

BEFORE THE FORUM
FOR REDRESSAL OF CONSUMER GRIEVANCES
IN SOUTHERN POWER DISTRIBUTION COMPANY OF A.P LIMITED
TIRUPATI

On this the 28th day of June 2013

C.G.No: 364 / 2012-13/ Kadapa Circle

Present

Sri K. Paul
Sri A. Venugopal
Sri T. Rajeswara Rao
Sri A. Sateesh Kumar

Chairperson
Member (Accounts)
Member (Legal)
Member (Consumer Affairs)

Between

Sri. A.V.Subba Reddy
C/o M/s Narayanadri Steels Pvt. Ltd.
Venkata Rajampeta Village & Post,
Rajampeta Mandal
Kadapa-Dist-516115

Petitioner

And

1. Assistant Divisional Engineer/Operation/Town/Rajampeta Respondents
2. Chief General Manager/Finance/SPDCL/Tirupati
3. Divisional Engineer/Operation/Rajampeta
4. Senior Accounts Officer/Operation/Kadapa

Sri. A.V.Subba Reddy, C/o M/s Narayanadri Steels Pvt. Ltd. resident of Venkata Rajampeta Village & Post, Rajampeta Mandal, Kadapa-Dist-516115 herein called the complainant, in his complaint dt:12-03-2013 filed in the Forum on dt:12-03-2013 under clause 5 (7) of APERC regulation 1/2004 read with section 42 (5) of I.E.Act 2003 has stated that

1. On letter dt:09-07-1991 a sum of Rs.87,470/- was deposited by M/s Thriven steels Pvt. Ltd., by way of DD.No:607496 dt:04-03-91 for Rs.60,520/- & DDNo:717699 dt:02-05-91 for Rs.26,950/- with F.A & CCA (R&E), Hyderabad and the same was advised to be adjusted through the CC.bill of

06/91 vide letter No:CE (Comml)/ PO2/471/91-32 dt:09-07-1991.

2. In April 2005, we Narayanadri Steels Private limited have purchased the premises from M/s Thirven steels Pvt. Ltd and the power connection got transferred to our name subsequently. Ever since, we had been requesting the SE (Operation)/SAO (Operation), APSPDCL, Kadapa for adjustment of the above sum and square off the old arrears, but in vain. They are not only continuing the arrears unadjusted, but are also levying surcharge for non payment till date.
3. On 08/2011 a sum of Rs.472725.00 has been added to arrear amount in the CC.bill for the month of 08/2011, without any reason, while there does not exist any such arrears.
4. Thirdly, we have obtained stay order from Honourable High Court of A.P against levy and recovery of FSA for the year 2008-09. Despite furnishing a copy of the same to SE(Operation)/ S.A.O.(Operation), APSPDCL, Kadapa, FSA for 2008-09 is being demanded till date along with delayed payment surcharge. This tantamounts to contempt of court.

| | |
|------------------|-----------|
| FSA For OCT 2008 | 8,53,290 |
| FSA For NOV 2008 | 10,01,070 |
| Total | 18,54,360 |

5. As we are already in deep financial crisis, we could not remit the CC.Charges for the month of July 2012 and our service got disconnected on 31st August 2012. They had requested for deration of load from September 2012. But, we had been denied the same vide LrNo:SE/O/KDP/SAO/JAO/HT/DNo:811 dt:13-02-2013 for the reason that our service is under disconnection.
6. Further in the above cited letter it has also been mentioned that minimum

demand and energy charges will continue to be levied irrespective of the fact that there is no consumption due to disconnection of service.

7. We deem it proper to mention here that, for the entire financial year 2011-12, when our service was under disconnection, minimum demand and energy charges continued to be levied.
8. As we are already in deep financial problems, these minimum charges during the period of disconnection breaks our back bone. Hence, we request you to kindly consider our plight and order removal of minimum charges and delayed payment surcharge levied thereon, for the periods of disconnection from April 2011 onwards.
9. Despite our repeated representation to SE (Operation)/SAO (Operation), APSPDCL, Kadapa, on these issues, we have not received any satisfactory reply from, nor any appropriate corrective measures taken by them. Hence, we are now forced to approach this Forum for redressal of our grievances.

Notices were served upon the respondents duly enclosing a copy of complaint.

The respondents-3 and 4 i.e. the Divisional Engineer/Operation/ Rajampeta and the Senior Accounts Officer/Operation/ Kadapa in their written submission dt:22-03-2013, received in this office on 28-03-2013 stated that:

1. As per Lr.No.CE/Comml/PO2/471/91-32, dt.09.07.1991 the consumer has paid the following amounts to FA & CCA(RE), Hyderabad.

| <u>DD No.</u> | <u>Date</u> | <u>Amount in Rs.</u> |
|---------------|-------------|----------------------|
| 607496 | 04.03.1991 | 60,520.00 |
| 717699 | 02.05.1991 | 26,950.00 |
| | | ----- |
| | | 87,470.00 |
| | | ----- |

In Lr.No.SE/O/KDP/SAO/JAO/HT/DNo.832/02, dt.18.05.2002 a letter was addressed to the FA & CCA /RE/VS/HYD to send necessary JE for the above amounts and reminded on 18.10.2002. The Chief General Manager/ Exp/ APSPDCL/Tirupati has also addressed in Lr.No.CGM/EXPR/ GM/R/SAO/R/AAO/R/JAO/HT/D.No.168/05, dt.01.02.2005 to Executive Director (Accounts) to send credit transfer to Operation Circle, Kadapa. A letter was also addressed to the Chief General Manager /Finance/APSPDCL/Tirupati to obtain credit transfer from the concerned in Lr.No.SE/O/KDP/ SAO/ JAO/ HT/ DNo.400/10, dt.07.08.2010. Copies of said above references are herewith submitted.

2. With reference a sum of Rs.472725/- amount of July, 2011 is as follows. The CMD derated from 2900 KVA to 70 KVA with effect from 02.07.2011 but the bill for the 7/11 (20.06.2011 to 20.07.2011) issued for CMD 70 KVA. Hence the difference MD charges/ Monthly Minimum Charges raised vide RJ No.10/8.2011. In Lr.No.SE/O/KDP/SAO/JAO/ HT/ DNo.399/11, dt.24.09.2011, the consumer was addressed to pay the arrears amount and the said above amount Rs.4,72,725/- exhibited under 7/11. When the then Accountant of the firm comes to this office the same was explained. Copy of RJ and letter addressed to the consumer are herewith submitted.
3. Regarding FSA for October, 2008 and November, 2008 included of Rs.1854360/- in the bills.
4. The consumer represented to Chief General Manager/Finance/ APSPDCL /Tirupati for sanction of installments dt.12.05.2012. The Chief General Manager / Finance sanctioned 8 installments for the total arrears of Rs.7707324/- which includes FSA amount of Rs.1854360/-. Again the consumer represented the CMD to revise the installments duly deducting the FSA amount of Rs.1854360/- pertaining 2008-09. The installments were revised

by the CMD in Memo.No.CGM/FIN/GM/Rev/SAO/AAO/ JAO/HT/D.No.417/12, dt.31.08.2012 for Rs.4227792/- duly deducting the FSA amount of Rs.1854360/- The consumer representing that FSA for 2008-09 is being demanded to till to date is not correct.

5. A letter was addressed to the consumer to pay the above revised installment amount of Rs.4227792/- duly deducting FSA 2008 amount Rs.1854360/-in Lr.No.SE/O/KDP/SAO/JAO/HT/DNo.579/12, dt.11.10.2012.
6. Regarding delayed payment surcharge if any billed on FSA amount will be arrived and withdrawn.
7. Deration of CMD from 3600 KVA to 70 KVA from 9/12, levy of Monthly Minimum demand and Energy charges from 9/12 @ 80% of CMD although RMD is Less than 80% of CMD-reg. In Lr.No.CGM/Fin/GM/R/SAO/R/AAO/R/JAO/HT/D.NO.668/11, dt.24.05.2011 approval was accorded for deration of load in-respect of HT SCNo.CDP062, M/s.Narayanadri Steels Pvt. Ltd., as follows:
 - a. 4900 KVA to 2900 KVA with effect from 04.02.2011 being the date of expiry of 3 months notice for deration by the consumer.
 - b. 2900 KVA to 70 KVA (since HT Monthly Minimum load 70 KVA even through the consumer requested for 50 KVA) with effect from 02.07.2011 being the date of expiry of 3 months notice for deration of CMD by the consumer.
8. Further approval accorded for releasing of additional load CMD of 3530 KVA to the existing CMD of 70 KVA totaling to CMD of 3600 KVA to HT SCNo.062b in Memo.No.CE/ZONE/TPT/ADE/Comml/D.No.907/12 dt.30. 03.12. Accordingly the load was enhanced from 30.03.2012.
9. The consumer in his representation dated 28.01.2013 represented to bill the

MD charges / Energy charges for the recorded MD; as per the APERC order during this R&C period. It was replied to the consumer in this office Lr.No.SE/O/KDP/SAO/JAO/HT/DNo.811/13, dt.08.02.2013 that as per guidelines issued in the FAX Message dt. 24.09.2012 from Chairman and Managing Director/ APSPDCL/Tirupati Endt.No.613/12, dt.25.08.2012 vide S.No.14 since R&C measures do not apply to UDC services Minimum billing as per the tariff orders shall be issued for such services irrespective of category. Further it was also informed that deration of CMD can be considered within one month from the date of receipt of application for such deration from the consumer of R&C services only.

10. In this connection it is requested in view of the above facts to issue necessary instructions to the consumer that the Monthly Minimum Demand /Energy charges are billed holds good during disconnection period for non R&C services.

The respondent-2 i.e. the Chief General Manager/Finance/SPDCL/ Tirupati in his written submission dt:02-04-2013, received in this office on 02-04-2013 stated that:

1. The fact of non-adjustment of an amount of Rs.87,470/- which was paid by the consumer to FA &CCA (R&E), Hyderabad is correct. All the maximum possible efforts were already taken to get the credit transfer. Since there are no transfer of debit/credit transactions between APTRANSCO and DISCOMS, since inception. The process has been delayed, however the matter is close pursuance of the SE/Opn/Kadapa. Soon on settlement of the same the said amount will be accounted for against the consumer account.
2. An amount of Rs.4,72,725/- said to be disputed by the consumer is nothing but the deference of MD charges /monthly minimum charges raised and included

in July 2011 bill is correct. Since the MD is derated from 2900KVA to 70KVA with effect from 02-07-2011 consumer is of the knowledge of the fact. Since the SE/opn/Kadapa has informed the same to the consumer.

3. The consumers version of un-explained of the said amount is not true, correct and far a way from reality.
4. The statement of consumer reading FSA for 2008-09 is utterly false. The said amount of FSA pertaining to 2008-09 amounting to Rs.18,54,360/- has been set aside since the subject is pending in APEX court of India. Further it is to inform that installment were also sanctioned for payment of arrears of CC.Charges vide this office Memo No:CGM (F)/GM(Rec)/SAO/AAO/SA/HT/D.No:417/12, dt:31-08-2012 duly excluding the said FSA for the financial year 2008-09. Hence the consumer's representation is not correct.
5. Deration of CMD from 3600 KVA to 70 KVA from 9/12, raising of Monthly Minimum demand and Energy charges from 9/12 at 80% CMD through RMD is Less CMD 80% - this office has approved deration of CMD vide Letter No. Memo No:CGM/Fin/GM/R/SAO/AAO/HT/D.NO.668/11,dt.24.05.2011 as follows:
 - a. Deration of CMD from 4900 KVA to 2900 KVA with effect from 04.02.2011 being the date of expiry of 3 months notice for deration by the consumer.
 - b. Deration of CMD 2900 KVA to 70 KVA (since HT minimum load 70 KVA even through the consumer requested for 50 KVA) with effect from 02.07.2011 being the date of expiry of 3 months notice for deration of CMD by the consumer.
 - c. And approval was accorded for releasing of additional CMD of 3530 KVA to the existing 70 KVA totaling to CMD 3600 KVA with effect from 30-03-2012 by the CE/Zone/Tirupati.

6. At this juncture consumer represented on 28-01-2013 to bill the MD and energy charges for the recorded MD as per the APERC order during the R&C period. It was replied to the consumer by the SE/Opn/Kadapa that the R&C measures don't apply to UDC services. Minimum billing shall be done as per the tariff order against such services in respect of category. It was also informed to the consumer that deration of CMD can be considered within one month from the date of receipt of application for such deration from the consumer of R&C services only.
7. In view of the above facts and as such there is no material strength in the representation of the consumer and the allegations are not maintainable under any regulation/GTCS it is requested to dismiss and disallow the claim of the consumer.

The Superintending Engineer/Operation/Kadapa though not a respondent he given written submission dt:22-03-2013, received in this office on 28-03-2013 stated that:

1. As per Lr.No.CE/Comml/PO2/471/91-32, dt.09.07.1991 the consumer has paid the following amounts to FA & CCA(RE), Hyderabad.

| <u>DD No.</u> | <u>Date</u> | <u>Amount in Rs.</u> |
|---------------|-------------|----------------------|
| 607496 | 04.03.1991 | 60,520.00 |
| 717699 | 02.05.1991 | 26,950.00 |
| | | ----- |
| | | 87,470.00 |
| | | ----- |

In Lr.No.SE/O/KDP/SAO/JAO/HT/DNo.832/02, dt.18.05.2002 a letter was addressed to the FA & CCA /RE/VS/HYD to send necessary JE for the above amounts and reminded on 18.10.2002. The Chief General Manager/Exp/APSPDCL/Tirupati has also addressed in Lr.No.CGM/EXPR/GM/R/SAO/R/AAO/R/JAO/HT/D.No.168/05,dt.01.02.2005 to Executive Director

(Accounts) to send credit transfer to Operation Circle, Kadapa. A letter was also addressed to the Chief General Manager/ Finance/APSPDCL/Tirupati to obtain credit transfer from the concerned in Lr.No.SE/O/KDP/SAO/JAO/HT/ DNo.400/10, dt.07.08.2010. Copies of said above references are herewith submitted.

2. With reference a sum of Rs.472725/- amount of July, 2011 is as follows. The CMD derated from 2900 KVA to 70 KVA with effect from 02.07.2011 but the bill for the 7/11 (20.06.2011 to 20.07.2011) issued for CMD 70 KVA. Hence the difference MD charges/ Monthly Minimum Charges raised vide RJ No.10/8.2011. In Lr.No.SE/O/KDP/SAO/JAO/ HT/ DNo.399/11, dt.24.09.2011, the consumer was addressed to pay the arrears amount and the said above amount Rs.4,72,725/- exhibited under 7/11. When the then Accountant of the firm comes to this office the same was explained. Copy of RJ and letter addressed to the consumer are herewith submitted.
3. Regarding FSA for October, 2008 and November, 2008 included of Rs.18,54,360/- in the bills.
4. The consumer represented to Chief General Manager/Finance/ APSPDCL /Tirupati for sanction of installments dt.12.05.2012. The Chief General Manager / Finance sanctioned 8 installments for the total arrears of Rs.77,07,324/- which includes FSA amount of Rs.18,54,360/-. Again the consumer represented the CMD to revise the installments duly deducting the FSA amount of Rs.1854360/- pertaining 2008-09. The installments were revised by the CMD in Memo.No.CGM/FIN/GM/Rev/SAO/AAO/JAO/HT/D.No.417/12, dt.31.08.2012 for Rs.42,27,792/- duly deducting the FSA amount of Rs.18,54,360/- The consumer representing that FSA for 2008-09 is being demanded to till to date is not correct.

5. A letter was addressed to the consumer to pay the above revised installment amount of Rs.42,27,792/- duly deducting FSA 2008 amount Rs.18,54,360/-in Lr.No.SE/O/KDP/SAO/JAO/HT/DNo.579/12, dt.11.10.2012.
6. Regarding delayed payment surcharge if any billed on FSA amount will be arrived and withdrawn.
7. Deration of CMD from 3600 KVA to 70 KVA from 9/12, levy of Monthly Minimum demand and Energy charges from 9/12 @ 80% of CMD although RMD is Less than 80% of CMD-reg. In Lr.No.CGM/Fin/GM/R/SAO/R/ AAO/R/JAO/ HT/D.NO.668/11, dt.24.05.2011 approval was accorded for deration of load in-respect of HT SCNo.CDP062, M/s.Narayanadri Steels Pvt. Ltd., as follows:
 - a. 4900 KVA to 2900 KVA with effect from 04.02.2011 being the date of expiry of 3 months notice for deration by the consumer.
 - b. 2900 KVA to 70 KVA (since HT Monthly Minimum load 70 KVA even through the consumer requested for 50 KVA) with effect from 02.07.2011 being the date of expiry of 3 months notice for deration of CMD by the consumer.
8. Further approval accorded for releasing of additional load CMD of 3530 KVA to the existing CMD of 70 KVA totaling to CMD of 3600 KVA to HT SCNo.062b in Memo.No.CE/ZONE/TPT/ADE/Comm/D.No.907/12,dt.30. 03.12. Accordingly the load was enhanced from 30.03.2012.
9. The consumer in his representation dated 28.01.2013 represented to bill the MD charges / Energy charges for the recorded MD; as per the APERC order during this R&C period. It was replied to the consumer in this office Lr.No.SE/O/KDP/SAO/JAO/HT/ DNo.811/13, dt.08.02.2013 that as per guidelines issued in the FAX Message dt. 24.09.2012 from Chairman and

Managing Director/ APSPDCL/Tirupati Endt.No.613/12, dt.25.08.2012 vide S.No.14 since R&C measures do not apply to UDC services Minimum billing as per the tariff orders shall be issued for such services irrespective of category. Further it was also informed that deration of CMD can be considered within one month from the date of receipt of application for such deration from the consumer of R&C services only.

10. In this connection it is requested in view of the above facts to issue necessary instructions to the consumer that the Monthly Minimum Demand /Energy charges are billed holds good during disconnection period for non R&C services.

Findings of the Forum:

The grievance of the complainant comprises of three items as follows.

- i. the first item is that an amount of deposit Rs.87,470/- deposited in the form of DDs in two different numbers by the ex-owner of this firm erstwhile title Triven steels Pvt. Ltd. in 3rd and 5th months of 1991 are not yet adjusted to their account and requested for rectification.
 - ii. the second item is that an amount of Rs.4,72,725/- was included in their CC bill for the month of August 2011 as arrear amount without assigning any reason.
 - iii. the third item is that the FSA corresponding to the year 2008-09 was levied violating the stay orders of the hon'ble High Court of Andhra Pradesh in their case ; WP.No.3278 of 2011 and being demanded along with surcharge for delayed payments.
1. For the item -1, the respondent-2 i.e., the CGM/ Finance/ SPDCL while accepting fact of non-adjustment of the amount of Rs.87,470/-, reported that the matter is being pursued closely by the Superintending Engineer/Operation/

Kadapa and the said amount will be accounted for soon on settlement with APTRANSCO.

2. The contention of the respondent that the said amount will be accounted on settlement with AP. Transco is not acceptable since the issue is of more than 20 years old and the settlement is already badly delayed and hence the respondents shall first adjust the amount to the consumer and then settle the issue in between AP.Transco and APSPDCL as the matter is their internal.
3. For the second item i.e., inclusion of Rs.4,72,725/- as arrears in the August 2011 month bill without assigning any reason, the CGM/Finance/ SPDCL contended that the said amount is towards the difference of MD Charges/monthly minimum charges raised in view of deration from 2900 KVA to 70 KVA with effect from 02-07-2011 and consumer is aware of the fact.
4. The consumer's CMD for the months from 07/2011 to 03/2012 was only 70KVA where as the consumer even though requested for 50KVA the respondents granted 70KVA being the minimum CMD in HT and also the consumer requested for deration from 4900KVA to 2900KVA with effect from 04-02-2011 and also 2900KVA to 70KVA with effect from 02-07-2011. The bill for 07/2011 was issued for the period from 20-06-2011 to 20-07-2011 during which period the MD was 2900 KVA for 12 days and 70KVA for the balance 18 days and hence the difference demand and energy charges are levied by the respondents and hence is justified
5. For the third item, the CGM/Finance/SPDCL stated that the said amount of Rs.18,54,360/- being the FSA for the year 2008-09 has been set aside since the subject is pending in the Apex Court of India.
6. Regarding FSA, respondents duly accepting that the said amount of

Rs.18,54,360/- is just displayed in the bill and kept aside without insisting for payment as the matter is pending with the honourable Supreme Court of India and hence it doesn't matter to the consumer and hence need not have to mention.

In view of the above, the Forum passed the following order.

ORDER

The respondents are directed that they shall settle the adjustment of Rs.87,470/- to the consumer's service within one month from the date of this order.

The complainant is advised to approach FA&CCA, APTRANSCO for confirmation of payment of Rs. 87,470/- and adjustment of the same towards arrears of CC Charges of his HT service.

Shall report compliance on the above order within 45 days from the date of this order.

Accordingly the case is allowed and disposed off

If aggrieved by this order, the complainant may represent to the Vidyut Ombudsman, O/o the APERC, 5th floor, Singarenibhavan, Redhills, Hyderabad-500004, within 30 days from the date of receipt of this order.

Signed on the 28th day of June 2013.

Sd/-
Member (Legal)

Sd/-
Member (C.A)

Sd/-
Member (Accounts)

Sd/-
Chairperson

Forwarded by Orders

Secretary to the Forum

To
The Complainant

The Respondents

Copy submitted to the Honourable Ombudsman, APERC, 5th floor, Singarenibhavan, Redhills, Hyderabad-500004.

Copy to the General Manager/CSC/Corporate office/Tirupati for pursuance in this matter.