

**CONSUMER GRIEVANCE REDRESSAL FORUM,**  
**AKOLA ZONE, AKOLA.**

*“Vidyut Bhavan” Ratanlal Plot ,Akola. Tel No 0724.2434475*

**ORDER**

**Dt:-08/01/2019**

**Complaint No: - 57/2018 Dated:- 27/11/2018**

**In the matter of grievance pertaining to interest at 12% annum on ORC amount Rs. 3,19,630/-**

**Quorum**

**Dr.V.N.Bapat- Chairman**

**Shri.D.M.Deshpande, Member (CPO)**

1. M/S Vidya Udhyog :- Complainant  
H-79/2 Phase III MIDC Akola  
Consumer No-LT-V-BII-310219044210  
% shri Ashish S. Chandarana  
Agrasen Nagar, satguru villa apartment  
Flat no. 302, Sahkar Nagar,  
Gorakshan Road, Akola 444004.

....Vrs.....

Executive Engineer , :- Respondent  
MSEDCL, O&M Akola Urban  
Division, Ratanlal plot, Akola.

**Appearances**

- |                              |                                  |
|------------------------------|----------------------------------|
| 1) Shri. Ashish S.Chandarana | - Representative for Complainant |
| 2) Shri.Y.R.Rathod           | - Assistant Engineer MSEDCL      |

1) On being aggrieved by the decision of IGRC Akola issued vide IGRC/Akl/3428 dated 31/08/2018, received on 25/10/2018, the complainant M/s Vidya Udhyog, MIDC Akola approached this Forum under the clause 6.4 of MERC CGRF Regulation 2006 for resolving the grievance.

2) Complainant's case in brief is that complainant is Industrial consumer of N.A .M.S.E.D.C.L from 08/05/2007. According to complainant the grievance of unlawful recovery towards ORC charges at the time of connection and its refund on direction by Hon'ble Apex court amounting Rs. 3,19,630/- is settled by IGRC Akola with interest of 6%. According to complainant dispute before CGRF Akola is only for modification of IGRC Akola order in respect of rate of interest at 12% per annum from date of connection instead of 6% allowed by IGRC. According to complainant, they are entitled for 12% interest per annum as per MERC order in case no. 23 of 2004 and prays Forum to allow 12% interest per annum on Rs. 3,19,630/- from 08/05/2007 till adjusted instead of 6%. Complainant annexed copy of IGRC order dated 31/08/2018, EE/AKL/letter no. 2944 dated 06/09/2014, M.S.E.D.C.L. reply to IGRC dated 10/08/25018, AEE M.S.E.D.C.L. letter no. 2680 dated 21/07/2018, energy bill for Aug 2018 and MERC order dated 18/10/2005 in case no. 23 of 2004 along with the complaint.

3) Reply came to be filed belatedly by N.A .M.S.E.D.C.L on 13/12/2018. According to N.A .M.S.E.D.C.L it is fact on record that complainant is industrial consumer of M.S.E.D.C.L. from 08/05/2007 and infrastructure cost Rs. (3,19,630-22,400) Rs. 2,97,230 and 6% interest Rs. 2,17,958.67/-is refunded by adjustment in the energy bill for Aug 2018 and balance of Rs. 22,400/- towards meter cost will be adjusted in the bill for Sep. 2018 payable by complainant. N.A M.S.E.D.C.L. requested Forum to reject claim for 12% interest as grievance is already settled with 6% interest. N.A M.S.E.D.C.L. annexed copy of W.C.R., IGRC order, bill revision report, energy bill for Aug 2018 and Chief Engineer Distribution circular no. 5039 dated 07/03/2018.

4) Shri. Ashish S. Chandrana learned representative for complainant and Shri Y.R. Rathod Assistant Engineer for respondent N.A .M.S.E.D.C.L were present for the hearing held on 31/12/2018. Shri. Ashish S. Chandrana urged Forum to allow 12% interest on 319630 as per principle adopted

by MERC in case No 23 of 2004. Shri. Ashish S. Chandrana brought to the notice of Forum that grievance about refund of ORC charges amounting Rs 3,91,630/- is already resolved by N.A .M.S.E.D.C.L.

5) Shri Y.R. Rathod Assistant Engineer and learned representative for N.A .M.S.E.D.C.L. submitted that the ORC amount is already refunded and Rs 217958.67 towards interest calculated at 6% per annum as per directives of corporate office of MSEDCL on ORC refund is also adjusted in the energy bill for Aug 2018 payable by complainant. Shri Y.R. Rathod Assistant Engineer .M.S.E.D.C.L have resisted for allowing the 12% interest and urged Forum to dismiss the claim for 12% interest. On being asked by Forum to justify and brought on record the logic for allowing 6% interest on refund amount Shri Y.R. Rathod Assistant Engineer .M.S.E.D.C.L remain silent.

6) Having heard the parties and considering material placed on record Forum is of the view that N.A .M.S.E.D.C.L. have not disputed the grievance pertaining to refund of ORC amount with interest but allowed 6% interest on refund amount without bringing on record the principle adopted by N.A .M.S.E.D.C.L. in allowing 6% interest. Even after giving opportunity by Forum learned representative for MSEDCL could not explain the logic or principle in allowing 6% interest on refund of ORC amount when section 62(6) of E.A 2003 provides for recovery of excess amount by the person who has paid such price or charge along with interest equivalent to the bank rate without prejudice to any other liability incurred by the licensee. Forum have also gone through order issued by APTEL in case No 47 of 2011 and MERC order dated 18/10/2005 issued in case No 23 of 2004 where in APTEL have allowed interest at prime lending rate of S.B.I and MERC have allowed 12% interest on ORC refund. Forum is of the view that N.A .M.S.E.D.C.L should allow interest of 12% per annum on ORC refund amount as per principle adopted by MERC in case No 23 of 2004.

With these observations, Forum proceeds to pass following unanimous order.

## ORDER

1. That the Complaint No. 57 of 2018 dated 27/11/2018 is hereby partly allowed.
2. That the N.A .M.S.E.D.C.L is directed to allow 12% interest on Rs 3,19,630.00 (ORC Refund) from 08/06/2007 till adjusted in energy bill and directed to adjust difference of amount towards interest in forthcoming bill payable by the complainant..
3. Parties to bear their own cost.
4. That the N.A .M.S.E.D.C.L is directed to submit the compliance report to this Forum within one month.

S/d/-  
Member (CPO)

S/d/-  
Chairman

Contact details of Electricity Ombudsman appointed by  
MERC (CGRF&EO) Regulations 2006 under Regulation 10:

THE ELECTRICITY OMBUDSMAN,  
Office of Electricity Ombudsman (Nagpur)  
Plot No.12, Shrikrupa, Vijaynagar,  
Chhaoni,Nagpur-440 013.Phone:- 0712-2596670

No. CGRF/AKZ/Akola/ 13

Dt: 08/01/2019

To,  
The Nodal Officers  
Executive Engineer Urban  
MSEDCL O&M,  
Urban Division, Akola.

The order passed on **08/01/2019** in the Complaint No. **57/2018** is enclosed herewith for further compliance and necessary action.

Secretary,  
Consumer Grievance Redressal Forum,  
MSEDCL, Akola Zone, Akola.

Copy to :- 1) Superintending Engineer MSEDCL, O&M Circle, Akola.  
2) M/S Vidya Udhog, H-79/2 Phase III MIDC Akola, % shri  
Ashish S. Chandarana Agrasen Nagar, satguru villa  
Apartment Flat No. 302, Sahkar Nagar, Gorakshan Road,  
Akola 444004.