

ELECTRICITY CGRF
(Under The Electricity Act, 2003)
ANDAMAN & NICOBAR ISLANDS
PORT BLAIR

Before:

Shri. R. Ravichandar, Chairman.
Smt. Biji Thomas, Independent Member (JERC Nominated).

In the matter of:

Shri. Arshad Waseem, C/o M/s Neha Builders & Roadways, R/o Betapur,
Rangat, North & Middle Andaman.

.....Complainant

Versus

The Electricity Department, A & N Administration, Port Blair.

.....Respondent

Complaint No. : ANI/CGRF/337/24-25/14 dated 01/07/2024.
Complaint : Conversion of existing Industrial to Commercial Category
bearing Consumer No. M5/2652 (Industrial)
Date of Hearing : 23/07/2024
Date of Order : 06/08/2024

ORDER

Background

The complainant Shri. Arshad Waseem, C/o M/s Neha Builders & Roadways, R/o Betapur, Rangat, North & Middle Andaman bearing consumer No. M5/2652(industrial) filed a complaint vide R.D. No. 633 dated 01/07/2024 regarding the electricity department to forcibly convert my existing industrial electricity connection to commercial category.

The complaint was forwarded on 02/07/2024 to the Assistant Engineer (Workshop), Nodal Officer for CGRF, Executive Engineer (Rural), Assistant Engineer (Rangat), Electricity Department who represents the Respondent/Licensee (ED) for submitting reply/comments and for attending the Hearing fixed on 23/07/2024 at 11:30 a.m. in the APWD Guest House at Kadamtala with relevant documents to depose before the Forum. A copy of this letter was also endorsed to the complainant for attending the Hearing on 23/07/2024 at 11.30 a.m.

The Respondent on behalf of Licensee (ED) i.e., Assistant Engineer (W/shop), Electricity Department filed his letter No. EL/AE(W/shop)/2-16/2023-24/481 dated 11/07/2024, which was received by the Forum on 18/07/2024, which is kept in case file **(Exbt. -1)**.



Hearing on 23/07/2024

The Hearing was held on 23/07/2024 in the APWD Guest House, Kadamtala at 11:30 a.m. The following were present: -

- (i) Shri. Arshad Waseem, Complainant
- (ii) Shri. Amarjeet Singh Saini, AE (Rangat), Elect. Dept.
- (iii) Shri. D. Ramakrishna, MRLCC, Elect. Dept.

Statement of the Complainant

Complainant Shri. Arshad Waseem stated in his complaint letter dated 01/07/2024 that "I am a consumer of electricity under the Andaman and Nicobar Islands Electricity Department, having connection No. M5/2652 in the industrial category since 2014.

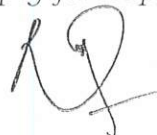
It may be seen from your records, copies of which are with me as follows:

- 1. That I had applied for this connection No. M5/2652 for use in my stone crusher unit run by me under the name of my firm M/s Neha Builders and Roadways on 01.08.2014 under industrial category and since then it was sanctioned under industrial category, connection was provided and has remained since then under industrial category, with bills being raised and paid at the same tariff all throughout.*
- 2. That with increase in load at my crusher unit, I made an application dated 06.02.2015 for installation of a transformer to support my load of 181.5 HP based on which I was informed by the Assistant Engineer (T&D) Rangat on 27-02-2015 that a transformer of 200 KVA and 11 KV HT line would be required to be installed at my cost. I had agreed to the same and complied with the requirements of connections, wiring and payment for the said transformer installation, which was duly sanctioned and ordered to be installed.*
- 3. That after compliance of all due procedures, the transformer was installed at my premises at my cost to provide me the 11 KV HT line for my crusher unit and the said connection remained under industrial category, with bills being raised and paid at the industrial rates.*
- 4. That when the transformer suffered some defect in July 2023, I had written to the department for the defects to be rectified and after the same was done, I was informed by the authorities of the electricity department at Betapur that the repair and reconnection after repair, would be done only if I submitted a letter for conversion to commercial category, as otherwise no work would be done. I was told that the rates and tariffs would remain the same and I did not have to make any further payments as my earlier security deposit would remain the same, and being under such misconception and coercion that if I*



did not give a no objection letter, the connection would not be restored. I had been forced to give consent for change to commercial category.

5. That subsequently, I was issued with a letter no. EL/JE/BP/3-7/23-24/215 dated 31.07.2023 issued by the Junior Engineer, Betapur section asking me to produce the 'Industrial Certificate' failing which my connection M5/2652 would be converted to commercial. I had inquired over the matter and was told to immediately produce a certificate from Directorate of Industries that I was running an industry, else my connection would be cut off.
6. That I had approached the Directorate of Industries and was informed that there was no such thing as industrial certificate, but was also told that I already had the requisite issued certificate under MSME category from the online portal by the Directorate of Industries, which would disclose the industrial nature of my work as a stone crushing unit under the National Industrial Classification, issued as Udyam Registration, which was already issued to me in March 2023.
7. That accordingly, I had applied for and was issued such Udyam Registration as MSME by the Ministry of Micro, Small and Medium Enterprises, Government of India under Registration No. UDYAM-AN-03-001322 dated 07.03.2023 in the name of my firm M/S NehaBuilder and Roadways, showing my industrial classification code as Category 08-Other Mining and Quarrying Class 0810- Quarrying of Stone, Sub-class 08106-Crushing and Breaking of Stone.
8. That I had submitted the copy of such certificate to the Junior engineer, in proof of my industrial categorization and tariff applicable to me as industrial category, and had informed that I no longer gave my consent for commercial connection, as I did not fall within commercial category in any event.
9. That I was then shocked to receive letter No. EL/JE/BP/4-2/2023-2024/401 dated 04.12.2023 by the Junior engineer, Betapur section directing me to apply for the new connection format in commercial category, failing which my line would be disconnected. I was also issued with a document purporting to be a demand order issued for me to submit Rs.13,59,142/- to the Manager, State Cooperative Bank towards security deposit account of Electricity Department under No. EL/AE/TD/RGT/4-4/2024/01 dated 04.01.2024.
10. That it is completely inexplicable why I am being harassed in this fashion by the electricity department, when it is clear that I fall in the industrial category from three different levels as per the Government norms and rules: -
 - a. Since my connection is an 11KV HT Line for which specifically transformer was installed, in terms of JERC Tariff orders my connection comes directly in the industrial category. Under chapter 7: Tariff schedule, subchapter 7.2: applicability, it is evident that at serial 6, industrial HT category will apply for supply of energy at 11 KV and



misinterpreted by the complainant whereas the word '**stone crusher**' is not at all mentioned in the above para.

- b. The content of para is not incorporated in JERC Supply Code Regulations 2018, and this department is strictly adhere to JERC Supply Code Regulations 2018.
- c. Yes, Certificate of Udyam received from consumer issued by MoMSME.

11 As per Tariff Order 2023-2024, crusher unit is not mentioned in Industrial LT or Industrial HT as well as in Commercial Category. So, a particular consumer cannot be given preference to be the beneficiary of Industrial Category".

The Respondent/Licensee (ED) has submitted copies of consumer's complaint letter, notice issued to the consumer, meter reading records, consumer's application form, letter to the EE (Rural), which is kept in the case file(Exbt.-3).

Submission of the Complainant

The Consumer complainant Shri. Arshad Waseem has submitted that he has been provided with an LT industrial category connection since 2014. In February 2015, he has increased his connected load to 200 kVA, and the necessary work was completed on a deposit basis. His current consumption aligns with the HT industrial category. Further he stated that he has received a notice proposing to convert his connection from industrial to commercial based on the new tariff order 2023-24. He believes that this conversion is not appropriate considering his load and usage, and it will adversely affect his billing and overall costs.

Submission of the Respondent (Licensee)

The AE (Rangat) on behalf of the Respondent/Licensee(ED) stated that "According to the new tariff order 2023-24, we have proposed converting the complainant's connection from industrial to commercial. The consumer is consuming power under the HT category with a connected load of 200 kVA, which suggests the billing should be under HT (industrial). However, as per the new tariff order, the conversion to a commercial category is warranted. A notice was issued to the consumer regarding this proposed change."

Forum's Observation

Thecomplainant has stated that he has been provided with an LT Industrial category connection since 2014. In February 2015, he has increased his connected load to 200 kVA, and the necessary work was completed on a work deposit basis. His current consumption aligns with the HT industrial category. Further he stated that he has received a notice proposing to convert his connection from industrial to commercial based on the new tariff order 2023-24.



scrutinizing of the documents of shifting of connection from Shanti Nagar to TV Kullum, it is found that no recommendation certificate from industrial department is provided to obtain the industrial category connection. Also, it is found that on the top of the estimate, three-phase commercial is marked.

2. In the year 2015, as per letter No. NIL, dated 12-03-2015, of Sh. Arshad Wasim, applied for upgradation of the existing connection with increase of connected load, in which he has requested for installation of 200 KVA distribution transformer. An approval was obtained to install 200 KVA distribution transformer at the site of Sh. Arshad Wasim at the cost of Rs. 5,48,442/- and a difference security amount received from the consumer for Rs. 33,750, vide Passbook No. EL/AE/TD/RGT/4-4/2015/75 dated 23-07-2015.
3. Present site three-phase connection was provided on 09.09.2014 as per record.
4. When the Distribution transformer of the consumer became defective, Distribution transformer of 200 kVA was repaired and reinstalled at the cost of the consumer. However, on a humanitarian ground, a healthy distribution transformer was provided to him till his original distribution transformer got repaired at Fort Blair. So this is a wrong allegation by the consumer that this department is harassing him. Instead, this department supported him for his work.
5. A notice was served to him by the Junior engineer Betapur to submit the industrial certificate to avail the facility/benefit of industrial connection.
6. & 7. The consumer produced a Udyam Registration Certificate vide C. No.UDYAM-AN-03-0001322 dated 07-03-2023 in the name of M/S Neha Builder and Roadways.
- 8 & 9. A letter was submitted by Junior engineer Betapur to convert the existing industrial connection to commercial connection as the Udyam certificate submitted by the consumer doesn't fulfill the criteria to be beneficiary of industrial connection as per JERC.
10. Reply of point 10
 - a. As indicated by the consumer vide Tariff order chapter 7 Tariff Schedule Subchapter 7.2 under Serial 6, LT Industrial Category which states "The schedule will apply for supply of energy at low tension for lighting, fan and power to industrial establishments and industries such as wood-based, cottage, small-scale, medium-scale, finishing, shell-based and any other establishments, organizations engaged in the manufacturing and processing of goods for sale, rice mills, flour mills, workshops, dry docks, factories, base repair organizations, public waterworks and gem cutting units". It seems to be



misinterpreted by the complainant whereas the word 'stone crusher' is not at all mentioned in the above para.

- b. The content of para is not incorporated in JERC Supply Code Regulations 2018, and this department is strictly adhere to JERC Supply Code Regulations 2018.*
- c. Yes, Certificate of Udyam received from consumer issued by MoMSME.*

11 As per Tariff Order 2023-2024, crusher unit is not mentioned in Industrial LT or Industrial HT as well as in Commercial Category. So, a particular consumer cannot be given preference to be the beneficiary of Industrial Category”.

The Respondent/Licensee (ED) has submitted copies of consumer's complaint letter, notice issued to the consumer, meter reading records, consumer's application form, letter to the EE (Rural), which is kept in the case file(**Exbt.-3**).

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The AE (Rangat) on behalf of the Respondent/Licensee(ED) stated that "According to the new tariff order 2023-24, we have proposed converting the complainant's connection from industrial to commercial. The consumer is consuming power under the HT category with a connected load of 200 kVA, which suggests the billing should be under HT (industrial). However, as per the new tariff order, the conversion to a commercial category is warranted. A notice was issued to the consumer regarding this proposed change."

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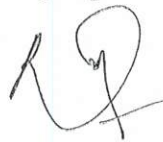


The Respondent stated that "According to the new tariff order 2023-24, we have proposed converting the complainant's connection from industrial to commercial. The Forum observed that as per the supply code regulation 2018 under sec 4.3, the contracted load/connected load exceeding 100 KVA and up to and including 5000 KVA the system of supply to be given on high tension in the range of voltage 6.6 KV to 33 KV. In Andaman and Nicobar Island such consumers are provided with system of supply voltage level at 11 KV. Upon reviewing the statements and the details of the case, the forum observes that: -

- The connection was provided under the LT industrial category since 2014.
- The consumer increased the connected load to 200 KVA in 2015 and the consumer's current consumption is under the HT category, indicating that the billing should be under HT category only.
- As per the letter submitted by the AE(T&D) RGT also confirms that the tariff order for the FY 2023-2024, the crusher unit is not mentioned in the industrial LT or industrial HT as well as in commercial category.
- As per the request of the JE (ED), Betapur the consumer submitted an Udyam registration certificate issued by Ministry of Micro Small and Medium Enterprises, Government of India, to the complainant M/S Neha Builders and Roadways mentioned as their major activity as manufacturing.

Considering these observations, the forum observed that 'stone crushers' do not fall under any specific category in the tariff order under Chapter 7.2 Applicability. Despite this, the consumer has been using a Low Tension (LT) industrial connection since 2014, and presently the consumer comes under the HT category due to enhancement of connected load and the Forum observes that as per the directive of JERC for loads above 100 KVA, the supply shall be connected on 11 KV and a separate transformer of adequate capacity shall be installed at consumer cost as per Electricity Supply Code Regulations, 2018 notified by JERC and as amended from time to time. In case of consumers where the metering is being done on the low voltage side, the consumption should be computed by adding **3%** extra on account of transformation/losses. This arrangement shall be continued for a maximum of one year within which metering shall be shifted to HT (11 KV) side of the transformers.

Further, as per Tariff Order FY 2023-24 dated 28/03/2023 approved by the JERC in Andaman and Nicobar Islands, it was clearly mentioned that HT category is covered under Industrial only. Hence, the same should be implemented in A&N Islands without any discrimination. Further, if any modification is required, it should be proposed to JERC for further amendment.

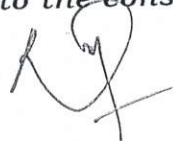


Hence,

It is Ordered:

After detailed deliberations, submissions and documents produced before the Forum, and based on the observation so reached, the following Order is passed: -

1. The Case No. 337 is hereby closed with specific direction to the Respondent as follows: -
2. The Respondent/Licensee (ED) is directed to bill the Consumer under HT category since the connected load of the consumer is 200 KVA and the supply connected on 11 KV and the transformer installed at consumer cost as per Electricity Supply Code Regulations, 2018 notified by JERC.
3. The Respondent/Licensee (ED) is directed to follow the Tariff Order FY 2023-24 dated 28/03/2023 approved by the JERC in Andaman and Nicobar Islands, wherein it was clearly mentioned that HT category is covered under Industrial only. Hence, the same should be implemented in A&N Islands without any discrimination. Further, if any modification is required should be proposed to JERC for further amendment.
4. The Respondent/Licensee (ED) is directed to use the methodology adopted by JERC in the case of consumers where the metering is done on the low voltage side of the transformer instead of the high voltage side, the consumption should be computed by adding 3% extra on account of transformation /losses. This arrangement shall be continued for a maximum of one year within which metering shall be shifted to HT (11 KV) side of the transformers.
5. The Respondent/Licensee (ED) is directed to take up the issue with JERC while submitting tariff petition for the upcoming year to include all the industrial and manufacturing activities in the Andaman and Nicobar Islands with more clarity for the field officers about the classification of category at the time of providing new connection.
6. The Respondent/Licensee (ED) is directed to submit **compliance report within 15 days** from the date of receipt of this order as per JERC Regulation No. 26/2019 under Clause 27(1). **Further, Sl. No. 2 to 5 of the above said directions should implement and submit compliance report under intimation to the consumer also.**

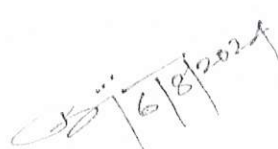


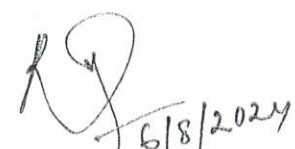
7. As per JERC Regulation No. 26/2019 under Chapter-IV of 27, non-compliance of the Forum Order shall be treated as violation of the Regulations of the Commission and accordingly liable for action under Section 142 of the Electricity Act 2003.
8. The complainant shall not be harassed overtly or covertly in any manner whatsoever in future for exercising his right by availing the redressal within his jurisdiction.

"The complainant, if aggrieved, by non-redressal of his / her grievance by the Forum or non-implementation of CGRF order by the Licensee, may make an Appeal prescribed Annexure-IV, to the **Electricity Ombudsman, Joint Electricity Regulatory Commission for the State of Goa and UTs**, 3rd Floor, Plot No. 55-56, Service Road, Udyog Vihar, Phase-IV, Sector-18, Gurugram - 122015 (Haryana). Phone - 0124-4684708, E-mail: ombudsman.jercuts@gov.in **within one month from the date of receipt of this order**".

[Annexure - IV Appeal Form can be collected from the office of the Forum on any of the working days].

A certified copy of this Order be sent to the Superintending Engineer (Licensee/Respondent), Executive Engineer (Rural), Nodal Officer (CGRF), Assistant Engineer (Rangat), Electricity Department, Complainant and the Electricity Ombudsman, JERC for the State of Goa & UTs, Gurugram, (Haryana).


(Biji Thomas)
Independent Member
Electricity CGRF


(R. Ravichandar)
Chairman
Electricity CGRF

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AB (IT)