

CONSUMER GRIEVANCE REDRESSAL FORUM
(Established under the section 42 (5) of the Electricity Act, 2003)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.
NASHIK ZONE

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No. / CGRF /NSKZ/NUC/N.R.Dn. /580,581/56-57/16-17/

Date: 03/02/2017

(BY R.P.A.D.)

COMMON ORDER

In the matter of

**Not granting the incentives as per Government of Maharashtra decision for the
consumption from 26th June 2016**

Date of Submission of the case : 17/12/2016

Date of Decision : 03/02/2017

To.

1. M/s. Wadhawa Infracore Steel Pvt. Ltd.

Plot No. E-26/1, M.I.D.C.Malegaon

Tal. Sinnar, Dist. Nashik 422103

(Con.No. 049019018550)

[Case No. 57/ 2016-17]

2. M/s. Nashik Ispat Pvt. Ltd. .

Plot No. E-26, M.I.D.C. Malegaon

Tal. Sinnar, Dist. Nashik 422103

(Con.No. 075949020720)

[Case No. 58/ 2016-17]

Complainants

3. Nodal Officer ,

Maharashtra State Electricity Distribution Com. Ltd.,

Urban Circle office, Shingada Talav,

Nashik

Distribution Company

4. Executive Engineer (Rural)

Maharashtra State Electricity Distribution Com. Ltd.

Division Office, Nashik.

Vidyut Bhawan, Nashik Road.

DECISION

M/s. Wadhawa Infracore Steel Pvt. Ltd. & M/s. Nashik Ispat Pvt. Ltd. both located in MIDC Sinnar Dist: Nashik (hereafter referred as the Complainants) are the industrial consumers of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Distribution Company). The Complainants have submitted grievance against MSEDCL for subsidy with effect from 29/06/2016, as per circular No. 266 dt. 30 July 2016. The Complainants filed complaint regarding this with the Internal Grievance Redressal Committee of the Maharashtra State Electricity Distribution Company Ltd. But not satisfied with the decision of the Distribution Company, they have submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representations are registered respectively at Serial No.224 and 225 of 2016 on 17 /12/2016.

The Forum in its meeting on 20/12/2016, decided to admit these cases for hearing on 06/01/2017 in the office of the forum . A notice dated 20/12/2016 to that effect was sent to the appellant and the

concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Urban Circle Office Nashik, for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer.

Shri. D. R. Mandlik Sr. Manager (F & A), Urban Circle Nashik represented the Distribution Company during the hearing as the Engineers were on mass casual leave. Shri Anupam Ghosh appeared on behalf of the consumer.

As the Grievance is same in both the cases the Forum has decided to club them and issue a common order.

Consumers Representation in brief :

1. The Government of Maharashtra had provided Incentive vide its GR Dt. 29.06.2016 to Industrial Consumers in Vidarbha, Marathwada, North Maharashtra Regions and all D and D+ industrial zones. Following which MSEDCL had issued a Commercial Circular No. 266 Dt. 30 Jul 2016 wherein it is clearly on Page No.2 under the Terms and condition of Providing Incentive in Point No.1 that *The Benefit of Current Incentive is to be given from the Electrical consumption of 29.06.2016 onwards.*
2. It is therefore clear that as per MSEDCL Commercial Circular No: 266 Dt. 30 Jul 2016. Subsidy is supposed to be provided to them (North Maharashtra Industry) from Electricity Consumption starting from 29 June 2016. However, the bill received by both the Consumer Mentioned above for the month of Jun 16 and Jul 16 does not provide for the Incentive since 29 June 2016. Further, it is also pertinent to note that since more than last 1 year both the Consumers were being billed according to the Calendar month, with the only exception being in the month of Jun 16 and July 16, when manually reading was taken in mid-day. The following table summarizes the MSEDCL Bills and the Incentive Received:

| Consumer Name | Details of MSEDCL Disputed Bill | Bill Reading Start Date | Bill Reading End Date | Incentive Received |
|-------------------------------------|---|-------------------------|-----------------------|--------------------|
| M/S WADHAVA INFRACORE STEEL PVT LTD | JUN 16 (Disputed) No: 201606359556484 | 31.05.2016 | 05.07.2016 | NIL |
| M/S NASHIK ISPAT PVT LTD | JUN 16 (Disputed) No : 201606359556766 | 31.05.2016 | 05.07.2016 | NIL |

3. Both the abovementioned bills are attached . It is clear from the above table that both the consumers were issued incorrect bill for JUN 16 since the bill did not provided the Incentive from the Starting of 29.06.2016 till 05.07.2016 which was a part of the Concerned Billing Period as per the table above.
4. In the matter the complainants have also lodged the Complaint with HT Consumer Grievance (online) system on 11th Aug 2016 bearing Complain id: 185935 for M/S NASHIK ISPAT PVT LTD (Cons. No: 075949020720) and on 11th Aug 2016 bearing Complain id: 185899 for M/S WADHAVA INFRACORE STEEL PVT LTD (Cons. No: 049019018550). However, no positive outcome has come out of it yet, therefore they had preferred an appeal with the IGRC to get justice in a time bound manner. However, they did not get justice at IGRC as well, therefore they have preferred an appeal with the Honorable CGRF for Justice.

Relief Sought:

1. To provide corrected bill and difference of Amount to both the consumers with Incentive applicable for Electricity Consumed from 29.06.2016 onwards.

2. To Provide Interest on the Amount wrongly withheld at bank PLR.
3. To take adequate disciplinary action against the management of Consumer Grievance System, which cannot resolve the Grievance even after 5 month of lodging the same onto the system.
4. To make any such decision as the Forum deems to be necessary.

Arguments from the Distribution Company.

The Distribution Company submitted a letters dated 05/01/2017 from the Nodal Officer Nashik urban circle MSEDCL, and other relevant correspondence in this case. The representatives of the Distribution Company stated that:

es ok/kok bUQtdkvj LVhy ik- fy- o es ukf'kd bLkr ik- fy- rk- fl Uuj ft- ukf'kd ; kps rdkjhckr ofj'B 0; oLFkki d 'fooy' 'kgj eMy dk; kly;] ukf'kd ; kps fn-05@01@2017 jkst hP; k dk; kly; hu fVi .kh uq kj l nj xkgdki l cfl Mh nsckcrps idj.k e[; vfHk; rk %okf.kT; % e[; dk; kly;] e[; kps dMs dk- i= da SE/NUC/HT/A/c./6153 dtd. 29/12/2016 rlp dk- i= da SE/NUC/HT/A/c./4318 fn- 31@08@2016 uq kj ekxh'kLkl kBh i kBfo.; kr vkys vl u e[; dk; kly; kps vknsk ikr >kY; kurj xkgdki l cfl Mh nsckcr i qhy dk; bkgi djrk ; bly-

Action by IGRC:

1. Internal Grievance Redressal Cell Nashik Urban Circle conducted hearing on 10/11/2016 for the complaint submitted on 19/10/2016
2. After hearing both the parties IGRC gave decision as per letter dated 29/11/16 as under:

Lknj xkgdki; k ekx.khuq kj l cfl Mh nsckcrps idj.k e[; dk; kly; kdMs ekxh'kLkl kBh i kBfo.; kr vkys vl u R; k l nhkkar e[; dk; kly; kps vknsk ikr >kY; kurj i qhy ; kX; rh dk; bkgi dj.; kr ; bly-

Observations by the Forum:

After considering the representation submitted by the consumer, comments and arguments by the Distribution Company, all other records available, the Forum records the following observations/findings:

1. The details of the complainants are as under:

| Name | Location | Category | Date of Supply |
|---------------------------------------|-------------------------|----------|----------------|
| M/s. Wadhawa Infracore Steel Pvt. Ltd | Tal:Sinnar, Dist Nashik | HT IN | 07/09/2005 |
| M/s. Nashik Ispat Pvt. Ltd. | Tal:Sinnar, Dist Nashik | HT IN | 07/06/2010 |

2. Government of Maharashtra vide G.R. No. sankirna-2015/pr.kr. 238/urja-5 Dated 29/06/2016 has granted incentives in electricity charges paid by the industrial consumers in the areas of Vidarbha, Marathwada, Uttar Maharashtra and D and D+ areas of The MSEDCL has also issued a Commercial Circular No: 266 Dt. 30 Jul 2016 in this regard for grant of such incentives to the eligible units.
3. Government of Maharashtra G.R. Dated 29/06/2016 and the MSEDCL Commercial Circular No: 266 Dt. 30 Jul 2016 envisage the following incentives to the eligible industrial consumers in Maharashtra:

अ) इंधन समायोजन आकार सवलत :-

विदर्भातील उद्योगांना 40 पैसे प्रती युनिट , मराठवाड्यातील उद्योगांना 30 पैसे प्रती युनिट व उत्तर महाराष्ट्रातील उद्योगांना 20 पैसे प्रती युनिट इतकी सवलत देण्यात यावी.

इंधन समायोजन आकार कमी झाला तरी वरीलप्रमाणे देय असलेली सवलत शासनाकडून देण्यात यावी.

ब) उद्योगांच्या कार्यक्षमतेवर आधारित सवलत :

महाराष्ट्र विद्युत नियामक आयोगाने त्यांच्या दिनांक 26.06.2015 च्या वीजदर आदेशामधील अनुज्ञेय असलेल्या 26% पर्यंतच्या सवलतीचा लाभ घेणाऱ्या औद्योगिक ग्राहकांना ते लाभ घेतील त्या प्रमाणात त्यांना खालीलप्रमाणे सवलत देण्यात यावी.

| | विदर्भ | पैसे/ युनीट | मराठवाडा | पैसे/ युनीट | उत्तर महाराष्ट्र | पैसे/ युनीट | D, D+ झोन | पैसे/ युनीट |
|---------------------------------------|-----------|-------------|-----------|-------------|------------------|-------------|-----------|-------------|
| औद्योगिक -एक्सप्रेस फिडर | 0-5% | 30 | 0-5% | 25 | 0-5% | 10 | 0-5% | 5 |
| | >5% -10% | 70 | >5% -10% | 65 | >5% -10% | 15 | >5% -10% | 10 |
| | >10% -15% | 90 | >10% -15% | 80 | >10% -15% | 15 | >10% -15% | 15 |
| | >15% -20% | 152 | >15% -20% | 100 | >15% -20% | 25 | >15% -20% | 20 |
| | > 20% | 140 | > 20% | 100 | > 20% | 25 | > 20% | 20 |
| औद्योगिक -नॉन एक्सप्रेस फिडर | विदर्भ | पैसे/ युनीट | मराठवाडा | पैसे/ युनीट | उत्तर महाराष्ट्र | पैसे/ युनीट | D, D+ झोन | पैसे/ युनीट |
| | 0-5% | 30 | 0-5% | 25 | 0-5% | 10 | 0-5% | 5 |
| | >5% -10% | 70 | >5% -10% | 65 | >5% -10% | 15 | >5% -10% | 10 |
| | >10% -15% | 90 | >10% -15% | 80 | >10% -15% | 15 | >10% -15% | 15 |
| | >15% -20% | 112 | >15% -20% | 100 | >15% -20% | 25 | >15% -20% | 20 |
| > 20% | 102 | > 20% | 87 | > 20% | 25 | > 20% | 20 | |
| लघुदाब औद्योगिक ग्राहक | | | | | | | | |
| | 0-5% | 60 | 0-5% | 50 | 0-5% | 20 | 0-5% | 10 |
| | > = 5% | 90 | > = 5% | 80 | > = 5% | 40 | > = 5% | 25 |

In addition to above , the new industrial units being established in the eligible area additional incentive is also offered . But it will not be applicable to the complainants as they are existing industrial units.

4. Nashik District falls under Uttar Maharashtra. Both these consumers are located in Sinnar Taluka of Nashik District. Hence they are eligible for the following incentives in electricity charges declared by the Government of Maharashtra for Uttar Maharashtra as per G.R. Dated 29/06/2016 and as envisaged in the MSEDCL Commercial Circular No: 266 Dt. 30 Jul 2016.:
 - a. Incentive for FAC at 20 paise per unit
 - b. Performance based incentive as indicated in the table

It has been clearly directed in the CE (Com) Circular No. 266 Dt. 30/07/ 2016 that the above incentive is to be given for consumption from 29/06/2016. However the complainants are given incentive from 05/07/2016 . They are deprived of the incentive for the period 29/06/2016 to 04/07/2016 and that is the cause of grievance.

5. The Superintending Engineer , Nashik Urban Circle has referred the matter to the CE (Com) for guidelines in since August 2016 . But no reply is yet received. In spite of the clear mention in the Commercial Circular No: 266 Dt. 30 Jul 2016 that the incentive is to be given for consumption from 29/06/2016. it is not understood why the Superintending Engineer /IGRC is not agreeing to the claim . Hence the Forum directs the Distribution Company to grant incentive for the period 29/06/2016. to 04/07/2016 .
6. The complainants have claimed the interest on the incentive . The section 62(6) of the Electricity Act,2003 provide as under:

"If any licensee or a generating company recovers a price or charge exceeding the tariff determined under this section, the excess amount shall be recoverable by the person who has paid such price or charge along with interest equivalent to the bank rate without prejudice to any other liability incurred by the licensee."

The incentive offered by the Government of Maharashtra is to subsidise the electricity bills of the industrial consumers in the less developed areas. These incentives are also not committed by

Distribution Company as a part of any contract/agreement. This is a case where the incentive payment for a particular period is delayed on account of the misinterpretation of the field office of the Distribution Company. Hence The Forum doesn't agree to pay interest on this amount in terms of the section 62(6) of the Electricity Act,2003.

7. The complainants have demanded the disciplinary action against the management of Consumer Grievance System for not resolving the grievance for 5 months. However, the disciplinary action the employees of the Distribution Company is not within the jurisdiction of the Forum. Moreover the field office of the Distribution Company at Nashik has not kept the matter pending and referred the same to their head office for guidance. Hence they cannot be blamed for any inaction.

In view of the observations and directions as elaborated in the preceding paragraphs the following order is passed by the Forum for implementation:

ORDER

1. The Distribution Company should grant incentive for the period 29/06/2016. to 04/07/2016 to the complainants and adjust the amount in the ensuing bill after the date of this order.
2. As per regulation 8.7 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006, order passed or direction issued by the Forum in this order shall be implemented by the Distribution Licensee within the time frame stipulated and the concerned Nodal Officer shall furnish intimation of such compliance to the Forum within one month from the date of this order.
3. As per regulation 22 of the above mentioned regulations, non-compliance of the orders/directions in this order by the Distribution Licensee in any manner whatsoever shall be deemed to be a contravention of the provisions of these Regulations and the Maharashtra Electricity Regulatory Commission can initiate proceedings *suo motu* or on a complaint filed by any person to impose penalty or prosecution proceeding under Sections 142 and 149 of the Electricity Act, 2003.
4. If aggrieved by the non-redressal of his Grievance by the Forum, the Complainant may make a representation to the Electricity Ombudsman, 606, 'KESHAVA', Bandra Kurla Complex, Bandra (East), Mumbai 400 051 within sixty (60) days from the date of this order under regulation 17.2 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006.

(Rajan S. Kulkarni)
Member

(Sandeep D. Darwade)
Member-Secretary
& Executive Engineer

(Suresh P.Wagh)
Chairman

Consumer Grievance Redressal Forum Nashik Zone

Copy for information and necessary action to:

- 1 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101 (For Ex.Engr.(Admn)
- 2 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101 (For P.R.O)
- 3 Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. , Urban Circle office, Nashik .

