From:-Sai Venkata Agro Industries Pvt. Ltd. Mulkalla Mancherial

To
The Secretary
TGERC
Vidyut Niyantran Bhawan
Near CTI, GTS Colony
Hyderabad.



Date: 09.10.2024

Respected Sir,

Sub: HT SC No. ADB-308 (Now MCL-035), Load 800 KVA-M/s. Sai Venkata Agro Industries Pvt. Ltd., Mulkalla, Mancherial Division – Rectification of bills with 33 KV tariff-Request-Reg.

We would like to briefly submit our case as under for kind consideration:

FACTS OF THE CASE

At the time of setting up our new industry (cotton ginning and pressing factory) at Village Mulkalla, Mancherial Division, our power requirement load was 800 KVA. This load was sanctioned to our industry at 33 KV level in the month of November, 2009. Accordingly, our power bills were eligible and required to be billed with 33 KV tariff in accordance with the Tariff Order for 2010-11 and onwards. But mistakenly, our electricity bills were issued with 11 KV tariff instead of 33 KV tariff. A copy of the Tariff Order 2010-11 is enclosed herewith for your kind perusal. In the said order, it is very clearly mentioned that the tariff shall be levied as per the actual supply voltage. Thus, as per the Tariff Order for 2010-11 and subsequent years, our industry had to be charged the power bills at the tariff of 33 KV and not for 11 KV.

We did not observe the rate and paid the bills issued with 11 KV tariff. Later on, when we made two representations, the first one on 04.07.2014 and the second one on 06.10.2015 to revise our bills with 33 KV tariff. In the first representation our bills were not revised. But in the second representation, the bills were revised with 33 KV tariff and excess billed amount was withdrawn and the matter was settled.

But to our surprise, demand for the adjusted amount was again raised consequent to the objections made by your Internal Auditors. Then, we again made a request to remove the demand amount as the audit objection was not proper in accordance with the clear guidelines given in the Tariff Order 2010-11. Sir, we firmly believe that the Department is bound to collect the power charges strictly in accordance with the tariff order only and not more than the prescribed charges. But even then, our *bonafide* request was not considered by the Department.

We were then left with no other option but to file a case at the CGRF and Hon'ble CGRF agreed with our view and was pleased to pass order in C.G. No. 41 of 2016 in our favour. We then approached the Superintendent Engineer for implementation of the order but he did not implement the order of the CGRF and instead filed a case before the Hon'ble High Court against the order the CGRF.

OUR SUBMISSIONS

Sir, the Department is duty bound to strictly collect the power charges as per the Tariff Order issued by the ERC and nothing more than the prescribed tariff. There is no dispute that our service agreement was for 11 KV tariff in the year 2009 in accordance with the conditions laid in the sanction letter and we have paid the bills accordingly because in the Tariff Order for the year 2009-10, there was no mention about the tariff based on actual supply voltage in the said order.

However, the Tarriff Order for the year 2010-11 as applicable from 01.08.2010 makes it very clear to collect the charges as per the actual supply voltage. Therefore, in our case it should be collected as per 33 KV as it is the actual supply voltage. Sir, when the Tariff rules for the year 2010-11 came into force with effect from 01.08.2010, the Department is duty bound to implement the new rules in all aspects. In our case, the Department has implemented only the increased per unit charges of power without implementing the changed rule with regard to tariff billing as per actual supply voltage. Thus, the Department has violated and not followed the ERC Tarriff Order for the year 2010-11 and onwards.

Sir, we believe that instead of we making a request from our side, the Department should have *suo moto* implemented the new Tariff Order and revised our bills with effect from 01.08.2010 but was finally done only after our second representation made on 06.10.2015.

OUR PRESENT REQUEST

You may be aware that cotton industry has suffered huge losses and majority of the units of our area have gone bankrupt. We too are no exception to it and have already closed our Industry due to huge losses and financial crunch. Nevertheless, we are ready to pay the power dues as per Tarriff Order for 2010-11 and close the matter permanently. Hence, we kindly request you to consider our bonafide request and issue us revised bills in accordance with the Tarriff Order for 2010-11. We also request you to kindly withdraw the appeal filed before the Honorable High Court and kindly implement the order passed by Hon'ble CGRF in C.G. No. 41 of 2016. If any amount is further payable after removing the shortfall, we are ready to pay the same and close the matter forever. We may be given a chance to explain our grievance during the public hearing to be held at Nizamabad on 24.10.2024.

Thanking you Sir and anticipating a positive action in the matter.

Yours faithfully

For Sai Venkata Agro Industries Pvt. Ltd.

Director

Encl: 1. Copy of the CGRF Order 41 of 2016

CC to The Chief General Manager (IPC & RAC) TGNPDCL, Vidyut Bhawan, Nakkalagutta Hanmakonda.

THE FORUM FOR REDRESSAL OF CONSUMER GRIEVANCES OF MORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED NIRMAL.

24 Day of August, 2017.

resent:

M. A Shareef, Chairperson

S. Rama Krishna Member (Technical)

L. Kishan Member (Finance)

C.G.No.41 of 2016

between:

Sai Venkala Agro Industries Pvr. Ltd., Sv. No. 94/A, 95/2 & 95/4, Mulkala Village, Alenthorial Mandal, Apilahad Dist.

PETITIONER

AND

Assistant Divisional Eengineer/OP/Mancherial-9440811689

Divisional Engineer/OP/Mancherial-9440811677

RESPONDENTS

3. Senior Accounts Officer/CO/Adilabad-9440811726

This petition has come for hearing on 14-06-2017 and 25-07-2017, and after hearing both petitioner and respondents this C.G.R.F passed following.

ORDER

- This petition is filed for withdraw of audit shortfall amount of Res 26,35,472/-
- The averments of the petition are that the power supply to the positioner industry was released on 20-11-2009 with a load of 800 KVA at 33KV Voltage level supply. The petitioner industry reviewed the bills sent by respondents and observed that the service was being billed with 11KV voltage tariff instead of 33KV Voltage tariff.

The tariff orders for 2010-II to 2013-14, General condition 3-Voltage supply point III states that "In case of HT.I (A) and HT-II consumer categories for whom the Voltage wise tariff is applicable, the licensee shall tariff as per the actual supply Voltage". In this case the actual supply Voltage is 33KV, so the CC bills are to be issued with 33KV Voltage tariff.

The petitioner industry made two representations Dt.04-07-2014 and 06-10 2015, to issue bills with 33 KV Voltage tariff and to revise previous bills with 33KV Voltage tariff. In the first representation the bills were not revised but in the second representation the bills were levised during the month of 12/2015 and excess billed amount was withdrawn, and the dispute was settled.

Thereafter the same dispute arose when the licensee added back the withdrawl amount back to petitioner Industry bills by saying that internal Audit TSNPDCL. Warangal has pointed out that the "withdrawl was not correct".

Therefore the petitioner industry prayed to declare the objection raised by internal Audit as incorrect which is against to the tariff orders and retain the earlier withdrawl order by the licensee as valid.

On behalf of the Licensee the second respondent filed reply

Admitting the fact of sanctioning H.T supply to the petitioner Industry on 14-10-2009 for 33KV supply with the load of 800 KVA. He took the plea that C.C billing shall be done as per tariff of 11 KV Voltage. The HT service was released on 20-11-2009 and the agreement was also entered into between petitioner Industry and licensee. The Service agreement was entered into on 26-10-2009, where in item No.11 it was mentioned that "The tariff which was applicable for billing as per tariff applicable in 11 KV Voltage".

It is further pleaded that in the month of March 2012 (3/2012) the Licensee approved for change of seasonal period to the petitioner industry and then one more agreement was entered into in which in item No 11 it is mentioned that "The tariff was applicable for 11 KV Voltage for billing".

It is further mentioned that though the petitioner applied for 33 KV supply, the Licensee categorically gave sanction for billing under 11 KV supply only. The petitioner accepted and concluded the agreement billing was done accordingly and the petitioner paid bills regularly.

The petitioner on 11-12-2014 filed a petition before C.G.R.F. Warangal praying to implement 33KV tariff instead of 11KV tariff. The C.G.R.F. in its order in C.G.NO. 432/2014 observed that it will not intervene in this case as agreement was entered for billing as per tariff under 11 KV and the petitioner had to approach Licensee to amend the

filed writ petition No.41050/2014 before the Hon'ble High Court, the Licensee filed counter and this writ petition is pending.

It is further mentioned in Para No.II of reply that If HT consumers avail supply on common feeder they have to avail it on 11 KV upto the load of 1500 KVA, and if the HT Consumers avail supply through independent feeder they have to avail 11 KV upto the load of 2500 KVA, but the petitioner in this case is availing 33 KV Voltage though he has load below 1500 KVA, as such he is not entitled to ask billing as per tariff of 33 KV, contrary to the APERC tariff order.

The respondent further mentioned in Para in & iv of reply that the pentioner submitted a representation to the Director Project. NPDCL, Warangal on 06-10-2015 requesting billing under 33 KV instead of 11 KV as per this request the NPDCL issued a Structions for billing under 33 KV tariff from the billing month of 15/2015 only but did not give any instructions for revision of previous bills. It is pertinently mentioned with a Miss Concept of Instructions Issued in the above Memo the Previously issued Bills were revised with tariff rate 33 KV Voltage and an Amount of Rs. 26,35,472/- was Withdrawn instead of Effecting 33 KV Voltage Billing from the Billing month of 10/2015 ". Therefore during the internal audit of HT records the auditors have pointed out that the instruction issued in the above said memo was wrongly implemented and recommended for raising of the already withdrawn amount. So

6 That before discussing all the facts it is necessary to peruse Clause (iii) under HT category-VIII A-Voltage of supply for the year 2010-11, under which relaxation condition (iii) is extracted as follows:

"iii. In case of HT-1A and HT-II consumer categories for whom the voltage wise tariff is applicable, the Licensee shall levy the tariff as per the actual supply Voltage".

Under HT Category-1 it is mentioned that "This tariff is applicable for supply to all HT Industrial consumers. Industrial purpose shall mean manufacturing processing and / or preserving goods for sale etc".

In the instant case the petitioner's industry is "Ginning Mill (Cotton Ginning and Pressing) as mentioned in the agreement so it is processing industry which falls under H.T category -I, so the tariff mentioned below as A) INDUSTRY GENERAL is applicable as HT.-1 B applies only to ferro alloys unit., so the petitioner industry falls under "HT-1A" as mentioned in rule (iii) above. The petitioner filed tariff tules for the year 2009-2010 in which rule (iii) is not there that means rule (iii) is added to the tariff rules for the year 2010-11. As extracted above "The Licensee shall levy the tariff as per the actual supply voltage. In the petition it is stated that the actual supply voltage is 33 KV and this fact is admitted in the reply in Para No.1 stating as "an Estimate for extending HT supply to M/s Sai. Venkata Agro Industries Pyt.Ltd.,



withdrew the excess bill from 1-8-2010, by following the tariff rules of 2010-11, which override the order of C.G.M (Commercial). It appears that the respondents just ignored the order of C.G.M (Commercial) in the light of E.R.C tariff rules, so they withdrew the excess bill on correct lines.

O8. That because the auditors pointed out that the above said order of C.G.M (Commercial) was not followed by the respondents, they recommended for raising of the withdrawl amount the respondents raised back the withdrawnl amount, otherwise this petition would not have been filed. It is to be stated that the auditors also committed the same mistake which was committed by C.G.M (Commercial). They should have perused the tariff rules of E.R.C for the year 2010-11 Up to 9/2015 and should have come to correct conclusion. So the objection raised by auditors is also liable to be set aside.

O9. It is not out of place to mention here that the order of C.G.R.F. Warangal in C.G. 432/2014 and the writ petition No.41050 2014 filed against this order are not concerned in this case for the reason that C.G.R.F. pronounced order on 11-12-2014 and then writ petition against this order was filed in the year 2014 whereas the C.G.M (Commercial) passed his order on 14-10-2015. Further audit was done obviously after passing the order of C.G.M (Commercial) and then the cause of action arose for this case due to audit objection. For this reason this cause of action arose subsequent to filing of the writ petition. Moreover whatever