BEFORE THE FORUM FOR REDRESSAL OF CONSUMER GRIEVANCES

IN SOUTHERN POWER DISTRIBUTION COMPANY OF A.P LIMITED TIRUPATI

On this the 15th day of May 2018 In C.G.No:188/ 2017-18/Vijayawada Circle

Present

Sri. A. Jagadeesh Chandra Rao Sri. A. Sreenivasulu Reddy

Sri. D. Subba Rao

Sri. Dr. R. Surendra Kumar

Chairperson
Member (Finance)
Member (Technical)
Independent Member

Between

M/s. Varun Motors Pvt.Ltd,
Dealers of Maruti Suzuki India Ltd,
D.No.1-621, 1st Cross Road,
Auto Nagar, Gudiwada,
Krishna Dt.

Complainant

AND

1. Assistant Accounts Officer/ERO/Gudiwada

2. Assistant Engineer/O/Gudiwada 1

3. Assistant Divisional Engineer/OSD/Gudiwada

4. Divisional Engineer/DPE/ Vijayawada

5. Divisional Engineer/O/Gudiwada

Respondents

ORDER

- Complainant presented this complaint against issuing of assessment notice for short billing.
- 2. The case of the complainant is that they are the authorized dealers of M/s. Maruthi Suzuki India Ltd and have taken on lease, the premises situated at D. No. 1-621, 1st Cross Road, Auto Nagar Gudiwada Krishna Dt. to set up and operate a workshop. They have applied for sanction of power connection to the Licensee for running a workshop and as they come under the purview of SSI, Department has provided service connection vide Service No.6111200005909 under LT Category –III (A) and since then they are paying the bills regularly. Department of Industries Government of A.P. issued certificate vide UAN 280162200034. They come under the category of 'Workshop'.



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- 3. While it is so, all of a sudden, the ADE/O/Gudiwada Town issued a notice without there being any notice as per the General Terms and Conditions of supply issued by Hon'ble APERC stating that the service connection of their workshop was inspected on 13.10.2016 by Sri. K. Venkata Krishna and complainant was utilizing power supply for servicing of cars and proposed back billing for one year and is liable to pay provisionally assessed amount of Rs.1,53,563/. As the complainant was aggrieved by the said provisional assessment, they made a representation to DE/O/Gudiwada on 26.10.2016 and on that he accepted that the complainant comes under the purview of Category-III (A) and observed that they are utilizing the supply for repairing of cars i.e. as workshop which comes under Category III as per tariff order F.Y. 2015-16. DE further observed that connected load is more than contracted load and issued a memo Dt: 16.11.16 to regularize the additional load.
- 4. Since the complainant has not received any response and again they represented on 27.02.2017 and appeal to Superintending Engineer on 20.03.2017, thereafter on 31.07.2017 ADE came forward to disconnect the power supply and in that instance they have paid 50% of the provisional assessment amount and submitted the receipt of the same along with representation Dt: 31.07.20107 and the authorities restored the power supply. The authorities have added Rs.34, 774/- as additional amount in the regular bills.
- 5. Moreover, the workshop of the complainant has been identified in the list of small scale industries as a SSI unit by the Government of A.P in G.O.Ms.No.61 Industries and Commerce (IP) department Dt: 29.06.2010. Based on such SSI certificate their workshop has been considered under LT Category III (A) and department has sanctioned power supply in the year 2012.
- 6. The conversion of their service connection to Category II is contrary to law and their service connection No. 6111200005909 is liable to be continued under LT Category III (A). Hence the complaint.

- 7. DE/DPE/Vijayawada filed written submissions stating that defective parts of the cars are replaced by taking new parts from stores and cars were serviced by washing with water in washing area on commercial basis. The word used for workshop means there is a production of new material which are used at other commercial outlet. At present premise, no single product is manufactured. Defective parts of the cars will be replaced with new ones and replacement was done hence the unit is only an automobile service station. Automobile service centers were reclassified under Cat II instead of Cat-III Vide Memo. No. CGM/O&P&MM/DE/Comml/F. Grievances/D.No.1179/2008 Dt: 04.7.2008.
- 8. DE/O/Gudiwada filed written submissions reiterating the contentions of DE/DPE/Vijayawada. So also Respondent No.1 filed written submissions on similar lines.
- 9. SE/DPE/TPT addressed a letter stating as per the orders of the Licensee service stations will not fall under workshop category.
- 10. The point for determination is whether the service connection of the complainant has to be continued in Cat- III (A) and the provisional assessment order Dt: 17.10.2016 is liable to be set aside?
- 11. The learned counsel of the complainant argued that the unit of complainant will come under the definition of workshop. Complainant had also obtained certificate from Government of A.P that their unit will come under the category of work shop, basing on the certificate the service only sanctioned. The contention of the Respondent No.4 is that in view of the circular issued by the Licensee in the year 2008 all the automobile centers have to be given service connection under Category II only is not correct. Complainant also filed orders of Hon'ble Vidhyut Ombudsman Dt: 03.09.2012 in appeal No.38/2012 wherein the Hon'ble Vidhyut Ombudsman held that the appellant i.e M/s. Orange Auto Pvt Ltd. will come under Category III (A) industrial as per tariff order. The order of the Hon'ble Vidhyut Ombudsman is binding on the Licensee. He also further argued that DE/O/Gudiwada issued a Memo Dt: 16.11.2016 to the effect that the said DE inspected the

- location on 31.10.16 at 12.00 P.M and observed that the consumer is utilizing supply for repairing of cars i.e as workshop which comes under Category III (A) as per tariff order F.Y. 2015-16.
- 12. Complainant also filed Photostat copy of letter issued by M/s. Maruti Suzuki India Ltd stating that 1. Mechanical repair works. 2. Wheel alignment and wheel balancing. 3. Regular periodical services. 4. Damaged and crushed parts repairing. 5. Damaged panels denting works 6. Panel painting works are being carried out at the workshop.
- 13. Complainant also filed Photostat copy of certificate issued by inspector of factories Machilipatnam for the complainant in Form No.4. Complainant further argued that the meaning of workshop is "A room or building in which goods are manufactured or repaired, factory, works, plant: shop, industrial unit, business unit; synonymous: Garage- a Car Repair workshop". The meaning of service Centre "A store or other place where you can have products, equipments or vehicles checked and repaired". The meaning of service station is "An establishment beside a road selling petrol and oil and sometimes having the facilities to carryout maintenance". He also further argued that tariff applicable to LT Category III (A) industry is also applicable to workshops as per tariff order. So the contention of the Respondents that the unit of the consumer will not under the purview of workshop and comes under the purview of automobile service centers as per the circular issued by the then Chairman and Managing Director in the year 2008 is not correct, illegal and erroneous. The Respondents are legally not permitted to convert the service connection under Category- II and hence the orders of the Respondents may be set aside. On the other hand the contention of the Respondents is that the premises used only for servicing of cars on commercial basis. Defective parts of the cars will be replaced with new one from stores. There is no manufacturing or repairing of parts. There is only replacement of parts. The premises used only for servicing automobiles. The circular issued by the Licensee Dt: 04.07.2008 clearly shows that there is no industrial activity in the automobile service stations, the service cannot be

- considered under LT Category- III (A). The service to such centers shall be released under Category II only. Service was released in the year 2012. But back billing was done only for one year according to Clause No. 9.3 of General Terms and Conditions of Supply.
- 14. During the pendency of this case on 25.04.2018 the representatives of complainant approached the Forum at Gudiwada while conducting Adalats and there a proposal was made for revisit of the premises to ascertain the connected load used by the complainant for different activities. As both the representatives of the Complainant and Respondent. 5 (DE/O/Gudiwada) accepted for revisit. AE/O/GudiwadaTown1 inspected the premises on 25.4.2018 and recorded the connected load used by the complainant for different activities. The report shows that the connected load for workshop is 29.4 KW + 29 HP and the office load is 7.88 KW totalling to 37.28 KW + 29 HP. AE has also given the details of load apparatus wise used in the workshop and also office. This report clearly shows that the total connected load of the service connection is 58.914 KW out of which the workshop load is 51.034 KW which works out to 86.62%. So it clearly shows that the complainant is utilizing lion's share of connected load for the workshop only.
- 15. The contention of the Respondents that only replacing of spare parts and servicing of automobiles is carried out in the premises and as there is no manufacturing activity, the premises of the complainant will come under servicing stations and not under workshop is not correct. The details given by the AE/O/Gudiwada Town1 clearly shows that different activities are carried out in the premises. The certificate issued by M/s. Maruti Suzuki India Ltd shows that about 6 different activities are carried out in the premises. No authority is placed by Respondents to show that repairing of cars and replacement of damaged spare parts or garage will not come under the purview of workshop. It appears that the memo issued by the Licensee Dt: 04.07.2008 for automobile servicing centers is misinterpreted in this case. Since 6 different activities are carried out in the premises by the complainant, the contention of the Respondents that the premises of the

complainant will come under Category II is not correct. The Hon'ble Vidhyut Ombudsman also in the above referred case opined on similar lines.

16. In view of the above reasons the Forum is of the considered view that the premises of the complainant having service connection No. 6111200005909 will come under Category III (A) Industrial only. So the provisional assessment notice served on complainant Dt: 17.10.2016 is not valid and liable to be set aside. Accordingly the complaint is disposed off with directions to refund the 50% of the assessment amount paid by the complainant together with simple interest of 18% P.A. on such amount by way of adjustment in future bills. The differential tariff excess amount if any paid by the complainant on account of change of category effected consequent to the inspection of service by DE/DPE shall be withdrawn. Further the Respondent No.3 is directed to issue notice for regularization of the additional connected noticed during the inspection of service AE/Gudiwada/Town 1 on 25.04.2018 as per the GTCS provisions.

If aggrieved by this order, the Complainant may represent to the Vidyut Ombudsman, Andhra Pradesh, Flat No:401, 4th Floor, Ashoka Chambers, Opposite to MLA Quarters, Adarsh Nagar, Hyderabad-500063, within 30 days from the date of receipt of this order.

This order is passed on this, the 15th day of May 2018.

Sd/-Member (Finance) Sd/-Member (Technical) Sd/-Independent Member 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. Copy to the Nodal Officer(Chief General Manager/Operation)/CGRF/APSPDCL/TPT.

Copy Submitted to the Vidyut Ombudsman, Andhra Pradesh, Flat No:401, 4th Floor, Ashoka Chambers, Opposite to MLA Quarters, Adarsh Nagar, Hyderabad-500063.

Copy Submitted to the Secretary, APERC,11-4-660, 4th Floor, Singareni Bhavan, Red Hills,

Lakdikapool, Hyderabad- 500 004.