



**VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA**

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

:: Present:: **R. DAMODAR**

Friday, the Twenty Fifth Day of June 2015

Appeal No. 16 of 2015

Preferred against Order Dt. 7.11.2014 of CGRF In

CG.No: 284/2014 of Ranga Reddy North Circle

Sri D.Vishnu Rao,  
Sri Sai Krishna Graphics,  
1st floor,AVM Towers,  
K.P.H.B.Main Road,  
Hyderabad-500 072.

... Appellant

- 1) The AE/Operation/D.P.Pally/TSSPDCL/RR Dist.
- 2) The ADE/Operation/Jeedimetla/TSSPDCL/RR Dist.
- 3) The AAO/ERO/Jeedimetla/TSSPDCL/RR Dist.
- 4) The DE/Operation/Kukatpally/TSSPDCL/RR Dist.
- 5) The SE/Operation/RR North Circle/TSSPDCL/Secunderabad.

... Respondents

The above appeal filed on 30.04.2015 coming up for hearing before the Vidyut Ombudsman, Telangana State on 9.06.2015 at Hyderabad in the presence of Sri. D. Vishnu Rao, the Appellant and Sri. A. Narsimulu, DE/OP/Kukatpally, Sri. P. Peerya, AE/OP/D.P Pally, K. GangaRaju AAO/ERO/Jeedimetla for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

**AWARD**

The respondents have released service connection No. 0156 01543 Category LT-

III INDUSTRY to the complainant on 6.6.2011 in the name of the Appellant. On 16.08.2014 at 2.20 P.M the Respondents(DPE Wing) had inspected the premises of the Complainant and found that the Complainant has been availing the supply for printing LOGOS, designs,Captions on shirts, T Shirts etc, and opined that all the printing units have to be billed under LT Category II(Commercial) as per Tariff order 2011-2012. Therefore the back billing notice No. 912 Dt. 22.08.2014 has been issued from 6th June 2011 to 5th August 2014 for an amount of Rs.1,20,834/- under category-II(Commercial).

2. On receipt of the back billing notice, the complainant has addressed a letter Dt. 26.09.2014 expressing his objection to the back billing notice questioning the conversion from LT Category-III to LT Category-II commercial and questioning the non consideration of his unit as a small scale industry and issuing back billing amounting to Rs 1,20,834/-. On 29.09.2014 he has preferred a complaint before the CGRF for redressal of his grievance.

3. The third respondent, AAO/ERO/Jeedimetla claimed that the appellant with S.C.No.0156 01543 has raised an objection for issue of notice of back billing and conversion of category from LT III which is a small scale industry to LT category II (Commercial). He claimed that the appellant paid Rs. 41,000/- out of the total back billing amount of Rs 1,20,834/-. According to the third respondent, the printing presses would fall under LT category II (commercial).

4. The appellant alleged that without any prior notice, the respondents have converted his service category from III to II and back billed from May 2011 to 5th August 2014 and termed it as not legal.

5. The CGRF, after hearing both sides and on consideration of the material on record, directed DE/OP/Kukatpally to finalise the back billing case duly considering the representation of the Appellant in accordance with clause 3.4.1 of GTCS.

6. Aggrieved and not satisfied with the orders of CGRF, the Appellant preferred the present Appeal.

**Argument heard**

7. The point for determination is whether the back billing by converting LT category III (industrial) to LT category II (commercial) with effect from May 2011 to 5th August 2014 for Rs 1,20,934/- is legal and sustainable.

**POINT**

8. Efforts are made for mediation to reach a settlement, which could not succeed. Therefore, the matter is being disposed of on merits.

9. According to the Appellant, he was provided with SC 0156 01543 category III (Industrial) to his small scale unit which was converted to LT category II (commercial) without notice and without following the procedure. Back billing from may 2011, from the time of issuing connection to 5th August 2014 when there is no il legality committed on his part, is not legal.

10. The respondents claimed that the Appellant's firm was wrongly issued with LT category III industry connection in may 2011, contrary to tariff orders and that the Appellant's firm which deals with printing of logos, designs and captions on shirts and T-shirts, buying raw material cloth and stitching carry bags etc, fall under commercial category of printing press and fall under LT category II (commercial) as per tariff order 2011-2012 and therefore, back billing was done after issuing notice for the period from June 2011 to August 2014 for an amount of Rs 1,20,834/- vide back billing notice number 912 dated 22-8-2014 which is legal and sustainable.

11. A perusal of tariff order 2011-2012 shows that under the consumers who undertake commercial activity and those who run printing presses fall under LT category -II. If tariff order defines the printing activity as commercial, the initial

service connection as LT category III( industrial) would be against the tariff order, which is binding on the distribution companies. This finding is notwithstanding the fact that the appellant firm has been issued a small scale industry certificate.

12. The appellant claimed that the back billing from May 2011 is not sustainable. The respondents have relied on clause 3.4.1 of GTCS which was amended on 31-5-2014, by the proceeding of the APERC and the amended provision reads as follows:

“Clause 3.4.1 Where a consumer has been classified under a particular category and is billed accordingly and it is subsequently found that the classification is not correct (subject to the condition that the consumer does not alter the category / purpose of usage of the premises without prior intimation to the Designated Officer of the Company), the consumer will be informed through a notice, of the proposed reclassification, duly giving him an opportunity to file any objection within a period of 15 days. The company after due consideration of the consumer's reply if any, may alter the classification and suitably revise the bills if necessary, even with retrospective effect, the assessment shall be made for the entire period during which such reclassification is needed, however, the period during which such reclassification is needed cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of inspection”.

13. The application of the above clause is in question now. The inspection was conducted on 16.08.2014 at 2.20 PM by the DPE wing. Prior to the amendment Dt. 31-05-2014 to GTCS, the clause 3.4.1 at the relevant place provided prior notice and regarding back billing read follows:

“ The company after due consideration of the consumer's reply if any, may alter the classification and suitably revise the bills if necessary even with retrospective effect, of 3 months in the case of domestic and Agricultural categories and 6 months in case of other categories.”

14. Since the Appellant's service connection is falling under the “Other Categories”

this pre amendment position of back billing for 6 months is not available to the Appellant in view of the post amendment position that back billing may be for the entire period from the time of reclassification. The inspection took place on 16.08.2014 and whereas, the amendment to clause 3.4.1 came into effect from 31.5.2014 and therefore the amended clause to 3.4.1 is applicable and not the pre amended clause. Thus, the benefit of pre amendment clause limiting the period of back billing is not applicable to the Appellant's case.

15. The Appellant claimed that he was suddenly imposed with additional burden of back billing without his fault and the amounts are claimed from 6.6.2011 onwards when he set up his shop and he is not in a position to pay the demanded amount. Keeping in view the facts and circumstances of the case and the burden on the Appellant to pay huge amount, it is in fitness of things that he is given installments to pay the back billing amount less the amount he already paid if any. While granting installments, the period of back billing from May 2011 to August 2014 has to be kept in mind.

16. The CGRF, instead of applying the clause 3.4.1 itself, have directed the Appellant to another authority, which is unsustainable.

17. In the result, the Appeal is disposed of permitting the Appellant to pay the balance of backbilling amount of Rs 1,20,834 less Rs 41,000/- (already paid on 29.9.2014) in 30 installments starting from July 2015. Failure to pay even one installment would make the entire amount recoverable in a lump sum.

Corrected, signed and pronounced on this the 25th day of June 2015.

**VIDYUT OMBUDSMAN**

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**Copy to:**

- 7) The Chairperson, Consumer Grievance Redressal Forum, Greater Hyderabad Area  
TSSPDCL, GTS Colony, Erragadda, Hyderabad.
- 8) The Secretary, TSERC, 5<sup>th</sup> Floor Singareni Bhavan, Red Hills, Lakdikapool,  
Hyderabad.