

KERALA STATE ELECTRICITY REGULATORY COMMISSION

THIRUVANANTHAPURAM

Petition: OP No 21/ 2021

- Present** : Shri. Preman Dinaraj, Chairman;
: Adv. A. J. Wilson, Member (Law)
- In the matter of** : Petition filed by M/s Bennet, Coleman & Co. Ltd., Kochi seeking; Tariff applicability for Media Services (Pre-Press activities) Industrial Tariff and Waiver of Demand charges on difference in tariff charged retrospectively from 2014 till 2020.
- Petitioner** : Shri. Kamal Krishnan.P.S, Assistant Vice President,
M/s Bennett, Coleman & Co. Ltd.,
Imperial Trade Centre, M.G.Road, Kochi -682 035
- Petitioner represented by** : Shri. R.J. Prakasam, Chief Manager (Legal);
: Shri. Sanjeev, Deputy General Manager (Fin);
: Shri. Shibu, Manager, Kochi.
- Respondent** : Kerala State Electricity Board Ltd., Thiruvananthapuram.
- Respondent represented by:** Shri. K. G. P. Nampoothiri, EE, TRAC;
: Shri. Edward, AEE, TRAC.
- Date of E- Hearing** : 04.05.2021, 11.00 AM.

Daily Order dated 05.05.2021 in OP No: 21/ 2021

1. M/s Bennett Coleman & Co Ltd, Kochi filed a petition dated 15.03.2021, seeking tariff applicability for Media Services (Pre-press activities) under Industrial Tariff and to waive off the Demand Charges of Rs. 32,40,602/- raised by KSEB for the period from 2014 till 2020, vide their Demand Notice No. SOR/ HTB 24/5919/2020-21 dated 29.04.2020.
2. The details provided in the petition are as follows:
 - (i) M/s Bennett Coleman & Co Ltd (BCCL) (Times of India Group) is the publishing and printing company of the world's largest read English Daily— The Times of India and The Economic Times. M/s BCCL is operating its

Branch office at Imperial Trade Centre, M.G. Road, Kochi for the purpose of publishing newspapers.

- (ii) The following are the activities carried out at the office of M/s BCCL (consumer premises):
 - a) Gathering of news;
 - b) Editing of the news using printing software;
 - c) Page Setting using printing software;
 - d) Advertisement Booking;
 - e) Dummy Printing of Pages (Editorial and Advertisements); and
 - f) All pre-press activities.

The printing of the newspaper in the newsprint is done at a place different and separate from the said premises, at the outsourced Printing Press located at the Mathrubhumi Printing & Publishing Co Ltd., XII/13F, Manjummal, Eloor, Udyogamandal P.O., Ernakulum — 683501.

- (iii) KSEB Ltd. sanctioned a load of 163 kVA at 11 kV, initially by executing an agreement with M/s BCCL, vide Agreement No. ECE/HT- 41/11-12 dated 12-12-2011, under Commercial Tariff category. However, after the tariff revision of 2014, KSEB Ltd wrongly classified BCCL under HT I (A) Industrial Category and billed accordingly since 16.08.2014. M/s BCCL later requested and KSEB Ltd revised the contract demand to 90 kVA, vide Agreement dated 06.02.2020, under HT (IV) – Commercial Tariff category.
- (iv) Consequent to the execution of the new Agreement on 06.02.2020, KSEB Ltd. vide Demand Notice No. SOR/HTB-24/5919/2020-2021 dated 29.04.2020 intimated that: a) from 16.08.2014 bills were issued wrongly under the HT I (A) Industrial category, instead of the correct tariff HT IV (A) – Commercial; b) as part of rectifying the anomaly, the bills issued from 8/2014 with wrong tariff are revised and an amount of Rs. 32,40,602/- is arrived as arrear due to difference in tariff; and c) the bill is to be paid before 29.05.2020.
- (v) M/s BCCL submitted that they are in no way at fault or responsible for the wrong invoices issued by KSEB Ltd under Industrial tariff from 16.08.2014.

Hence the demand charges of Rs.32,40,602/- raised on 29.04.2020 should be waived.

- (vi) As per the tariff categorization, 'printing press including press engaged in printing dailies' are categorized under Industry. M/s BCCI further submitted that their activity included 'printing of newspapers', collection of news, editing, page setting etc. which are carried out at the consumer office premises and the final outcome by way of printing the newspaper is done at the Printing Press. Hence, they are eligible for Industrial tariff applicable for presses.
3. The petition was admitted as OP No: 21/ 2021 and Form 3(A) notice was issued to the respondents. E- Hearing on the petition was held on 04.05.2021. The hearing was attended by the representatives of the petitioner and the respondent.
 4. On behalf of the petitioner Sri. R.J. Prakasam, Chief Manager (Legal) presented the case, and requested to allow both the prayers in the petition. He also informed that the response of KSEB Ltd to the petition was received just a day earlier and, hence they required more time to file the rejoinder.
 5. KSEB Ltd informed that the tariff category applicable to the consumer is HT IV -Commercial, since no printing/ press activity is carried out in their premises. They also stated that the tariff collected from the consumer from 2014 was incorrect and this mistake on detection was corrected in 2020 and the arrear bill for the period of wrong classification was issued. As per Regulations 134 & 152 of the 'Supply Code, 2014', the licensee is permitted to raise such arrear bills. It was also submitted that the bill do not have any interest for the past period.
 6. The Commission highlighted the provisions under Section 56 (2) of the Electricity Act, 2003 and the limitation of two years for collecting arrears for the past period. It was further informed that, Regulation 136 (3) of the Supply Code, 2014 also stipulate the same. In reply, KSEB Ltd pointed out that certain Judgments of the Hon' Supreme Court permitted the licensee to collect arrears due for the period in excess of two years and they agreed to submit the related documents. The petitioner also requested to provide more time to produce documents substantiating their claims.

7. After consideration of the above deliberations, the Commission has decided to finalize the petition after due scrutiny of the documents mentioned earlier and after deliberations in another hearing.
8. Accordingly, it is ordered that both the parties should provide their additional submissions and supporting documents to the Commission with copy to the other party within two weeks time. The next hearing on the petition will be held at **11.00 AM on 26.05.2021.**

Sd/-
Adv. A. J. Wilson
Member (Law)

Sd/-
Preman Dinaraj
Chairman

Approved for Issue

Sd/-
Secretary