



Consumer Grievance Redressal Forum, Kalyan Zone
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301
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No. K/E/1302/1538 of 2017-18

Date of registration : 06/03/2018

Date of order : 09/05/2018

Total days : 64

IN THE MATTER OF GRIEVANCE NO. K/E/1302/1538 OF 2017-18 OF M/S VIPRAS CASTING LTD., SURVEY NO.33/5, VILLAGE – NIPHAN, SAVROLI – KHARPADA ROAD, TAL – KHALAPUR, DIST. RAIGAD, PIN CODE – 410 203 REGISTERED WITH CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN REGARDING BILLING DISPUTE.

M/s Vipras Casting Ltd.,
Survey No.33/5, Village – Niphan,
Savroli – Kharpada Road,
Tal – Khalapur, Dist. Raigad,
Pin Code – 410 203.

(Consumer no. 031069019300)

... (Hereinafter referred as Consumer)

V/s.

Maharashtra State Electricity Distribution
Company Limited,
Through it's Nodal Officer,
Pen Circle, Pen

... (Hereinafter referred as Licensee)

Appearance : For Licensee - 1) Shri.R.B.Mane, Nodal Officer, Pen Circle
2) Shri.G.V.Satpute, Law Officer, Pen Circle

For Consumer - Shri.B.R.Mantri (C.R.)

[Coram- Shri A.M.Garde-Chairperson, Shri A.P. Deshmukh-Member Secretary
Mrs.S.A.Jamdar- Member (CPO)].

1) Maharashtra Electricity Regulatory Commission, is, constituted u/s. 82 of Electricity Act 2003 (36/2003). Hereinafter for the sake of brevity referred as 'MERC'. This Consumer Grievance Redressed Forum has been established as per the notification issued by MERC i.e. "Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2006" to redress the grievances of consumers vide powers conferred on it by Section 181 read with sub-section 5 to 7 of section 42 of the Electricity Act, (36/2003). Hereinafter it is referred as 'Regulation'. Further the regulation has

been made by MERC i.e. Maharashtra Electricity Regulatory Commission. [Electricity Supply Code and other conditions of supply 2005] Hereinafter referred as 'Supply Code' for the sake of brevity. Even, regulation has been made by MERC i.e. 'Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply & Determination of Compensation) Regulations, 2014.' Hereinafter referred 'SOP' for the sake of convenience.

2) Consumer herein is one M/s Vipras Casting Ltd. Having Consumer no.031069019300, Pen Circle grievance is that

As per GR NO. SIC-2007/ (1/07)/Udyog-1dtd 29/03/2008 and as per MSEDCL letter reference No. P-Com/Recovery/Pen-No. 19391 dtd. 05/08/2017 from Head Office to The Superintending Engineer MSEDCL, O&M Circle, Pen. Directing SE Pen to grant reliefs as per GR NO. SIC-2007/ (1/07)/Udyog-1dtd 29/03/2008 interlia directing as follows;

"Interest and DPC be waived on the principal amount as on 31/03/2009" and "The principal amount as on 31/03/2009 to be paid within one year."

Superintending Engineer has issued the letter dated 06/10/2017 for payment regarding relief and concessions of interest and DPC under Special Amnesty Scheme notified by GOM policy. With this letter, MSEDCL has enclosed the calculation sheet.

Consumer checked the calculation made by MSEDCL for payment is not line with the procedure for which we have not agreed. Consumer submitted their objection for revision. But MSEDCL has not agreed.

So, with reference to MSEDCL letter dated 06/10/2017, Consumer submit their grievance.

i) Principal Arrears:

MSEDCL must calculate principal arrears as on 31/03/2009. "Principal Arrears" meaning unpaid Principal amounts of all bills up to 31/03/2009. The latest bill during period was issued on 16th March 2009; and due date of the bill was 30/03/2009 and remained unpaid as on 31/03/2009.

When an account is being prepared as on date (31/03/2009 in this case); all bills raised before 31/03/2009 and all payments made up to 31/03/2009 should be listed in the statement.

Therefore, the bill amount of March should be added in "Principal Arrears" as on 31/03/2009.

In the calculation sheet the MSEDCL has taken payment of Rs. 53,11,774/- made by us on 13/04/2009 in prior period i.e. before 31/03/2009.

This is incorrect accounting entry. As the payment is made on 13/04/2009 it must be taken in period after 01/04/2009.

As per tax audit, any bill issued before the end of year i.e. 31st March, and payment has not received before 31st March, this liability to be shown in this year, even after payment is received on 2nd April.

ii) Application of interest and formula for calculation of interest;

As per circular interest is to be charged to the consumer on the arrears outstanding after expiry of 15 days from the due date of payment and the simple interest should be charged on the reducing balance and for no. of days payment is delayed.

In the calculation sheet the MSEDCL has taken payment of Rs. 53,11,774/- made by us on 13/04/2009 in prior period i.e. before 31/03/2009.

This is incorrect accounting entry. As the payment is made on 13/04/2009 it must be taken in period after 01/04/2009.

As per tax audit, any bill issued before the end of year i.e. 31st March, and payment has not received before 31st March, this liability to be shown in this year, even after payment is received on 2nd April.

iii) In the calculation sheet; for the bills for the month of May/June/July 2009; MSEDCL has mentioned Bill amount as follows;

May 2009 : Rs 85,40,507/-

June 2009 : Rs 90,20,732/-

July 2009 : Rs 83,55,777/-

However, the Bill amount for current month (That is respective month) is as follows;

May 2009 : Rs 45,40,507/68

June 2009 : Rs 43,89,414/70

July 2009 : Rs 63,55,777/52

Vide MSEDCL letter SE/PC/Tech dtd.21/09/2017, MSEDCL have conveyed that "the payment for the month of May 2009/ June 2009 and July 2009 is not excess but the cheques given by you are dishonored".

Hence, Consumer draws attention that in summery of outstanding made by MSEDCL, have taken only passed cheques (honored cheques) as payment received.

As only passed cheques are taken in payment column MSEDCL should not add amount of dishonored cheque in bill (payable). This is inflating the amount payable.

Therefore, Consumer request MSEDCL to take only principal amount in the bill in bills payable list.

3) Distribution Licensee is reply contends that :

i) Consumers payment for demand of March 2009 for Rs.53,11,774/- was received on 13/04/2009 and therefore payment of Rs 53,11,774/- is considered in March 2009 and not in April 2009.

ii) Calculation of interest on delayed payment on reducing balance from April 2009 is calculated by taking Months in consideration and the same is calculated correctly.

iii) In May/June/July 2009, 8 number of cheques were dishonored. Amount of the said cheques were Rs 1,06,31,318/- As the cheques were dishonored and accordingly debit adjustment was taken for that period and therefore actual bill amount is including Debit Adjustment which is for cheque dishonored and the same is reflecting in CPL also. Hence the actual bill amount of May/June/July 2009 is taken correctly.

*iv) Grievance of the consumer falls under regulation 6.8 (d) of MERC (CGRI & Electricity Ombudsman) Regulation 2006 i.e **Recovery of arrears where bill amount not disputed**. Therefore the subject matter of present Grievance is excluded from the jurisdiction of Forum.*

4) We have heard both sides. There are two questions raised one is about wrong levy of interest on delayed bill payment and calculations. Second is about interpretation of the GOM order regarding relief granted to Consumer as a sick unit. As far as first point is concerned Distribution Licensee representative agreed to remedy the defect of interest levy and calculations.

5) As far as second point is concerned Consumer Representative Mr.Mantri submit that as per GOM order MSEDCL must calculate arrears as on 31/03/2009 i.e. unpaid principal amount of all bills up to 31/03/2009 . Distribution Licensee representative has his own say about the interpretation. Distribution Licensee representative in this background contended that there is no billing dispute here to which we have given careful consideration. As we find the said question raised is in respect of interpretation of the GOM order. This is not a billing dispute. This forum cannot run the risk of incorrect interpretation of GOM order in granting relief to the Consumer in particular without jurisdiction. As different from MERC Regulations here GOM order is sought to be interpreted and applied it is this view of the matter Distribution Licensee representative is right in his contention that this is not a billing dispute. Parties may get clarification from GOM as to what is intended to be given vide the said GOM order.

Hence the order.

ORDER

- 1) The Grievance application of consumer is partly allowed.
- 2) Distribution Licensee to apply appropriate interest and do the proper calculations as agreed during arguments.
- 3) Rest of the grievance stands rejected.
- 4) Compliance be made within 45 days and report be made within 60 days from the date of receipt of this order.

Dated : 09/05/2018

(Mrs.S.A.Jamdar)
Member
CGRF, Kalyan

(A.P.Deshmukh)
MemberSecretary
CGRF, Kalyan.

(A.M.Garde)
Chairperson
CGRF, Kalyan.

NOTE

- a) *The consumer if not satisfied, may file representation against this order before the Hon. Ombudsman within 60 days from the date of this order at the following address.*
“Office of the Electricity Ombudsman, Maharashtra Electricity Regulatory Commission,606/608, Keshav Bldg, Bandra Kurla Complex,Mumbai 51”.
- b) *Consumer, as per section 142 of the Electricity Act, 2003, can approach Hon. Maharashtra Electricity Regulatory Commission for non-compliance, part compliance or*
- c) *delay in compliance of this decision issued under “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2003” at the following address:-*
“Maharashtra Electricity Regulatory Commission, 13th floor, World Trade Center, Cuffe Parade, Colaba, Mumbai 05”
- d) *It is hereby informed that if you have filed any original documents or important papers you have to take it back after 90 days. Those will not be available after three years as per MERC Regulations and those will be destroyed.*

