

BEFORE THE CONSUMER GRIEVANCE REDRESSAL FORUM  
AURANGABAD ZONE, AURANGABAD.

Case No. CGRF /AZ/R/484/2014/05

Date of Admission 18/01/2014

Date of Decision 15/03/2014

1. Nath Pulp and Paper Mills Ltd. COMPLAINANT.  
Nath House ,  
Paithan Road,  
AURANGABAD.

VERSUS.

2. Executive Engineer,( Adm.) RESPONDENT.  
Nodal Officer,  
O&M Rural Circle,  
MSEDCL, AURANGABAD.

CORAM:

Shri S.K.Narwade Member/Secretary

Shri V.S.Kabra Member.

**REDRESSAL - DECISION.**

The petitioner is engaged in manufacturing and marketing of industrial grades of paper; and the power supply is being provided by the respondent from the 132 KV Sub station at Paithan.

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That pursuant to tariff order 20.10.2006 in case no. 54 of 2005, Honorable MERC had permitted the respondent to levy additional supply charges on 42% of the monthly consumption (KWH) subsequently revised to 24% at a higher rate as may be computed / arrived at by the respondent; This was in view of Respondent having to purchase power from other sources at a higher rate.

That in pursuance the above order, respondent had collected from the petitioner additional supply charges amounting to Rs.1,47,34,569 in excess of the matrix mandated by MERC during the period October 2006 to March 2008 – Details enclosed.

That the Chamber of Marthwada Industries and Agriculture in its petition (case no. 139 of 2008) brought to the notice of Honorable MERC that, the respondent had charged its consumers additional supply charges in excess to the tune of Rs.785.34 crores as it had not purchased costly power from other sources to maintain the supply chain.

The Honorable MERC, while taking cognizance of the material facts placed by the Chamber of Marthwada Industries and Agriculture Aurangabad and accepted by respondent, the Honorable commission directed the Respondent to refund the excess additional supply charges in the manner as outlined in the said order.

In compliance with the order of Honorable MERC, the Respondent has refunded to the petitioner part amount of Rs.42,65,540/- thus leaving a balance of Rs.1,04,69,029 remaining unpaid/adjusted. The petitioner has not received refund of Additional Supply charges since August 2010. The respondent has thus acted in total violation of Honorable MERC's order referred to hereinabove.

The petitioner had submitted an application to the Superintending Engineer, Rural Circle, Aurangabad on 12<sup>th</sup> April 2013 seeking refund of balance of additional charges; however no response from the respondent till dates. In view of the inaction on the application made by the

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petitioner, it has filed a complaint to IGRC on 13th Oct-2013. The IGRC too has not taken any action on the complaint filed by the petitioner till date; hence the present petition to Hon'ble CGRF.

The petitioner submits further that it is a declared Sick Industrial Company under section 3 of the Sick Industrial Companies (Special Provisions) Act 1985 – approved by Hon'ble BIFR on 09.11.2001. Honorable Board for Industrial and Financial Reconstruction, New Delhi (BIFR) circulated the approved scheme of rehabilitation on 14<sup>th</sup> February 2012.

Therefore the complainant prayed that, Superintending Engineer, Rural Circle, MSEDCL Aurangabad may be directed to refund/adjust unpaid additional supply charges aggregating to Rs. 1,04,69,029 along with interest as prescribed u/s 62 (6) of the Electricity Act 2003, or to adjust the unpaid ASC in the monthly energy bills commencing January 2014.

The respondent MSEDCL in the above mentioned complaint most respectfully submits its reply as follows.

That application for refund of ASC (additional supply charges in respect of M/s Nath Pulp & Paper Mills Ltd., Nath House, Nath Road, Aurangabad (Consumer No.490019001625 forwarded to the Chief Engineer (Commercial) Head Office Mumbai for approval. The respondent is not having powers for refund of ASC charges. The copy of the said letter to Chief Engineer (Commercial) and Commercial Circular No.47 dated 04.11.2006 is placed before the forum. That as per Commercial Circular No.47 dtd. 04.11.2006 Additional supply charges are refunded to M/s Nath Pulp & Paper Mills Ltd. for the period Oct-2009 to July-2010. After getting approval from C.E. (Comm), H.O balance ASC charges, will be refunded.

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The Forum heard both complainant and respondent also verified the documents placed before forum. It is observed that, the respondent has not denied the grievance filed by the complainant regarding refund of balance A.S.C. charges. The Forum has observed the proposal for refund of A.S.C. submitted for approval by the Respondent to Chief Engineer (Commercial), Corporate Office, Mumbai vide letter No. SE/ARC/HT BILLING/2602 Dated 07.05.2013. The proposal submitted by the Respondent is returned by Chief Engineer (Commercial) for the compliance of queries raised thereof and directed to resubmit the proposal for refund of A.S.C. with required detail report and recommendation. Respondent has yet not submitted the detail proposal with their recommendation to Chief Engineer (Commercial), Corporate Office, Mumbai till today. Though the Respondent has not denied to refund the A.S.C. charges however, the Respondent has not taken due care to comply as per directives from Chief Engineer (Commercial), Corporate Office. In case, the corrected proposal with recommendation might have been forwarded to the Competent Authority i.e. Chief Engineer (Commercial), the amount of A.S.C. would have been refunded timely to the complainant. The Forum is in the opinion that Respondent has to submit proposal for refund of A.S.C. to Chief Engineer (Commercial), H.O., Mumbai with required details and recommendations within a fortnight. The Respondent to follow up for the approval from Competent Authority since the industrial unit is declared sick as per BIFR order and the amount of A.S.C. is to be refunded within a period of one month. The Forum therefore, issues following order.

ORDER

- 1) The Respondent to refund unpaid A.S.C. charges with interest @ rate of 9%p. a. w.e.f. date of application, within one month from the date of this order.
- 2) No order as to cost.

Sd/-  
( S.K.Narwade. )  
Member/Secretary

Sd/-  
( V.S. Kabra. )  
Member

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