## Consumer Grievance Redressal Forum Maharashtra State Electricity Distribution Co. Ltd. Bhandup Urban Zone, Bhandup

Ref. No. Member Secretary/MSEDCL/CGRF/BNDUZ/

Date:

Case No.467

Hearing Dt. 10/09.2012.

M/s. Shree Transformer Vs.

Applicant

M.S.E.D.C.Ltd., Pnavel

- Respondent

### Present on behalf

- A] On behalf of CGRF, Bhandup
- 1) Shri. S.K. Choudhary, Chairman, CGRF, Bhandup.
- 2) Shri. R.M Chavan, Member Secretary, CGRF, Bhandup.
- 3) Dr. Smt. Sabnis, Member, CGRF, Bhandup.
- B] On behalf of Applicant
- 1) Shri. Pujari Amit –Consumer Representative
- C] On behalf of Respondent
- 1) Shri. N. D. Narayane, Dy. Ex. Engr., Panvel.

## ORDER

M/s. Shree Transformer is a 3ph .LT consumer under service no.0285102880863 at plot no.47 sector. 1/S New Panvel. M/s. Shree Transformer is involved in the repairing and manufacturing of distribution transformer activity. This consumer was billed on industrial tariff i.e. LT V since release of connection.

On Dt 01/02/2012 the premises was inspected by Dy Executive Engineer flying squad and reported for change of tariff from industrial to commercial being transformer repair activity. Accordingly the utility issue the bill for tariff difference from industrial to commercial for the period of April-10 to Feb-12 for an amount of 17,3467/- also change billing tariff to LT-II commercial.

The consumer representative Shri. Amit Pujari. (Here in after will referred as to the Applicant) claimed that the activity is not limited to Transformer repairs, they also manufacture the new Transformer & provided there own mark on the manufactured Transformers, hence the only category of "industry" is applicable. Moreover the repairing activity involved manufacturing of LV & HV coils, they assembles laminations to form the core, both HV & LV coils are assembled along with core to form Transformer & this is not a commercial activity.

The applicant further added the definition of "manufacturer "which is clarified by the Hon'bel MERC that

- 1) Make or manufacture any goods or parts.
- 2) Does not make or manufacture any goods but assemble parts there off make or manufacture by another.
- 3) Puts or causes to be put his own mark on any good made or manufactured by another manufacturer.

The applicant also produced the copies of order passed by CGRF Kalyan in case of M/s. Gajendra Transformer industry & Kabee Transformer Pvt Ltd in which forum has heard the matter & confirm the industrial tariff applicability.

During the proceeding the applicant referred the recent tariff order no.19 for the years 2012-13 of the commission in which it is explicitly cleared the Transformer repairing workshop under the industrial (LT V) category.

On the behalf of utility Shri. N.D. Narayane Dy Executive Engineer, Panvel was present to represent the case, he produced the copies of utilitie's work order for repairing of Transformer allotted to M/s. Shree Transformers for the year 2009-10, 2010-11, 2011-12and its extension.

He explained that these orders shows that the consumer applicant is doing the repairing job work from 2009-10 and hence proposed the back recovery which is for the limited period observing the section 56(2) of EA 2003. He also produced the commercial circular issued by the Chief Engineer commercial vide PR-3/Tariff/649/3795 of 03.02.2012 which speaks that the Transformer repairing workshop is covered under commercial category.

The matter was heard on 10.09.2012, both the parties were present the documents on record and arguments during the hearing reveals that the utility was billing this consumer on the industrial tariff right from its release of connection.

On dt 01.02.2012. Flying squad unit has inspected the premises and concluded that the repairing activity covers under commercial tariff and accordingly reported to billing authority for conversation of tariff from industrial to commercial. However while going through the definition of "manufacture" it seems that in repairing of transformer if includes the activity of assembling the HV, LV coils over the core. The repairing activity also involved the manufacturation of coils from the bare copper strips, so even if the consumer applicants activity is repairing of Transformer it should covered is the industrial activity. Moreover this doubt is cleared by the Hon'bel commission tariff order in case no.19 that all the Transformers repairing workshop are covered under the industrial tariff. The tariff order under the heading of LT V: LT industry, which states that this tariff shall also be applicable for use of electricity/power supply for (but not limited to following purpose);

C) Engineering workshops, engineering goods manufacturing units, printing press, Transformer repairing workshops.

This shows that the transformer repairing workshop is already covered under industrial category but utility has wrongly change it to commercial.

In the present case, the Respondent has billed this consumer considering the activity comes under industrial since beginning and that too to all such consumers who are repairing the distribution transformer; but suddenly change the billing tariff category to commercial concluding that this "Transformer repairing activity" is not industrial but it should be commercial. The respondent do not explain the consumers as to how this category change for same activity which was already decided for industry.

Close reading of MERC tariff order 2012-13 there in Page No.321 in bracket "(but no limited to following purpose)". This means these activities a) to g) are already covered under industry. It means that transformer repairing workshop should be billed on industrial tariff. Which respondent wrongly concluded as commercial activity.

The respondent can not billed this consumer for partial period on industrial tariff category and partial for commercial; once the activity is confirmed the consumer should billed accordingly for throughout period. Hence the back recovery charged for the period of 23 months should be windrawn along with interest, if any.

Compliant is allowed:-

## <u>ORDER</u>.

- 1) Respondent is directed to reverse back the tariff category of this consumer as industrial.
- 2) respondent should widrawn the back recovery of tariff difference and interest there on, if any.
- 3) Compliance should be reported within 30 days for receipt of this order.
  - 4) No order as to the cost.

Both the parties be informed accordingly.

The order is issued under the seal of consumer Grievance Redressal Forum M.S.E.D.C. Ltd., Bhandup Urban Zone, Bhandup on.24.09.2012.

Note: 1) If Consumer is not satisfied with the decision, he may have representation within 60 days from date of receipt of this order to the Electricity Ombudsman in attached "Form B".

Address of the Ombudsman The Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606, Keshav Building, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

2) If utility is not satisfied with order, it may go in writ before the Hon. High Court within 60 days from receipt of the order.

DR. ARCHANA SABNIS
MEMBER
CGRF, BHANDUP

S. K. CHOUDHARY CHAIRMAN CGRF, BHANDUP R.M. CHAVAN MEMBER SECRETARY CGRF, BHANDUP

# Consumer Grievance Redressal Forum Maharashtra State Electricity Distribution Co. Ltd.

Ph. No. 25664314 25664316.

Consumer Grievance Redressal Forum "Vidyut" Bhavan", Gr. Floor, L.B.S.Marg, Bhandup (W), Mumbai – 400 078.

REF.NO. Secretary/CGRF/MSDCL/BNDUZ/Case No. 467/

Date:

To M/s. Shree Transformer, Plot No.47, sector., New Panyel.

SUB: Decision issued in respect of case No. 467

Dear Sir.

In response to the grievance put up by you with the Forum vide case No. 467 hearing is completed on dated 10/09/2012 the order passed on vides this office order No. 00297 dtd. 24/09/2012 is enclosed herewith for your information please.

Thanking you,

Yours faithfully

Encl: Decision (Page No. 1 to 5)

SECRETARY CGRF, MSEDCL, BHANDUP

#### c.s.w.r. to:

- 1) Chief Engineer (L.M.), M.S.E.D.C.Ltd., H.O., Prakashgad, Bandra (E), MUMBAI – 400 051.
- 2) The Chief Engineer, MSEDCL, BNDUZ, Bhandup.

#### Copy f.w.cs. to:

- 1. The Executive Engineer (Office) & Nodal Officer, ICGRC. Office of the Suptd. Engr., O&M Circle, VASHI
- 2. The Executive Engineer, MSEDCL, Panvel (U).