# CONSUMER GRIEVANCE REDRESSAL FORUM, AKOLA ZONE, AKOLA.

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

ORDER

Dt:- 01.07.2019

**Complaint No :- 24 of 2019 Dated 08.05.2019** 

## 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)

Vinita P. Maheshwari :- Complainant For Maheshwari Bio Fuels
 Consumer no. LTV-310250002172
 Plot no. F-34 MIDC phase II Akola.
 c/o Shri. Bhavesh H. Somaiya, flat no.
 A-2/405 Rami Heritage opposite to
 Old RTO office Murtizapur Road

.....Vrs.....

Executive Engineer, MSEDCL, O. & M. Urban Division Akola.

Akola-444004.

:- Respondent

#### **Appearances**

1. Shri. Bhavesh H. Somaiya

- Representative for Complainant

2. Shri P. R. Dani - Executive Engineer, MSEDCL,

Urban Division Akola.

On being aggrieved by the fact of not providing any remedy by IGRC Akola on complaint dated 20/03/2019 the complainant for M/S Maheswari Bio Fuels Akola approached this Forum under section 6.4 of MERC CGRF and OMBUDSMAN Regulation 2006 for resolving the grievance.

## 2) Complainant's case in brief is

- a. The complainant is industrial consumer of NA MSEDCL from 27/07/2011.
- b. According to complainant despite exemption in electricity duty for industrial consumers of Vidarbha region NA MSEDCL recovered electricity duty illegally through energy bills.
- c. According to complainant the Maharashtra Government in exercise of the powers conferred by section 5-A of Mumbai Electricity duty act 1958 exempted industrial establishments of Vidarbha region from payment of electricity duty from 01/04/2004 by issuing notification on 7th July 2004 which was further extended upto March 2019, which were notified by NA MSEDCL by issuing commercial circular no. 393 in 2004, 101 in 2009 and 196 in 2014 to MSEDCL field offices.
- d. Despite GOM notification and commercial circulars of NA MSEDCL issued by corporate office, NA MSEDCL Akola Division effected illegal recovery of electricity duty through energy bill from the date of connection. It is pointed out specifically by the complainant that MSEDCL Akola circle unit have in right spirit passed on exemption in electricity duty to H.T. consumers from the year 2004.
- e. According to complainant after complaint to IGRC Akola on 20/03/2019, NA MSEDCL refunded electricity duty amounting Rs. 3,23,489.55/- through energy bill for March 2019 dated 10/04/2019 but did not allow the prayer of interest on refund amount and IGRC order if any has not been received to complainant till filing complaint to CGRF Akola.
- f. According to complainant in similar matter Electricity OMBUDSMAN Nagpur by order dated 7th June 2013 in Representation no 45 to 48 of 2013 have awarded interest of 9.5% on refund of ED and MSEDCL is charging 9.65% interest on arrears of energy bills from consumers. Complainant annexed copy of complaint dated 26/08/2014, IGRC complaint E.O. Nagpur order dated 7th June 2013, and MSEDCL circular no. 271 dated 16/04/2019 along with the complaint.

## Complainant's prayer before Forum

- 1. NA MSEDCL may please be directed to pay interest on refunded electricity duty from the date of collection till refund at 9.65% P. A. by giving annual credit on accumulated basis as per bank practice or MSEDCL practice in the event of security deposit and cost of Rs. 10,000/- towards expenses.
- Reply came to be filed belatedly by NA MSEDCL on 28/05/2019. NA MSEDCL sought to withdraw the earlier reply and to submit fresh reply on the date of hearing. The same was granted by the Forum upon

obtaining concurrence from the complainant representative. Thus earlier reply submitted by NA MSEDCL does not form the part of this proceeding. According to NA MSEDCL

- a. M/S Maheshwari Bio Fuels Plot No. F-34 MIDC Phase II Akola had applied on 20-01-2019 for load reduction from 107 HP to 60 HP. Upon payment of demand of Rs 177/- by the complainant on 18-02-19, the reduction was effected in February 19 bill of the complainant after duly updating on online NC Module.
- b. As demanded by the complainant on 28-08-2014 on the basis of the Maharashtra Govt. circular, recovery of electricity duty from the complainant has been stopped from November 2014 to March 2019. The ED recovery of Rs. 323489.55 which was made during July 2011 till Oct. 2014 has already been refunded to the complainant by adjustment the bill of March 2019.
- c. As per demand by the complainant and on the basis of decision by Hon. CGRF, Akola in Case No. 08 of 2019, and also according to company policy, NA MSEDCL is ready to pay interest at the rate of 9.65% p.a. accrued on the refund as mentioned at point b above through adjustment in the ensuing bill of the complainant.

## **Prayer by NA MSEDCL**

Nil

### The Forum observes as under

- a. It has been agreed by the applicant and the NA that the ED was recovered by NA from the applicant from the date of connection till October 2014. Upon applicant's request, NA stopped charging ED from November 2014 till March 2019. Total amount so recovered Rs. 323489.55 has been refunded by NA in the bill of March 2019.
- b. The Forum finds demand for interest at 9.65% p.a. accrued on the amount of refund as justified as held by this Forum in complaint no 08 of 2019 dated as acceptable to N A MSEDCL..
- c. The NA during hearing agreed to the demand of interest as raised by the applicant.

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

#### ORDER

- 1. The Complaint No. 24/2019 Dated 08/05/2019 is hereby partly allowed.
- 2. That the NA MSEDCL is directed to pay the interest on the amount Rs.323489.55 at the rate of 9.65% p.a. by giving annual credit from the date

of issuing first bill till the date of actual refund. The total refund thus worked out should be adjusted in the ensuing bill of the complainant.

- 3. No order as to the cost.
- 4. That the N.A MSEDCL is directed to submit a compliance report to this Forum within one month of this order.

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/149

Dt:- 01.07.2019

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

The order passed on **01.07.2019** in the Complaint No. **24 of 2019** is enclosed herewith for further compliance and necessary action.

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

#### Copy s.w.r. to:-

- 1) Chief Engineer, MSEDCL, Akola Zone, Akola.
- 2) Superintending Engineer, MSEDCL, O. & M. Circle, Akola.

<u>Copy to</u>:-Vinita P. Maheshwari For Maheshwari Bio Fuels Plot no. F-34 MIDC phase II Akola, c/o Shri. Bhavesh H. Somaiya, flat no. A-2/405 Rami Heritage opposite to Old RTO office Murtizapur Road Akola-444004.