

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

Office of the  
Consumer Grievance Redressal Forum  
Ajantha Chauphuli, Old M.I.D.C.  
Jalgaon 425 003

No./CGRF /JLGZ/JALCircle/JAL U Dn/C.No.22-2016-17/

No 000257

Date: 14 MAR 2017

(BY R.P.A.D.)

Date of Submission of the case : 08/02/2017  
Date of Decision : 10/03/2017

To.

1) M/s Godavari Foundation,  
Gat No315/305/321,NH-6,  
Jalgaon, Tal-Dist-Jalgaon.  
(Consumer No. 110639005160)

} Complainant

2) Executive Engineer & Nodal Officer,  
Maharashtra State Electricity Distribution Co LTD.  
Circle office, Jalgaon.

3) Executive Engineer,  
Maharashtra State Electricity Distribution Com. Ltd.  
Division office, Jalgaon (UCR).

} Distribution Company



**DECISION**

M/s Godavari Foundation, Gat No315/305/321,NH-6, Jalgaon is HT-IX E consumer ( hereafter referred as the Complainant) of the Maharashtra State Electricity Distribution Company Ltd. ( hereafter referred as the Distribution Company ) has submitted a grievance regarding charging of Tax on Sale of Electricity in the electricity bills with the Internal Grievance Redressal Cell (IGRC) , MSEDCL, Jalgaon Circle Office. However being not satisfied with the decision of the IGRC the complainant has filed the representation to the Forum in Schedule "A" which is registered at inward no. 15 on 08.02.2017.

It was decided to admit this case for hearing after consulting the Forum . The matter was fixed for hearing on 23.02.2017 at 12.00 P.m. in the CGRF Office, Jalgaon and a notice to that effect was sent to the complainant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Circle Office , Jalgaon for submitting para wise comments to the Forum on the grievance within 15 days under intimation to the consumer. The copy of this notice was also endorsed to the Superintending Engineer, Circle Office , Jalgaon and Executive Engineer ,Jalgaon UCR Division.

Shri Sanjay M. Aakode, Superintending Engineer , Shri N.D.Narayane, Nodal officer & Executive Engineer, Shri R.F Pawar Dy.Executive Engineer, Shri Jayesh Hiwale, Sr. Manager (F&A) & Shri D.L. Baviskar Dy,Manager(F&A),Circle Office Jalgaon, represented the Distribution Company during the hearing. The complainant or his representative were not present.



### **Consumer's Representation in Brief :**

1. The aforesaid establishment was duly registered under Maharashtra (Bombay) Public Trust Act and was & is engaged in educational activity, which is strictly Non-Industrial & Non-Commercial activity; therefore the aforesaid H.T. Connection was & is billed as per the HT-IX (B) (i) - Public Services (Others) Tariff, which is promulgated by Honorable MERC, by the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon. Copy of the Bill is enclosed.
2. As per the notifications promulgated by Government of Maharashtra, by exercising of the powers conferred by Section 3 of the Maharashtra Tax on Sale of Electricity Act, 1963 (Mah. XXI of 1963), from time to time, the rate of Tax on Sale of Electricity was and is declared NIL on the electricity consumed by any consumer who has other than Industrial and/or Commercial Consumer/s. All the copies of the Notifications are enclosed herewith.
3. Even though the aforesaid establishment was & is engaged in educational activity, which is strictly Non-Industrial & Non-Commercial activity as well as the Tax on Sale of Electricity was & is not applicable to the aforesaid establishment, the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon is charging Tax on Sale of Electricity, in the Electricity Bills.
4. The said act of the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon was and is strictly illegal and unconstitutional.
5. Accordingly the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon had made & prepared excessive Electricity Bills by charging Tax on Sale of Electricity, in the Electricity Bills.
6. So the complainant has submitted an application to the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon, to stop charging Tax on Sale of Electricity, in the Electricity Bills, as well as refund us the amount which was collected by them, under the head namely Tax on Sale of Electricity, on dated 21.01.2016. The copy of the said Application is enclosed herewith.
7. But as no one took cognizance in this regard. the complainant has submitted a Grievance before IGRC (Internal Grievance Redressal Cell), Jalgaon, for order to stop charging Tax on Sale of Electricity, in the Electricity Bills as well as for order to refund us the amount which was collected by the Office of the MSEDCL, Jalgaon, under the head namely Tax on Sale of Electricity, on dated 25.07.2016.
8. The office of the IGRC has dismissed, the above mentioned Grievance, without mentioning any reason, on dated 06.12.2016. Copy of the said Order is enclosed herewith.
9. The office of the IGRC has given the above mentioned decision, without considering all these Government Resolutions, Judgment of the Honorable ATE and Orders of Honorable MERC and without mentioning any reason and/or surmise, in this context.
10. Hence, the complainant is approaching the forum, by submitting said Grievance Application, for order to stop charging Tax on Sale of Electricity, in our Electricity Bills as well as for order to refund us the amount, which was collected by the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon, under the head namely Tax on Sale of Electricity.
11. As per the notifications promulgated by Government of Maharashtra under the Maharashtra Tax on Sale of Electricity Act, 1963 (Mah. XXI of 1963), from time to time, the rate of Tax on Sale of Electricity was and is declared **NIL** on the electricity consumed by any consumer who has other than Industrial and/or Commercial Consumer/s.
12. Our aforesaid establishment was & is engaged in educational activity, which is strictly Non-Industrial & Non-Commercial activity, so that the Tax on Sale of Electricity was & is not applicable to our aforesaid establishment, as per the law.

### **Relief Sought :**

1. Order to stop charging Tax on Sale of Electricity, in our Electricity Bills.



2. Order to refund us all the amounts, which was collected by the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon under the head namely Tax on Sale of Electricity, from time to time.
3. Order to confer interest on all the amounts, which was collected by the Office of the Superintending Engineer, Circle Office, MSEDCL, Jalgaon under the head namely Tax on Sale of Electricity, from time to time, from the date of Collection of the said Amount.
4. Award to Applicant Rs. 10,000/-, as a cost of the said application, which should be payable by the MSEDCL.
5. Any other suitable and equitable orders may kindly be passed in favor of the Applicant for the sake of justice.

**Action by IGRC :**

1. The complainant submitted the grievance to the Internal Grievance Redressal Cell, Jalgaon, Circle office on 29.07.2016 .
2. Under letter no.6382 dated. 06/12/2017,the IGRC took following decision:  
*"From the letter dated 25.10.2016 of the Superintending Engineer, Circle Office Jalgaon that Tariff applied i.e. Tax sale on Electricity Duty is as per Rule."*

**Arguments from the Distribution Company.**

The Nodal Officer & Executive Engineer , Jalgaon Circle office has submitted a written reply to the Forum by letter no. 896 dated 22.02.2017 which states as under:

1. Industrial, Energy and Labour Department in Notification dated 21, April 2015 stated with effect from 1<sup>st</sup> April, 2015 in respect of sale of electricity to industrial or commercial consumer **8 paisa** per unit Tax on Sale of Electricity to be charge and in respect of sale of electricity to any other consumer other than industrial or commercial consumer's **NIL** rate Tax on Sale of Electricity to be charge.
2. Our Contention is that in Industrial, Energy and Labour Department in Notification dated 21, April 2015 is not clearly mentioned that Education Institute exempted from Sale Of Electricity Duty. For example in exemption of Electricity Duty in Maharashtra Electricity Duty Act, 1958 clearly mentioned that Electricity duty shall not be leviable on the units of energy consumed in respect of charitable institution registered under the Bombay Public Trust Act, 1950 for the purpose of, or in respect of school or college imparting education or training in academic or technical subjects.
3. HT Commercial Tariff is further bifurcated into Public Services in order to provide public utility services lower Tariff rate i.e. HT-IX-Public Services, but original nature it is Commercial Tariff only. So in President Godavari Foundation Tariff HT-IX - Public Services (B) Other which is Commercial nature only and Liable for Tax Sale of Electricity Duty.

**Observations by the Forum:**

1. The complainant's representative Shri Shyamsundar Agrawal informed the Forum as per letter dated 21/02/2017 that he is unable to attend the hearing scheduled on 23/02/2017 in person because he is out of Jalgaon for the period 22-24 February 2017. He requested the Forum to consider the written argument already submitted and take the decision on merits. He also requested to postpone the hearing in case the Distribution Company does not submit their written say during the hearing.
2. The Distribution Company has already submitted their written reply to the representation vide letter dated 22/03/2017 to the forum with a copy to the complainant. The Forum decided to conduct the hearing based on the written representation of the complainant in his absence.
3. The complainant consumer is HT consumer with connected load 450 kW and Contract Demand 400 KVA with the date of supply as 30/03/2010.The tariff category applied is HT-IX B ( Public Service -Others)
4. The Distribution Company has argued that *"HT Commercial Tariff is further bifurcated into Public Services in order to provide public utility services lower Tariff rate i.e. HT-IX-Public*

