tariff Order for FY 2018-19 is applicable in this case from 14.09.2018 to 15.02.2022. The last sentence of the said Clause clearly defines that the construction activities of the structures less than (10) meters height will fall under either LT-II or HT-II Category as per the load of electricity supply. Admittedly, the row houses in the present case are less than (10) meters of height. Therefore it is HT Category-II of the Tariff Order that is applicable in this case.

CLUB HOUSE

15. As regards the club house, it is admitted by both the parties that its height is more than (10) meters. It is argued by the respondents that the electricity charge for the said club house is (20%) of the total consumption of the power supply. This argument cannot be accepted. The most significant factor in the determination of Category whether HT Category-VII or HT-Category-II is the height of the construction of the structure. In the subject premises only CLUB HOUSE remains more than 10 meters high. Hence, the construction of Club House shall be billed under HT-Category VII. Now the question arises that there exists only single Service Connection i.e., S.C.No.CBC 3102 for total construction of Villas and Club House, the consumption towards Club House has to be evaluated most appropriately. At this stage it is necessary to refer the relevant Clause which is as under:-

4.23 HT-VI: TOWNSHIPS AND RESIDENTIAL COLONIES

Applicability 4.23.1 This tariff is applicable exclusively for:

- a. Townships and Residential colonies or Cooperative group housing societies who own the premises and avail of supply at single point for making electricity available to the members of such society residing in the same premises at HT.
- b. Any person who avails of supply at single point at HT for making electricity available to his employees residing in contiguous premises, the supply in all cases being only for domestic purposes, such as lighting, fans, heating etc., provided that the connected load for common facilities such as non-domestic supply in residential area, street lighting and water supply etc., shall be within the limits specified hereunder.

Water Supply & Sewerage and Street Lighting put together	10% of total connected load
Non-domestic/Commercial & General purpose put together	10% of total connected load

Clause 4.23(b) second part of the table makes it quite clear that Non-domestic/Commercial and General purpose put together is only 10% of the total consumption of electricity of the row houses that is imposed for Club House. Therefore, the respondents shall impose 10% of the total consumption of the electricity for the Club House. Thus the impugned notice is to be set aside in part. In view of these findings the question of proceeding under the link services does not arise. Accordingly, the impugned Award of the learned forum is liable to be set aside in part. These points are decided accordingly partly in favour of the appellant and partly in favour of the respondents.

POINT No. (iv)

16. In view of the findings on point Nos. (i) to (iii), the appeal is liable to be allowed in part.

RESULT

17. In the result, the appeal is allowed in part by setting aside the impugned Award of the learned Forum, in the following terms:-

- i) The impugned notice is set aside.
- ii) The HT Category-VII (Temporary) applies only to the Club House, since it is more than 10 meters of height. Consequently, 10% of the total

assessed units shall be liable to be billed under HT Category-VII (Temporary) and the remaining assessed units are to be billed under HT Category-II.

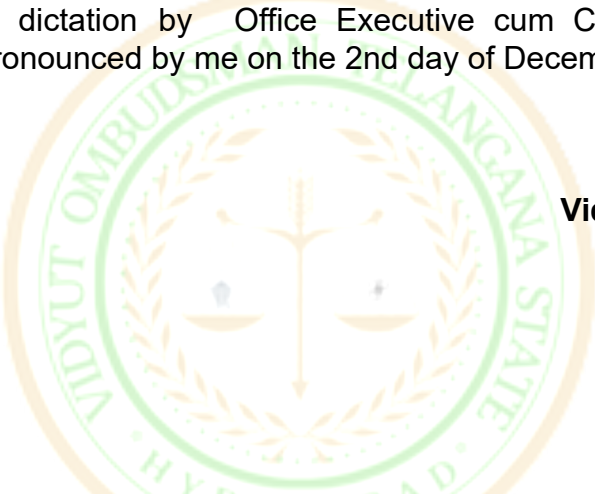
iii) The matter in respect of the link services of the subject Service Connection, if any, shall be closed.

iv) The back billed amount of Rs. 54,01,003/- shall be revised as stated at point (ii) and balance excess amount so arrived, after adjusting from already paid amount of Rs.27,00,502/- (50% of the assessed amount) shall be adjusted to the other services of M/s. Greenmark Properties or their sister concerns. The appellant shall furnish such particulars.

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 2nd day of December 2025.

**Sd/-
Vidyut Ombudsman**

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1. M/s. Greenmark Properties, D.No.1-98/6/J/26/NR, Plot No.26, Jubilee Enclave, Madhapur, Serilingampally Mandal, Hyderabad - 500 081. Ph.No.9177252596.
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 7. The Chief Engineer/R.R.Zone/TGSPDCL/Cyber City Circle.

Copy to

8. The Chairperson, Consumer Grievances Redressal Forum of TGSPDCL- 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.

