KERALA STATE ELECTRICITY REGULATORY COMMISSION THIRUVANANTHAPURAM

PRESENT: Sri.T.M. Manoharan, Chairman

Sri. K.Vikraman Nair, Member Sri. S. Venugopal, Member

Petition No. 373/D(F&T)/2016

In the matter of clarifications sought for on the applicability of tariffs for Working Women Hostels established as per the conditions of the scheme issued by the Ministry of Women and Child Development, Government of India and under the supervision and monitoring of Department of Social Welfare, Government of Kerala.

Petitioner

The General Secretary, Nair Service Society, Changanassery.

Order dated 11.04.2016

- 1. General Secretary, Nair Service Society (NSS), filed a petition (vide letter no. P&D 170/16 dated 02.03.2016) before the Commission, being aggrieved by the demand notice served by the Assistant Engineer, Electrical Section Tripunithura, KSEB Ltd, amounting to ₹3,75,858/- for short assessment due to misclassification of tariff category of Working Women Hostel of NSS as LT VI (B) instead of LT VII (A).
- 2. A summary of the petition is given below;
 - (i) The Department of Women and Child Development, Ministry of Human Resource Development, Government of India has issued scheme for establishing Working Women Hostels to promote safe and convenient accommodation of working women in urban, semi urban and rural areas. The salient features of the scheme are detailed below.

- (a) The Central Government is giving 75% of the cost of construction of the working women hostels as financial assistance.
- (b) The gross income of the working women working women eligible for admission in the Hostels should not exceed Rs 30000/month in metropolitan cities and Rs 25000/month in other places.
- (c) The rent to be collected from inmates should not exceed 15% of the gross salary in the case of single rooms, 10% in the case of double rooms, and 7.5% in the case of dormitories.
- (d) The rent received from inmates shall be utilized for maintenance, housekeeping, security service, office establishment, expenditure towards water and electricity, and other supporting service other than mess.
- (e) As per the scheme, the Hostels shall run on a no profit basis.
- (f) Civil society organizations registered under Indian Societies registration Act 1860, or any relevant State can apply for assistance under the scheme.
- (ii) NSS is a company incorporated under the Travancore Companies Regulations 1092 read with provisions contained in the Kerala Non Trading Companies Act 1962.
- (iii) Central Government has sanctioned 16 working women hostels to NSS within the State of Kerala as per the conditions stipulated in the scheme. The working women hostels established by NSS are monitored and supervised by State Social Welfare department (now social justice department).
- (iv) The hostels are providing admission to all working women without any distinction with respect to caste, religion, marital status etc, subject to the scheme.
- (v) NSS has been collecting rent from the inmates strictly as per the scheme. All hostels are run on no profit no loss basis.
- (vi) The electricity charge collected by the Electricity Board for such working women hostels are based on the LT-VI (General B) tariff.
- (vii) Recently, the Assistant Engineer, Electrical Section, Thrippunithura issued a letter that, the working women hostel at Thrippunithura was mis-classified under LT-VI(B) tariff instead of LT-VII(A) Commercial

- tariff and demanded arrears of Rs 3,75, 858/- for the period from 13-10-2008 to 2-6-2014. The Assistant Engineer arbitrarily changed the tariff. NSS has reported the matter to the Chairman, KSEB LTD. The matter is pending before the KSEB Ltd.
- (viii) The working women hostels established by the NSS, as per the Scheme notified by the Central Government to provide safe and affordable accommodation to working women cannot be compared with commercial establishments. The officials under whom other working women hostels are functioning may demand arrears of electricity charges on par with the demand raised by the Assistant Engineer, Thrippunithura.
- (ix) The functioning of the working women hostels established by NSS and the working women hostels established under Social Welfare Board and the working women hostels run by the institutions under Cultural, scientific and Charitable societies Act stands on same footing on all matters including admission of inmates, collection of rents etc.
- 4. The petitioner requested Commission to bring the working women hostels established by NSS in terms of the scheme laid down by the Govt of India and under the supervision and monitoring of Dept of Social Welfare, Government of Kerala under LT VI (B), similar to the hostels run by State Social Welfare Board and hostels run by institutions registered under Scientific and Charitable Societies Act instead of LT VII (A) category.

Analysis and Decision of the Commission

5. After carefully examining the request of the petitioner, the Commission is of the view that a clarification has to be issued with respect to applicable for working women hostels established as per the scheme laid out by the Department of Women and Child Development, Government of India, and the operations of which are monitored and supervised by the State Social Welfare Department (now Social Justice Department), as these hostels work on a no profit no loss basis.

6. As per the 'Schedule of Tariff and Terms and Conditions for Retail supply of Electricity by KSEB Ltd and all other licensees' applicable from 16-08-2014 (order dated 14.08.2014 in OP No 9 of 2014), the hostels run by the State or Central Government; hostels run by State Social Welfare Board; hostels run by institutions that are registered under Cultural, Scientific and Charitable Societies Act, the donations to which are exempted from payment of Income Tax are categorised under LT- VI (B). Private hostels are categorised under LT VII (A). The details as specified in the tariff order for the categories namely LT VII(A) and LT VI(B) are extracted below;

"LT- VI GENERAL (B)

The tariff applicable to offices and institutions under State or Central Government or Local Self Government; Corporations; Boards under State or Central Government; Kerala Water Authority (KWA); Kerala State Road Transport Corporation (KSRTC); Kerala State Water Transport Corporation (KSWTC): hostels of educational institutions affiliated to Universities or under the control of the Director of Technical Education or Director of Medical Education or Director of Public Instruction or such other offices of government; hostels run by the State or Central Government; hostels run by State Social Welfare Board; hostels run by institutions that are registered under Cultural, Scientific and Charitable Societies Act, the donations to which are exempted from payment of Income Tax; village offices; Government Treasuries; Pay wards and institutions of Kerala Health Research and Welfare Society (KHRWS); travelers bungalows, rest houses and guest houses under government; type writing institutes; offices of advocates or chartered accountants or company secretary or consulting engineers or tax consultants or architects or cost accountants or of management consultants; social organizations; museum and / or zoo; offices of political parties not approved by the Election Commission of India; collection centres of 'FRIENDS'; single window service centres under Department of Information Technology; all post offices including extra departmental (ED) post offices; micro financing institutions registered and functioning as per the guidelines issued by Reserve Bank of India; Police Clubs, cameras at traffic signal points; offices of service pensioners' associations"

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LOW TENSION - VII - COMMERCIAL (A) {LT- VII (A)}

Tariff for commercial consumers such as shops, other commercial establishments for trading, showrooms, display outlets, business houses, hotels and restaurants (having connected load exceeding 1000 W), private lodges, private hostels, private guest houses, private rest houses, private travelers bungalows, freezing plants, cold storages, milk chilling plants, bakeries (without manufacturing process), petrol/diesel/ LPG /CNG bunks, automobile service stations, computerized wheel alignment centres, marble and granite cutting units, LPG bottling plants, house boats, units carrying out filtering and packing and other associated activities using extracted oil brought from outside, share broking firms, stock broking firms, marketing firms."

- 7. In this matter, the erstwhile KSEB, vide B.O (CM) No: 469/2002 (Plg.Comm 3026/96) dated 06.04.2002, had ordered that, all the NSS Working Women Hostels listed out by the Director of Social Welfare vide certificate no: G2/44752/02 dated 11.01.2002, shall be charged under LT VI (B) tariff category.
- 8. The Commission has examined the relevant documents on the establishment of working women hostels coming under the scheme to provide affordable accommodation to working women by the Ministry of Women and Child Development, Govt of India. The Commission is of the view that, hostels established under the scheme to provide affordable accommodation to working women by the Ministry of Women and Child Development, Govt of India and monitored and supervised by the Department of Social Welfare, Government of Kerala are to be treated at par with the hostels run by the State Social Welfare Board. Also the hostels are run on a no profit no loss basis and thus cannot be equated to private hostels that are run on profit motive. From the documents submitted by the petitioner it is seen that the half yearly reports on the income and expenditure are to be submitted to the Ministry of Women and Child Development, Govt of India, by the District Women Welfare Committee, with a

copy to State Government. Commission is of the considered view that these working women hostels must be classified under the tariff category LT VI (B).

Orders of the Commission

In view of the facts and circumstances explained above, the Commission hereby clarifies that, all the Working Women Hostels, which are established, to provide affordable accommodation to working women, as per the scheme laid out by the Ministry of Women and Child Development, Government of India and monitored and supervised by the State Social Welfare Department (now Social Justice Department), Government of Kerala, shall be classified under LT VI (B) tariff category.

Petition disposed of. Orders accordingly.

Sd/-**K. Vikraman Nair** Member Sd/-**S. Venugopal** Member Sd/-**T.M.Manoharan** Chairman

Approved for issue

Sd/-Santhosh Kumar. K. B Secretary