

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION.**

CASE Nos. 2 of 2000

**In the matter of
the application by M/s Universal Ferro & Allied Chemicals Limited, regarding
alleged non-payment of energy bill charges and notice of disconnection issued by the
Maharashtra State Electricity Board.**

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

ORDER

Dated: August 28, 2002

M/s Universal Ferro & Allied Chemicals Limited, Mumbai has submitted, under Regulation 68 of the MERC (Conduct of Business) Regulations, 1999, an affidavit dated 7th June 2002 (through its solicitor Amarchand Mangaldas No. AS/2464) with the following prayer [ref. page 9]:

- (a) That the Hon'ble Commission be pleased to quash and set aside the disconnection notice dated June 1 2002 being Exhibit 'E' hereto issued by the Respondent to the applicant;*
- (b) That this Hon'ble Commission do order and issue a permanent injunction to restrain the Respondents from taking any coercive steps against the Applicant including steps to disconnect the electricity supply to the applicant in order to recover the alleged arrears from the Applicant;*
- (c) Pending the hearing and final disposal of the Review Petition the Respondent be restrained by an order and temporary injunction of this Hon'ble Commission from taking any steps in furtherance of or pursuant to the disconnection notice dated June 1 2002 being Exhibit 'E' hereto.*
- (d) That pending the hearing and final disposal of the Review Petition the disconnection notice dated June 1, 2002 being Exhibit E hereto be stayed by this Hon. Commission.*
- (e) For interim and ad-interim reliefs in terms of prayers (c) and (d) above.*

2. The Commission invited parawise remarks of the Respondent, MSEB on the application dated 7th June 2002 of M/s Universal Ferro & Allied Chemicals Limited, which the Respondent submitted vide its letter No. Pcom/UFA/Bhandara/25964 dated 2nd July 2002. The Applicant has also submitted its rejoinder on the Parawise Remarks of the MSEB, vide its letter No.AS/7168 dated 12th July 2002, on which the MSEB has further submitted its parawise comments vide its letter No.P.Com/UFA/Bhandara/3345 dated 2nd August 2002.

3. The Commission held hearing on the matter, before admission, on 5th August 2002. During the hearing held on 5th August 2002, the Counsel for the Applicant submitted that they, the Applicant and the Respondent (MSEB) are meeting in order to settle the issues mutually and, therefore, sought for an adjournment of the hearing at a convenient time of the Commission. The Counsel for the Respondent (MSEB) has also agreed to the request of the Applicant. The Commission acceded to the request of the Applicant and adjourned the hearing till such time the Applicant and the Respondent approach the Commission afresh, after reconciling their differences on arrear and its settlement.

4. The Applicant, vide its letter No.8667-78 dated August 09, 2002, informed the Commission that *they have just been served with a fax demand notice No. SE/Bhar/HTA-C/4473 dated August 08, 2002 once again threatening disconnection within 7 days and requested the Commission to please proceed with the hearing.*

5. The Commission again held the hearing in the matter before admission on 22nd August 2002. During the hearing held on 22nd August 2002, the Counsel for the Applicant submitted that they, the Applicant and the Respondent (Shri P.K. Kukde, Technical Member, MSEB) had a meeting on 19th August 2002 in order to settle the issues mutually and he is yet hear from the MSEB. Therefore, he sought for an adjournment of the hearing at a convenient time of the Commission.

6. The Counsel for the Respondent, MSEB, submitted that as per his instruction no further concession is to be extended to the Applicant since he has already been granted a concession to the extent of Rs.90 crores towards payment of arrears. He further submitted that to comply with the Order of the Honourable High Court of (Nagpur Bench), the Board has to issue disconnection notice, and the Commission has no jurisdiction in this matter.

7. On a query of the Commission as to apart from the legal matters, what is the issue to be resolved by the Commission, the Applicant submitted that it is the matter of payment of arrears to the MSEB pertaining to the period of 1994-95. The Applicant submitted that they are appearing before the Commission since the Commission wanted them to settle their dispute mutually, while dealing in Case No.2 of 2000.

8. The Commission reminded the Respondent that the Applicant had withdrawn their Petition pending before the High Court on a condition that the matter of payment of arrears for the year 1994-95 would be settled mutually. If both the contesting parties are not in a position to sort it out mutually, they may opt for appropriate legal course.

9. The Commission observed that inspite of the Commission's efforts to facilitate settling the issue of arrears pertaining to a period beyond Commission's jurisdiction, the stand taken by both the parties was uncalled for. Hence, there is no need to extend / postpone the hearing again and again. Therefore, the application is dismissed and hence ordered accordingly.

Sd/-
(Jayant Deo)
Member

Sd/-
(Dr Pramod Deo)
Member

Sd/-
(P. Subrahmanyam)
Chairman, MERC

(Sanjay Kumar)
Secretary, MERC