

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

Case No. CGRF(NUZ)/059/2005

Applicant : M/s. Orange City Steel Industries
Pvt. Ltd.,
Old Kamptee Road, village Ranala,
Tahsil Kamptee,
Dist. Nagpur.

Non-Applicant : The Nodal Officer,
Assistant Engineer,
O&M Division No. I,
Nagpur representing the MSEDCL.

Quorum Present : 1) Shri S.D. Jahagirdar, IAS (Retd),
Chairman,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

2) Smt. Gouri Chandrayan,
Member,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

3) Shri M.S. Shrisat
Exe. Engr. & Member Secretary,
Consumer Grievance Redressal
Forum, NUZ, MSEDCL, Nagpur.

ORDER (Passed on 18.10.2005)

The present grievance application is filed by the applicant on 16.09.2005 as per Regulation 6.3 of the Maharashtra Electricity Regulatory Commission (Consumer

Grievance Redressal Forum & Ombudsman) Regulations, 2003 here-in-after referred-to-as the said Regulations.

The grievance of applicant is in respect of non-refund of amount of Rs. 22,77,200/- in monthly installments from the month of April 2005 as per the non-applicant's load sanction letter, being letter number SE/NRC/HT/Tech/L.S./3251 dated 17.04.2002.

The applicant has also claimed payment of interest and DPC on the above amount at the same rate as the MSEDCL is charging to consumers for delayed payments.

The facts of the case, in brief, are as under.

The applicant is a consumer of the non-applicant company and it availed supply at 11 KV with contract demand of 500KV with a connected load of 625 KW vide the non-applicant's load sanction order, being order no. 3251 dated 17.04.2002. The contract demand was enhanced to 600 KVA with a connected load of 750 KW vide MSEB's load sanction letter no.SE/NRC/HT/T/LS/7749 dated 02.10.2004 and it was released on 10.12.2004. As per the non-applicant's commercial circular no. 546 dated 24.03.1999, there was refundable amount of Rs. 22,77,200/-, which was to be refunded by the non-applicant company after 31st March of the third financial year in monthly installments not exceeding 24. Such a condition has been mentioned in the load sanction order dated 17.04.2002. As such, refund of this amount in monthly installments was to commence w.e.f. 1st April 2005. The load sanction order dated 17.04.2002 produced on record by the applicant shows that an additional condition at item no. 15 (1) has been incorporated to the effect that the applicant will have

to submit fresh permanent SSI Registration Certificate. The record also shows that this certificate has been produced by the applicant on 17.07.2005 before the non-applicant.

In view of this position, the non-applicant started refund of Rs. 1,89,500/- per month commencing from August, 2005 and this refund has been effected in the monthly energy bills of August, 2005 and onwards. As many as ten such installments have been fixed. A letter, being letter number 7082 dated 05.10.2005, addressed to the Executive Engineer, C.C. O&M Division- I, MSEDCL, Nagpur by the Superintending Engineer NRC, MSEDCL, Nagpur has been produced on record by the non-applicant demonstrating the commencement of payment of monthly installment of Rs. 1,89,500/- from August, 2005.

The grievance of the applicant is that the process of refunding of Rs. 22,77,200/- ought to have started w.e.f. 1st April, 2005 as per condition no. 15 of the non-applicant's load sanction order dated 17.04.2002.

The matter was heard by us on 17.10.2005 and both the parties of them submitted their respective say before us.

The non-applicant has also filed his parawise remarks dated 10.10.2005 a copy of which has been given to the applicant and he was given opportunity to offer his say on this parawise report also.

The case of the applicant is presented before us by the applicant's nominated representative one Shri R.B. Goyenka.

It is the contention of the applicant's representative that the load sanction order dated 17.04.2002 clearly stipulates that the differential amount of Rs.22,77,200/- shall be refunded without interest to the applicant after the 31st March of the third financial year. This means that this amount ought to have been refunded in monthly installments not exceeding 24 w.e.f. 1st April, 2005. According to him, the process of refund did not commence from 1st April, 2005 and that this process has actually commenced w.e.f. August, 2005. He, therefore, pointed out that there is a delay of four months for starting the process of refund and claims payment of interest on the delayed payment. In this respect, he placed reliance on section 62 (6) of the Electricity Act, 2003 which provides for payment equivalent to the bank rate of interest on delayed payments. He admits that the non-applicant did issue a letter, being letter dated 05.10.2005, asking the Executive Engineer concerned to refund amount of Rs. 1,89,500/- per month for 10 months commencing from August, 2005. However, his stress is on refunding total amount of Rs.22,77,200/- and not amount of Rs.18,59,500/- as envisaged by the non-applicant.

On the point of submission of fresh permanent SSI Registration Certificate, the applicant's representative points out that the non-applicant's commercial circular, being circular number 546 dated 24.03.1995, a copy of which has been produced on record, nowhere contemplates incorporation of condition of submission of permanent SSI Registration Certificate by the SSI Units. According to him, the condition incorporated in the load sanction order in respect of

submission of fresh permanent SSI Registration Certificate is not in tune with the non-applicant's commercial circular referred to by him.

He has further contended that deduction of amount of Rs. 3,29,900/- towards 15% supervision charges from the differential amount of Rs. 22,77,200/- by the non-applicant is also not correct.

The non-applicant, on his part, has denied the claim of applicant's representative and stated before us that it was agreed by the applicant to execute the work by paying 15% supervision charges and hence, there is nothing wrong if this amount is deducted from the total payable amount of Rs.22,77,200/-. According to him, the amount representing the supervision charges was not included in the differential amount of Rs.22,77,000/-.

On the point of submission of fresh permanent SSI Registration Certificate by the applicant, the non-applicant's stand is that the applicant was holding only a provisional SSI Registration Certificate when the load sanction order dated 17.04.2002 was issued and hence incorporation of condition of production of permanent SSI Registration Certificate can not be construed to be unjust and improper. However, he admits that the commercial circular number 546 dated 24.03.1995 does not contemplate production of permanent SSI Registration Certificate by the SSI Units before commencement of process of refund. It is his say that this condition has been incorporated in the load sanction order with a view to abundantly safeguard the rightful interest of the non-applicant Company.

We are of the view that the load sanction order dated 17.04.2002 makes it clear that the refundable differential amount of Rs. 22,77,200/- did not include the 15 % supervision charges amounting to Rs.3,29,900/- and the same will have to be deducted from this amount. The applicant's representative, upon listening to the arguments advanced by the Nodal Officer on this point, also subscribes to this view. He has no objection to deduct amount of 15 % supervision charges from the total payable amount. He also agrees to accept the refundable amount as Rs.18,95,500/-.

During the course of hearing, the applicant's representative has also agreed not to insist upon payment of interest for the delayed payment of four months from April 2005 to July, 2005 in view of the fact that the process of refund has already commenced though late. However, he insisted upon refunding to the applicant one additional installment of Rs.1,89,500/- per month commencing from the month of October, 2005 over a period of four months. This means that if the non-applicant agrees to this, he will refund the regular monthly installment of Rs.1,89,500/- and alongwith it will also pay one additional installment of Rs.1,89,500/- from October, 2005 upto and inclusive of January, 2006. When asked, the non-applicant agreed to this proposal and assured us that the arrangement suggested by the applicant's representative in refunding the payable amount will be executed as suggested by him.

Since the matter in question has been resolved by mutual agreement between the parties, the other points do not now survive.

The applicant's representative has submitted during the course of hearing that important commercial circulars issued by the non-applicant Company are not seen and available when the website of the non-applicant Company is accessed. He particularly pointed out that the non-applicant Company's commercial circular number 546 dated 24.03.1995 and similar other important commercial circulars having bearing upon HT SSI Units could not be seen on the website. He, therefore, urged that the non-applicant be directed to constantly keep updated the non-applicant's website so that the SSI Units can easily get copies of important circulars as and when they need them without loss of time. The request made by the applicant's representative is well-taken by us and we direct the Chief Engineer, MSEDCL, NUZ, Nagpur to ensure in future that all the commercial circulars issued by the non-applicant Company are available on the website. The very intention of creating a website will be frustrated if it is not constantly updated.

In the light of above, the grievance application in question is disposed off in view of the mutual agreement between the parties.

Sd/-	Sd/-	Sd/-
(M.S. Shrisat)	(Smt. Gouri Chandrayan)	(S.D. Jahagirdar)
Member-Secretary	Member	CHAIRMAN

**CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO LTD's
NAGPUR URBAN ZONE, NAGPUR**

**Member-Secretary
Consumer Grievance Redressal Forum,
Maharashtra State Electricity Distribution Co.Ltd.,
Nagpur Urban Zone, NAGPUR**