

**CONSUMER GRIEVANCE REDRESSAL FORUM  
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.  
NASHIK ZONE**

(Established under the section 42 (5) of the Electricity Act, 2003)

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Consumer Grievance Redressal Forum  
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Room N. 115-118  
Dwarka, NASHIK 422011**

No. / CGRF /Nashik/Nagar Circle/Sangm.Dn/459/42-14/

Date: 10/02/2015

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

**Date of Submission of the case : 01/01/2015**  
**Date of Decision : 10/02/2015**

To.

1. M/s.Giriraj Enterprises , .  
G.No.117, Post. Nighoj (Shirdi)  
Tq- Rahata,  
Dist. Ahmednagar 422605  
(Consumer No. 164819005800)

Complainant

2. Nodal Officer ,  
Maharashtra State Electricity Distribution Com. Ltd.,  
O&M Circle office, Ahmednagar  
3. Executive Engineer ,  
Maharashtra State Electricity Distribution Com. Ltd.  
Sangamner Division office, Dist. Ahmednagar

Distribution Company  
(Respondent)

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**DECISION**

M/s. Giriraj Enterprises , (hereafter referred as the Complainant ) Nighoj Dist. Ahmednagar is the HT Industrial consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Distribution Company ).The Complainant has grievance against MSEDCL for excess Electricity Duty recovered . The Complainant has filed a complaint regarding this with the Internal Grievance Redressal Committee 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 No.234 of 2014 on 01 /01/2015.

The Forum in its meeting on 02/01/2015, decided to admit this case for hearing on 23/01/2015 at 12.00 pm in the office of the forum . A notice dated 03/01/2015 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, Circle Office Ahmednagar and to the Executive Engineer ,Sangamner for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer.

Shri V.G. Bhivsanee, Dy. Executive Engineer, Circle Office Ahmednagar, Shri V.R. Gogate Additional Executive Engineer, Sangamner, represented the Distribution Company during the hearing. Shri. B.R. Mantri appeared on behalf of the consumer.

**Consumers Representation:**

Government of Maharashtra has sanctioned the Electricity Duty as per Industrial Rate for the period of 01/07/2010 to 30/06/2020 on date 29/09/2011. MSEDCL has implemented the same in billing month of November 2011. MSEDCL has to refund the excess collected amount from July 2010 to October 2011 i.e. total amount Rs. 4,66,696.00 in next billing cycle i.e. December 2011.

**Demands of the Consumer:**

Refund of excess duty paid as per statement of Rs. 4,66,694.00 with R.B.I. Bank rate from December 2011 to till date of refund.

**Arguments from the Distribution Company.**

The Distribution Company submitted a letter dated 20/01/2015 from the Nodal Officer, MSEDCL, Ahmednagar Circle Office and other relevant correspondence in this case. The representatives of the Distribution Company stated that:

1. The consumer has given written application on date 30/08/2014 in IGRC about the amount of electricity duty refund. The IGRC has given the decision vide letter dated 12/09/2014 and has directed the MSEDCL to refund the Electricity Duty.
2. In this context, it is to state that according to the decision, the Electricity Duty refund calculation is in process and the effect of the same will be given in the coming billing cycle.

**Action by IGRC:**

1. The complainant submitted the grievance to the IGRC, Ahmednagar Circle on 28/08/2014.
2. IGRC gave decision as under by a letter dated 12/09/2014.  
*“As per the MSEDCL Ltd., Rules, refund the amount of Electricity Duty to the consumer in the next billing Cycle as per the application of the consumer.”*

**Observations by the Forum:**

1. The complainant consumer is availing HT electric supply from the Distribution Company with effect from 02/04/2005. The tariff category applied is HT- II- N i.e. HT Commercial.
2. The Government of Maharashtra, under G.R. No. ELD/2007/C.R. 26/NRG-1 dated 08/04/2008 by the Industries, Energy & Labour Dept has exempted the eligible tourism units from paying the Electricity Duty in excess of the rate applicable for industrial undertakings. Maharashtra Tourism Development Corporation (MTDC) Ltd. has to issue the Eligibility Certificate and exemption period is for 10 years for Ahmednagar District. Accordingly the MTDC Ltd. has issued Eligibility Certificate Dated 06/07/2010 to this consumer. Based on this certificate the Chief Engineer (Electrical), PWD, Govt. of Maharashtra, Mumbai under letter no. 3057 dated 29/09/2011 has communicated sanction of Electricity Duty at 9% (applicable for industrial units) instead of 17% (applicable for commercial units) to the Superintending Engineer, MSEDCL, Ahmednagar Circle with effect from 01/07/2010 for 10 years i.e. up to 30/06/2020.
3. Based on the letter of Chief Engineer (Electrical), PWD the Distribution Company should have started applying Electricity Duty at 9% from the billing month of November 2011 and refunded the excess ED recovered for the period July 2010 to October 2011.
4. It is reported by the complainant that the Distribution Company has started charging ED at 9% from the billing month of November 2011 but has not refunded the excess ED recovered for the period July 2010 to October 2011.
5. The Distribution Company has later simplified the procedure for refund of Electricity Duty as per Commercial Circular No. 204 dated 08/08/2013. The relevant extract of the circular is reproduced below:

“.....In view of above the mechanism for processing of the Electricity Duty exemption/refund cases will be as follows .....

4. On submission of original Duty Exemption Certificate the concerned Superintending Engineer will feed online duty exemption / refund within 15 days.
  5. If online duty exemption / refund is not fed within 15 days the system will mail such delay to CE Zone who has to ensure the feeding of online duty exemption / refund within 7 days
  6. If the online duty exemption / refund not fed within 23 days system will mail such case to CE (Commercial)
  7. The entire process to be completed in 30 days. The IT shall develop MIS for above process to circle wise monitoring.....”
6. The complainant has submitted the online application along with necessary documents on 01/12/2013 with no. 1264. As per guidelines in the Commercial Circular No. 204 dated 08/08/2013 , the refund should have been processed within 30 days i.e. by 31/12/2013. But the Distribution Company has not followed the guidelines. The complainant has been making constant follow-up for refund since then. But the Distribution Company has not yet refunded the excess duty collected.
7. From the documents submitted by the complainant, it is seen that the CE (Commercial) , Mumbai by a letter no. 14347 of May 2014 has directed the Superintending Engineer Ahmednagar Circle to take immediate action for refund. But no refund was processed . The complainant then submitted grievance in this regard to the IGRC, Ahmednagar Circle on 28/08/2014. The IGRC ordered refund in the next billing cycle as per letter dated 12//09/2014 . Even this order is not implemented for last 3 months and the complainant is constrained to approach the Forum . Even after submission of the case to the Forum , the Nodal Officer replied that the ED refund is in process and will be given in the coming billing cycle. On perusal of the papers as above , the Forum is regretted to note that there has been unnecessary delay in processing the refund.
8. In view of the online application dated 01/12/2013 , and the guidelines under Commercial Circular No. 204 , the delay is to be treated as occurred from 01/01/2014. The refund be made along with interest at bank rate of Reserve Bank of India, in terms of Section 62(6) of the Electricity Act, 2003, read with Regulation no. 11.3 of MERC (Terms and Conditions of Tariff) Regulations, 2005 for delay after 01/01/2014 till the date of refund.

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 Distribution Company should refund the excess Electricity Duty recovered for the period July 2010 to October 2011 along with interest at bank rate of Reserve Bank of India, in terms of Section 62(6) of the Electricity Act, 2003, read with Regulation no. 11.3 of MERC (Terms and Conditions of Tariff) Regulations, 2005 for delay after 01/01/2014 till the date of refund.
2. As per regulation 8.7 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.
3. 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.

4. 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.

**(Rajan S. Kulkarni )**  
Member

**(Ramesh V.Shivdas )**  
Member-Secretary  
& Executive Engineer

**(Suresh P.Wagh)**  
Chairman

**Consumer Grievance Redressal Forum, Nashik Zone**

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. ,  
O&M Circle office, Ahmednagar.