MGVCL

MADHYA GUJARAT VIJ COMPANY LIMITED

Consumer Grievances Redressal Forum

Reg. Office: Sardar Patel Vidhyut Bhavan, Race Course, Vadodara-390 007.
CIN No. U40102GJ2003SGC042907
Phone No. (D) 0265-2330635, Fax No. 0265-2337918/ 2338164
Web site:www.mgvcl.com E-mail: serc.mgvcl@gebmail.com

Ref No. MGVCL/RA&C/Forum/Hearing/KPIPL/ 459
Date : 19/6/25

Complain No. MG-I-01-2025-26

To
M/s. Khatushyam Paper Ind Pvt Ltd.,
Block No.397, Village : Jinjar
Kheda 387 110 (Gujarat)

Sub: Your grievances regarding suspension of suomotu regarding excess power demand.
Ref: Your application dated 21.04.2025

Dear Sir,

Enclosed herewith please find the order of the Consumer Grievances Redressal Forum.

Thanking You,

Yours Sincerely,
For & on behalf of CGRF

19/6
(S K Nair)
Convener

Encl : As Above

Cfwcs along with order to:
- ETA to MD MGVCL Corp Office, Vadodara
- CE (T&O MD MGVCL Corp Office, Vadodara

Copy to:
- SE (O&M) MGVCL - CO Nadiad
- EE (O&M) MGVCL - DO Mehamdabad
- DE MGVCL Kheda Sub Division

--He is requested to submit Action Taken Report within 7 days from the date of issue of this letter without fail.

CGRF formed under the provision of IE Act 2003, sub clause 42(5) as well Notification No.2/2019 of GERC (CGRF & Ombudsman)

BEFORE THE CONSUMER GRIEVANCES REDRESSAL FORUM
MADHYA GUJARAT VIJ CO LIMITED
CORPORATE OFFICE, 5TH FLOOR SP VIDYUT BHAVAN,
RACECOURSE, VADODARA 390 007

Complaint No.	MG-I-01-2025-26
Complainant	M/s. Khatushyam Paper Ind Pvt Ltd., Block No.397, Village : Jinjar, Kheda 387 110 (Gujarat)
Respondent	Shri T J Shah, Executive Engineer (O&M) of Mehmadabad division office of MGVCL.
Date of hearing	20.05.2025 MGVCL Corporate Office, Vadodara

QUORUM	NAME
Chairperson	Shri P C Patel, ACE (RA&C) MGVCL Vadodara
Finance Member	Shri Neeraj Jangid, CoA MGVCL Vadodara
Independent Member	Shri Sajjansinh A Padwal
Representative of Consumer	Shri K B Dhebar
Representative of Prosumer	Shri M M Piprotar

The complaint dated 21.04.2025 regarding suspension of suomotu regarding excess power demand.

1.0 On 20.05.2025, the case of the Complainant Grievance was heard before Consumer Grievance Redressal Forum wherein Shri Mukesh Pratihar, Director appeared, on behalf of complainant M/s. Khatushyam Paper Ind Pvt Ltd., whereas Shri T J Shah, Executive Engineer (O&M), Mehmadabad Division office appeared as respondent on behalf of MGVCL before the Forum. Both the parties were heard.

2.0 The brief history of the case is as under -

2.1 The complainant M/s. Khatushyam Paper Ind P Ltd., is a HT consumer bearing No.60142, Contract demand 1800 KVA and located at at LS No:-397, Vill:-Jinjar, Tal: Mehmadabad Dist: Kheda.

2.2 During FY 2024-25, complainant has four times had excess drawal more than 5% of the Contract Demand.

2.3 Mehmadabad division has issued notices for excess drawal on dated 19.07.2024, 21.12.2024, 20.01.2025 & 20.02.2025 to the complainant in accordance with Clause 4.95 of GERC Supply Code 2015.

2.4 Complainant has applied for additional 160 KVA demand alongwith area addition (Survey No.234 P/1, village : Jinjar) on 12.03.2025 and paid Registration charges Rs. 1600/- vide receipt No. MG693202503286.

2.5 MGVCL Corporate Office has issued estimate for additional load on 20.03.2025.

2.6 Complainant has not paid the estimate within timeframe of 30 days.

2.7 Complainant has applied to CGRF on 05.05.2025 on online CGRF portal for suspension of suomotu proceeding regarding excess power demand.

3.0 The representative of the complainant contended that -

3.1 M/s. Khatushyam Paper Industries Private Limited, hold a HT electricity connection with consumer number 60142 and a contract demand of 1800 KVA. They have received letter regarding the excess power demand recorded during the specified period.

3.2 Their company started operations in 2019 with plans to draw up to 3000 KVA from MGVCL and they applied for the same bearing all the expenses and ensured compliance with all necessary formalities, including the establishment of a dedicated feeder.

3.3 Just after the commencement of the operations before the plant could be stabilized, the market conditions were adversely affected by the COVID 19 pandemic, leading to a significant decline in demand for white paper. This downturn resulted in their plant operating below optimal capacity, causing significant financial losses. They have reduced the contract demand to 1800 KVA previously due to the same reason.

3.4 Now, over the past six months, they attempted to integrate new processes and equipment to enhance product quality and marketability. During this trial phase, their power consumption occasionally exceeded the contract demand. However, these efforts did not give them the desired product quality, leading them to suspend plant operations starting February 5, 2025. This suspension is reflected in the energy meter readings also as can be verified from the records.

They have requested the suspension of the suomotu proceedings related to the observed excess power demand till their regular operations are not resumed stating that it will greatly help them to minimize their further financial losses so as to enable to start production in the future.

3.5 They are committed to comply with all regulatory requirements and are prepared to provide any further information or documentation they may require. Also they will regularize the demand after reassessment of the required contract demand by the department and as per MGVCL direction as soon as are able to commence the production.

3.6 During the hearing, the complaint has represented that they are intended to move to HTP-IV tariff as part of cost cutting to run their plant.

3.7 They have requested to suspend the estimate issued by MGVCL vide letter No. MGCOV/0788/03/2025 dated 20.03.2025 as they have discontinued their regular operation.

3.8 They have represented that if the estimate is not suspended then they may be allowed to make the payment of security deposit for additional amount of Rs.21,33,610/- in the form of Bank Guarantee and they may be allowed 15 days' time to make the payment of the estimate.

4.0 The respondent contended that -

4.1 The complainant M/s. Khatushyam Paper Industries Pvt Ltd. HT Consumer No. 60142, having contract demand of 1800 KVA located at LS No:-397, Vill:-Jinjar, Tal: Mehmadabad Dist: Kheda, under the jurisdiction of Haldarwas Sdn of Mehmadabad division office.

4.2 The complainant has drawal excess demand during FY 2024-25 as under with suomotu notice issued to them.

Sr. No	Billing Month	Actual Demand in KVA	% Excess Drawl	Suomotu Notice issued by Division office of MGVCL
1	July-2024	1984	9%	MD/REV/5218/19.07.2024
2	DEC-2024	1922	6%	MD/REV/8446/21.12.2024
3	JAN-2025	2020	11%	MD/REV/546/20.01.2025
4	FEB-2025	1896	5.33%	MD/REV/1274/20.02.2025

4.3 As shown above, it can be seen that the complainant had crossed its contract demand four (4) times in F.Y.2024-25. As per clause 4.95 of GERC's Supply code-2015, Mehmadabad division office had issued notice in every month whenever the complainant drawl excess demand above 5% of its contract Demand.

4.4 The complainant had applied for HT additional load & area addition survey No.234 P/1 village Jinjar on dated 12.03.2025.

4.5 Estimate Issued by Corporate Office vide letter No.MGCOV/0788/ 03/ 2025 dated:-20.03.2025. The break-up of estimate is as under:

PARTICULARS	Amount Rs.
Charges for installation of CTPT for consumer availing load additional as per circular 64	25000/-
MGVCL"s fixed cost (Rs. 1800 per KVA)	2,88,000/-
Security Deposit (Under HTP-I Tariff, cont process), (Rs.1,30,51,454/- Less Rs. 1,09,17,844/-) FPPPA @ 2.45 Rs/Unit	21,33,610/-
Total Amount of MGVCL's part	24,46,610/-
GETCO's pro-rata charges (Rs. 1879 per KVA) + 18% GST	3,54,756/-
Grand Total (MGVCL+GETCO)	28,01,366/-

4.6 A notice vide letter No. MGDOOKH/0011/05/2025/03.05.2025 issued to the complainant for making payment of the estimate within 10 days stating that failure to make the payment within time limit will compel MGVCL to debit the estimate in the consumer account in the energy bill of May 2025.

4.7 As the complainant failed to make the payment of the estimate, the amount of estimate was debited in the energy bill of May 2025.

5.0 The Forum Members present at the hearing considered contention of both the parties and perused the records and considering them in detail, findings are as under:

5.1 As per available record and submission by respondent & complainant, it was confirmed that the maximum demand was recorded in excess of contract demand by more than 5% of Contract Demand four times during financial year 2024-25 and hence the respondent MGVCL had issued 30 days' notice to the complainant for submitting an application form for enhancement of load.

5.2 It was observed that complainant has made application on 12.03.2025 for 160 KVA load addition based on the notice for excess demand issued by Mehmadabad division office as per clause no. 4.95 of Supply Code which is as under :

Clause No. 4.95 of supply code, 2015 - Review of Contracted Load/ Sanctioned Load Contracted Demand

In case of HT, EHT and Demand Based LT connections, if the maximum demand was recorded to be in excess of contract demand by 5% or more for at least four times during last financial year, the licensee shall issue a 30-day notice to the consumer for submitting an application form for enhancement of load. If there is no response from the consumer by the end of the notice period, the licensee shall start the procedure for enhancing the consumer's contract demand to the average of four recordings of maximum demand shown by the consumer's MDI meter in the last financial year. In such case, the consumer shall be liable to pay all applicable charges as per provisions of this Code for regularization of the enhanced demand. The enhanced demand will be considered as revised contact demand on receipt of such charges and all provisions of agreement shall be applicable to such consumers for revised contract demand.

In case of non-Demand Based LT connections, review of Contracted Load/ Sanctioned Load shall be carried out once in a financial year *and if it is found that connected load on such type of connection is 25% or more than the Contracted Load/ Sanctioned Load in case of Residential Consumers and 10% or more than the Contracted Load/ Sanctioned Load in case of other categories of consumers, the licensee shall issue a 60-day notice to the consumer for submitting an application form for enhancement of load. If there is no response from the consumer by the end of the notice period, the licensee shall start the procedure for enhancing the consumer's Contracted Load/ Sanctioned Load to the load found at the time of inspection. In such case, the consumer shall be liable to pay all applicable charges as per provisions of this Code for regularization of the enhanced load. The enhanced load will be considered as revised Contracted Load/ Sanctioned Load on receipt of such charges and all provisions of agreement shall be applicable to such consumers for revised Contracted Load/ Sanctioned Load.*

5.3 The Forum considered the contentions of the complainant and the contentions of Respondent and the facts, statistics, and relevant papers, which are on records, and after examining them in detail, the findings are as under.

a) The procedure for enhancing the contract demand from 1800 KVA to 1960 KVA is in accordance with clause No.4.95 of GERC Supply Code 2015 and estimate issued by respondent MGVCL is in order in respect of complainant M/s. Khatushyam Paper Ind Pvt Ltd., Block No.397, Village : Jinjar, Kheda 387 110 (Gujarat).

b) The complainant prayed that they may be allowed to make the payment of Security deposit part of the estimate in the form of Bank Guarantee and to grant 15 days' time to make the payment of the estimate.

ORDER

6.0 The Forum Members present during the hearing considered contentions of both the parties and has come to the conclusion that -

6.1 The procedure for enhancing the contract demand from 1800 KVA to 1960 KVA in accordance with clause No.4.95 of GERC Supply Code 2015 and estimate issued by respondent MGVCL is in order in respect of complainant M/s. Khatushyam Paper Ind Pvt Ltd., Block No.397, Village : Jinjar, Kheda 387 110 (Gujarat).

6.2 The complainant shall be allowed to make the payment of the portion of security deposit for additional 160 KVA load Rs. 21,33,610 in form of DD/ Bank Guarantee/ Pay order to MGVCL.

6.3 MGVCL shall grant 15 days' time for the payment of the estimate for additional load issued vide letter No. MGCOV/0788/03/2025 dated 20.03.2025, which was debited to consumer account No. 60142. Complainant shall submit DD/ Bank Guarantee/ Pay order towards additional SD amount.

6.4 With this Order, the consumer's application/representation stands disposed off.

M M Piprotar	***(K B Dhebar)***	***(Dr S A Padwal)***
Representative of Prosumer	***Representative of Consumer***	***Independent Member***

(N R Jangid)	***(P C Patel)***
Finance Member	***Chairperson***

PS :

*If the complainant is not satisfied with the order of this Forum, the complainant may approach Ombudsman only after payment of minimum 33% of the bill amount issued to the party in question. **The Office address of the Ombudsman is** : The Staff Officer, Office of the Electricity Ombudsman, Gujarat Electricity Regulatory Commission, Ground Floor & First Floor, CMIS Building*
Telephone Exchange, Bimanagar, Jeevandham Road, Ahmedabad 380015, in accordance with Clause No.3.19 (viii) of GERC Notification No.2 of 2019.

Procedure to make representations before Ombudsman***

1. Representation should be in writing duly signed by the complainant with his name and address.
2. Representation should be supported with affidavit.
3. True copy of order of Forum and original complaint made before Forum should be attached. Enclosed documents should be certified copies of the original documents.
4. The representation before Ombudsman should be submitted within 30 days from the date of order of Forum.
5. Copy of representation should be submitted at the office of Ombudsman. Copy of representation should be submitted to all respondents.
6. If the complainant is required to pay any amount according to the order of Forum, one-third of such amount should be deposited by complainant and proofs should be attached along with the representation.
7. The matter should not be pending before the competent Forum or any other court, tribunal, arbitrator or any other authority.
8. All representations should be with a sufficient cause, reasonable diligence causing the consumer prima facie loss and damages / inconvenience.
9. Representation may be submitted in English or Gujarati language