

CONSUMER GRIEVANCE REDRESSAL FORUM, RAJKOT

PASCHIM GUJARAT VIJ COMPANY LIMITED

CORPORATE OFFICE, LAXMINAGAR, NANAMAVA ROAD, RAJKOT-360004
CIN:U40102GJ2003SGC042908, Website : www.pgvcl.com E-Mail- forum.pgvcl@gegmail.com Ph-0281-2380425-27

No. PGVCL/CGRF/PG-23-Q4-2019-20/ 1787-1

Date :12-03 -2020

Appellant : The Institute of Chartered Accountants of India (ICAI) Rajkot.

“ICAI BHAVAN” Giriraj Nagar Main Road, Near JMC Near, Raiya Road,
150ft Ring Road Rajkot-360007.

Represented by : (1) CA D.K. Patel- Representative
(2) CA B J Doshi - Representative
(3) Sh. Shivalbhai Barasiya- Representative

V/S

Respondent : Division Office: Rajkot City – 3, Sub Division: Raiya Road.

Represented by : (1)Shri. P J Mehta, Executive Engineer, RCD-3, Rajkot.
(2) Shri C P Chavada- S.A. RCD-3, Rajkot.

:: CORUM ::

1. Shri J.B. Parekh, Chairperson
2. Smt. K.J. Motani, Independent Member

Date of Hearing : 04-03-2020 -Wednesday

Place : Conference Hall, PGVCL, City Circle Office, Rajkot.

:: Proceedings ::

- 1.0 The present grievance is filed by appellant in the Forum as under.
- 1.1 The representation was registered at this office as case No.23/Q4/2019-20.
- 1.2 The applicant is LT Consumer having contract demand 100 KW.
- 1.2 The applicant has represented regarding wrong classification and determination of tariff i.e. LTMD instead of GLP.

:: Applicant Representation::

2.0 The appellant has represented the case as under:

2.1 Applicant is in receipt of electricity bill for the month of January 2020 under the category of LTMD and further previous outstanding amount added to the extent of Rs. 11,43,118.57 for the differential amount charged because of change in tariff category from LMTD to GLP for past many years. Applicant has asked PGVCL good selves for month wise details of billing of this 11.43 Lacs vide our letter dated 18th January, 2020, but till date Applicant have not received such details from Sub. Division office.

2.2 As per PGVCL supplementary bill and further communication dated 25th October 2019, Applicant have already discussed this matter with higher authority at Corporate office, as this matter is due to interpretation of Tariff mentioned in circular issued by Gujarat Electricity Regulatory Commission Page no. 197 (GLP) and Page no. 198-199(LTMD). It was conveyed to us that this issue is to be discussed with relevant sub division office and they will update applicant on their final decision. Applicant have not received any communication regarding any discussion or meeting with PGVCL sub division officials, instead Applicant received January 2020 bill after addition of the aforesaid amount pending with PGVCL discussion.

2.3 Applicant have mentioned categorization for Tariff defined as mentioned in circular issued by Gujarat Electricity Regulatory Commission Page no. 197 (GLP), which is as under :

GLP Rate : “This tariff is applicable to the educational institutes and other institutions registered with the Charity Commissioner or similarly placed authority designated by the Government of India for such intended purpose and research and development laboratories”.

Above category is applicable to all Educational Institutes and if any institute is not Educational then also such Institute gets covered under GLP category if they are registered with Charity Commissioner or similarly placed authority designated by Govt of India.

Brief of the Institute of Chartered Accountants of India (ICAI) :

The Institute of Chartered Accountants of India (ICAI) is a Public Educational Institution established by an Act of Parliament namely The Chartered Accountants Act, 1949. The objective of the ICAI is to **provide quality Education and Training to the students pursuing the Chartered Accountancy course.** The ICAI imparts education to students pursuing CA course, conducts examination, grant certificate of passing and membership as CA to the CA students. Apart from the prime objective conducts coaching classes, seminars, workshops and other training programs for continuous professional education for qualified Chartered Accountants to enable them to update themselves and keep abreast with the current affairs.

2.4 Applicant are running branch at Rajkot, of the ICAI at the abovementioned premises. Applicants are imparting education for the Chartered Accountancy course and for that we enroll students, provide them study materials, teaching, conduct examination and enroll them as a Chartered Accountant after passing the examination.

The ICAI awards Chartered Accountancy Qualification and this qualification has been recognized by Association of 95 Indian Universities as equivalent to Post Graduate Degree in Commerce for pursuing Ph.D. program. CA qualification is eligible for admission to the Civil Services Examination, which is conducted by commission for recruitment to IAS, IPS and other Group ‘A’/ Group ‘B’ Central Services / Post, Thus, ICAI being an educational Institution is eligible for special exemptions granted under different statutes.

As per above brief of our Institute and as per Tariff classification, Applicant covered under GLP Category.

- 2.5 On the basis of above details and facts, Applicant conclude as below:
- Said premises are undoubtedly an Educational Institute.
 - Applicant is covered under category of Education Institute and hence rules applicable to "Other Institution" are not applicable to us and hence we are not required to get registration certificate from Charity Commission.
 - Further in GLP Category, it is said that "Registration with Charity Commissioner or Similarly placed authority designated by Government of India....." for which we would like to clarify that our Institute itself has its establishment by way of "Set up under the Act of Parliament".
 - Applicant Non-profit motive organization / Applicant don't have any commercial object in discharging our duties.
- 2.6 Applicant has requested to consider application for providing us tariff rate which was already provided to us since long i.e. GLP and we request you to reverse the additional amount added in our bill based on Audit Para.

Hope that the above details and explanations will satisfy requirements. However, if not satisfied on any of the issues, kindly give an opportunity by giving detailed reasoning before taking any adverse decision so as to enable to rebut in respective matters.

- 2.7 During the hearing on 04.03.2020, applicant has submitted following documents:
- Copy of lease deed in respect of allotment of land from RMC wherein it has been categorically mentioned that development rights are granted for educational purposes only.
 - Copies of building construction & development permission from RMC wherein it has been mentioned that permission is granted for educational purposes only.
 - Copies of building construction completion (B U) certificate from RMC wherein it has been mentioned that BU granted for educational purposes only.
 - Representation letter to RMC in respect of house tax matter.
 - Relevant extract of CA Act, 1949 evidencing that the Institute of Chartered Accountants of India is an educational institute imparts education to students pursuing CA course, conducts examination, grant certificate of passing and membership as CA to the CA students. Apart from the prime objective conducts coaching classes, seminar, workshops and other training program for continuous professional education for qualified Chartered Accounts to enable them to update themselves and keep abreast with the current affairs.

Applicant requested to Consumer Grievance Redressal Forum – for providing earlier tariff rate GLP and reverses the additional amount added in bill based on Audit Para.

:: Representation of PGVCL::

- 3.0 અરજદારશ્રી રજુઆત ના અનુસંધાને પીજીવીસીએલ પક્ષકાર દ્વારા જણાવેલ કે રૈયા રોડ સબડીવીઝન ના ગ્રાહકનંબર-૬૧૬૧૬૦૦૦૨૦૧,૫ ઇન્સ્ટીટ્યુટ ઓફ ચાર્ટડ એકાઉન્ટન્ટ ઓફ ઇન્ડિયા ને ઓડીટ પારા રિકવરી 2017 -18 મુજબ 100 KW કને. ને GLP TO LTMD નું ડિફરન્સ રિકવરી નું પુરવણી બિલ રૂ. 1143118.57

નું આવવા બાબત આપની સમક્ષ ફરિયાદ કરેલ છે.

સદર કનેક્શન તા.૧૬.૦૫.૨૦૧૫ ના રોજ GLP ટેરીફ મુજબ ICAI ભવન ગીરીરાજ નગર મેઈન રોડ પર રૈયારોડ સબડીવીઝન દ્વારા રીલીઝ કરવામાં આવેલ.

ત્યારબાદ માર્ચ-૧૯ થી સદર ટેરીફ GLP માંથી LTMD કોર્પોરેટ ઓફિસ ના પત્ર નં PGVCL/REV/2018-19/LTB-1/2180 DT 22.02.2019 ની સૂચના મુજબ કનેક્શન ફેરવેલ છે. જે પત્ર ની ગાઈડલાઈન મુજબ સદર કનેક્શન નો હેતુ ઉમેદવારોને ચાર્ટર્ડ એકાઉન્ટન્ટ ની પરીક્ષાની તૈયારી કરવા માટે કલાસીસ ચલાવવા એ સંપૂર્ણ રીતે કોમર્શીયલ એક્ટીવીટી છે તેમજ અન્ય ખાનગી સંસ્થાઓ / વ્યક્તિ દ્વારા આ પ્રકાર ની જે તાલીમ / કલાસીસ નું સંચાલન કરવામાં આવે છે તેમની અને ઇન્સ્ટીટ્યુટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ ઓફ ઇન્ડિયા ની પ્રવૃત્તિ માં કોઈ તફાવત નથી.

૩.૧ વધુમાં ICAI દ્વારા જે આવક નો સ્તોત્ર દર્શાવવા માં આવેલ છે તે મુજબ એવું ફલિત થાય છે કે ICAI તેના સભ્યો અને ઔદ્યોગિક ગૃહો ને સેવા આપતી સંસ્થા છે. તે વિવિધ ઔદ્યોગિક ગૃહોને તેમની જરૂરિયાત મુજબ ક્વાલીફાઈડ ચાર્ટર્ડ એકાઉન્ટન્ટ પુરા પડે છે કે જેના માટે ફી વસુલ કરવામાં આવે છે. આમ, ICAI દ્વારા કરવામાં આવતી વિવિધ પ્રવૃત્તિ ઓ એ COMMERCIAL ACTIVITIES છે તેને શૈક્ષણિક સંસ્થા તરીકે ગણી શકાય નહિ અને તેની જાણ કોર્પોરેટ ઓફિસ દ્વારા ઉપરોક્ત પત્ર થી ખાતા મારફતે રૈયારોડ સબડીવીઝન ને ગ્રાહક ના માસ્તર માં જરૂરી સુધારા અને અમલવારી અર્થે કહેલ અને માર્ચ-૧૯ થી સદર કનેક્શન નો ટેરીફ GLP માંથી LTMD કરાયેલ છે.

૩.૨ ઓડીટ તા.૧૮.૦૬.૧૯ થી ૨૯.૦૬.૧૯ દરમિયાન એપ્રિલ-૧૭ થી માર્ચ-૧૮ ના પીરીયડ ના ઓડીટ દરમિયાન સદર કનેક્શન ને જુન-૧૫ થી GLP ટેરીફ માંથી LTMD ટેરીફ મુજબ ની રીકવરી કાઢેલ જે Annexure:- A-1 Para no:-1.1 રજુ કરેલ છે તે મુજબ રૂ.૧૧૪૩૧૧૮.૪૭ નું પૂરવણી બીલ આઉટ વર્ડ નં-૪૩૨૬ તા.૦૮.૦૭.૧૯ થી રૈયારોડ સબડીવીઝન તરફ થી ઇન્સ્ટીટ્યુટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ ઓફ ઇન્ડિયા ને આપવામાં આવેલ છે. અને ઇન્સ્ટીટ્યુટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ ઓફ ઇન્ડિયા દ્વારા માંગવામાં આવેલ માહિતી પણ રૈયારોડ સબડીવીઝન દ્વારા પૂરી પાડવામાં આવેલ છે.

:: ORDER::

4.0 We have considered the contention of the appellant & respondent; also facts, statistics & relevant papers which are on record and considering them in details, our findings are as under:

4.1 Initially one three phase electric connection in the name of “The Institute of Chartered Accountants of India” having their premises known as ICAI Bhavan Giriraj Nagar, near JMC Nagar, Raiya road, near Raiya circle, 150ft Ring Road, Rajkot having contract demand 100 KW connection number 61616/00020/1 was released on 16th May 2015 under GLP tariff by PGVCL, Raiya Road sub-division under RCD-3 division of City Circle Rajkot.

4.2 Subsequently, according to directives issued by competent authority of PGVCL, corporate office Rajkot vide letter number PGVCL/Rev/2018-19/LT Bill /2180 dated 22.02.2019 category by this connection was changed from GLP to LTMD.

- 4.3 Thereafter on the basis of Internal Audit & Inspection team of Surendranagar (IA&I-Surendranagar), during audit carried out between 18th June 2019 to 29th June 2019 for audit period April-17 to March-18; PGVCL has issued supplementary bill worth rupees 11,43,118.57 for the period June-2015 to May-2019 considering change of tariff i.e. LTMD instead of GLP.
- 4.4 Thereafter, this consumer is regularly billed under LTMD tariff.
- 4.5 The ICAI has requested CGRF-PGVCL Rajkot on 24th January 2020 “to consider our application for providing tariff rate which was already provided to us since long i.e. GLP and we request you to reverse the additional amount added in our bill based on Audit Para”.
- 4.6 The ICAI has submitted copy of lease deed in respect of allotment of land from RMC where in it has been categorically mentioned that development rights are granted for educational purpose only.
- 4.7 The ICAI has submitted copies of building construction and development permission from RMC wherein it has been mentioned that permission is granted for educational purpose only.
- 4.8 The ICAI has also submitted copies of building construction completion (BU) certificate from RMC where in it has been mentioned that BU is granted for educational purpose only.
- 4.9 It is also represented that the Institute of Chartered Accountant of India (ICAI) is a public educational institute established by an act of parliament namely “The Chartered Accountant Act 1949”. The objective of the ICAI is to provide quality education and training to the students pursuing the Chartered Accountancy course.
- 4.10 PGVCL has argued that training, tuitions, teaching for preparation of the examination of Chartered Accountant is purely commercial activity and there is no difference between such other private personal institutions giving training/ tuition /teaching on commercial basis.
- 4.11 Moreover, it is argued by PGVCL that ICAI deploy sufficient number of Chartered Accountants to the Industrial sectors according to their requirement by collecting fees which is nothing else but one kind of commercial activity.
- 4.12 According to tariff determined by GERC vide its order dated 24th April 2019 for financial year 2019-20 which becomes effective from 1st May 2019. GERC Tariff schedule page 197 mentioned as following:
RATE: GLP
“This tariff is applicable to the educational institutes and other institutions registered with the Charity Commissioner or similarly placed authority designated by the Government of India for such intended purpose and research and development laboratories.”
- 4.13 It is true that the ICAI provides quality education and training to the students perusing the Chartered Accountancy course.
- 4.14 It is also true that the ICAI imparts education to students pursuing CA courses, conduct examination, grant certificate of passing and membership as CA to the CA students.

- 4.15 As the ICAI is associated with tuition/coaching activities like personal/ private coaching classes which cannot be considered as educational institute.
- 4.16 Moreover the ICAI deploy manpower of Chartered Accountants to various Industrial units by collecting fees for this task which is purely one kind of commercial activity.
- 4.17 As such, the ICAI do not impart education like schools/ colleges which are registered under education department of Government.
- 4.18 If interpretation of regulations is made with broader view “GLP tariff can be made applicable to purely educational institute”
- 4.19 In fact, the ICAI is one kind of commercial service provider for various industrial units to full fill their requirement by deploying Chartered Accountant after accepting fees as per the ICAI norms.
- 4.20 With broader view and correct interpretation of GERC regulation; the ICAI cannot be considered as “Educational Institute”, hence GLP tariff cannot be made applicable to the ICAI.
- 4.21 The forum finally concludes that grievance submitted by the ICAI for reverse of tariff from LTMD to GLP cannot be entertained.
- 4.22 The supplementary bill for change of tariff as LTMD instead of GLP issued by PGVCL for Rs.11,43,118.47 found in order. The current tariff under LTMD category found in order
- 4.23 We order accordingly.
- 4.24 With this order, representation/Application stands disposed of.

(K. J. Motani)
Independent Member

(J. B. Parekh)
Chairperson

Note:

- (1) If aggrieved by the order, the applicant may make a representation to the Ombudsman within a period of 30 days from the date of this order.
- (2) As per Gujarat Electricity Regulatory Commission, (Consumer Grievances Redressal Forum & Ombudsman) Regulations, Notification No: 2 of 2019 A representation may be entertained by the Ombudsman only if the following Condition is satisfied Clause No 3.19(viii): The complainant has deposited one third amount in terms of Forum’s order, if required, with Licensee & submit proof of payment made.
- (3) **Address of Ombudsman:**

Office of the Electricity Ombudsman
Barrack No.3, Polytechnic compound,
Ambawadi, **Ahmedabad-380015.**
Phone No. (079) 26302689.