



**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**

Wednesday, the Thirtieth Day of December, 2015

Appeal No. 70 of 2015

Preferred against Order Dt.30-07-2015 of CGRF In

CG.No: 162/2015 of Hyderabad North Circle

Between

M/S.PRS Electricals, Represented by Sri. Rakesh Kumar Garg, Plot No.96/1,  
Rajiv Gandhi nagar, Balanagar, Hyderabad. 500 018  
Cell No.9391033606.

... Appellant

**AND**

1. The AE/Operation/IDPL/TSSPDCL/Secunderabad.
2. The ADE/Operation/Balanagar/TSSPDCL/Secunderabad.
3. The DE/Operation/Bowenpally/TSSPDCL/Secunderabad.
4. The SE/Operation/HYD.NORTH CIRCLE/TSSPDCL/Hyderabad.

... Respondents

The above appeal filed on 23.09.2015 coming up for hearing before the Vidyut Ombudsman, Telangana on 28.12.2015 at Hyderabad in the presence of Sri. Ravi - Advocate on behalf of the Appellant and the Appellant and Sri. G. Gopi - ADE/OP/Balanagar for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

**AWARD**

The Appellant claimed to have applied for release of a new LT service connection for copper winding wire manufacturing unit in the leased premises in plot No. 96/1, Rajiv Gandhi Nagar, Moosapet, Kukatpally. He obtained lease deed dt. 27.10.2014 for this purpose. He submitted an application dt. 3.12.2014 on behalf of M/s PRS Electricals for release of a new service connection with 49HP contracted load. He obtained permission from the General Manager, District Industries Center to set up this manufacturing unit valid upto 30.11.2016. The Respondents sent SMS on

29.01.2015 to the effect that the meter is released for fixing in the premises and another SMS that his registration was rejected on the ground that he has an existing service connection in the same premises under the same category and with the same manufacturing activity.

2. The Appellant further claimed that the proposed unit does not have any service connection in its name and it is still in the process of establishing a manufacturing unit and therefore, the rejection of release of a new service connection is not correct. He sought release of a new Service connection and payment of compensation for the delay in the release of the new service.

3. The 2nd Respondent through his letter dt. 16.7.2015 submitted that the premises in which the Appellant sought a new service connection is already having a 74 HP HT Category I bearing SC No. S6005332 in the name of M/s PR Electricals in Plot No. 96, SY.No 196, 197 and 198, Rajiv Gandhi Nagar, Kukatpaly, Hyderabad. The 2nd Respondent further claimed that this service connection is being billed under HT Cat-1 against which a case was booked for back billing for which the consumer therein has not paid the full amount. The line of activity in the premises of SC No. S6005332 is the same as proposed by the Appellant in the same premises, which has a single entrance but no separate shed/premises.

4. Before the CGRF, the Appellant sought release of a new LT -III (Industrial) Connection stating that he would produce the registered lease deed, IDC permission while admitting that his proposed industry is in the same premises of M/s PR electricals, but with separate entity.

5. The 2nd Respondent claimed that the proposed industry of the Appellant is in the same premises in which M/s PR electricals is situated and that the Appellant is seeking release of LT service connection in the same shed and the line of activity in the existing industry is the same as the proposed new industry of the Appellant.

6. After hearing and on consideration of the material on record, the CGRF merely directed the Appellant to the effect that “to submit all the required documents as required for a new service connection. The Respondents are directed to release the new service after obtaining all required documents and DD as per the rules in vogue” through the impugned orders.

7. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal seeking a direction to the Respondents to implement the impugned orders by releasing the new LT service connection and to pay compensation of Rs 50/- per day w.e.f 3.01.2015 till the date of release of new LT service connection to the Appellant.

8. The Respondent No.2 submitted a reply in the Appeal stating that the Appellant's request for new LT service connection was not accepted because of the existing LT service connection with 74 HP load (industrial) in the same premise in which copper winding wire processing unit is located and this service connection is being billed under HT Category-I, against which a case was booked for back billing and the consumer has not paid the bill fully. He asserted that the existing service and the new proposed service connection the appellant is now seeking are located in one premises with one gate.

9. The 2nd Respondent quoted GTCS Clause 3.5 which defined separate establishment under clause GTCS 3.5.1 which prescribes the criteria to identify separate establishment as:

- a. Having distinct set up and staff.
- b. Owned or leased by different persons.
- c. Covered by different licenses or registrations under any law.

10. The 2nd Respondent cited clause 3.5.2 of GTCS to state that "Each separate establishment will be given a separate point of supply." He further cited clause 3.5.3 of GTCS to state that the DISCOM has right to demand a consumer availing a single service connection in the place of several of the same group of family or firm or company, to avoid losses.

11.(i) The 2nd Respondent further submitted that as per the Tariff Order :-

**for LT Cat - III(Industry), the rates are:**

Fixed charges : Rs 53/HP/Month

Energy Charges: Rs 6.40/KVAH/KVH

(ii) **for HT Cat - 1(Industries), the rates are:**

Fixed charges(Demand charges) : Rs 370/KVA/Month

Energy Charges: Rs 6.00/KVAH

TOD (Time of Day) Tariff: Rs 1.00/KVAH

(From 6.00 PM to 10.00 PM)

12. Based on the different Tariff for separate categories, the 2nd Respondent claimed that if the request of the Appellant is accepted and a new LT service connections is released, the DISCOM would suffer loss on Fixed charges Rs 370-Rs 53 = Rs 317/- per KVAH and therefore, he claimed that the Appellant had intentionally applied for a new LT connection(Industrial) in the same premises to avoid payment of the fixed charges. He termed the alleged permission taken by the appellant from the industrial department as mere acknowledgement and is not a valid document and therefore, he sought dismissal of the appeal.

13. Efforts at mediation has not succeeded and hence the Appeal is being disposed on merits.

14. **Heard Both Sides:-**

15. The points for determination are:-

1. Whether the Appellant is entitled to release of a new LT service connection in the plot no 96/1 in sy no 196, 197 and 198, Rajiv Gandhi Nagar, Kukatpally, Hyderabad in which there is an existing service connection No. S6005332 having 74 HT Category - I?
2. Whether the impugned orders are sustainable?

## **ISSUES 1&2**

16. In the premises bearing plot No. 96 sy No 196,197 and 198 there is an existing service connection No. s600 5332 with 74 Hp HT Cat-1 in the name of M/s PR electricals. Obviously, this unit is in the line of manufacturing copper binding wire. In the same plot, the Appellant wants to start similar manufacturing of copper binding wire in a new unit under the name M/s PRS electricals, but by the side of M/s PR electricals unit. The Appellant claims that he obtained permission from the District Industries Center and a separate lease deed from his son Mr. Sanchit Garg (as is clear from the copy of lease agreement dt. 27.10.2014). When his application was considered and SMS was given to him by the Respondents about sanction of meter and another SMS that his application was rejected on the ground that he wanted to start manufacturing activity in the premises, which is already being done through an existing service connection, he preferred a complaint before the CGRF.

17. The CGRF, without giving any reasons, without applying mind to the facts of the case, the procedure involved, merely directed the release of a new service connection on submission of all the required documents, however as per the rules in vogue, through the impugned orders.

18. The Respondents claimed that a separate new service connection cannot be given to the Appellant, because there is an existing service connection for manufacturing of copper winding wire and the Appellant cannot have a new service connection for the same activity in the same premises, which has one gate/entrance.

19. The Appellant, during the hearing, claimed that Mr. Sanchit Garg is the absolute owner of the plot and he gave a part of premises on lease to him and that he wanted to start a new manufacturing unit in his part of the leased premises and therefore, he is entitled to release of a new service connection. Admittedly, the existing unit M/s PR Electricals is being run by Mr. Sanchit Garg, who appears to be no other than the son of the Appellant Mr. Rakesh Kumar Garg. The line of activity is the same in the existing unit and also the proposed unit. The Appellant perhaps wanted to have a separate LT connection to lessen the burden on electricity charges, which is obvious from the response of the 2nd Respondent.

20. Whether under the present circumstances, the Appellant is entitled to a new LT(Industrial) connection? As rightly claimed by the 2nd Respondent, that the present unit of the Appellant does not count for a separate establishment as per the criteria specified in the GTCS. Clause 3.5 of GTCS defines a separate establishment in the following manner:

**Clause 3.5.1** For the purpose of the GTCS, separate establishments shall include the following types of establishments:

- i. Having distinct set-up and staff;
- ii. Owned or leased by different persons;
- iii. Covered by different licenses or registrations under any law where such procedures are applicable; and
- iv. For domestic category, the households having a separate kitchen.

**Clause 3.5.2** Provides for each separate establishment to be given a separate point of supply

21. Based on the clause 3.5.1 of GTCS, the proposed establishment of the Appellant cannot be called as a separate entity/ establishment entitled to a separate point of supply.

22. **Clause 3.5.3 of GTCS** is relevant to be quoted here to understand the implications of an institution/firm/unit having separate service connection in one premises, which says:-

Notwithstanding the above provisions (clause 3.5.1, clause 3.5.2), the Company reserves the right, where it is reasonably established, that the consumers of the same group or family or firm or company who are availing supply under different service connections situated within a single premises by splitting the units, the Company may treat such multiple connections existing in the single premises as a single service connection and charge the total consumption of all the consumers at the appropriate tariffs applicable for a single service connection. Any officer authorised by the Company shall issue notices to the concerned consumers asking them to furnish a single application for all such services and to pay required charges for merging the services into a single service”.

23. From the above provisions of GTCS, it is clear that even if the Appellant succeeds in getting a new Service Connection, the Respondents, by acting under clause 3.5.3 of GTCS may nullify the benefit if any the Appellant secures in the matter by way of a new connection and direct the beneficiaries to retain one service connection.

24. In view of the aforementioned discussion, it is clear that the request of the Appellant does not fall within the criteria mentioned in clause 3.5.1. Even if the Appellant claims that he would start a new manufacturing unit, unless it falls within the four corners of clause 3.5.1, he would not be entitled to release of a new and separate service connection in the same premises and if any such connection is sought or existing, those would come within the mischief of clause 3.5.3 of GTCS, as rightly claimed by the 2nd Respondent in his reply.

25. The Appellant is found not entitled to release of a new LT - III service connection in the same premises in which SC No S600 5332 is existing, in view of the facts and circumstances of the case. The CGRF failed in its duty to examine the facts properly and implement the relevant clauses of GTCS in disposing of the complaint.

26. Both the issues are answered accordingly.
27. In the result, the Appeal is disposed of setting aside the impugned orders.

Corrected, Signed and Pronounced on this 30th December, 2015.

Sd/-

**VIDYUT OMBUDSMAN**

**TYPED BY CCO**

1. M/S.PRS Electricals, Represented by Sri. Rakesh Kumar Garg, Plot No.96/1, Rajiv Gandhi nagar, Balanagar, Hyderabad. 500 018  
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**Copy to:**

6. The Chairperson, CGRF, TSSPDCL, Greater Hyderabad Area, Vengal Rao Nagar, Erragadda, Hyderabad.
7. The Secretary, TSERC, 5th Floor, Singareni Bhavan, Red Hills, Hyderabad.