

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

On this the 19th day of December 2013

In C.G.No: 147/2013-14/ Kadapa Circle

Present

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

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

Between

Sri. B.Murali Krishna Yadav
C/o Sri Lakshmi Venkateswara Modern Rice Mill
DNo:10/229,
Mydukur Road,
Proddatur Post Mandal,
Kadapa-Dist-516381.

Complainant

And

1. Assistant Accounts Officer/ERO/Proddatur
 2. Assistant Divisional Engineer/Operation/Town/Proddatur
 3. Chief General Manager/Finance/APSPDCL/Tirupati
 4. Divisional Engineer/Operation/Proddatur
 5. Senior Accounts Officer/Operation/Kadapa
- Respondents

* * *

Sri. B.Murali Krishna Yadav, C/o Sri Lakshmi Venkateswara Modern Rice Mill, DNo:10/229, Mydukur Road, Proddatur Post Mandal, Kadapa-Dist-516381. herein called the complainant, in his complaint dt:19-11-2013 filed in the Forum on dt:19-09-2013 under clause 5 (7) of APERC regulation 1/2004 read with section 42 (5) of I.E.Act 2003 had stated that

1. He is an industrial consumer with ScNo:2223301015133 under category-III (A) for a load of 91.8HP with the title M/s Swarnanjali Industries,

Proddatur and paying the CC.Charges regularly as per the bill issued according to the readings taken by the ADE every month.

2. He received a notice from AAO, Proddatur on 07-11-2013 where in it was stated that an amount of Rs.92957/- and 60 paise levied by the internal audit wing for the period from 02/2013 to 10/2013 and the same is to paid within 15 days.
3. The AAO/ERO/Prodatur when contacted the matter replied that the relevant record is not available with him in his office.
4. They came to know that FSA shall not be claimed for more than three months all at a time.
5. They did business with other partners as a joint venture and the accounts for the said period of 10 months was already settled among them and they are facing problems to pay the FSA amounts pertaining to that period.
6. Requested to explain the reasons for why the FSA arrears not raised by the audit wing for about 19 months.
7. Why the records were not transferred while the service is converted from LT to HT and finally requested to cancel the notice since the claim is not on account of date fault.

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

The respondent-3 Chief General Manager/Finance/APSPDCL/Tirupati in his written submission dt:30-11-2013, received in the Forum office on 30-11-2013 stated that:

1. The ScNo:15133, South section Proddatur was actually released under category-III (B) and being billed in HT section along with HT services as per the policy taken by the Management of APSPDCL upto 12/12.

2. Later on the service has converted into LT-III (A) from Category-III (B) at the request of the consumer and service was transferred to ERO for billing purpose.
3. Due to technical problem in systems the data available could not be transferred to ERO at that time.
4. As per the directions of APERC and in turn guidelines issued by the APSPDCL in Memo No:1128/12, dt:27-09-2012 FSA charges are leviable for the consumption month of August 2010 in February 2013.
5. Due to non availability of the consumption data in ERO, FSA charges could not be levied at that time by over sight.
6. During the course of internal audit, the auditors pointed out about the non-levy of FSA charges as per the APERC directions and accordingly shortfall of Rs.92,958/- has been raised towards FSA charges for the period mentioned above.
7. Notices were also served to the consumer as per the regulation 5/2004 of APERC and the complainant is liable to pay the FSA charges as demanded by the licensee.

The respondent-2 Assistant Divisional Engineer/Operation/Town/Proddatur in his written submission dt:30-11-2013, received in the Forum office on 04-12-2013 stated that:

1. It is to submit that, FSA arrears to be paid by the above consumer was pointed out by the internal audit wing during inspection conducted by them for the period from 26-10-2013 to 04-11-2013. These arrears to be collected was pointed by the IA for the billing period from 11/12 to 10/2013 i.e. 12 months only and not for 19 months as pointed out by the consumer.

2. The service is under HT billing upto the billing month of January 2013, As such FSA for the month of March 2009 and March 2010 were included in the HT bill for the month of January 2013. Since the billing was done under LT at Elecy. Revenue Officer, from the month of February 2013 the Elecy revenue Office wing has not claimed FSA for the period from 02/2013 to 10/2013 due to non availability of readings and consumption for calculation of FSA amount for the months noted below.

<u>Billing Month</u>	<u>FSA to be calculated for the consumption month of</u>		
February 2013	August 2010		
March 2013	September 2010		
April 2013	October 2010	&	July 2012
May 2013	November 2010	&	August 2012
June 2013	December 2010	&	September 2012
July 2013	January 2011	&	October 2012
August 2013	February 2011	&	November 2012
September 2013	March 2011	&	December 2012
October 2013	April 2013		

3. FSA now pointed by the internal audit wing (and questioned by the consumer) are not included while LT billing at Elecy. Revenue Office due to non availability of consumption (HT billing) details in the software of non-slab spot billing machine.
4. FSA has to be paid as per the orders issued by the APSPDCL.

The respondent-1 Assistant Accounts Officer/ERO/Proddatur in his written submission dt:23-11-2013, received in the Forum office on 04-12-2013 stated that:

1. The Internal auditors has assessed short fall amount of Rs.92, 957.60 (Rupees Ninety two thousand nine hundred and fifty seven and sixty paise only) towards FSA against SC No.2223301015133 of South

Section of Proddatur during the course of audit conducted from 26/10/2013 to 04/11/2013.

In this connection, the following information is submitted here under.

2. The SC No.2223301015133 of South Section, Proddatur against which the master data is as follows:

Name : M/S. Swaranjali Industries.
SC No.: 2223301015133
Section : South, Proddatur
Cat : LT III (A)
Phase : 3
Load : 91.8 HP

3. The SC No.2223301015133 is transferred from HT section Central office, Kadapa to ERO/Proddatur vide Memo.No.SE/O/KDP/SAO/JAO/HT/ D.NO.759/12, Dt.21/12/2012 (copy enclosed) due to conversion of LT III (B) to LT III (A) having contracted load upto 100 HP can be effected and recategorised under LT III (A) and billed accordingly as per the Tariff order 2012-2013.
4. The SC No.2223301015133 is being billed under LT Cat.III (A) from 02/2013 at ERO/Proddatur. But the bills are issued from 02/2013 to 10/2013 without adding the FSA amount. In normal business, the FSA is calculated and included in the cc bills as per the programme in the Common Billing System (CBS). Since the FSA could not be calculated and added to the SC No.2223301015133 due to non-availability of previous consumption in the Computer software of the LT Billing due to transfer of the service from HT to LT.
5. During the course of the audit, the internal auditors has pointed out the missing FSA demand and assessed the short fall amount is as follows. :

Units consumed period	FSA ought to be billed	Units	FSA Rate	FSA Amount Rs
Aug-10	Feb-13	6342	14.22	901.83
Sep-10	Mar-13	7132	14.22	1014.17
Oct-10	Apr-13	7989	29.41	2349.56
Nov-10	May-13	7006	29.41	2060.46
Dec-10	Jun-13	10327	29.41	3037.17
Jan-11	Jul-13	7526	122.39	9211.07
Feb-11	Aug-13	8097	122.39	9909.92
Mar-11	Sep-13	10510	122.39	12863.19
Apr-11	Oct-13	7808	32.58	2543.85
Apr-12	Nov-12	8080	132.75	10726.20
May-12	Dec-12	6341	132.75	8417.68
Jun-12	Jan-13	8589	132.75	11401.90
Jul-12	Apr-13	4339	62.13	2695.82
Aug-12	May-13	6827	62.13	4241.62
Sep-12	Jun-13	3988	62.13	2477.74
Oct-12	Jul-13	4493	54.70	2457.67
Nov-12	Aug-13	4240	54.70	2319.28
Dec-12	Sep-13	4741	54.70	2593.33
Jan-13	Oct-13	3531	49.14	1735.13
Total FSA Amount Rs.				92957.60

6. As per the audit slip, the consumer of SC No.2223301015133 is issued 15 days notice vide Lr.No.AAO/ERO/PDR/JAO.II/Jr.Asst.Audit./D.No.1154/13, Dt.7/11/2013.
7. It is submitted the following further information in response to the consumer letter which is enclosed to the notice of CGRF.
- a. When the consumer approached to this office, we explained everything regarding the short fall amount as per the records available in ERO.
 - b. As per the terms and conditions of the supply, the short fall amount can be assessed for missing units/amount of the previous

months for collecting the short fall amount duly issuing the notice to the consumer.

- c. The FSA amount has not been included in CC bills since Feb/2013 i.e. 9 months only not 19 months as stated by the consumer.
 - d. The said short fall FSA amount is not included in the CC bills of the previous months when the service is at HT section.
 - e. The said short fall FSA amount could not be included in the CC bills from 02/2013 to 10/2013 due to non-availability of the data in the computer software of the LT billing only and the same is not observed by the ERO staff as the case is exceptional i.e. Transfer of Service from HT to LT.
8. Finally it is submitted that the said short fall amount is not included in the previous cc bills only because of the above said reasons and the said FSA amount pointed out by the Internal Auditors is correct. Hence, the amount is payable by the consumer.

Findings of the Forum:

1. The complainant is an industrial consumer. For his service having a load of 91.8HP and paying the CC.Charges every month regularly as per the bills received and the ADE used to visit his premises every month and obtaining readings, but on 07-11-2013 received a notice for an amount of about Rs.93,000/- and the payment was demanded within 15 days.
2. On approaching the AAO/ERO/Proddatur he came to know that the said amount is towards FSA for the period from 02/2013 to 10/2013 as per the internal audit wing. Levying of such a huge amount at a later date of about 19 months had become difficult for them, as the accounts for the corresponding period were already settled among his other partners.

3. The grievance is that levy of FSA after a lapse of 19 months is not correct in view of the fact that the FSA shall not be levied after more than 3 months. Requested to cancel the notice and render justice.
4. The respondents version is that the internal audit wing during their inspection from 26-10-2013 to 04-11-2013 had pointed out that the consumer had to pay the FSA arrears from 11/2012 to 10/2013 i.e. for 12 months only, but not 19 months as commented by the consumer, the service was under HT billing upto the billing month of January 2013 and hence the FSA for the months of March 2009 and March 2010 were included in the HT bill for the month of January 2013, since the billing was done under LT at ERO, Proddatur from the month of February 2013, the ERO wing has not claimed FSA for the period from 02/2013 to 10/2013 due to non availability of readings and consumption for calculation of FSA.
5. The levy of FSA in respect of certain categories of the services was already approved and orders passed by the honourable APERC which are to be implemented truly by the licensees and as such in this case also the complainants being an industrial consumer also shall have to pay the FSA as scheduled and levied by the licensee as it is quite in order.
6. Only the point of consideration is that levying of the FSA all at a time for a period of about 12 months i.e. from August 2010 to January 2013 in the billing months of November 2012 to October 2013 totalling to an amount of Rs.92,957/-
7. The reason that information with regards to the conversion of the service from category-III (B) to Category-III (A) and also non availability of data about the consumption under HT and there is no provision in the

programme of FSA billing is not convincing. Had the bills were levied from time to time the complainant might have paid the amounts then itself and there shall not be much hardship to him in paying the amounts. Moreover the complainant expressed that the difficulty in payment is due to settlement of accounts among the partners of their business.

8. The delay in the said assessment of FSA and claiming after a period of one year resulted in postponement of revenue of the licensee and the interest upon.
9. The loss sustained by the licensee in the form of interest shall be met by the respondents from their side.
10. As such it is felt by the Forum that levy of the FSA all at a time for a period of one year is improper though it has to be paid by the consumer and hence the respondents shall have to allow easy installments free of interest to the consumer.

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

ORDER

The respondents are directed that

1. they shall allow the complainant to pay the amount of Rs.92,957-60 ps in easy installments and no interest or surcharge shall be levied upon the said amount.
2. they shall meet the amounts of surcharge or interest on the above said amount of FSA from their own.

The complainant is directed that he shall pay the amount of FSA Rs. 92,957-60 ps in installments as per the schedule duly obtaining the same up on approaching the respondent -5 without fail.

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 this the 19th day of December 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 to the General Manager/ CSC/ Corporate office/ Tirupati for pursuance in this matter.