

**CONSUMER GRIEVANCE REDRESSAL FORUM,  
AMRAVATI ZONE, AKOLA.**

*“Vidyut Bhavan”,  
Ratanlal Plots,  
Akola: 444 001  
Tel.No.2434476*

Dt- 11/07/2013

**Complaint No.42 and 47/2013**

**In the matter of grievance about levying and recovery of Electric Duty  
illegally with other reliefs**

Quorum :

Shri T.M.Mantri,	<b>Chairman</b>
Shri P.B.Pawar,	<b>Secretary</b>
Shri A.S.Gade,	<b>Member</b>

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|--|-----|----------------------|
| 1) <b>Kastakar Gas Point Bottling Pvt.Ltd.Akola</b><br>(Complaint No.42 con.no.310549062340) | ... | Complainant in 42/13 |
| 2) <b>M/s Tapdiya Stone Crusher, Borgaon</b><br>(Complaint No. 47 con.no.310089062530)       | ... | Complainant in 47/13 |
| <b>...VS...</b>  |     |                      |
| 1) <b>The Executive Engineer, Rural Dn.Akola</b>   | ... | Respondent           |

***Appearances:***

Complainant representative:- Shri D.M.Deshpande

Respondent representative:- Shri Pradip Andhare, Assistant Engineer,  
Rural Sub-Dn. Akola

1) The complainants in both the complaints have same and identical grievance so also reliefs claimed. In the like manner the defense of the N.A. is identical. Even the arguments are same and identical and as per the submissions made on behalf of the parties, the matters have been heard together and are being decided by this common order. In nutshell the grievance of the complainants is in respect of illegal recovery of the electric duty, though it has been exempted by the State Government by referring to the notification dated 7<sup>th</sup> July,2004 and 26<sup>th</sup> May,2009. The period covered

therein for exemption is from 1<sup>st</sup> April,2004 to 31<sup>st</sup> March,2014. It is alleged that, in fact, the N.A. licensee is required to make compliance of these notifications so also the circulars issued by the MSEDCL itself. It is alleged that, even there is no uniformity through out the region in recovery of electric duty. The N.A has failed to incorporate appropriate Duty Code i.e. 97. It is further alleged that the Electric Duty Deptt. has expressed displeasure in that respect. Because of negligence of the concerned officer in performance of duty, for which the complainants is required to suffer. It is further alleged that the consumers of the Circle Office of the licensee have got the benefit of this exemption by making the reference to the information provided by the circle office under the Right of Information Act. Though the complainant approached the IGRC on 30/3/2013 and the said authority has passed order on 3/5/2013, the complainant approached this Forum seeking the relief prayed for. Alongwith the complaint copies of documents came to be filed.

2) As per the regulations notice was issued to the N.A. for its reply which came to be filed stating that the N.A. is a Government Company with further averments that the issues regarding electric duty are to be dealt with under the provisions of Bombay Electricity Duty Act, 1958 with Rules there under, hence it is out of purview of this Forum. Similarly, it is stated that the present case is not falling under “Grievance” under Regulation 2006. Reference has been made to the correspondence made with the Electric Duty Inspector office in the matter of Shivam Oil Industries, Barshitakli. The reference of Regulation 6.6 is only made without making any further averments.

3) It is stated that, as per the order of IGRC, the N.A. has complied with it and from March, 2013 the complainants are exempted from payment of

electric duty. With regard to the claim of refund, it is stated that it has been referred to the Electric Duty Inspector, Amravati who is authorized and empowered by the State Government to effect such refund.

4) As far as the claim for interest, it is stated that the amount recovered from the complainants as electric duty has been deposited with the State Government, hence the N.A. is not liable for its refund. Moreover, the issue of refund is taken care by submitting the proposal to the said office, therefore also no refund be awarded. Lastly, it is stated that the complaint is liable to be dismissed by awarding cost of Rs. 5000/- to the N.A. for unnecessarily vexing it in this complaint. Copies of some documents came to be filed with the reply. The matter was then posted for arguments.

5) Heard Shri D.M.Deshpande learned representative of the complainants and Shri Pradip Andhare, Assistant Engineer, learned representative for the N.A. As referred to above, the controversy involved is of short nature, in respect of refund of electric duty. Here it is pertinent to note that, as per the reply of the N.A. as well as submissions made during the course of arguments by its learned representative the electric duty is not being levied from March, 2013, as, it is exempted. The complainant's representative has admitted this submission. In view thereof, now only question remains to be decided in respect of claim of refund of electric duty collected from the complainants till March, 2013.

6) Admittedly, by notification of 7<sup>th</sup> July,2004 and 26<sup>th</sup> May,2009 the State Government has accorded exemption from payment of electric duty for the industries in Vidarbha Region. The copies of notifications are on record and not disputed. It is pertinent to note that, even the departmental circulars of

N.A. licensee, in that respect, have been issued. It is admitted position that, inspite there of the electricity duty has been levied in the bills and recovered from the complainants. It has been tried to submit on behalf of the N.A. licensee that the order of IGRC has been complied with. Suffice to say that the said submission is not fully correct. When the electricity duty was exempted for industries by the State Government vide notifications referred to above, the action of levying the electric duty in the bills and recovery there of is in contravention there to. There is no satisfactory justification put forth from the side of the N.A. The learned representative of the N.A. has submitted that the proposal has been sent to the Electricity Duty Inspector for refund and it is the appropriate and competent authority. However, nothing has been brought on record to show that the authority is competent, as tried to be submitted. On the contrary submission made by the learned representative of the complainants that even the Electric Duty Inspector has made query with the licensee in respect of recovery of electric duty, inspite of exemption. So it is clear that, the said submission of N.A. has no base at all specially when the Government has exempted the electric duty. Levying of the electric duty in the electric bills, inspite of such notification is apparently a mistake or act of negligence and it has been continued for sufficient long time. It is in contravention to such notification as well as departmental circulars of the licensee. Nothing has been pointed out as to what are the provisions under Electric Duty Act, 1958 or Regulations there under in support of defense of the N.A. In view there of, it is crystal clear that the electric duty has been illegally recovered, hence the question of making reference to anybody else does not arise at all. It is the responsibility and liability of the concerned officer of the N.A. licensee.

7) As far as the objection raised in reply by making reference of definition “Grievance” and with regard to the Clause 6.6 of the Regulation 2006, nothing has been submitted on behalf of the N.A. If one considers the definition of grievance under the Regulation as well as Clause 6.6 of the Regulation, 2006, it is clear that there is no substance in the objections of the N.A. On the contrary, in the matter of M/s HPCL Vrs. MSEDCL, this objection has been duly considered i.e. the cause of action has been clearly explained by the Hon’ble High Court therein. So this objection of N.A. has no merits. On behalf of the complainant the written notes of arguments with copies of some documents came to be filed, this clearly supports the case of the complainant. In view of illegal recovery of electric duty, the same has to be refunded and in fact the IGRC order also means the same.

8) After the arguments were over and matter was closed for orders, the learned representative of the N.A. licensee has requested for further arguments and in presence of the learned representative of the complainant made submission to which the learned representative of the complainant has given reply. According to the learned representative of the N.A. the complainant in case No. 42/2013 (Kastakar Gas Bottling Pvt. Ltd) is not entitled for any relief as it is not covered under the notification. The learned representative of the complainant has submitted that the N.A. has provided ‘industrial’ connection to the complainant and even bills at “industrial tariff” are issued and payment is received. So also he has submitted that the District Industries Officer has given a certificate of “industry” to the complainant. On this basis, after due verification the connection has been provided by N.A.

According to him, even this point has been appropriately decided in the matter of HPCL. Firstly, it is to be noted that there is no plea, even remotely in the reply of the N.A. Even during the course of earlier arguments nothing was submitted. In any case, the submission without plea in reply has no meaning. Even if we consider otherwise, the order of IGRC is in the form of direction to the N.A. licensee. The submissions made on behalf of the complainant that the District Industries Officer is the competent authority and has issued certificate that the complainant is industry and copy of which is with the N.A., has not been contravened. Further more, the circulars of the N.A. licensee itself, more particularly, that of 2004 and 2009 is regarding exemption of electric duty to “Industries in Vidarbha and Marathwada Region”. According to the complainant’s representative, the activities at the premises of the complainant are part and parcel of manufacturing activities of HPCL. He has further submitted that all the time competent person of the N.A. verifies the activities of the complainant, takes meter readings. This has not been contraverted from the side of N.A. Considering the available material on record and more particularly absence of any plea in reply, this Forum does not find substance in the submission made by the learned representative of N.A. when the documents, that the complainant is a industry, are available with the N.A. and on that basis the connection is provided, bills are issued at the industrial tariff hence there is no point in raising such submission, that too, without pleading, hence there is no merit in this submission.

9) With regard to the claim of interest and costs as made on behalf of the complainant, the learned representative has made submission in respect there of. It is further submitted that as the amount has been illegally recovered, the complainants have been deprived of the user thereof. Hence, the claim in that

respect needs to be awarded. According to the learned representative of the N.A. the amount has been deposited with the State Government and it is not with the N.A. hence no interest be awarded. Similarly it is submitted that for the mistake no costs should be imposed. On the contrary, in reply, the N.A. has claimed costs against the complainants.

10) Suffice to say that the claim of N.A. in reply, in that respect is not tenable. In fact, for the mistake/ negligence on the part of the concerned staff/ officer, illegal recovery has been made though there was exemption. The complainants could have utilized those amounts for other purposes. There is deprivation in enjoyment of their rights. This position, in view thereof supports the submission made on behalf of the complainants. The learned representative for the complainant has relied upon the order of Electric Ombudsman, Nagpur. There is no reply there to from the side of the N.A. on this aspect. Though the complainant has claimed 12% interest, this Forum has to take appropriate view in that respect. Here it is to be noted that the consumers under Circle Office were not levied with electric duty and they got the benefit of these notifications. So apparently, there is discrimination amongst the consumers of N.A. licensee. Consequently, this Forum has to award suitable relief including that of costs as the complainants have been required to approach various authorities. Needless to say that because of mistake/negligence/ laches on the part of the concerned staff/ officer of the concerned office of the N.A. the electric duty has been levied illegally, which resulted in this litigation. Consequently, the N.A. licensee to take appropriate steps against the concerned staff/officer for recovering the monetary liability which it is required to pay because of this order to the complainant. The complainant has referred to the judgment of Hon. Apex Court in the matter of

Lucknow Development Authority Vs. M.S.Gupta (1994 SEC (1) 247keeping the ruling therein and the above) observations, this Forum proceeds to pass the following unanimous order.

**ORDER**

1. Complaint NO. 42/2013 and 47/2013 are hereby partly allowed. The N.A. licensee is directed to refund the electric duty collected from each of the complainant till March,2013 alongwith interest @ 9.5% per annum from the date of recovery till adjustment of the entire amount, in the forthcoming coming electric bills payable by each of the complainants.
2. The N.A. licensee is also liable to pay costs Rs. 1000/-to each of the complainants.
3. N.A. licensee to take appropriate steps including that of recovery of the monitory liability incurred against it because of this order, against the concerned staff / officer for mistake/negligence and latches on their part.
4. Compliance report to be submitted within a period of one month.

Sd/-  
(A.S.Gade)  
Member

Sd/-  
(P.B.Pawar)  
Secretary

Sd/-  
(T.M.Mantri)  
Chairman