

CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.
NASHIK ZONE
(Established under the section 42 (5) of the Electricity Act, 2003)

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Consumer Grievance Redressal Forum
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No. / CGRF /Nashik/NUC/Nagar Circle/. /813/66/2019-20/
(BY R.P.A.D.)

Date:

In the matter refund of interest on tariff difference of continues to non continues
tariff which is already received

Date of Submission of the case : 26/06/2019
Date of Decision : 09/08/2019

To.

M/s. K.C. Tool Room (P) Ltd. ,
Gat No. 150, A/p. Chass,,
Tal & Dist. Ahmednagar 414001
(Consumer No. 162039005580)

Complainant

1. Nodal Officer ,
Maharashtra State Electricity Distribution Com. Ltd.,
Circle office, Ahmednagar
2. Executive Engineer (UCR)
Maharashtra State Electricity Distribution Com. Ltd.
Ahmednagar

Distribution Company
(Respondent)

DECISION

M/s. K.C. Tool Room (P) Ltd. is the Industrial consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Respondent). The Complainant has submitted grievance against MSEDCL for refund of interest on tariff difference of continues to non continues tariff which already received. The Complainant filed a complaint regarding this with the Internal Grievance Redressal Committee of the Maharashtra State Electricity Distribution Company Ltd. Ltd. But not satisfied with the decision of the IGRC , the consumer has submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representation is registered at Serial No.108 of 2019 on 26/06/2019.

The Forum in its meeting on 03/07/2019, decided to admit this case for hearing on 19/07/2019 at 12.00 Pm in the office of the forum . A notice dated 03/07/2019 to that effect was sent to the appellant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Circle Office Ahmednagar for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer.

Shr. G. R. Argonda, UDC represented the Distribution Company during the hearing. Shri. Suresh Sancheti appeared on behalf of the consumer

Consumers Representation in brief :

1. M/s. K.C. Tool room Pvt. Ltd. is the HT consumer with Ahmednagar Circle office MSEDCL Since 30/03/2004.
2. We were billed under the category HT-IC.
3. We have applied for change in tariff category vide out letter dtd. 25/09/2012.
4. MSEDCL gave the effect of change of tariff category from November 2014 bill in the month of December 2017.
5. However, MSEDCL has not given interest on such refund, which is mandatory as per provisions of Sec. 62(6) of Electricity Act. 2003, which is reproduced below.
If any licensee or a generating company recovers a price or charge exceeding the tariff determined under this section, the excess amount shall be recoverable 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.
6. Based on MERC order in Case No. 94 of 2015 dtd. 19/08/2016, MSEDCL gave refund of tariff difference of Rs. 47,28,252/- in the month of December 2017.
7. The Electricity Act not only provide for payment of interest but also stipulated that penalty can be imposed on Distribution Licensee for wrong recovery / excess recovery from consumer.

Prayer :

1. To direct MSEDCL to give credit of interest on compounding basis for difference in Tariff excess recovered by MSEDCL.
2. We reserve the right to add / modify/ change/ amend/ after the present Appeal and to make further submission as may be required during the proceedings.

Arguments from the Distribution Company:

The Distribution Company submitted a letter dated 18/07/2019 from Superintending Engineer , MSEDCL, Circle Office Ahmednagar and other relevant correspondence in this case. The representatives of the Distribution Company stated that:

As per the letter SE(Comm) letter No. PR-3/Tariff/No.03076 dtd. 30/01/19 given instructions that ' there is no directives for passing of refund of interest in order in Case No. 94-2015 dtd. 19/08/2016, MSEDCL is not paying interest and will abide by the directions, if any, as may be given by the Hon'ble Commission' and directives are given to contest the cases regarding refund of interest.

All though as per the consumer's application, letter for approval to the payment of interest on the refunded amount sent to SE(Comm). Prakashgad, but there are no any reply till date.

Action will be taken as per the further instructions if any received in future.

अंतर्गत तक्रार निवारण कक्षाची कार्यवाही :

अंतर्गत तक्रार निवारण कक्ष नाशिक शहर मंडल कार्यालय येथे 21/01/2019 मध्ये आलेल्या तक्रारीची आलेल्या तक्रारीची 21/02/2019 मध्ये आलेल्या तक्रारीची 25/02/2019 रोजी पुढीलप्रमाणे निर्णय देण्यात आला.

"व्यवस्थापक (विवले), मंडल कार्यालय अहमदनगर यांनी सदर तक्रारीत मुख्य कार्यालय , मुंबई यांचेकडून मार्गदर्शन घेवून पुढील योग्य ती कार्यवाही करावी."

Observation by the forum :

Heard both parties & after going through the evidence put before the Forum, it is observed that Dist. Co. has refunded the extra amount recovered on account of tariff difference of continuous to non continuous tariff as per mandate of Hon'ble MERC's verdict against case No. 94/2015, but the interest on said amount is not given, which is the case of appeal by applicant in Forum.

The Dist. Co. Submitted that there is no mention of interest on refund to be given hence interest not given.

But, as per provision of Section 62(6) of Electricity Act 2003 any amount which is due to refund attract interest as applicable with RBI Bank rate of interest, which is reproduced as below:

“ If any licensee or a generating Company recovers a price or charge exceeding the tariff determined under this section, the excess amount shall be recoverable by the person who has paid such price or charge along with interest equivalent to the banks rate without prejudice to any other liability incurred by the Licensee”.

There is also upheld by the decision given by Hon'ble MERC in case No. 90 of 2019.

After considering the representation submitted by the consumer, comments and arguments by the Distribution Company , all other records available, the grievance is decided with the observations and directions as elaborated in the preceding paragraphs and the following order is passed by the Forum for implementation:

Order

1. The applicant's application is allowed.
2. The Dist. Co. should refund interest on the amount refunded towards tariff difference of Continuous to non continuous as per order of MERC in Case No. 94/2015 upto date of payment with the RBI's rate of interest applicable.
3. As per regulation 8.7 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 , order passed or direction issued by the Forum in this order shall be implemented by the Distribution Licensee within one month and the concerned Nodal Officer shall furnish intimation of such compliance to the Forum .
4. As per regulation 22 of the above mentioned regulations , non-compliance of the orders/directions in this order by the Distribution Licensee in any manner whatsoever shall be deemed to be a contravention of the provisions of these Regulations and the Maharashtra Electricity Regulatory Commission can initiate proceedings *suo motu* or on a complaint filed by any person to impose penalty or prosecution proceeding under Sections 142 and 149 of the Electricity Act, 2003.
- 4 . If aggrieved by the non-redressal of his Grievance by the Forum, the Complainant may make a representation to the Electricity Ombudsman, 606, 'KESHAVA', Bandra Kurla Complex, Bandra (East), Mumbai 400 051 within sixty (60) days from the date of this order under regulation 17.2 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006.

(Smt. Vaishali V.Deole)
Member

(Prasad P. Bicchal)
Member Secretary

(Vivekkumar R.Agarwal)
Chairman

Consumer Grievance Redressal Forum Nashik Zone

Copy for information and necessary action to:

- 1 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. ,
Vidyut Bhavan, Nashik Road 422101 (For Ex. Engr.(Admn)
- 2 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. ,
Vidyut Bhavan, Nashik Road 422101 (For P.R.O)
- 3 Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. ,
Circle office, Ahmednagar

