

## BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

### REPRESENTATION NO. 46 OF 2026

In the matter of Load Factor Incentive

JPFL Films Pvt. Ltd. .... Appellant  
(C. No. 075949020720)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Nashik Circle. .... Respondent  
(MSEDCL)

Appearances:

Appellant : 1. Sunil Saxena, Commercial Head (Retd.)  
2. T. N. Agrawal, Representative

Respondent : 1. Nandkishore Kale, Executive Engineer, Admin, Nashik Circle  
2. Sachin Bhadake, Sr. Manager, Nashik Circle  
3. Bhoje, Dy. Executive Engineer, Nashik Circle


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

Date of hearing: 11<sup>th</sup> June 2026

Date of Order: 3<sup>rd</sup> July 2026

### ORDER

This Representation was filed on 15<sup>th</sup> April 2026 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the Order dated 23<sup>rd</sup> February 2026 in Case No.110 of 2025 passed by the Consumer Grievance Redressal

  
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Forum, MSEDCL, Nashik Circle (the Forum). The Forum disallowed / rejected the Appellant's grievance.

2. The Appellant has filed the present Representation challenging the order passed by the Forum. An e-hearing was conducted on 11.06.2026 through video conference where both the parties were heard at length. The Respondent's submissions and arguments are stated as below. [The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.]

- (i) The Appellant is a High Tension (HT) Industrial Consumer (No. 052789029180) of the Respondent since 18.03.2023. The particulars of the electricity connection, including the sanctioned load and contract demand as per Consumer's Personal Ledger (CPL) are set out in Table 1.

Table 1:

Name of Consumer	Consumer No.	Address on Bill	Date of Supply	Sanctioned Load		Contract Demand	
				mW	Month	mVA	Month
JPFL Films Pvt. Ltd. (Appellant)	52789029180	382-411, Others 28th Km Mile Stone, Igatpuri, Nashik, Mundegaon	18.03.2023	99.999	Mar-23	42.0	Mar-23
						39.0	Apr-23
						37.8	Aug-23
						40.3	Feb-24
						41.6	Mar-24
						44.0	Jul-24
				113.594	Dec-24	46.0	Dec-24
						45.5	Feb-25
						45.0	Apr-25
						18.3	May-25
		37.967	Jul-25	16.0	Jul-25		
		45.678	Jan-26	22.5	Jan-26		
Jindal Poly Films Ltd. (Original Company)	052789010129	395 to 397,413,452 to 454 Village Mundegaon Near Adiwasi	12.02.1996	36.800	Apr-21	46.0	Apr-21
				38.400	Jul-21	48.0	Jul-21
				121.318	Mar-22	52.0	Mar-22
				16.484	Mar-23	10.0	Mar-23
				55.016	Jul-23	14.5	Jul-23
						16.5	Feb-24
						18.5	Feb-25

  
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[Note: 1. 1 mV = 1000 KW.

2. The original firm Jindal Poly Films Ltd. was bifurcated in 2022 and JPFL Films Pvt. Ltd. was apportioned to the Appellant. The Appellant claims that the 2 entities started their independent operations from 02.08.2022; however common billing continued till 18.03.2023, as his separate electricity connection was released on 18.03.2023.]


- (ii) The Appellant is engaged in the manufacture of flexible packaging films, including Biaxial Oriented Polypropylene (BOPP) films, Biaxial Oriented Polyethylene Terephthalate (BOPET) films, Cast Polypropylene (CPP) films, metallized and coated films, as well as polyester (PET) chips. These products are used in the food and beverage, pharmaceutical, personal care, electrical, and other industrial packaging sectors which caters to both domestic and international markets.

#### **Limitation and Maintainability:**

- (iii) The grievance filed before the Forum was barred by limitation and was, therefore, not maintainable under Regulation 7.8 of the MERC (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2020, which provides as follows:

*"The Forum shall not admit any grievance unless it is filed within two years from the date on which the cause of action has arisen."*

- (i) The Appellant filed the grievance before the Forum on 26.09.2025. The separate electricity connection (Cons. No.052789029180) pursuant to **load bifurcation** was released on **18.03.2023** after completing statutory formalities. However, **the Appellant has claimed Load Factor Incentive (LFI) amounting to Rs. 302.69 lakh for the period 02.08.2022 to 18.03.2023, i.e., a period prior to the release of his separate connection.** Such a claim is untenable in law, as the Appellant had no independent electricity connection during the said period. Even otherwise, the grievance is time barred by limitation. The period between 02.08.2022 (the earliest alleged cause of action) and the date of filing of the grievance, i.e., 26.09.2025, was 3 years, 1 month and 24 days. Likewise, even if the cause of action is counted from 18.03.2023, being


  
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the date of release of the separate connection, the grievance was filed after 2 years, 6 months and 8 days. In either event, the grievance was instituted well beyond the prescribed limitation period of two years as per Regulation 7.8 of CGRF & EO Regulations 2020. The judicial precedent relied upon by the Appellant, namely the Judgment of the Bombay High Court in Writ Petition No. 7900 of 2017 dated 08.06.2021 based on Internal Consumer Grievance Cell of CGRF & EO Regulations 2006, is distinguishable on facts and is not applicable to the present case. Further, the present proceedings are governed by the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020, which came into force from 21.09.2020 onwards.

**Reply on Merits:**

- (iv) The Appellant initially applied for load bifurcation on 05.04.2022. Upon scrutiny, the consumer was called upon to furnish the requisite documents, which were submitted on 07.06.2022. Thereafter, the proposal was processed expeditiously in accordance with the applicable norms, and the load bifurcation sanction was issued on 10.06.2022, i.e., within four days of receipt of the complete documents. Thus, there was no delay whatsoever on the part of the Respondent.
- (v) The requisite agreement was executed on 14.10.2022. Thereafter, **the process remained contingent upon the grant of grid connectivity approval** by the Chief Engineer (STU), MSETCL, which was accorded on 08.03.2023 and duly communicated by the consumer. Upon receipt of the final grid connectivity approval and compliance with all other statutory and technical requirements, the Respondent effected the load bifurcation and released the separate connection to the Appellant on 18.03.2023. Thus, the entire process was completed strictly in accordance with the prescribed procedure, and no delay whatsoever is attributable to the Respondent.
- (vi) The Respondent further stated that, notwithstanding the pendency of the load bifurcation proposal, the Load Factor Incentive (LFI) continued to be granted by considering the aggregate contract demand of 52 MVA. The Appellant has deliberately suppressed this material fact in the present grievance. Since the entire LFI benefit was

  
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already extended on the basis of the aggregate contract demand, the Appellant is not entitled to seek a fresh or separate computation of LFI after bifurcation, as the same would result in an unwarranted and impermissible double benefit.


- (vii) In support of the above, the Respondent has kept on record the Consumer Personal Ledger (CPL) and the electricity bills for the disputed period from August 2022 to March 2023, which clearly demonstrate that Load Factor Incentive aggregating to Rs. 7.23 crore was given by the System by considering the total contract demand of 52 MVA throughout the relevant period.
- (viii) The Appellant filed the grievance before the Forum on 26.09.2025, whereas the separate electricity connection pursuant to load bifurcation was released on 18.03.2023. The Appellant has nevertheless claimed Load Factor Incentive (LFI) of Rs. 302.69 lakh for the period 02.08.2022 to 18.03.2023, i.e., prior to the release of the separate connection. The Forum, by its order dated 23.02.2026, rightly rejected the grievance as being barred by limitation and devoid of merit.

### **Legal Position**

- (ix) **Definition of Grievance:** The dispute does not fall within the definition of "Grievance". The Respondent stated that the issue raised by the Appellant does not constitute a "Grievance" within the meaning of the CGRF and EO Regulations, 2020. The dispute does not relate to any fault, deficiency, inadequacy, or failure in the quality or manner of service rendered by the Distribution Licensee. Rather, it pertains to a contractual claim for apportionment of incentives arising from a request for load bifurcation.
- (x) **Definition of Agreement as per Indian Contract Act, 1872:**

*"Every promise and every set of promises, forming the consideration for each other, is an agreement."*

The Appellant acquired no contractual right to claim Load Factor Incentive (LFI) prior to sanction of the load bifurcation on 18.03.2023. Mere submission of an application did not create any enforceable right, and **the entire LFI was rightly granted to Jindal**

  
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**Poly Films Ltd. considering the aggregate contract demand of 52 MVA.** The Appellant suffered no financial loss, as the Respondent continued to extend the LFI on the total contract demand of **52 MVA** even during the pendency of the load bifurcation proposal.

- (xi) The Appellant has suppressed this material fact and is now seeking the same LFI benefit once again after bifurcation, which would amount to an impermissible double benefit.

**Compliance with Commercial Circular No. 291 dated 29.06.2017:**


- (xii) Commercial Circular No. 291 was issued to streamline and expedite the processing of HT applications through an online, time-bound procedure. However, the Circular does not confer any automatic right upon an applicant merely by filing an application. Sanction and release of supply remain subject to fulfilment of all statutory, technical and commercial requirements. In the present case, the Respondent complied with the provisions of the Circular in letter and spirit, and the load bifurcation was effected promptly upon completion of all requisite formalities. Hence, no delay or procedural lapse is attributable to the Respondent.
- (xiii) The Respondent further stated that the provisions relating to Standards of Performance (SoP) have no application to the facts of the present case.
- (xiv) The present Representation is liable to be rejected as it is barred by limitation, devoid of merit, and is frivolous, vexatious and malafide. The Respondent relies upon Regulation 19.25 of the MERC (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2020, which empowers the Electricity Ombudsman to reject a Representation at any stage. The said Regulation is reproduced as below:

*19.25 The Electricity Ombudsman may reject the representation at any stage, if it appears to him that the representation is:*

*(a) frivolous, vexatious or malafide;*

*(b) without any sufficient cause; or*

*(c) where no prima facie loss, damage or inconvenience has been caused to the Complainant.*

  
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In the present case, the Appellant has neither established any legal entitlement nor demonstrated any actual loss or prejudice, as the Load Factor Incentive was already granted considering the aggregate contract demand of 52 MVA. The Representation, therefore, deserves to be rejected under Regulation 19.25.

(xv) In view of the foregoing submissions, the Respondent prays that this Hon'ble Electricity Ombudsman may be pleased to dismiss the present Representation with costs.


3. The Appellant's submissions and arguments are stated as below.

**PREAMBLE:**

(i) Pursuant to a Business Transfer Agreement executed in March 2022 for acquisition of the Plastic Film Business part of Jindal Poly Films Limited, the Appellant applied to MSEDCL in April 2022 for bifurcation of the existing 52 MVA Contract Demand into (i) 42 MVA for the newly acquired JPFL Films Private Limited, and (ii) 10 MVA for the original Jindal Poly Films Limited. The bifurcation was sanctioned on 10.06.2022. Since the business transfer became effective from 02.08.2022 and both entities commenced independent operations from that date, separate billing and separate applicable incentives ought to have been granted from 02.08.2022. However, the separate connection was released only on 18.03.2023 due to administrative delays attributable to MSEDCL and MSETCL, for which the Appellant cannot be held responsible.

(ii) Due to MSEDCL's delay in releasing separate connections, combined bills continued to be raised, and **the Load Factor Incentive (LFI) was calculated jointly for both the companies**, resulting in an avoidable loss of **Rs.302.49 lakh** to the Appellant's company JPFL Films Pvt. Ltd., *as* below:

Table 2 (The statement submitted by the Appellant is reproduced below as received, without any modifications.)

  
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MSEDCL Load Factor Billing for the Period from August 2022 to February 2023 in Respect of Consumer No. 052789010129, Considering the Common Two Units Including Proposed Consumer No.					Estimated MSEDCL Energy Consumption and Load Factor for JPFL Films Pvt. Ltd. (Appellant) Based on Sub-Meter Data for the Period from August 2022 to February 2023						
Month	Contract Demand (MVA)	Units billed in lacks	Load Factor % as per Bill	Load Factor incentive in % as per Bill	Month	Contract Demand (MVA)	Units as per Sub-Meter in lacks	Estimated Load Factor in %	Estimated Load Factor incentive in %	Difference in LFI in %	Estimate Amount in lacks
Aug-22	52	348.5	90	12.50%	Aug-22	42	302.55	97	15	2.5	50.37
Sep-22	52	335.7	90	12.50%	Sep-22	42	292.53	97	15	2.5	48.73
Oct-22	52	289.7	75	0	Oct-22	42	247.81	79	3	3	49.51
Nov-22	52	294.1	79	3%	Nov-22	42	254.07	84	6.75	3.75	63.53
Dec-22	52	315.1	81	4.50%	Dec-22	42	271.14	87	9.5	5	90.36
Jan-23	52	242.4	63	0.00%	Jan-23	42	201.04	64	0	0	0
Feb-23	52	239	68	0.00%	Feb-23	42	197.13	70	0	0	0
Mar-23	52	155	70	0.00%	Mar-23	42	124.32	70	0	0	0
		2220					1890.59				302.5

[Note: The load factor incentive calculations are on hypothetical basis.]

- (iii) The Appellant filed a claim with MSEDCL vide its letter dated 12.05.2023 (delivered 15.05.2023), followed by a reminder dated 19.05.2023, and multiple follow-ups with the Circle Office claiming loss of LFI during the period 02.08.2022 to 13.03.2023 due to wrong calculation of LFI by MSEDCL.
- (iv) As no response was received, the Appellant filed a grievance application before the Forum on 26.09.2025. The Forum disallowed the Appellant's grievance on 23.02.2026. The Forum failed to understand the basic issue of MSEDCL's delay in releasing separate connections, **combined bills continued to be raised, and the Load Factor Incentive (LFI) was calculated jointly for both the companies**, resulting in an avoidable loss of **Rs.302.49 lakh** to the Appellant.

#### Nature of Grievance:

- (v) The Appellant applied on 05.04.2022 for bifurcation of the existing 52 MVA Contract Demand into separate connections of 42 MVA and 10 MVA. The Respondent sanctioned the bifurcation on 10.06.2022, and all statutory approvals, including Chief Electrical Inspector to the Government, Government of Maharashtra approval and STU grid connectivity, were obtained by 27.07.2022. Since no major infrastructure work

  
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was required, the separate connections could have been released from 02.08.2022, the effective date of the Business Transfer Agreement.

- (vi) However, due to unwarranted administrative delays on the part of MSEDCL and MSETCL, the separate connections were released only on 18.03.2023, despite the **prescribed timeline of 36 days under the applicable SOP.**
- (vii) As a result, both independent entities continued to be billed through a single electricity connection. *[Note: The Appellant is silent on the mutual arrangement between the 2 companies regarding who paid the combined regular bills, and if so how these combined bills were bifurcated between the 2 companies, or whether they used the relative loads data for this purpose etc.]* The Load Factor Incentive (LFI) was calculated on their combined consumption instead of separately. This caused the Appellant a financial loss of ₹302.49 lakh for the period from 02.08.2022 to 18.03.2023. The Appellant, therefore, sought compensation from MSEDCL vide letters dated 12.05.2023 and 19.05.2025 for the loss suffered due to the delayed separation of the electricity connection.


#### **Regulatory Provisions for Load Sanction:**

- (viii) As per Section 43 of the Electricity Act, 2003 (the Act) and the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees) Regulations, 2021, MSEDCL is statutorily obliged to develop and maintain the distribution system, provide the service line and associated equipment up to the metering point, and release electricity supply within the prescribed time after receipt of a complete application. The consumer's responsibility is confined to providing the necessary space, internal wiring beyond the meter, and payment of applicable charges.
- (ix) As per Section 38 of the Act, MSETCL, being the State Transmission Utility, is responsible for facilitating transmission connectivity and ensuring an efficient transmission system. **In the present case, there was no issue of power availability since the existing Contract Demand of 52 MVA was merely bifurcated into 42 MVA and 10 MVA without any increase in sanctioned load.**

  
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- (x) The Appellant relies upon MSEDCL Commercial Circular No. 291 dated 29.06.2017, issued to simplify and expedite processing of HT/EHV applications by eliminating unnecessary procedural delays and mandating online processing. The Circular recognizes the need for time-bound disposal of applications. However, despite these guidelines, MSEDCL failed to process and release the bifurcated connection within the prescribed timeline.
- (xi) As per Commercial Circular No. 291, the Superintending Engineer, in consultation with the Chief Engineer (EHV), is competent to sanction EHV load without any upper limit. The Circular prescribes a maximum period of 30 days for processing the application up to issuance of the Firm Quotation and a further 6 days for release of supply after completion of the required works. **Thus, the connection ought to have been released within 36 days from the date of application, excluding the time required for execution of works.**
- (xii) The Load Factor Incentive (LFI) is a statutory tariff benefit under the MERC Tariff Orders issued under Section 62 of the Electricity Act, 2003. Consequently, denial of LFI solely due to the Respondent's delay in releasing the bifurcated connection amounts to wrongful denial of a tariff benefit guaranteed under law.
- (xiii) The Appellant further relies on Regulation 5.8(a) of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees) Regulations, 2021, which prescribes a time limit of 30 days for release of supply from the existing network where no augmentation is required and also provides for compensation in case of delay.
- (xiv) The Appellant stated that no substantial infrastructure work was required for bifurcation of the existing supply. As per the final charging permission issued by the Chief Electrical Inspector to the Government (CEIG), only an existing 132 kV, 1250 A isolator was required to be brought into service. The CTs, PTs and other metering infrastructure for both the 42 MVA and 10 MVA connections were already installed and operational. Although MSETCL suggested health checks of CT/PTs and installation of additional meters with SLDC connectivity for monitoring purposes, such requirements were not essential for release of the bifurcated load, as the infrastructure for the existing 52 MVA supply was already available. The Appellant therefore

  
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contends that the delay in releasing the bifurcated connection was solely due to unwarranted administrative delays on the part of MSEDCL and MSETCL.

- (xv) The impugned Order of the Forum is a non-speaking order, as it merely reproduces the grievance and the submissions of the parties without recording any independent findings or assigning reasons for rejecting the claim. The Forum failed to consider the Appellant's detailed submissions dated 19.01.2026 along with the Chronology of Events, wherein the procedural delays attributable to MSEDCL and MSETCL were analysed by comparing the actual time taken with the timelines prescribed under the applicable SOPs, Commercial Circulars and procedures.
- (xvi) The analysis establishes the following avoidable delays:

<b>Activity</b>	<b>Procedural Delay</b>
Sanction of load by MSEDCL	59 days
Issue of Work Completion Report (WCR)	74 days
Execution of Connection Agreement	13 days
Grant of Final Grid Connectivity by STU	22 days
<b>Total Delay</b>	<b>168 days (about 5½ months)</b>

The above delays were entirely administrative and could have been avoided had the Respondents processed the application diligently. The Appellant, therefore, prays that at least the differential Load Factor Incentive (LFI) for the initial 5½ months of the claim period from 02.08.2022 to 18.03.2023 be allowed.


- (xvii) The Forum failed to adjudicate the Appellant's principal grievance that, upon the Business Transfer Agreement becoming effective from 02.08.2022, JPFL Films Pvt. Ltd. became entitled to an independent computation of the Load Factor Incentive (LFI) for its 42 MVA Contract Demand. Instead, MSEDCL continued to compute LFI on the combined consumption of both entities under a common electricity connection, thereby causing substantial financial loss to the Appellant.
- (xviii) The Appellant had produced detailed calculations, supported by sub-meter data, clearly identifying the consumption of the separate 10 MVA unit. The Appellant is not seeking any double benefit but only the differential LFI that would have accrued had the

  
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electricity connection been bifurcated and billing carried out separately from the effective date of the Business Transfer Agreement. Since LFI is a statutory tariff benefit under the MERC Tariff Orders issued under Section 62 of the Electricity Act, 2003, its denial solely on account of the Respondent's delay is arbitrary, illegal and contrary to the applicable tariff.

- (xix) The Forum further erred in accepting the Respondent's objection that the grievance was barred by limitation under Regulation 7.8 of the CGRF & EO Regulations, 2020. The Appellant had relied upon the judgment of the Bombay High Court, Nagpur Bench, in Writ Petition No. 7900 of 2017 dated 08.06.2021, wherein it was held that the limitation prescribed under the earlier MERC Regulations is directory and as a consumer must first approach the Distribution Licensee before invoking the jurisdiction of the Forum. The same principle is equally applicable to Regulation 7.8 of the 2020 Regulations.
- (xx) In the present case, the Appellant submitted its claim to MSEDCL on 12.05.2023 and, in the absence of any decision, issued a reminder on 19.05.2025. *[Note: The Appellant is silent on why there was a gap of 2 years between its first claim and reminder, during which period it could have raised its grievance before the Forum.]* Since the Distribution Licensee failed to dispose of the claim, the cause of action continued to subsist. Accordingly, the grievance filed before the Forum cannot be treated as barred by limitation, and the finding recorded by the Forum on this issue is unsustainable in law.
- (xxi) In view of the foregoing submissions, the Appellant prays that the Respondent be directed to
- Pay the differential Load Factor Incentive amounting to **₹302.49 lakh** for the period from **02.08.2022 to 18.03.2023**, being the loss suffered due to the delay in bifurcation of the electricity connection;
  - Pay interest on the aforesaid amount at the applicable Bank Rate in terms of Section 62(6) of the Act, from the respective billing months commencing from September 2022 until the date of actual payment;
  - Compensate under Regulation 5.8(a) of the Supply Code and Standards of Performance Regulations, 2021 for the delay in release of electricity supply beyond

  
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the prescribed period, read with Regulation 18 of the CGRF & EO Regulations, 2020, together.


- d) Award litigation expenses and compensation of ₹50,000/- towards litigation costs, manpower expenses and the hardship suffered by the Appellant.

### **Analysis and Ruling:**

4. Heard the parties and perused the documents on record. The present dispute arose after the bifurcation of the earlier combined company, Jindal Poly Films Ltd., into 2 entities, (i) JPFL Films, which was apportioned to the Appellant, and which carried the dominant load of 42 mVA (out of the total combined load of 52 mVA), and (ii) Jindal Poly Films, which carried a load of 10 mVA.

5. The Appellant contended that although the bifurcation of the existing 52 MVA Contract Demand into 42 MVA and 10 MVA was sanctioned on 10.06.2022 and the Business Transfer Agreement became effective from 02.08.2022, the Respondent released the separate electricity connection only on 18.03.2023 due to avoidable administrative delays. Consequently, the Load Factor Incentive (LFI) was calculated on the combined consumption of both entities instead of separately. A total LFI of Rs. 7.23 Cr. was given to the original entity Jindal Poly Films for this period, while there was a financial loss of ₹302.49 lakh to the Appellant. The delay was solely attributable to MSEDCL/MSETCL, the grievance was within limitation as its claim remained undecided by the Respondent.

6. The Respondent contended that the grievance was barred by limitation under Regulation 7.8 of the CGRF & Electricity Ombudsman Regulations, 2020 and was devoid of merit. The separate electricity connection was released only on 18.03.2023 after completion of all statutory and technical formalities, without any delay on its part. During the disputed period, Load Factor Incentive (LFI) was already granted and paid by considering the aggregate Contract Demand of 52 MVA, and the Appellant's claim for separate LFI would amount to an

  
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impermissible double benefit. The original company Jindal Poly Films has already been granted the LFI of Rs. 7.23 Cr. for this period. It was further contended that the dispute does not constitute a 'Grievance' under the Regulations, no Standards of Performance provisions are applicable, and the Representation is liable to be dismissed under Regulation 19.25 of the CGRF & Electricity Ombudsman Regulations, 2020 being frivolous, vexatious and malafide.

#### 7. Legality of Tariff Application:


As per the Tariff Order passed by the Maharashtra Electricity Regulatory Commission (MERC) on 31 March 2023 in Case No. 226 of 2022, effective from 1 April 2023, the applicable tariff for High Tension (HT) Industrial Consumers is as under:

<b>Rate Schedule</b>		
<b>Tariff w.e.f. 1 April, 2023 to 31 March, 2024</b>		
<b>Supply Voltage Level</b>	<b>Wheeling Charges (Rs. /kVAh)</b>	
<i>EHV</i>	<i>Nil</i>	
<i>HT</i>	<i>0.6</i>	
<b>PLUS</b>		
<b>Demand/Fixed Charge and Energy Charge (for all Supply Voltage Levels)</b>		
<b>Rate Schedule</b>		
<b>Consumer Category</b>	<b>Demand Charge (Rs/ kVA/ month)</b>	<b>Energy Charge (Rs/kWh)</b>
<i>HT I(A): HT - Industry - General</i>	<i>499</i>	<i>8.12</i>
<i>HT I(B): HT - Industry - Seasonal</i>	<i>499</i>	<i>8.43</i>
<b>ToD tariff (in addition to above base tariffs) is applicable as % of Energy Charge (Rs/kVAh)</b>		

The Load Factor incentive will be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee shall take a commercial decision on the schedule for such payments.

1. The Load Factor is to be computed as follows:
- 2.
3. Load Factor = Consumption during the month in MU /Maximum Consumption Possible during the month in MU

**Maximum consumption possible** = Contract Demand (kVA) X Unity Power Factor X (Total no. of hours during the month, less actual interruptions hours recorded on meter)

  
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*for billing period) In case the consumer exceeds its Contract Demand (including during the non-peak hours, i.e., 22:00 hrs to 06:00 hrs.) in any particular month, the Load Factor Incentive will not be payable to the consumer in that month.*


8. The following issues are framed for consideration:

➤ **Issue No. 1: Whether the grievance is barred by limitation?**

The grievance was filed before the Forum on 26.09.2025 claiming differential Load Factor Incentive (LFI) for the period from 02.08.2022 to 18.03.2023. Admittedly, the separate electricity connection pursuant to load bifurcation was released only on 18.03.2023. Thus, reckoning the cause of action either from 02.08.2022 or from 18.03.2023, the grievance was filed beyond the prescribed period of two years under Regulation 7.8 of the MERC (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2020. Accordingly, the grievance is barred by limitation.

➤ **Issue No. 2: Whether the Appellant is entitled to separate computation of Load Factor Incentive from 02.08.2022?**

The Appellant has claimed separate computation of Load Factor Incentive (LFI) from 02.08.2022 on the ground that the Business Transfer Agreement became effective from that date. The contention is not sustainable. The entitlement to LFI is linked to the electricity connection, Contract Demand and billing arrangement, and not to the transfer of ownership or business which is a matter of mutual arrangement or understanding between 2 independent parties. It is an admitted position that till 18.03.2023 there existed only one HT electricity connection with a Contract Demand of 52 MVA. Separate consumer numbers, Contract Demand and billing came into existence only upon release of the bifurcated connection on 18.03.2023. Regular combined / common electricity bills of Rs. 25.47 Crs. per month (on average) were issued to Jindal Poly Films during the period from August 2022 to March 2023, and were paid by that entity for the entire load of 52 mVA. We are not aware of any internal arrangement, if any, between the 2 companies for sharing of these regular bills, benefits or liabilities, as the Appellant has not submitted a copy of the Business Transfer

  
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Agreement. Therefore, the Appellant acquired no statutory or contractual right to claim separate computation of LFI for the period prior to release of the independent electricity connection.

**Issue No. 2 is answered in the Negative.**


➤ **Issue No. 3: Whether there was undue administrative delay on the part of the Respondent in releasing the bifurcated connection?**


The Appellant contended that the Respondent failed to release the bifurcated connection within the prescribed time under the applicable Regulations and Commercial Circulars. However, the record reveals that although the load bifurcation was sanctioned on 10.06.2022, execution of the agreement, statutory approvals, CEIG permission and STU Grid Connectivity were completed in stages, and the separate connection was ultimately released on 18.03.2023 after receipt of the final Grid Connectivity approval. We have carefully examined the time – line of events, and we do not find any undue delays beyond what can be considered reasonable, given the circumstances of the case. It is also notable that, even if an undue administrative delay was established, the Regulations allow a maximum amount of compensation of only Rs.500/-.

**Issue No. 3 is answered in the Negative.**

➤ **Issue No. 4: Whether the Appellant is entitled to differential Load Factor Incentive?**

Under the applicable MERC Tariff Order, the Load Factor Incentive (LFI) is computed with reference to the Contract Demand and billing of an existing electricity connection. The record shows that during the disputed period, the Respondent had already granted LFI by considering the aggregate Contract Demand of 52 MVA. An amount of 7.23 Cr. was paid to Jindal Poly Films for this period. The Appellant's claim for retrospective computation of LFI on the basis of sub-meter readings for a period when no separate

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai




electricity connection existed is not supported by the Tariff Order or the applicable Regulations. There is no provision permitting reopening of finalized bills or retrospective segregation of consumption for such purpose. However, nothing prevents the 2 companies from reaching a mutual understanding as to how (or if) to bifurcate any benefits or liabilities (such as common electricity bills or LFI) during the period prior to actual release of the separate electricity connection. Hence, the claim for differential LFI of ₹302.49 lakh is devoid of merit.

**Issue No. 4 is answered in the Negative.**

9. In view of the foregoing discussion, it is held that the Appellant has failed to establish any legal right to separate computation of Load Factor Incentive prior to release of its separate electricity connection on 18.03.2023. The applicable Tariff Order does not permit retrospective computation of LFI on the basis of a subsequently created electricity connection. The present Representation is liable to be rejected as being barred by limitation as well as frivolous and devoid of merit. The Appellant has failed to establish any legal entitlement as the Load Factor Incentive was already granted on the aggregate Contract Demand of 52 MVA.

10. In view of the above, the representation of the Appellant is rejected with cost of Rs. 10,000/- which is payable at office of the Electricity Ombudsman (Mumbai) and disposed of accordingly.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman Mumbai

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

