

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

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**Office of the**  
**Consumer Grievance Redressal Forum**  
**Kharbanda Park, 1<sup>st</sup> Floor,**  
**Room N. 115-118**  
**Dwarka, NASHIK 422011**

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**No. / CGRF /Nashik/NUC/N.U.Dn.1/437/20-14/**

**Date: 22/08/2014**

**(BY R.P.A.D.)**

**Date of Submission of the case : 25/07/2014**

**Date of Decision : 22/08/2014**

To.

1. M/s.Nashik Engineering Cluster.  
C-10, M.I.D.C. Ambad,  
Nashik 422010  
(Consumer No. 049139021500)

Complainant

2. Nodal Officer ,  
Maharashtra State Electricity Distribution Com. Ltd.,  
Urban Circle office, Shingada Talav,  
Nashik
3. Executive Engineer (Urban-1)  
Maharashtra State Electricity Distribution Com. Ltd.  
Kharbanda Park , Nashik .

Distribution Company  
(Respondent)

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**DECISION**

M/s. Nashik Engineering Cluster , (hereafter referred as the Complainant). M.I.D.C. Ambad Nashik is the partly Industrial / Commercial consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Distribution Company). The Complainant has submitted grievance against for methodology adopted by MSEDCL in billing their industrial consumption. The Complainant filed a complaint regarding this with the Internal Grievance Redressal Cell of the Maharashtra State Electricity Distribution Company Ltd. But not satisfied with the decision of the Respondent , the consumer has submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representation is registered at Serial No137 of 2014 on 25 /07/2014.

The Forum in its meeting on 25/07/2014, decided to admit this case for hearing on 12/08/2014 at 11.30 am in the office of the forum . A notice dated 25/07/2014 to that effect was sent to the appellant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Urban Circle Office Nashik and the Executive Engineer (U-1) , Nashik, for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer.

Shri C.C. Humane, Nodal Officer, Urban Circle Nashik , Asstt. Auditor Shri. P. S. Kulthe represented the Distribution Company during the hearing. Shri K.S. Patil appeared on behalf of the consumer.

**Consumers Representation in brief :**

1. The complainant has got mixed load of commercial and industrial category. Initially it was applied tariff as per commercial category for the entire consumption. Hence a representation was made to the Consumer Grievance Redressal Forum, Nashik . As per the order of CGRF dated 06.07.2011, the MSEDCL is issuing the bills partly under Commercial & partly under Industrial Category.
2. The Energy Charges are applied as per industrial tariff for industrial consumption . But the other charges like F.A.C. etc are applied at the rate applicable for commercial category.

**Demands of the Consumer:**

- 1 To change the category fully from commercial to industrial category, since the unit is established and located in industrial Zone , taking care of major industrial activities /units and 60% to 70% connected load is industrial category & balance as commercial category.
- 2 To review all the bills as per applicable tariff category duly approved by MERC from time to time. Refund of the excess amount paid till date w.e.f. date of connection of supply.

**Arguments from the Distribution Company.**

The Distribution Company submitted a letter dated 11/08/2014 from the Nodal Officer, MSEDCL, Nashik Urban Circle Office and other relevant correspondence in this case. Putting forth the arguments on the points raised in the grievance the representatives of the Distribution Company stated that:

1. Nashik Engineering Cluster , MIDC Ambad Nashik is a Private Research and Development Institution. As per Commercial Circular No. 175 dt. 05/09/2012 the HT-II N commercial tariff is applicable to the consumer,.
2. But as per the CGRF decision no.006699 dated 06.07.2011 the said consumer is being charged industrial tariff for the activity of CNG M/C Centre and Heat Treatment

**Action by IGRC:**

1. On the complaint received on 11/09/2013 the IGRC, Nashik Urban Circle conducted hearing on 18/10/2013.
2. The complainant demanded that :
  - a. Industrial / commercial bills for the period July 2011 to September 2013, were given without bifurcation of the allocation of FAC for industrial and commercial. The bills should be corrected and difference be refunded.
  - b. Bills since beginning i.e. from December 2009, should be given at industrial tariff and difference be given.
  - c. Original bill should be given for industrial category.
3. The Distribution Company stated that the said consumer is being given industrial and commercial bills since September 2013.
4. After hearing, the IGRC gave decision as under vide letter dated 14/11/2013:  
The decision regarding giving all bills at industrial rate should be taken after taking guidance from Head Office.

**Observations by the Forum:**

1. The complainant was sanctioned electricity supply under commercial category in December 2009. It represented to the Forum in May 2011 with a request to change their tariff to industrial category. After hearing both sides ,the Forum directed as per order dated 06.07.2011 as under:
  - a. In view of the arguments /points raised in preceding paragraphs and importance attached to the issue , the Forum feels it necessary that the Circle Office should get confirmation from the Head Office level for correct tariff category for the activities of “CNC Machine Centre” and “Heat Treatment” in the instant case . The S.E. (Urban

Circle ) , Nashik should make a reference mentioning all the points raised in the observation of the Forum to the E.D. (Commercial) , MSEDCL ,Mumbai and get correct tariff category for the activities of “CNC Machine Centre and Heat Treatment” for the appellant’s case .

- b. In case the E.D. (Commercial) agrees for industrial tariff for load to “CNC Machine Centre” and “Heat Treatment” , the appellant shall provide separate meters for industrial and commercial load and billing should be done by the Respondent applying appropriate tariff categories.

The Nodal Officer has informed that industrial tariff is being applied to the activity of “CNC Machine Centre” and “Heat Treatment” as per CGRF order.

2. The complainant has requested again to change their tariff fully to the industrial category. But the Forum has already taken decision on this issue. According to the regulation 6.7 (c ) of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 the Forum can not entertain the grievance if it is “in respect of the same subject matter that has been settled by the Forum in any previous proceedings”
3. However , the Forum partly admits the grievance related to the application of other charges like F.A.C. etc applied at the rate applicable for commercial category for industrial consumption .The Distribution Company has already started billing separately industrial and commercial load based on sub-meters . But the consumer has reported that only the energy charges for industrial consumption are charged as per industrial category. But as the main connection is sanctioned under commercial category , the other charges like F.A.C. etc are applied as per commercial category for the entire bill. This is not correct . Once the load is bifurcated into two distinct categories of commercial and industrial, the billing for industrial consumption should be entirely as per industrial tariff inclusive of all components of the bill like F.A.C. etc. If this problem is caused due to manual bifurcation of bills , the Forum advises the complainant to clearly bifurcate the connections and take a separate new connection for industrial activity and reduce the load if necessary for the commercial activity.
4. So far as the billing after issue of CGRF order dated 06/07/2011 is concerned , the Distribution Company should rework the bills from the date on which sub meters are installed and separate readings of the industrial and commercial activities are available , applying industrial consumption as per industrial tariff inclusive of all components of the bill like F.A.C. etc. and refund the excess amount recovered if any with interest as per RBI rate .

After considering the representation submitted by the consumer, comments and arguments by the Distribution Licensee, all other records available, the grievance is decided with the observations and directions as elaborated in the preceding paragraphs and the following order is passed by the Forum for implementation:

### **ORDER**

1. The complainant should take a separate new connection for industrial activity.
2. Before next billing cycle falling after issue of this order, the Distribution Company should rework the bills from the date on which sub meters are installed and separate readings of the industrial and commercial activities are available , applying industrial consumption as per industrial tariff inclusive of all components of the bill like F.A.C. etc. and refund the excess amount recovered if any with interest as per RBI rate .
3. As per regulation 8.7 of of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 , order passed or direction issued by the Forum in this order shall be implemented by the Distribution Licensee within the time frame stipulated and the concerned Nodal Officer shall furnish intimation of such compliance to the Forum within one month from the date of this order.

4. As per regulation 22 of the above mentioned regulations , non-compliance of the orders/directions in this order by the Distribution Licensee in any manner whatsoever shall be deemed to be a contravention of the provisions of these Regulations and the Maharashtra Electricity Regulatory Commission can initiate proceedings *suo motu* or on a complaint filed by any person to impose penalty or prosecution proceeding under Sections 142 and 149 of the Electricity Act, 2003.
5. If aggrieved by the non-redressal of his Grievance by the Forum, the complainant may make a representation to the Electricity Ombudsman, 606, 'KESHAVA', Bandra Kurla Complex, Bandra (East), Mumbai 400 051 within sixty (60) days from the date of this order under regulation 17.2 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006.

**(Ramesh V. Shivdas )**  
Member-Secretary & Executive Engineer  
Consumer Grievance Redressal Forum,Nashik

**(Suresh P.Wagh)**  
Chairman

**Copy for information and necessary action to:**

1. Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. ,  
Vidyut Bhavan, Nashik Road 422101
2. Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. ,  
Urban Circle office, Nashik .