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

Subject	Consumer Grievances Complaint No. MG-III-22-2023-24
Complainant	M/s. Alembic Pharmaceuticals Ltd, Alembic Road, Vadodara 390003 (unit at village Karakhadi, Tal: Padra, Dist: Vadodara (HT consumer No.13515).
Respondent	Shri T C Vyas, Executive Engineer (O&M) Jambuva division of MGVCL.
Date of hearing	26.10.2023 Corporate Office, MGVCL Vadodara

QUORUM	NAME
Chairperson	Shri S P Trivedi, Vadodara
Technical Member	Shri K B Dhebar, (RA&C) MGVCL Vadodara

The complaint dated 20.10.2023 regarding Supplementary bill amounting to Rs.3,03,99,414.49 for their unit located at village Karakhadi, Tal: Padra, Dist: Vadodara (HT consumer No.13515).

1.0 On 26.10.2023, the case of the Complainant Grievance was heard before Consumer Grievance Redressal Forum wherein Shri Ashok V Pandya, Vice President and Shri A J Varma, representative appeared on behalf of complainant M/s. Alembic Pharmaceuticals Ltd, whereas Shri T C Vyas, Executive Engineer (O&M) Jambuva Division 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 M/s. Alembic Pharmaceuticals had applied for change of name in respect of consumer No.13799 (CD 1300 KVA) from M/s. Aleor Dermaceuticals Limited, to M/s. Alembic Pharmaceuticals Limited at plot No.779/P and 790/P village Karakhadi Tal : Padra on 20.09.2022.

2.2 As per NCLT order dated 29.08.2022, M/s. Aleor Dermaceuticals Limited, amalgamated into M/s. Alembic Pharmaceuticals Limited.

2.3 It was observed by the respondent MGVCL that HT connections No.13797, 13799 and 13515 in the name of M/s. Alembic Pharmaceuticals Limited are adjacent to each other and owned by M/s. Alembic Pharmaceuticals Limited.

2.4 Jamuva division, MGVCL had issued notice on 03.10.2022 and 11.10.2022 for registration of application for merger of connections.

2.5 As per Supply Code 2015, clause No.4.28, *"The Distribution Licensee will not provide more than one connection for one premise or in adjoining/contiguous premises belonging to same owner if' these are not separated by a public road or by private premise.-The consumers opting for second connection will have to produce separate legal entity documents such as separate Income Tax / Sales Tax No. ration card and rent or lease agreement"*.

2.6 As all these 3 HT connections are owned by same legal entity in adjoining / contiguous premises hence are liable to merge from the date of NCLT order i.e. 29.08.2022.

2.7 Since M/s. Alembic Pharmaceuticals Limited, had not come forward for merging of the connections, suomotu procedure had initiated and the connections were merged into one connection with contract demand as sum of the all these 3 connections i.e. 7725 KVA.

2.8 The change of name from M/s. Aleor Dermaceuticals Limited, amalgamated into M/s. Alembic Pharmaceuticals Limited was approved vide MGVCL letter dated 01.12.2022

2.9 EE (O&M) Jambuva Dn has vide letter dated 13/10/2023 issued the supplementary bill amounting to Rs. 3,03,99,414.49 on the basis of merging of contract demand to the complaint which was paid under protest by them on 16/10/2023.

2.10 Aggrieved by the supplementary bill, the complainant filed grievance vide letter dated 20/10/2023.

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

3.0 The representative of the complainant contended that -

3.1 They have received the Supplementary Bill Amounting Rs 3,03,99,414.49 from the office of the Executive Engineer, Jambuva Division vide letter no JMB/REV/HT/23/5451 dated 13.10.2023 in respect of M/s. Alembic Pharmaceuticals Ltd located at village Karkhadi, Taluka Padra bearing consumer number 13515. They have paid said bill vide MR No.NE 334686 on dated 16.10.2023 under protest. The said bill is issued on the basis of merging of contract demand of three HT connections named (1) M/s. Aleor Dermaceuticals having contract Demand 1300 KVA, Consumer no 13799 (2) M/s. Alembic Pharmaceuticals Ltd having contract Demand 2475 KVA, Consumer no 13797 and (3) M/s. Alembic Pharmaceuticals Ltd having contract Demand 3950 KVA, Consumer no 13515.

3.2 They have applied for change of name from M/s. Aleor Dermaceuticals to M/s. Alembic Pharmaceuticals Ltd for the consumer no 13799 having contract demand 1300 KVA and in turn the Additional Chief Engineer (RA&C) has accorded the approval with Suo-Moto procedure with a combined contract demand of 7725 KVA vide letter no MGVCL/RA&C /HT/merging/1054 dated 01.12.2022. Later on the estimate has been issued by the Additional Chief Engineer (RA&C) vide letter no 237 dated 19.05.2023. They have opted option 3 and paid necessary supervision charges as per rules and regulation of MGVCL. Thus, procedure for getting power supply through 66 KV network has been followed as per the orders of the MGVCL and it is under process.

The Executive Engineer (O&M) Jambuva has added 11.11% HT network losses on their monthly consumed units as well as on billed demand and issued the supplementary Bill Amounting Rs.3,03,99,414.49 on dated 13.10.2023 for the period of Dec 2022 to August 2023. As they had already applied for getting power supply through 66 KV network and paid necessary estimate as per rules and regulation of MGVCL, they should get 180 days for the execution work.

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

The Executive Engineer (O&M) Jambuva had simply calculated the arithmetic sum of contract demands of three HT connection ie 7725 KVA and started billing accordingly. They have accepted to get power supply at 66KV Voltage level as per rule but they had right to choose their contract demand and accordingly applied for 6725 KVA as their merged demand vide MGVCL C.O. inward dated: 22.5.2023 in form A-2. In line of their demand, Additional Chief Engineer (R&C), GETCO has accorded principal approval for technical feasibility vide letter no CE(R&C)/EE-C/DE735/2097 dated 12.07.2023 addressed to The Additional Chief Engineer(RA&C), MGVCL, Corporate office. Hence their merged demand should be considered as 6725 KVA instead of 7725 KVA.

3.3 They had requested Forum to refer Petition No. 1642 Of 2017, before GERC, Gandhinagar-

Petitioner: M/s. T.T. Limited, Villlage: Kadiyali-Rajula
Respondent-1: PGVCL, Corporate office, Rajkot
Respondent-2: Office of the Electricity Ombudsman, Ahmedabad.

Clause No. 8.6.2.5 the GERC judgement order in petition No. 1642 of 2017 is reproduced as under:

"Now they deal with the approach adopted by Respondent to levy additional 11.11% from the Petitioner. As narrated earlier, on merger of two connection, the arithmetic sum of contract demand became 4850 KVA (2450 KVA of connection no; 43133 + 2400 KVA of Connection no; 43149). Prior to merger, both the connections with contract demand 2450 KVA and 2400 KVA were entitled to draw power at 11KV Voltage level as per provisions of GERC (Electricity Supply Code and related Matters) Regulation,2005, it's amendment dated 25.09.2006 and 18.06.2012. With the merger of these two connections, the Petitioner would have received power supply at voltage higher than 11KV as per provision of the GERC Supply code and its amendments. In the present matter, the Respondent has charged the Petitioner with 11.11% additional charge on arithmetic sum of billing quantities of both the connections. Since, the

Petitioner is entitled to receive power supply at 11KV voltage level up to 4000 KVA as per prevailing Regulations, the Commission does not agree with the approach of Respondent to charge additional 11.11% on billing quantities of entire contract demand of 4850 KVA but decides that contract demand above 4000 KVA should only be charged with additional 11.11%. Therefore, the respondent is entitled to charge 11.11% proportionately for all the billing quantities on the contract demand in excess of 4000 KVA i.e.850 KVA. Accordingly, the respondent shall revise the bill and refund the excess amount to the Petitioner."

Supplementary bill issued to them is considering additional charge i.e. 11.11% of billing quantities for entire merged Suo moto demand 7725 KVA which is incorrect as per GERC guideline and order

In view of above Order from GERC, being similar case, MGVCL shall charge 11.11% proportionately for all the billing quantities i.e. KWH, KVA Demand, KVARH charges on contract demand in excess of 4000 KVA i.e. on 2725 KVA only in their case.

3.4 It has come to their notice that wheeling losses are calculated by MGVCL as 9.5% whereas in their case, it is considered as 10%. Hence the Supplementary Bill may be recalculated considering 9.5 % of losses in excess of 4000 KVA Contract demand, in their case 2725 KVA on proportionate basis.

3.5 They are exempted from Electricity Duty for the average monthly units recorded more than 1370320 or units recorded in meter no GJ-3353-B whichever is less in respect of M/s. Aleor Dermaceuticals and the average monthly units recorded more than 2350572 or units recorded in meter no CHT 54564 whichever is less in respect of M/s. Alembic Pharmaceuticals Limited (formulation) as per the letter of Electricity Duty Inspector. It is also observed from the Supplementary bill that Electricity Duty had not been exempted in the calculation. Accordingly said amount is to be refunded.

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

In view of the above, complainant has requested Forum to consider their plea and kindly set aside supplementary bill.

4.0 The respondent contended that -

4.1 The complainant is having 3 nos of HT connections i.e. (i) M/s. Alembic Pharmaceuticals Limited, consumer No.13515, having load of 3950 KVA (ii) M/s. Alembic Pharmaceuticals Limited, consumer No.13797, having load of 2475 KVA and (iii) M/s. Aleor Dermaceuticals Limited, consumer No.13799, having load of 1300 KVA.

4.2 All these 3 nos of connections had merged in one connection through EHT suomotu procedure having a total load of 7725 KVA at village Karkhadi, Tal: Padra, Dist: Vadodara. MGVCL Corporate Office, Vadodara, had issued approval for change of name in respect of consumer No.13799 from M/s. Aleor Pharmaceuticals to M/s. Alembic Pharmaceuticals Limited and suomotu approval for merging of 3 nos of HT connections of M/s. Alembic Pharmaceuticals Limited, consumer No.13797, 13799 & 13515 w.e.f. the date of NCLT order i.e. 29.08.2022.

4.3 The combined demand after merger of all these 3 connections arrived at 7725 KVA, which is to be catered at 66 KV voltage level.

4.4 The billing for 7725 KVA EHT demand on 11 KV voltage level to be started w.e.f. 29.08.2022 and time to be given to petitioner as per SoP for conversion of system from 11 KV to 66 KV.

4.5 TFR for merged contract demand of 7725 KVA under suomotu procedure was called from GETCO on 01.12.2022.

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

4.6 The power load of the above three customers was upgraded to 7725 KVA by EHT suomotu and as the customer is getting 11 KV power flow instead of 66 KV line, as per Technical Circular No. 75 dated 01/04/2016 network loss is to be taken into account for calculation of bill. Complainant was informed vide letter No.JMB/REV/HT/23/5451 Dtd 13.10.2023 that network losses will be recovered as per Technical Circular No. 75 dated 01/04/2016. The recoverable units were added to the September 2023 bill so the bill of September 2023 was made up of more units than the average units and was presented by the customer on 13/10/2023.

4.7 Further to state that due to implementation of new tariff from April 2023 as per page no.198 of the tariff book the percentage of billing loss has reduced from 10% to 9.50%, recalculation of units from April 2023 to August 2023.

4.8 MGVCL has issued an estimate for EHT demand of 7725 KVA at 66 KV voltage level on 19.06.2023 to M/s. Alembic Pharmaceuticals Limited, based on estimate approved by GETCO vide letter CE(R&C)/EE-C/DE/735/ 1405 dated 27.04.2023 wherein from 220 KV Gavasad s/s erection of 8 KM of 66 KV S/C line on D/C Panthor tower with ACSR Dog conductor and laying 0.035 Km of 66 KV 1 C X 630 sqmm (3 +1) aluminium corrugated sheathed UG cable was approved.

4.9 M/s Alembic Pharmaceuticals Limited, has registered application for reduction of load 7725 KVA to 6725 KVA and paid registration charges on 22.05.2023.

4.10 M/s. Alembic Pharmaceuticals Limited, had requested vide their letter dated 12.06.2023 to MGVCL corporate office to review technical feasibility for their merged contract demand of 7725 KVA from 66 KV Karakhadi s/s instead of approved from 220 KV Gavasad s/s. Based on their request application, it was referred to GETCO for examination of technical feasibility from 66 KV Karakhadi s/s.

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:

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

5.1 As per approval of MGVCL, Corporate office, Vadodara, letter No.MGVCL/ RA&C/HT/Merging/1054 dated 01.12.2022 for change of name in respect of consumer No.13799 from M/s. Aleor Dermaceuticals Limited to M/s.

Alembic Pharmaceuticals Limited, and suomotu merging connection of M/s. Alembic Pharmaceuticals Limited, consumer No.13797 and 13799 with 13515, all these 3 connections were merged w.e.f. the date of NCLT order i.e. 29.08.2022.

5.2 Billing for merged contract demand of 7725 KVA to be done from the date of merging i.e. from 29.08.2022.

5.3 As submitted by Respondent MGVCL, they have issued bill for merged demand from Dec 2022 onwards. Bill for merged demand for the period 29.08.2022 to Nov 2022 is yet to be issued.

5.4 As per Tariff order in case No.2030 of 2021 dated 31.03.2022, applicable distribution losses for open access during FY 2022-23 for point of energy delivered at 11 KV is 10% and as per Tariff order in case No.2167 of 2022 dated 31.03.2023, applicable distribution losses for open access during FY 2023-24 for point of energy delivered at 11 KV is 9.5%

5.5 Since. the respondent MGVCL suffered the losses by providing supply at lower voltage level instead of providing it at higher voltage level, applicable losses for billing of 7725 KVA EHT demand at 11 KV voltage level for the year 2022-23 will be 10% to be grossed up by 10% thus the effective wheeling losses works out to 11.11% (i.e. 10% addition on 10%) and for the year 2023-24 will be 9.5% to be grossed up by 10% thus the effective wheeling losses works out to 10.56% (i.e. 10% addition on 9.5%).

5.6 Hon'ble GERC, Gandhinagar, in order in petition No.1642 of 2017 dated 09.09.2019 had ordered that -

Para No.8.6.2.5

"Now we deal with the approach adopted by the Respondent to levy additional 11.11% from the Petitioner. As narrated earlier, on merger of two connections, the arithmetic sum of contract demands became 4850 kVA (2450 kVA of Connection No. 43133 + 2400 kVA of Connection No. 43149). Prior to merger, both the connections with contract demand of 2450 kVA and 2400 kVA were

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

entitled to draw power at 11 kV voltage level as per as per the provisions of the GERC (Electricity Supply Code and Related Matters) Regulations, 2005, it's amendment dated 25.09.2006 and 18.06.2012. With the merger of these two connections, the Petitioner would have received power supply at voltage higher than 11 kV as per the provisions of the GERC Supply Code and its amendments. In the present matter, the Respondent has charged the Petitioner with 11.11% additional charge on the arithmetic sum of billing quantities of both the connections. Since, the Petitioner is entitled to receive power supply at 11 kV voltage level up to contract demand of 4000 kVA as per the prevailing Regulations, the Commission does not agree with the approach of the Respondent to charge additional 11.11% on billing quantities of the entire contract demand of 4850 kVA but decides that contract demand above 4000 kVA should only be charged with additional 11.11%. Therefore, the Respondent is entitled to charge 11.11% proportionately for all the billing quantities on the contract demand in excess of 4000 kVA i.e. on 850 kVA. Accordingly, the Respondent shall revise the bills and refund the excess amount to the Petitioner".

5.7 On merger of 3 connections, the arithmetic sum of contract demand became 7725 KVA (1300 KVA of con No.13799 + 2475 KVA of con No.13797 + 3950 KVA of con No.13515). Prior to merger 3 connections with the contract demand of 1300 KVA, 2475 KVA & 3950 KVA were entitled to draw power supply at 11 KV voltage level & with the merger of these connections, the petitioner would have received power supply at voltage higher than 11 KV as per the provisions of GERC Supply Code and its amendments.

5.8 Since the complainant is entitled to receive power supply at 11 KV voltage level upto contract demand 4000 KVA, the contract demand above 4000 KVA should only be charged for losses of the respective tariff orders.

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

5.9 As per GERC order, mentioned in clause No.5.6 as above, the respondent MGVCL is entitled to charge 11.11% for FY 2022-23 & 10.56% for FY 2023-24 proportionately for all the billing quantities on the contract demand in excess of 4000 KVA i.e. on 3725 KVA.

5.10 The complainant had submitted that they have received amended certificate for Electricity Duty exemption. The respondent MGVCL will verify the amended certificate issued by Electricity Duty Inspector, Gandhinagar and accordingly necessary credit, if any, to be given to consumer account of the complainant.

5.11 The complainant had applied for reduction in contract demand from 7725 KVA to 6725 KVA for which approval is under process at GETCO and MGVCL level. Necessary action for reduction in load will be taken by respondent MGVCL as per provisions of Supply Code 2015 & amendments thereof.

ORDER

6.0 The Forum has come to the conclusion that -

6.1 Billing for merged contract demand of 7725 KVA to be done from the date of merging of 3 connections from the date of change of name as per NCLT order i.e. from 29.08.2022.

6.2 Respondent MGVCL had issued supplementary bill for merged demand from Dec 2022 onwards. Bill for merged demand for the period 29.08.2022 to Nov 2022 is to be issued.

6.3 Respondent MGVCL suffered the losses by providing supply at lower voltage level instead of providing it at higher voltage level, applicable losses for billing of 7725 KVA EHT demand at 11 KV voltage level for the year 2022-23 is 10% to be grossed up by 10% thus the effective wheeling losses works out to 11.11% (i.e. 10% addition on 10%) and for the year 2023-24 is 9.5% to be grossed up by 10% thus the effective wheeling losses works out to 10.56% (i.e. 10% addition on 9.5%).

CONSUMER GRIEVANCES REDRESSAL FORUM MGVCL

6.4 On merger of 3 connections, the arithmetic sum of contract demand became 7725 KVA (1300 KVA of con No.13799 + 2475 KVA of con No.13797

+ 3950 KVA of con No.13515). The complainant is entitled to receive power supply at 11 KV voltage level upto contract demand 4000 KVA, the contract demand above 4000 KVA should only be charged for losses of the respective tariff orders. The respondent MGVCL is entitled to charge 11.11% for FY 2022-23 & 10.56% for FY 2023-24 proportionately for all the billing quantities on the contract demand in excess of 4000 KVA i.e. on 3725 KVA.

6.5 The respondent MGVCL will verify the amended certificate issued by Electricity Duty Inspector, Gandhinagar and accordingly necessary credit, if any, to be given to consumer account of the complainant.

6.6 The complainant had applied for reduction in contract demand from 7725 KVA to 6725 KVA. Necessary action for reduction in load will be taken by respondent MGVCL as per provisions of Supply Code 2015 & amendments thereof.

(K B Dhebar)
Technical Member

SPTrivedi
(S P Trivedi)
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, Barrack No.3, Polytechnic Compound, Ambawadi, Ahmedabad 380 015 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.

CONSUMER GRIEVANCES REDRESSAL FORUM
MGVCL