

VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV substation, Hyderabad Boats Club Lane Lumbini Park, Hyderabad - 500 063

> :: Present:: Smt. UDAYA GOURI Thursday the Second Day of January 2020

Appeal No. 26 of 2019-20

Preferred against Order dt.08.07.2019 of CGRF in CG No.434/2018-19 of Karimnagar Circle

Between

Sri. K. Ram Reddy, H.No.3-7-887, Vavilalapally (V), Karimnagar Dist. Cell: 9490134478.

... Appellant

<u>AND</u>

- 1. The AE/OP/Nustulapur 8333923899.
- 2. The ADE/OP/Alugunoor 9491061734.
- 3. The AAO/ERO/Alugunoor 9490611495.
- 4. The DE/OP/R/Karimnagar 7901093945.

... Respondents

The above appeal filed on 11.11.2019, coming up for final hearing before the Vidyut Ombudsman, Telangana State on 18.12.2019 at Hyderabad in the presence of Sri. K. Ram Reddy - Appellant and Sri. V. Kiran Kumar - ADE/OP/Alugunoor and Sri. K. Kista Swamy - AAO/ERO/Alugunoor for the Respondents and having considered the record and submissions of both parties, the Vidyut Ombudsman passed the following;

<u>AWARD</u>

This is an Appeal filed against the orders of the CGRF, Karimnagar Circle in CG No. 434/2018-19 dt. 08.07.2019.

2. The averments made in the Appeal are that he filed a complaint before the CGRF, Karimnagar Circle vide CG No. 434/2018-19 stating that their tenants have vacated their shed without informing them in the month of March'2017 having utilised the supply under the service connection No. 2114-02182 and as such they have

requested the Respondents to dismantle the said connection and to issue them a new service connection, but the Respondents have not responded to the same and as such they approached the CGRF for the said relief. And at the instance of the CGRF he offered to pay about Five thousand to Ten thousand towards the arrears of his Tenant, but the Respondents have reported before the CGRF that after adjusting Security Deposit of Rs 73,670/- of the Tenant the Appellant still has to pay Rs 98,770/- and as such the CGRF directed him to pay the balance amount of Rs 98,770/- and instructed the Respondents to provide new connection to the Appellant after paying the due amount and obtaining the No Due Certificate, as such aggrieved by the same the present Appeal is filed.

3. The Appellant contended in the Appeal that his tenant i.e. M/s. Durga Industries took the electricity connection bearing No.2114-02182 in the name of its Proprietor Smt. B. Preethi and later in the month of March'2012 vacated the said premises and took away their machinery without intimation to the Appellant and the DE/Electricity Operation/ Karimnagar Rural has stated in his counter in the Appeal that as per the Electricity Act'2003 Section 56 and Electricity Supply Code, Regulation 5 of 2014 issued by APERC, the user/owner of the premises is liable to pay the dues to TSNPDCL and as such asked the Appellant to pay Rs 98,770/- by adjusting Rs 73,670/- from the Security Deposit as on the date of disconnection of service i.e. in March'2018. The Appellant contended that Regulation 5 of 2014 is not applicable to the owner of the land because the Consumer/user is alive and is residing at Chaitanyapuri Colony, Karimnagar Town along with her Husband Mr. Raghuveer Singh and that both of them are well known persons in Karimnagar and Peddapalli. They also pointed out that Smt. Preethi Singh was also a ZPTC of Julapally and gave the addresses of the said Preethi Singh and her husband Mr. Raghuveer Singh as follows:-

- 1) H.No. 6-28 as per ration card Julapally (v), Julapally (M), Peddapalli dist.
- 2) H.No. 2-10-1724 or 2-10-1725 as per Adhar Card No. 790991986472 at Chaitanyapuri Colony, Karimnagar Town.
- Newly constructed double floor building at Chaitanyapuri colony, Karimnagar Town.
- H.No.10-57/1/E A lavish Palatial Guest House at Bommakal village of Karimnagar Mandal & Dist.

and pointed out that the Respondents have not taken any interest to collect the arrears from the consumer i.e. his tenant till date and are forcing him to pay the said

amount and thus burdening him for no reason. Further, I submit that I approached A.E. to C.M.D of Electricity Authorities for supply of service connection from 3 years onwards, but no authority have given any reply for my grievance and not provided connection. Due to which I have lost at about Rs. 5.00 lakhs towards rent of the shed with land, which is very essential to maintain my livelihood as a senior citizen aged about 70 years.

In view of the above, I request the Hon'ble Ombudsman, kindly direct the electricity authorities to direct recover the dues Rs. 98,770/- of M/s Bellari Preethi W/o Raghuveer Singh i.e. proprietor of M/s Durga Industries and provide new connection to me with cost.

4. REPLY FILED BY ADE/OP/ALGUNUR:

That Smt.K.Vijaya Laxmi had applied for new electricity connection under domestic category and same rejected due to existing pending arrears on bill stop service bearing Sc No. 2114-02182.

Sri.K.Ramreddy has made representations vide dt:04.05.2017, 01.08.2017 and 01.06.2018 to DE/OP/KARIMNAGAR, SE/OP/KARIMNAGAR and CMD/TSNPDCL respectively for providing of new electricity connection.

Sri.K.Ramreddy has requested the CGRF for dismantle of service and submitted the willingness to pay the minimum bill charges on the existing Cat-II Sc no 2114-02182.

The AAO/ERO/ALGUNOOR has revised the bill duly adjusting the security deposit of Rs.73,670/- as on the date of disconnection of service (03/2012) and requested to pay Rs 98,770/- for dismantle of service.

As per the electricity Act 2003, section 56 and electricity supply code regulation 5 of 2014 issued by APERC, the user/owner(k.Ram Reddy) of the premises is liable to pay the dues to distribution company(TSNPDCL).

5. REPLY FILED BY AAO/ERO/ALGUNUR:

That Sri.K.Ramreddy has made representations vide dt:04.05.2017, 01.08.2017 and 01.06.2018 to DE/OP/KARIMNAGAR, SE/OP/KARIMNAGAR and CMD/TSNPDCL respectively for providing of new electricity connection.

Form - A notice was issued through the Additional Assistant Engineer, Operation, Nustulapur to recover the arrears pertains to the Sc no 2114-02182.

Later Sri.K.Ram Reddy requested CGRF for dismantle of Sc no 2114-02182 and submitted the willingness to pay the minimum bill charges of the existing SC no 2114-02182.

Based on the representation made by Sri.K.Ramreddy to CGRF, the Additional Assistant Engineer, Operation, Nustulapur sent a letter to the AAO/ERO/ALGUNUR for dismantle of service and requested to revise the bill upto date of disconnection (03/2012).

Accordingly the bill was revised upto the date of disconnection of service (03/2012) duly adjusting the security deposit of Rs 73,670/- and requested the consumer to pay of Rs 98,770 for dismantle of service.

CGRF verified the calculation sheet, find the calculations were correct and genuine and passed and order stating that Sri.K.Ram Reddy is liable to pay the amount of Rs 98,770/- and provide the new connection after dismantling of existing service.

Heard both sides.

6. In the face of the said averments by both sides, the following issues are framed:-

- 1. Whether the Appellant is liable to pay the arrears of his tenant in the face of the averments of the Appellant against the Respondents?
- 2. Whether the Appellant is entitled for a new service connection without paying the arrears? And
- 3. To what relief?

Issues 1 & 2

7. The Appellant in support of his contentions averred that the Appellant Sri. K. Ram Reddy, G.P.A holder of his wife Smt. K. Vijaya Lakshmi, who is the Owner of the premises bearing H.No.2-1, Gram Panchayat, Rama Krishna Colony, Nustulapur Revenue village, Timmapur Mandal, Karimnagar Dist., applied for new domestic service connection applied vide application No. NC021800752962 on dt.05.02.2018

through TS Online, in the name of Smt. K. Vijaya Lakshmi. The said application was rejected by ADE/OP/Alaganur on dt.23.02.2018, citing reasons that there is a billstop service existing in the premises with pending arrears.

That the said bill stop service bearing SC No. 2114-02182 under Category III belongs to the tenant Smt. Bellari Preethi Proprietor of M/s. Durga Industries, in the property owned by Smt. K. Vijaya Lakshmi. That she had given the shed in the said premises on lease on 13.11.2008 for 7 years to M/s. Durga Industries, Smt. B. Preethi W/o. Raghuveer Singh being the Proprietor, vide lease agreement document No. 4214/2008. The service connection 2114 -02182 was released on 17.04.2009 with contracted load of 85 HP in the name of M/s. Durga Enterprises. Since Feb'2012 the Tenant of the Appellant stopped paying the bills and vacated the premises in March'2012. The service was disconnected during the month of March'2012, the arrears to be paid at that time was Rs 1,47,088/- and after 3 months the service connection was kept under billstop.

8. The Appellant preferred the present Appeal requesting to direct the Respondents for a new domestic service connection and direct the Respondents to initiate the proceedings to recover the dues of Rs 98,770/- of M/s. Durga Industries from B. Preethi, W/o. Raghuveer Singh being the Proprietor. For such action the Appellant has given the location of her tenant residing at Chaitanyapuri Colony, Karimnagar Town with her Husband Mr. Raghuveer Singh stating that both are well known persons in Karimnagar and Peddapalli Districts. Smt. Bellari Preethi was Julapalli Mandal ZTPC and submitted the following house address which belongs to Raghuveer Singh directly or indirectly:-

- 1. H.No. 6-28 as per ration card julapally (v), julapally (M), Peddapalli dist.
- 2. H.No. 2-10-1724 or 2-10-1725 as per Adhar Card No. 790991986472 at Chaitanyapuri Colony, Karimnagar Town.
- 3. Newly constructed double floor Building at Chaitanyapuri colony, Karimnagar Town.
- 4. H.No.10-57/1/E, A lavish Palatial Guest House at Bommakal village of Karimnagar Mandal & Dist.

It was held that the Respondents has not taken any interest to collect the arrears from their tenants till today. That he has approached several times from AE to Chairman and Managing Director since 3 years but his grievance was not resolved due to which he has sustained a loss of Rs 5,00,000/- towards the rent of the shed with land which is very essential to maintain his livelihood as a senior citizen aged above 70 years.

9. The Appellant held that the tenant vacated the premises before the expiry of the lease deed (valid until 13.11.2015), without intimation and taken away the existing machinery during the month of March'2012. This statement of the Appellant is questionable when there was mutual agreement between the Appellant Smt. K. Vijaya Lakshmi and the tenant M/s. Durga Industries represented by its proprietor B. Preethi over surrender of lease, for that means, a deed no 2840/14 was executed on 30.08.2014, mutually agreeing that there were no dues and there is no unsettled matter in respect of lease, under Clause 6 of the deed of surrender of lease. This shows that the Appellant willfully allowed his tenant to vacate the premises without any dispute, without closing the electricity dues pending over the service connection.

10. The records also show that the Appellant preferred an appeal before the CGRF, during the course of hearing, the Appellant stated that he was given a letter agreeing to pay a minimum amount of Rs 5,000/- to Rs 10,000/- in lieu for his request of new domestic connection, as he was mentally frustrated. But the Respondents claimed that an amount of Rs 98,770/- is liable to be paid after adjusting the available security deposit of Rs 73,670/- and the same was passed by the CGRF after verification and directed that the Appellant that in order to avail new service connection has to dismantle the existing service connection for obtaining No due certificate by paying the amount due of Rs 98,770/-.

11. The Respondents on the other hand claimed that to release the new service connection in the same premises having arrears of Rs 98,770/-, the Appellant has to dismantle the existing connection by paying the said arrears as per the Electricity Act'2003 Section 56 and Electricity supply code Regulation 5 of 2014 issued by the APERC.

Section 56(1) of the Act is reproduced here under:-

"Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a Licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer."

The Clause 4.15 of Regulation 5 of 2004 is reproduced here under:-

i. It shall be the responsibility of the owner of the connection to get a special reading done by the licensee at the time of change of occupancy or on the premises falling vacant.

ii. The owner/user of the connection may request in writing to the licensee for special reading at least 15 days in advance of the said vacancy of premises by the existing user or change of occupancy as the case may be.

12. The said averments of both sides clearly go to show that there is a laxity on the part of both the Appellant and the Respondents as the Appellant failed to keep a track of his Tenants usage of electricity and payment of the bills pertaining to his premises and the Respondents failed to initiate action for recovery of dues from the Tenant, when there were arrears pending every month, as can be seen from the closing balance record and then issuing Form-A on 07.07.2018 for recovery of dues i.e. 6 years after the Billstop of the service connection and that too when the matter came to the light before the higher management, when the Appellant represented to the CMD/TSNPDCL on 01.06.2018. While there is a provision of recovery of the dues under Clause 10 of Regulation 7 of 2013, from the Tenants by disconnecting the other service connections of the said Tenant i.e. Smt. Bellari Preethi alias Preethi Singh as claimed by the Appellant. Admittedly Clause 10 of Regulation 7 of 2013 gives authority to the Respondents to disconnect the other services of the consumer who default in payment of charges for the supply. But a perusal of Clause 10 Regulation 7 of 2013 shows that it reads "Where any consumer defaults in payment of charges for supply of electricity; and or any other sums payable to the company under the contract of supply agreement, the company may without prejudice to its other rights cause to disconnect all or any of the other service of the consumer within the

area of supply of the licensee though such service be distinct and are governed by separate agreement and though no default occurred in respect thereof."

13. The said evidence as pointed out clearly shows that the laxity is on the part of the Appellant as well as the Respondents as the Appellant failed to keep a track of the usage of supply and payment of bills of electricity by his tenant and the Respondents have failed to collect the arrears from the Tenant of the Appellant having provided him with service connection and supply of electricity. In the said circumstances, since Clause 10 of Regulation 7, which has been reproduced above says "the Respondents <u>may</u> prefer to initiate action accordingly" it can be understood that the action on the part of the Respondents can be relaxed as the said clause does not mention that "the Respondents shall prefer to initiate action accordingly" thus giving a scope for relaxation with regarding to the action to be initiated under the said Clause 10 of Regulation 7 of 2013. Hence in the said circumstances the Ombudsman is of the opinion that a via media arrangement can be arrived at. And as such since the Appellant is liable to pay the present due amount of Rs 98,770/- left behind by his tenant, he may be permitted to pay the said amount in 4 installments starting from the month of Jan'2020 and the Respondents shall release the new domestic connection of the Appellant after completion of the formalities for issuing the new connection, the moment the Appellant starts paying the said installment amounts. The Respondents would be entitled to disconnect the new connection of the Appellant in case the Appellant fails to pay the installments as directed above. Accordingly decides these issues.

Issue No.3

14. In the result the Appeal is accordingly disposed.

TYPED BY Office Executive cum Computer Operator, Corrected, Signed and Pronounced by me on this, the 2nd day of January'2020.

Sd/-

Vidyut Ombudsman

- 1. Sri. K. Ram Reddy, H.No.3-7-887, Vavilalapally (V), Karimnagar Dist. Cell: 9490134478.
- 2. The AE/OP/Nustulapur 8333923899
- 3. The ADE/OP/Alugunoor 9491061734
- 4. The AAO/ERO/Alugunoor 9490611495
- 5. The DE/OP/R/Karimnagar 7901093945

Copy to :

- 6. The Chairperson, CGRF I, TSNPDCL, Nakkalagutta, Hanamkonda, Warangal.
- 7. The Secretary, TSERC, 5th Floor Singareni Bhavan, Red Hills, Lakdikapul, Hyd.