

**Maharashtra State Electricity Distribution Co. Ltd.'s
Consumer Grievance Redressal Forum
Nagpur Zone, Nagpur**

Case No. CGRF(NZ)/67/2016

Applicant : M/s. National Tyres,
121/4, Kapsi
Bhandara Rd, Nagpur.

Non-applicant : Nodal Officer,
The Superintending Engineer,
NRC,MSEDCL,
NAGPUR.

Applicant :- In person.

Respondent by 1) Mrs.S.R.Padlamwar, Dy.EE, NRC, Nagpur
2) Shri Gulhane, Dy.EE.

Quorum Present : : 1) Mrs. V.N.Parihar,
Member, Secretary
& I/C.Chairman.

2) Shri N.V.Bansod,
Member

ORDER PASSED ON 18.06.2016.

1. The applicant filed present grievance application before this Forum on 11.05.2016 under Regulation 6.4 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 (hereinafter referred to as said Regulations).
2. Non applicant, denied applicant's case by filing reply dated 30.05.2016.
3. Forum heard argument of both the parties and perused the record.

4. As per applicant, he is having industrial unit situated in industrial area, and at present availing HT supply. Prior to HT supply, he was availing LT supply with 45 HP Load bearing consumer No.411380001934 & therefore billed as per LTVB tariff from 1991 to August-2012, with exemption in electricity duty on the basis of SSI registration.

5. Applicant further contented that, MERC, while revision of tariff for the FY 2012, included tyre retreading industry under commercial tariff for the revenue requirement of the MSEDCL. Being a tyre retreading industry, MSEDCL charged them commercial tariff but withdrawn the subsidy granted by Government of India under electricity duty Exemption to SSI units. In his opinion, MSEDCL is the collecting agent to collect the electricity duty from the consumer for onward remittance to the Government of Maharashtra, and therefore cannot withdrawn electricity duty exemption granted by GOM while changing their revenue category. Hence non-applicant's action of charging them electricity duty is against the policy of Government of Maharashtra.

6. Hence applicant prayed to forum to direct the non-applicant to exempt the applicant from charging electricity duty immediately and refund the amount of electricity duty recovered from September-2012 till this date.

7. The applicant filed grievance before the IGRC on dt 07-01-2016 reiterating the same prayer. The IGRC dismissed the grievance by its order dated 11-03-2016 holding that applicant is utilizing power for tyre retreading activity which is service rendering unit. As such activities are categorized as commercial activity as per tariff

order issued by MERC for FY 2012, Electricity duty is charged to all such applicants. Since applicant is categorized under commercial, being a commercial category consumer, electricity duty is applicable to the applicant.

8. Applicant also relied on the order of IGRC, Akola dated 22-09-2015 wherein, non-applicant has been ordered to allow exemption of electricity duty after getting confirmation from DIC about SSI registration.

9. Dissatisfied with IGRC's order, the applicant challenged the order by filling grievance application on dt.11-05-2016.

10. Non-applicant vide their reply dt.30-05-2015 admitted that, the applicant is at present HT commercial consumer having no.410039013580 under Mouda Sub-division utilizing power for tyre retreading activity. Prior to LT to HT conversion of supply, the applicant was LT V B consumer with 45 HP load bearing consumer no. 411380001934. As per tariff order of MERC dt.16-08-2012 in case no.19 of 2012, tyre retreading activity is considered as commercial activity. And hence applicant is reclassified as LT II for billing purpose and billed accordingly. As per SSI certificate issued by DIC, Nagpur the said unit is service rendering enterprise.

11. Non-applicant further relied on their departmental commercial circular No.204 dated 08-08-2013. As per this circular Electricity Duty is charged to the applicant. Hence prayed to reject the grievance application.

12. After hearing both sides, it is seen that, according to the letter issued by the Government of Maharashtra DIC Nagpur vide letter no. DICN/National Tyres/2016-17/1092 dated 08-06-2016 it is clear that applicant's unit's tyre retreading activity is considered as manufacturing activity. As per package scheme of incentives benefit

are granted to the tyre re-trading activity being manufacturing activity. And said unit is registered as manufacturing unit with SSI registration No.111406065 dated 29-06-1992.

13. In pursuance to GOM's letter no. ELD-2008/273/urja-1dt.17-11-2008 and GOM's letter No. ELD-2013/79/urja-1dt.05-07-2013, MSEDCL has issued commercial circular no 204, stating the procedure of effecting the ED exemption through IT based system to eligible consumers and for early processing the refund of ED by such consumers during approved period. As applicant was originally in the category of electricity duty exempted consumers, Non- applicant should have informed applicant about the said circular. It is also seen that applicant is ignorant about the procedure to be followed for refund of electricity duty to duty exempted consumer. Hence applicant did not follow the aforesaid procedure in order to get refund and exemption of ED. In light of such a circumstance, order of IGRC deserved to be quashed & set aside.

14. The commercial circular no.204,is for processing of electricity duty Exemption/refund cases like this applicant, whose grievance is regarding refund of electricity duties recovered from September-2012 till this date and same is covered in the above circular. Non-applicant has already remitted the electricity duty recovered from applicant from September-2012 till this date to the Government of Maharashtra.

15. As per this commercial circular No 204 dated 08.08.2013,It is mandatory for the consumer to submit application in form "F" along with the original duty exemption certificate to SE Nodal officer who will be responsible to forward the duty

exemption /refund claim within 15 days and ensure the effect of ED exemption /Refund in next energy bill. On submission of such prescribed form by the applicant, the grievance will come to an end with retrospective effect.

16. In view of the MSEDCL commercial Circular no.204, the process of electricity duty exemption and refund is just a one month process. During the hearing, non-applicant agreed that, in case applicant would have submitted form 'F', all the necessary co-operation would have extended to the applicant to process the form 'F' through MSEDCL. Applicant also consented to follow the requisite procedure such as submission of the form 'F' etc. at the earliest.

17. The forum is of the opinion that, if circulars like commercial circular No.204 dated 08-08-2013 would have brought to the notice of the affected consumers like applicant along with the simple required procedure which ends in a month, unnecessary grievances could have been avoided. Hence non-applicant shall publicize the circular or directives in order to curtail the further grievances.

18. At this juncture forum is not aware of fate of order of IGRC Akola. While deciding the applicant's case, this order of IGRC is neither binding on this forum nor is of any relevance for deciding the grievance application.

19. Hence a grievance application is disposed off with the following order.

ORDER

- i) Application is partly allowed.
- ii) Applicant is directed to follow the prescribed procedure of filling the form 'F' for exemption refund of electricity duty as per Departmental commercial circular no.204.
- iii) non-applicant is directed to extend all co-operation to finalize the same and refund of electricity duty from September-2012 to till this date, as per rules and regulations.
- iv) Non-applicant is directed to process the same within 30 days from date of submission of form 'F' and shall submit its compliance report within 45 days from the date of this order.
- v) No order as to cost.

(Shri.N.V.Bansod)
MEMBER

(Mrs.V.N.Parihar),
MEMBER/SECRETARY
& I/C. CHAIRMAN