

## BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

(Appointed by the Maharashtra Electricity Regulatory Commission  
under Section 42(6) of the Electricity Act, 2003)

### REPRESENTATION NO. 74,75 & 76 OF 2025

In the matter of Exemption from Electricity Duty

Rep. No.	Name of Appellant	Consumer No.
74 of 2025	Tulip Weaves Pvt. Ltd.	110880116525
75 of 2025	Dahlia Fabrics Pvt. Ltd.	110880116550
76 of 2025	Zinnia Weaves Pvt. Ltd.	110880116576

..... Appellants

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Jalgaon Urban Dn. .... Respondents  
(MSEDCL )

Appearances:

Appellant :Chirag Chirmade, Representative

Respondents :Chetan Nandanwar, Executive Engineer (Adm.), Jalgaon Circle


**Coram: Vandana Krishna (Retd. IAS)**

Date of hearing: 26<sup>th</sup> August 2025

Date of Order : 1<sup>st</sup> September 2025

### ORDER

These three Representations were filed on 23<sup>rd</sup> July 2025 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the Common Order dated 22<sup>nd</sup> May 2025 passed by the Consumer Grievance Redressal Forum,

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai




MSEDCL, Nashik Zone (the Forum). The Forum disallowed the grievance applications of the Appellants. Since the three Schedule B statutory forms were submitted on 1<sup>st</sup> August 2025, these representations were registered on 1<sup>st</sup> August 2025.

2. Since the subject matter in all three Representations is identical in nature, they have been clubbed together for adjudication by way of a common order. An e-hearing was conducted on 26<sup>th</sup> August 2025 through video conference, wherein both parties were heard at length. The submissions and arguments advanced by the Appellants are summarized as under: *[The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.]*

- (i) The three Appellants are LT consumers under the jurisdiction of the Jalgaon Urban Division of MSEDCL with effect from 03.05.2017. The particulars regarding Consumer Numbers, Addresses, Sanctioned Loads/ Contract Demands, Date of Commencement of Supply, Date of issuance of Electricity Duty Exemption Certificate by the District Industries Center, Jalgaon and the applicable exemption period are tabulated below:


Table1:

Name of Consumer	Consumer No.	Address	Sanct. Load / Cont. Demand	Date of Supply	Date of issuance of Electricity Duty Exemption Certificate by the District Industries Centre & period thereof
Tulip Weaves Pvt. Ltd.	110880116525	Gat No, 617 & 618, Asoda Shivar, Asoda Bhadli Road	70 HP/ 65 KVA	25.03.2017	Dated 03.08.2019 for the period from 01.05.2017 to 30.04.2027
Dahlia Fabrics Pvt. Ltd	110880116550	Gat No, 617 & 618, Asoda Shivar, Asoda Bhadli Road	102 HP/ 95KVA	25.03.2017	Dated 29.05.2019 for the period from 01.05.2017 to 30.04.2027
Zinnia Weaves Pvt. Ltd	110880116576	Gat No, 617 & 618, Asoda Shivar, Asoda Bhadli Road	63.99 HP/ 60KVA	25.03.2017	Dated 08.07.2019 for the period from 01.05.2017 to 30.04.2027

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



- (ii) The Appellants are engaged in the business of cloth weaving, which is classified as an Industrial activity. The Government of Maharashtra, vide Resolution dated 01.04.2013, introduced a Package Scheme of Incentives-2013 for promoting industries in the state, under which exemption from Electricity Duty (ED) is included.
- (iii) Accordingly, the Appellants applied to the Directorate of Industries (DIC), Jalgaon, for waiver of ED, and were granted Eligibility Certificates dated 03.08.2019, 29.05.2019 & 08.07.2019 in Rep. 74, 75 & 76 respectively which confirmed exemption from **ED for the period 01.05.2017 to 30.04.2027**. Pursuant thereto, MSEDCL implemented the exemption and excluded ED from the Appellants' electricity bills up to **April 2021** as charted in Table 2.
- (iv) However, from **May 2021 onwards**, the billing system of MSEDCL restarted levy of **ED without any fresh direction from the Government Authority**. The Appellants, by letter dated **16.05.2024** (*i.e. after 3 years*), addressed to the Superintending Engineer, MSEDCL, Jalgaon, requested rectification of the error and sought waiver of ED along with retrospective refund of the excess duty recovered. Copies of the Eligibility Certificate and electricity bills up to May 2021 were kept on record as supporting documents. No corrective action was taken by MSEDCL within 2 billing cycles as expected.
- (v) Consequently, the Appellants filed grievance applications before the Forum on 26.08.2024 seeking:
- Rectification of the billing software/system error which resulted in wrongful levy of ED as charted in Table 2.
  - Refund of excess duty collected from May 2021 onwards;
  - Avoidance of repetitive approval procedures already completed and certified by the Electrical Inspector;
- (vi) The Appellants emphasized that their eligibility for ED exemption till 30.04.2027 is undisputed, and that MSEDCL itself had acknowledged such ED exemption until April 2021. The Forum also noted that MSEDCL was bound to act in line with the Electrical

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



Inspector's letter dated 04.09.2020. Nevertheless, by its common order, the Forum disallowed the grievance applications.


- (vii) ED has again been exempted from June 2025. In view of the above, the Appellants pray that the Respondent be directed to refund the excess ED collected from May 2021 to May 2025, along with applicable interest.

3. The Respondents' submissions and arguments are as below.

- (i) The Appellants are 3 LT consumers whose details are shown in Table 1. The Appellants are carrying out cloth weaving operations, an activity recognized as Textile Industry under the Industrial Tariff Category.
- (ii) Accordingly, the Appellants had approached the General Manager, District Industries Center (DIC), Jalgaon, during the period in 2017–2018 for waiver of ED. They were issued Eligibility Certificates confirming **exemption from ED for the period of 10 years from 01.05.2017 to 30.04.2027.**
- (iii) The Appellants were billed with ED from May 2017 to Sep. 2020. ED of the Appellants were exempted from Oct. 2020 to April 2021. The excess recovered ED was refunded in the month April 2021 in coordination with the Electrical Inspector as charted in Table 2 below:

Table 2:


Rep. No.	Name of Appellant	Consumer No.	ED Charged (First Stage)	ED exempted (First Stage)	ED refunded of First Stage	ED charged (Second Stage)	ED Exempted (Second Stage)	ED refunded/to be refunded of Second Stage
74 of 2025	Tulip Weaves Pvt. Ltd.	110880116525	Rs.5,42,073/- from May 2017 to Sep. 2020	Oct. 2020 to Apr. 2021	Rs.5,42,073/- in Apr. 2021 Bill	Rs. 4,28,036/- from May 2021 to May 2025	June 2025 onwards	Rs. 4,28,036/- (May 2021 to May 2025) refunded in July 2025 bill by system
75 of 2025	Dahlia Fabrics Pvt. Ltd.	110880116550	Rs. 1,62,131/- from May 2017 to Sep. 2020	Oct. 2020 to Apr. 2021	Rs. 1,62,131/- in Apr. 2021 Bill	Rs.6,86,388/- from May 2021 to May 2025	June 2025 onwards	Refunded Rs.5,73,207/- in July 2025 bill by system & remaining refund amount of Rs. 1,13,181/- will be refunded in Aug. 2025 Bill
76 of 2025	Zinnia Weaves Pvt. Ltd.	110880116576	Rs. Rs. 3,21,903/- from May 2017 to Sep. 2020	Oct. 2020 to Apr. 2021	Rs. 3,21,903/- in Apr. 2021 Bill	Rs. 3,37,558/- May 2021 to May 2025	June 2025 onwards	Refunded Rs. 58,084/- in July 2025 bill & remaining refund amount of Rs. 2,79,474/- is approved & will be refunded in Aug. 2025 Bill

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



- (iv) The Respondent's billing system erroneously resumed levy of ED during the period May 2021 to May 2025. The Appellants filed a grievance application before the Forum on 04.01.2025, and brought this error to notice. Consequently, ED exemption was reinstated for the Appellants from the billing month of June 2025 onwards.
- (v) The Forum observed that appropriate steps were required to grant exemption and refund of ED. However, holding that it was not the competent authority to adjudicate on ED matters, the Forum, by its common order dated 22.5.2025, disallowed the grievance applications.
- (vi) Notwithstanding the Forum's order, the Respondent has admitted its liability towards refund of ED collected during the period May 2021 to May 2025. Refunds have been processed through the billing system, as detailed in Table 2. While a part of the refund has already been effected, the balance amount has been entered into the basic data for August 2025, and will be reflected in the Consumer's bill to be issued in the first week of September 2025.
- (vii) The Distribution Licensee is normally statutorily bound to recover ED from eligible consumers on behalf of the Government of Maharashtra (GoM). The GoM has prescribed a specific procedure to be followed for grant of exemption of ED. The Appellants have complied with the said procedure from time to time for seeking refund of ED. It is clarified that the **Electrical Inspector** is the competent authority to adjudicate such matters relating to ED, who inspects, audits, and reconciles data submitted by the Licensee.
- (viii) As the grievances of the Appellants are resolved, the Respondent prays that the representations of the Appellants be disposed of.

## Analysis and Ruling

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



4. The parties were heard, and the documents on record were examined. The particulars of the three electricity connections in question are tabulated in Table 1.


5. The Appellants submitted that they are engaged in cloth weaving, classified under the textile industry and billed under the Industrial Tariff Category. The Government of Maharashtra, under PSI-2013 (GR dated 01.04.2013) granted Electricity Duty (ED) exemption to textile industry consumers to promote the industry in the state. The Directorate of Industries, Jalgaon, had issued Eligibility Certificates dated 03.08.2019, 29.05.2019 and 08.07.2019 confirming ED exemption for the period 01.05.2017 to 30.04.2027.

MSEDCL implemented the exemption up to April 2021 (Table-2). However, from May 2021, its billing system mistakenly resumed levy of ED without authority. Despite the Appellants' representation dated 16.05.2024 seeking rectification and refund, no corrective action was taken. The Respondent reinstated ED exemption only from June 2025 onwards.

The Appellants contended that their entitlement to exemption till 30.04.2027 remains undisputed and therefore prayed for refund of excess ED collected for the period from May 2021 to May 2025.

6. The Respondent basically agreed with these submissions. Excess ED was earlier refunded in Apr. 2021 (Table-2). The Respondent stated that due to a billing system error, ED was again levied from May 2021–May 2025. On receipt of the grievance, exemption was restored from June 2025. The Forum, by order dated 22.05.2025, held that it was not competent to adjudicate ED matters and accordingly disallowed the grievance.

The Respondent has admitted its liability, processed part refund, and confirmed that the balance will be adjusted in the Appellants' bill of Aug. 2025 delivered in the first week of Sept. 2025 (Table-2). It was further submitted that ED recovery/exemption follows GoM procedure, and that the Electrical Inspector is the competent authority for adjudication. Since refunds are already under process, the Respondent prayed that the present representations be disposed of.

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai




7. The Electricity Ombudsman (Mumbai) noted that the grievance of the Appellants has already been addressed, and both parties, during the hearing, agreed to the Respondent's decision to refund ED for the period from May 2021 to May 2025. The Appellants expressed satisfaction with this arrangement.

8. Accordingly, the Respondent is directed to process and complete the refund as committed. The Respondent shall submit a compliance report within two months from the date of this order.

9. The representation of the Appellant is disposed of accordingly.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman (Mumbai)

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

