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

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

Date:

In the matter of change of tariff.

Case no. 473 Hearing Dt. 21/12/2012,

05/01/2013 & 12/02/2013.

M/s. Telawane Cromptek Pvt Ltd. - Applicant

Vs.

MSEDCL Airoli S/divn Vashi Division - Respondent

Present during the hearing

A] - On behalf of CGRF, Bhandup

- 1) Shri S.K. Chaudhary, Chairman, CGRF Bhandup.
- 2) Shri R.M Chavan, Member Secretary, CGRF, Bhandup.
- 2) Dr. Smt. Sabnis, Member, CGRF, Bhandup.
- B] On behalf of Applicant
- 1) Mr. Yogesh Telawane Consumer Representative.
- 2) Mr. Pandit Jawale.
- C] On behalf of Opponent
- 1) Shri S.G.Kamble, Dy. Ex. Engr. Airoli S/divn.
- 2) Shri V.K.Talwalkar, Dy.Ex. Engr. Flying.Squad . Vashi

ORDER

M/s.Telawane Cromptek Electrical Pvt Ltd. is LT Consumer of MSEDCL, under Sr. No 000111363102 at Plot no.R-425 MIDC Rabale Navi Mumbai The Main Object of the company is repairing of electrical transformers up to the capacity of 10 MVA.

The Electricity was released to this shed on 18/06/1988.

The reason for the grievance arose is supplementary bill raised by the Respondent for an amount of ₹. 4,35,320/- towards the recovery charged for tariff difference of Industrial to Commercial for the period of 2 years.

The Applicant consumer had approached to the IGRC, Vashi but get no relief and aggrieved of the decision, he approached to this forum, accordingly the grievance was registered vide case no.473 and hearings were fixed.

On 26/04/2012, the flying squad unit of vashi, visited the Applicant's premises and inspected and found that, the only transformer repairing activity is going on. Accordingly the flying squad unit reported the billing in charge and converted the billing tariff Industrial to commercial with past recovery of 2 years amounting to ₹.4,35,320/-

The Maharashtra state Electricity Regulatory commission in its new tariff order for year 12-13 in case no-19 made it clear that Transformer repairing workshop is to be categories as industrial consumer, and this tariff order is came in to force or effective from 1st Aug 2012 onward. The Respondent Utility accordingly change the tariff of this consumer to industrial. However the Utility has declined to reverse back the tariff for past period as the order is came in to force from Aug 2012 and not for retrospective.

On the behalf of consumer shri. Yogesh Telawane and shri.Pandit Jawale were present to represent the case [here in after will referred as to the Applicant.]

They stated that, the flying squad when inspected the premises only layman were present and had not enquired about the activity of manufaturation of transformer is conducted in the shade, However the invoice and bills raised towards sales of newly manufactured transformers supplied to the different parties during the period there on commercial tariff.

The Applicant also submitted the memorandum of Association and Articles of Association of the company shows the object of the company also includes the manufacturation of transformers.

They submitted that Utility was billing them on the industrial tariff right from the release of connection in 1988; but suddenly raised the bill far tariff difference and converted the billing tariff to commercial, for period of May 2010 to April 2012. They reiterated that this commercial tariff was continued till Sep-2012.

As stated by the Applicant they have another shade in the same MIDC Area at plot No R-457 in the name of Telawane Power Equipment Pvt Ltd Which is exclusively use to manufactured the transformer up to the capacity of 50 MVA. However in this shed at R-425 Telawane Cromptek around 10 to 15 % of total work is of manufacturation and rest is of repairing of transformers .

The Applicant also submitted the order of the different forums decided the activity is covered under industrial tariff.

The Applicant consumer also referred the order passed by this forum in case of M/s. Shree transformer.

The Applicant consumer clarify that even through quantum of manufacture is less but the repairing of transformer involved the similar activity as mentioned in the manufacturing process. i.e. assembling the parts, preparing HV & LV coils etc. hence on account of this activity it should have been treated as industrial consumer.

On the behalf of utility shri. S.G. Kamble and Shri. V.K Talwalkar. Dy.EX.Engr were present to represent the case; They conceded that the consumer is now accommodated in industrial tariff category vide case No. 19 of Hon'ble commission tariff order far year 2012-13 but insisted that this order is came in to force from 1st Aug 2012, there is no directives for its retrospective effect as mentioned on its first page of order.

They also emphasized on the activity going on in the premises that no manufacturing process is found during their second visit;

The respondent clarified that this consumer have another shed at Plot No R-457 in the same MIDC of Rabale, where the manufacturation processes is going on and is bill on industrial tariff since the date of connection.

The respondent also canceled that as per MERC. [Electricity conditions of supply and other conditions of supply.] Regulations 2005 there in regulation 15 allows the distribution licensee to classify or reclassify a consumer in to the billing category based on the purpose of usage of supply.

The matter was heard on 12/02/2013, both the parties were present, the documents on record and arguments during the hearing reveals that the most of the quantum of work at M/s. Telawane cromptek Electrical Pvt Ltd. at shed No.R-425 at Rabale MIDC is repairing of transformer and merely 10 to 15 % of manufacturation. This fact is admitted by the consumer applicant during the proceeding also.

Forum observed that the memorandum of Association and Articles of the Company submitted by the complainant is not authenticated copy or true certified copy issued by the competent authority who registered the company. Moreover on perusal of these documents, forum found that there is no any date on which date the memorandum of association and Article were drafted and submitted to the competent Authority for the registration of company, therefore it is rather difficult for this forum to believe these two documents shown by the complaint for the purpose that the said company is /was having activity of manufacturation of transformer.

These two documents are general Proforma's and is the absence of above referred objections, forum are not inclined to considered that main activity of the complaint was manufacturing of the transformers.

Much emphasis was made in the complaint about the decisions given by different forums from our state to impress to this forum that those forums have considered the activities of those complaint as manufacturing activity. The submission was that with the same principle his case should be considered as having main activity as Manufacturing and Industrial tariff has applied by setting aside the commercial; tariff which should be made applicable to the complaint. In our view after going through the orders of those forums we have came to the conclusion that the facts on which those decisions are given by respective forum is not applicable to the facts of the present case & therefore this forum conclude to reject the submission of complaint on these points.

As regard to the case of M/s. Shree. Transformer decided by this forum the facts involved were differed from this case and what records and other material brought to sight of this forum by the complaint was having substantial value and hence can not be made applicable same principle in this case.

The forum therefore feels that the new tariff order of the year 2012-13 is effective from 1st Aug 2012 on word and does not impact for the past

recovery, hence, if Utility has billed the consumer from 1st Aug 2012 on word on commercial tariff it should be revise on industrial tariff and past recovery claimed of the period of two year i.e May 2010 to April 2012 is uphold.

<u>ORDER</u>

- 1) The prayer of the Applicant consumer to withdraw the recovery charged toward tariff difference for the period of May 2010 to April 2012 is deserved to be and here by rejected.
- 2) The respondent should convert category to industrial tariff from 1st Aug 2012 as per the commission tariff order in case no 19 and the excess amount paid should be refunded along with interest and DPC, charged, if any.

The compliance should be reported within 60 days from this order.

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 21st of February 2013.

Note: 1) If Consumer is not satisfied with the decision, he may go in appeal 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 proceed 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