CONSUMER GRIEVANCE REDRESSAL FORUM, AKOLA ZONE, AKOLA.

"Vidyut Bhavan" Ratanlal Plot ,Akola. Tel No 0724.2434475

ORDER

Dt:-08/01/2019

Complaint No: - 56/2018 Dated:-27/11/2018.

In the matter of grievance pertaining to refund of Electricity duty with interest.

Quorum

Dr.V.N.Bapat- Chairman Shri.D.M.Deshpande, Member (CPO)

1. Shree Krupa Udhyog :- Complainant

Washim Road Taplabad
Connection No-LT-V-BII-310375306611
% 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 Rural

Appearances

1)Shri. Ashish S. Chandarana

Division, Goraskshan road Akola.

2) Shri.S. P .Kenekar

Representative for Complainant

- Dy. Executive Engineer,

MSEDCL.

- On being aggrieved by the decision of IGRC Akola issued vide IGRC/Akl/4486 dated 14/11/2018, the complainant M/s Shree Krupa Udhyog, Taplabad 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 connected on 19/05/2014 having contract demand of 179 KVA. According to complainant Government of Maharashtra in exercise of powers conferred by section 5-A of Electricity Act 1958 exempted industrial consumers of vidarbha region from payments of electricity duty from 01/04/2004 by issuing relevant notification up to 31/03/2019. According to complainant N.A M.S.E.D.C.L corporate office ratified the notifications by issuing commercial circular no. 393 in year 2004, 101 in 2009 and 196 dated 05/07/2014 to their field staff including N.A M.S.E.D.C.L to implement it and pass on the exemption in electricity duty to such consumer in the energy bills. According to complainant N.A M.S.E.D.C.L continued to charge electricity duty illegally violating Government notification and their own circular from date of connection resulting in financial burden and cost of carrying this. financial burden (interest) in the from of interest paid to bankers. According to complainant after approaching IGRC Akola, refund proposal for Rs. 3,50,845/- was processed but not settled and loss of interest is ignored by IGRC Akola. According to complainant electricity ombudsman Nagpur in similar cases allowed interest of 9.5% on refund amount and prays for refund of illegally collected electricity duty Rs. 3,50,845/- with interest from 19/05/2014, with cost Rs. 10,000/-. Complainant annexed copy of letter DyEE/AKL/4530 dated 22/10/2018, IGRC order dated 14/11/2018, energy bill for July and Aug. 2018 and electricity ombudsman order in appeal no. 46,47,48 and 55 dated 07/06/2013 along with the complaint.
- Reply came to be filed belatedly by N.A M.S.E.D.C.L on 17/12/2018 with justification for delay. According to N.A M.S.E.D.C.L the present grievance pertains to Dy. Executive Engineer Rural Akola and reply filed as per letter DyEE/Akl/4821 dated 14/12/2018. According to N.A M.S.E.D.C.L it is fact that electricity duty is recovered through bills for connection no. 310375306611 despite categorised as industrial tariff. According to N.A M.S.E.D.C.L refund of electricity duty amounting Rs. 3,50,845/- is already adjusted in the bill for Sept. 2018 payable by the complainant. N.A M.S.E.D.C.L requested Forum to disallow the claim for cost of Rs. 10,000/-. N.A M.S.E.D.C.L annexed

copy of bill revision report dated 24/08/2018 and copy of energy bill for June and July 2018 alongwith the reply.

- Shri. Ashish S. Chandarana learned representative for complainant and Shri S.P. Kenekar Dy. Executive Engineer for N.A M.S.E.D.C.L were present for the hearing held on 31/12/2018. Shri. Ashish S. Chandarana reiterated the grievance on record and urged that N.A M.S.E.D.C.L have partly settled the grievance and refunded Rs 3,50,845/- and principally accepted to allow the interest in their reply filed on record and requested Forum to allow the interest at 12% per annum on refund amount applicable from date of recovery till adjusted in energy bills as per principle adopted by MERC in case No 23 of 2004.
- 5) Shri S.P. Kenekar Dy. Executive Engineer M.S.E.D.C.L urged that grievance of refund of electricity duty wrongly collected from 19/05/2014 till Sept 2014 amounting Rs 3,50,845/- is already adjusted in the energy bill for the month of September 2018 and consented for allowing interest as per applicable rate.
- 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 of wrongly collected electricity duty from 19/05/2014 and refunded Rs 3,50,845/- in the energy bill of complainant for the month of September 2018. N.A M.S.E.D.C.L have not disputed the payment of interest on refund amount and Forum is of the view that as per provisions of section. 62(6) of E.A Act 2003, the complainant is entitled for interest at bank rate and as per principle adopted by MERC in case No 23 of 2004, entitle for 12% interest. Forum is of the view that N.A MSEDCL should allow 12% interest on refund amount as N.A M.S.E.D.FC.L is charging 12% interest on arrears of energy bills without time escalation. Forum is of the view that N.A M.S.E.D.C.L should refund 12% interest on Rs 3,50,845/- and adjust it in ensuing bill payable by the complainant. Forum is of the view that parties to bear their own cost.

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

<u>ORDER</u>

- 1. That the Complaint No. 56 of 2018 dated 27/11/2018 is hereby partly allowed.
- 2. The N.A M.S.E.D.C.L is directed to pay interest at 12% per annum on refunded amount of electricity duty (Rs 3,50,845.00) payable from 19/05/2014 till adjusted in the forthcoming energy bill payable by complainant.
- 3. Parties to bear their own cost.
- 4. That N.A M.S.E.D.C.L is directed to submit compliance report to this Forum within one month.

S/d/- S/d/Member (CPO) 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

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

The order passed on **08/01/2019** in the Complaint No. **56/2018** is enclosed herewith for further compliance and necessary action.

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

Dt: 08/01/2019

Copy to :- 1) Superintending Engineer MSEDCL, O&M Circle, Akola.

2) Shree Krupa Udhyog, Washim Road Taplabad, % shri Ashish S. Chandarana Agrasen Nagar, satguru villa apartment Flat No. 302, Sahkar Nagar, Gorakshan Road, Akola 444004.