

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No. 38 of 2002

In the matter of
Alleged illegal recovery of Service Line and other Charges for reinstatement of
Contract Demand, etc.

Shri P. Subrahmanyam, Chairman
Shri Jayant Deo, Member
Dr Pramod Deo, Member

ORDER

Dated: 3rd August, 2004

Under their Petition dated 28th November, 2002 with Maharashtra State Electricity Board (MSEB) as Respondent, M/s. Lloyds Steel Industries Ltd. (LSIL) have prayed that:

- "a) The Demand Notice dated 26.08.2002 issued by the Respondent's Wardha Office may please be declared as illegal and may please be set aside,*
- b) The Applicant may be permitted to avail power supply to the limit of 90 MVA without recovery of any additional charge either on account of Service Connection Charges (SCC) or the Service Line Charges (SLC),*
- c) Direct the respondent to refund the amount so collected for installment of the contract demand to the original level of 90 MVA.*
- d) Quash the demand made by the respondents in this regard.*
- e) Continue to have connected the contract demand of 90 MVA."*

The details and grounds are set out in the Petition.

2. MSEB submitted their reply dated 23rd December, 2002 essentially opposing admission and briefly addressing some of the matters raised. The Petition was heard for admission on 9th January, 2003 and the Record of Proceedings (RoPs) circulated by the Commission on 21st January, 2003. Since the matter had a connection with a case before the High Court, Nagpur Bench, the Commission recorded that it would be prudent for LSIL to move the High Court since there was a solemn affirmation with regard to certain arrears. Once permission was obtained from the High Court, LSIL could approach the Commission further.

3. Under their letter dated 24th April, 2004, LSIL submitted that they had approached the High Court, Nagpur Bench which had granted leave vide Order dated 7th April, 2004, inter alia granting liberty to them to prosecute the matter before the Commission as regards the claim by MSEB in respect of SLC and SCC charges. LSIL, therefore, sought a hearing by the Commission at the earliest.

4. The Commission accordingly fixed the matter for further hearing on 24th May, 2004 and, thereafter, postponed it to 22nd June, 2004 at the request of MSEB on account of non-availability of their Counsel. Under their application dated 14th June, 2004, however, LSIL approached the Commission stating that they had approached MSEB after filing the Petition and presented a proposal for settlement out of court. They submitted that the two parties were negotiating and that there was a likelihood of the dispute being resolved out of court, but more time would be required and the settlement could not take place before the date fixed for hearing. LSIL therefore sought that the matter be adjourned to some other date at least one month later so that the parties would have an opportunity to settle the dispute inter se. The Commission accordingly postponed the hearing without communicating a further date.

5. The Commission notes that the Petition has been pending before it for nearly two years because of the sequence set out above. At the same time, the Commission would be happy if the matter is settled out of court to the mutual satisfaction of both parties and without its intervention. The Petitioner has not reverted to the Commission with regard to the status of negotiations more than a month after its letter seeking a postponement of the hearing.

6. In view of the above, the Commission has decided to treat this case as disposed, making it clear, however, that it has not gone into its merits, with liberty to LSIL to apply afresh depending on the outcome of their negotiations with MSEB.

Sd/-
(Jayant Deo)
Member

Sd/-
(Prmod Deo)
Member

Sd/-
(P. Subrahmanyam)
Chairman, MERC

Sd/-
(A.M. Khan)
Secretary, MERC