

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

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

**ORDER**

**Dt:- 01.02.2019**

**Complaint No: - 59/2018 Dated 03.12.2018**

**In the matter of grievance pertaining to refund of infrastructure cost under Non-DDF Scheme and SCC charges with 12% interest and cost.**

**Quorum**

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

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

**Shri. R.A.Ramteke, Member – Secretary**

1. M/S SHREE SHYAM AGRO :- Complainant  
INDUSTRIES-53 MIDC  
Murtizapur Consumer No-LT-V-BII  
322212049892  
% 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  
Rural Division,Akola

**Appearances**

1. Shri Ashish S. Chandarana - Representative for Complainant  
2. Shri P. N. Fulzele - Dy. Executive Engineer,  
MSEDCL, Murtizapur.

1) On being aggrieved by the decision of IGRC Akola issued vide order no. IGRC/Akl/3429 dated 31/08/2018. complainant M/S SHREE SHYAM AGRO INDUSTRIES, Murtizapur approached this Forum under the clause 6.4 of MERC CGRF OMBUDSMAN Regulation 2006, through their authorised representative Shri. Ashish S. Chandarana 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 01/08/2017. According to complainant the infrastructure cost as per sanctioned estimate dated 16/09/2016 amounting Rs. 4,26,781/- is borne by complainant under Non-DDF CCRF scheme with assurance from N.A .M.S.E.D.C.L to refund from 1st billing cycle after release of connection. According to complainant after spending and execution of infrastructure the connection was released by N.A .M.S.E.D.C.L on 01/08/2017 and on non-receipt of refund for 11 month complaint was lodged with IGRC Akola on 02/07/2018, claiming refund of Rs. 4,88,856/- and Rs. 62,075/- against infrastructure cost and difference of cost of transformer because of change in specification. According to complainant W.C.R. prepared as per estimate is acceptable for refund with 10% labour, 5% transportation, 3% contingencies, 5% VAT and 1.5% T and P totaling 24.5% on basic cost which is ignored by N.A .M.S.E.D.C.L alongwith difference in purchase cost of transformer due to change in specification. According to complainant N.A .M.S.E.D.C.L collected excess S.C.C. charges Rs 7,896/- which should be refunded with 12% interest. According to complainant IGRC Akola erred in finalising the amount of refund towards infrastructure cost and ignored the refund of S.C.C. charges and 12% interest on refund amount. Complainant prays to refund infrastructure cost Rs. 4,76,375/- with 12% interest, S.C.C. charges Rs. 7,896/- with 12% interest and cost Rs. 10,000/-. Complainant annexed copy of IGRC order dated 31/08/2018, copy of sanctioned estimate dated 21/09/2016, firm quotation dated 16/09/2016, paid receipt dated 09/05/2017 for Rs. 1,07,000/- and Rs. 8,300/- towards S.D and S.C.C, copy of agreement dated 05/05/2017, energy bill for Oct. 2017, copy of W.C.R, Invoice copy for purchase of transformer and reply of N.A .M.S.E.D.C.L dated 14/05/2018, before IGRC Akola along with the complainant.

3) Reply came to filed belatedly by N. A. M.S.E.D.C.L on 28/12/2018. According to N. A. M.S.E.D.C.L 3 Phase electric

supply for 107 HP is released on 01/08/2017 to the Industrial premises of complainant under Non-DDF CCRF refundable scheme. According to N. A. M.S.E.D.C.L audited W.C.R for Rs 3,18,417/- towards refund under Non-DDF CCRF scheme is submitted to Superintending Engineer Akola for approval and on getting approval credit will be passed on. According to N. A. M.S.E.D.C.L complainant has not submitted bill for labour charges and transportation and hence W.C.R amount Rs 3,18,417/- is exclusive of labour and transportation charges. According to N. A. M.S.E.D.C.L the excess amount Rs 7,896/- paid by complainant towards SCC charges will be refunded in the energy bill for December 2018 and denied the cost Rs 10,000/-. N. A. M.S.E.D.C.L annexed copy of letter DYEE/MZR/2649 dated 21/12/2018, and copy of W.C.R alongwith reply.

4) Shri Ashish S. Chandarana learned representative for complainant and Shri P. N. Fulzele, Dy. Executive Engineer MSEDCL for respondent N. A. M.S.E.D.C.L were present for the hearing held on 16/01/2019. Shri Ashish S. Chandarana learned representative for complainant specifically brought to the notice of Forum, the admission on the part of N. A. M.S.E.D.C.L before IGRC Akola to have prepared W.C.R. as per sanctioned estimate no. 1470 dated 26/07/2018 and its refund from subsequent bill after IGRC order dated 31/08/2018 where as in the reply filed by N. A. M.S.E.D.C.L before this Forum N. A. M.S.E.D.C.L have committed for adjustment of refund amount in Jan 2019 which is contradiction, and urged that N. A. M.S.E.D.C.L is not serious about adhering to their own commitment. Shri Ashish S. Chandarana learned representative for complainant urged that even admission on the part of N. A. M.S.E.D.C.L to refund excess service connection charges Rs. 7896/- before Sept. 2018 has not been complied yet. Shri Ashish S. Chandarana learned representative for complainant urged that the fact of change of specification of level 2 for 200 KVA distribution transformer after sanctioned estimate by N. A. M.S.E.D.C.L has not been denied but difference of cost [210000-162066.01] Rs. 47,933.99/- has not been considered while preparing W.C.R. so also the centages as per estimate are ignored by N. A. M.S.E.D.C.L and requested Forum to direct. N. A. M.S.E.D.C.L to revise W.C.R. as per revised cost of transformer with addition of centages as per estimate. Shri Ashish S. Chandarana learned representative for complainant brought to the notice of Forum that N. A. M.S.E.D.C.L have delayed the refund of cost beyond their agreement period [01/09/2017] and committed breach of agreement and hence requested Forum to allow 12% interest on refund

amount as per provisions of section 62 (6) of E.A. 2003 and principle adopted by MERC in case no. 23 of 2004.

5) Shri P. N. Fulzele, Dy. Executive Engineer MSEDCL and learned representative of the N. A. M.S.E.D.C.L urged that W.C.R. for amount 3,49,798/- is submitted for approval and refund of SCC charges Rs. 7896/- will be adjusted in the bill for Dec. 2018 to issued in Jan 2019.

6) Forum noted the displeasure towards casual approach of Shri P. N. Fulzele, Dy. Executive Engineer in defending the case as was not studied and updated to defend the complaint. Forum directed Shri P. N. Fulzele, Dy. Executive Engineer and learned representative of N. A. M.S.E.D.C.L to file on record revised W.C.R. considering centages as per estimate and difference of cost due to change in specification of transformer on or before 19/01/2019 as per time period sought by N. A. M.S.E.D.C.L.

7) Despite the directions on record and acceptance by N. A. M.S.E.D.C.L to file revised W.C.R. on 19/01/2019 the N. A. M.S.E.D.C.L failed to file on record revised W.C.R.

8) Having heard the parties and considering the material placed on record Forum finds considerable force in the grievance and Forum is of the view that spending infrastructure cost for N. A. M.S.E.D.C.L is not mandatory for complainant but for the time being the cost is borne by complainant as per mutual agreement to refund the same from 1st billing cycle after electric connection and N. A. M.S.E.D.C.L committed breach of agreement and did not refund on due date of 01/09/2017 and even not complied with the directions issued by the IGRC Akola on 31/08/2018. The fact that specifications for transformer were amended subsequent to the sanctioned estimate and this fact has not been denied by N. A. M.S.E.D.C.L and Forum is of the view that corresponding cost difference due to upgradation of specification is bound to be compensated by N. A. M.S.E.D.C.L. The installed transformer is inspected and approved by N. A. M.S.E.D.C.L at factory as per invoice on record. Forum is of the view that cost difference of Rs. [210000-162066.01] 47,933.99/- should be considered for revision of estimate and W.C.R. should be finalized as per revised

estimate after adding Rs. 47,933.99/- and considering all the centages/overheads to arrive at the cost of asset and its refund to complainant. Despite the directives on record to file revised W.C.R. after adding cost difference and centages/overheads, N. A. M.S.E.D.C.L disobeyed the directive and did not file on record revised W.C.R. Forum is of the view that N. A. M.S.E.D.C.L could not justify and bring on record the delay for refund of Non-DDF CCRF infrastructure cost from 01/09/2017 and delayed the refund even after directives from their own internal grievance redressal cell and hence complainant is entitled for refund of Non-DDF CCRF amount as per revised estimate with 12% interest as per principle adopted by MERC in case no. 23 of 2004 as MSEDCL is charging 12% interest on arrears of energy bill. Forum is of the view that N. A. M.S.E.D.C.L should revise W.C.R. after adding difference of cost of transformer Rs. 47,933.99/- and allowing centages/overheads as per sanctioned estimate filed on record and adjust the refund amount as above with 12% interest payable from 01/09/2017 till adjusted, in the forthcoming bill payable by the complainant. Forum is of the view that revenue loss due to payment of 12% interest is attributed to the negligence on the part of authorities of N. A. M.S.E.D.C.L and should be recovered from guilty officers of N. A. M.S.E.D.C.L after due enquiry as per principle laid down by Apex Court in Civil Appeal No. 6237 of 1990 issued on 5th Nov. 1993 in the matter between M/s Lucknow Development Authority VS M. K. Gupta.

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

## **ORDER**

1. That the Complaint No. 59 of 2018 Dated 03.12.2018 is hereby partly allowed.
2. That N.A .M.S.E.D.C.L is directed to revise W.C.R. as per estimate after adding cost of centages/overheads and difference of cost for transformer Rs. 47,933.99/- and Non-DDF CCRF infrastructure cost so arrived should be refunded with 12% interest payable from 01/09/2017 till adjusted, and

refund amount with interest be adjusted in forthcoming bill payable by the complainant.

3. Revenue loss due to payment of 12% interest is attributed to the negligence on the part of authorities of N. A. M.S.E.D.C.L and should be recovered from guilty officers of N. A. M.S.E.D.C.L after due enquiry as per principle laid down by Apex Court in Civil Appeal No. 6237 of 1990 issued on 5th Nov. 1993 in the matter between M/s Lucknow Development Authority VS M. K. Gupta.
4. Parties to bear their own cost
5. That N.A .M.S.E.D.C.L is directed to submit compliance report to this Forum within one month of this order.

S/d/-  
Member Secretary

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/32

Dt :- 01.02.2019

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

The order passed on **01.02.2019** in the Complaint No. **59/2018** 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 SHREE SHYAM AGRO INDUSTRIES, A-53 MIDC Murtizapur , % Shri Ashish S. Chandarana Agrasen Nagar, Satguru villa Apartment flat No. 302, Sahkar Nagar, Gorakshan Road, Akola 444004.