

**CONSUMER GRIEVANCE REDRESSAL FORUM  
M.S.E.D.C.L., PUNE ZONE, PUNE**

**Case No.23/2017**

**Date of Grievance : 10.01.2017**

**Date of Registration: 01.03.2017**

**Date of Order : 09.03.2017**

In the matter of refund of security deposit alongwith SOP Compensation.

M/s. Indus Towers Limited,  
2010, E-Core, 2<sup>nd</sup> floor,  
Marvel Edge, Vimanagar,  
Pune - 411014.

**Complainant**  
(Herein after referred to as Consumer)

**Versus**

The Executive Engineer,  
M.S.E.D.C.L.,  
Pimpri Division,  
Pune.

**Respondent**  
(Herein after referred to as Licensee)

**Quorum**

<b>Chairperson</b>	<b>Mr. S.N.Shelke</b>
<b>Member Secretary</b>	<b>Mrs. B.S.Savant</b>
<b>Member</b>	<b>Mr. S.S.Pathak</b>

**Appearance**

<b>For Consumer</b>	Mr.Sachin Mahangade Mr.D.S.Talware (Representative)
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<b>For Respondent</b>	<b>Mr.S.S.Bhange, Dy.M.(Rev.) Pimpri Dn.</b>
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- 1) The Consumer has filed present Grievance application under regulation No. 6.4 of the MERC (CGRF & E.O.) Regulations, 2006.
- 2) The present consumer had filed grievance before IGRC, Ganeshkhind Urban Circle on 17.9.2016. But the IGRC did not decide the said grievance within stipulated period of two months, therefore the consumer filed grievance before this forum on 10.1.2017.

- 3) The papers containing the above grievance were sent by the Forum to the The Executive Engineer, M.S.E.D.C.L.,Pimpri Division, Pune vide letter no. EE/CGRF/PZ/Notice/04 of 2017/14 dtd.11.01.2017. Accordingly the Distribution Licensee i.e. MSEDCL filed its reply on 01.02.2017.
- 4) We heard both sides at length and gone through the contentions of the consumer and reply of the respondent and the documents placed on record by the parties.
- 5) Facts giving rise to the grievance are stated as under :

The consumer M/s. Indus Towers Ltd. having consumer No.172004730661 with connected load 25.00 KW was connected on 1.09.2006 in the tariff category LT-V B I. The said consumer surrendered the connection since its business at the said location was stopped. Then the consumer applied alongwith required documents for refund of security deposit of Rs.3500/- on 29.06.2016 to the S.D.O Sangvi. However the Licensee did not give any reply despite no any compliance was pending on the part of consumer. Thereafter the consumer approached to the IGRC for refund of security deposit vide complaint dated 17.09.2016. The IGRC failed to decide the said grievance within stipulated period. Therefore the consumer approached to Forum with this grievance for refund of security deposit with SOP compensation as per rules.
- 6) The consumer representative Mr.D.S.Talware, submitted that the above named consumer having consumer No. 172004730661 has surrendered the connection & then applied for refund of security deposit of Rs.3500/- on 29.06.2016. However the Licensee did not give any reply or taken any action for refund of S.D. Thereafter the consumer approached to the IGRC with complaint for refund of S.D. on 17.09.2016. However the IGRC failed to decide the grievance within stipulated time. Therefore the consumer filed this grievance before the Forum against the Licensee for claiming refund of S.D. alongwith interest & SOP compensation for delay in refund

of S.D. The consumer did not get refund of S.D.till date. Therefore Mr.Talware submits that the grievance be allowed with cost.

- 7) On the other hand Mr.S.S.Bhange, Dy.Manager (F&A), Pimpri Dn. submitted that the as per the request made by the said consumer its security deposit will be adjusted against the pending arrears of consumer having no.170203892732 for Rs.1,02,510/- of another . Therefore he submits that the said grievance be disposed off accordingly.
- 8) It is necessary to take into consideration provisions of supply code Regulations, regarding refund of security deposit.

*Regulation No.11.9, 11.11 and 11.12 of MERC (Electricity supply code & other conditions of supply) Regulations, 2005 herein after referred to as supply code, 2005 read as under :*

***11.9 Upon termination of supply, the Distribution Licensee shall, after recovery of all amounts due, refund the remainder amount held by the Distribution Licensee to the person who deposited the security with an intimation to the consumer, if different from such person.***

***11.11 The Distribution Licensee shall pay interest on the amount of security deposited in cash (including cheque and demand draft) by the consumer at a rate equivalent to the Bank rate of the Reserve Bank of India:***

***Provided that, such interest shall be paid where the amount of security deposited in cash under this Regulation 11 is equal to or more than rupees fifty.***

***11.12 Interest on cash security deposit shall be payable from the date of deposit by the consumer till the date of dispatch of the refund by the Distribution Licensee.***

- 9) The Licensee in its reply dated 01.02.2017 has contended that the security deposit of the said consumer will be adjusted against the pending arrears of Rs.1,02,510/- against the consumer having no. 170203892732 of the same company.
- 10) **In this regard, it is necessary to take into consideration provisions of Reg.No.10.5 of MERC Supply Code, 2005. It reads as under :**

*Any charge for electricity or any sum other than a charge for electricity due to the Distribution Licensee which remains unpaid by a deceased consumer or the erstwhile owner/occupier of any premises, as a case may be, shall be a charge on the premises transmitted to the legal representatives/ successors-in-law or transferred to the new owner / occupier of the premises, as the case may be and the same shall be recoverable by the Distribution Licensee as due from such legal representatives or successors-in-law or new owner / occupier of the premises, as the case may be :*

*Provided that, except in the case of transfer of connection to a legal heir, the liabilities transferred under this Regulation 10.5 shall be restricted to a maximum period of six months of the unpaid charges for electricity supplied to such premises.*

- 11) The C.E. Commercial has issued guidelines for recovery of arrears from P.D. Consumers vide letter No. P-com/Acctts/19021 dated 6.7.2013 . The relevant guideline in this regard is as under :

*If any PD consumer in arrears is having any live electricity connection in same or other sub division, division, circle or Zone, then the entire PD arrears with interest and DPC should be diverted on said live connection of same PD consumer.*

- 12) The Licensee is liable to pay security deposit to the consumer upon termination of supply. The consumer applied for refund of S.D. of Rs.3500/- on 29.06.2016. The Licensee has not refunded S.D. of the said consumer till date. Therefore the consumer is entitled to get refund of S.D. upon termination of supply. At the same time the Licensee can refund the S.D. after recovery of all amounts due as per Reg.No.11.9 of supply code,2005. Since the Licensee failed to process application of the consumer immediately after termination of supply, the consumer is entitled to get interest on the S.D. at the rate equivalent the Bank rate of RBI as per Reg.No.11.11 of supply code 2005. The consumer is entitled to get the said interest from the date of application for refund of S.D. till the date of dispatch of the refund amount by the Licensee. The consumer

Indus Towers Ltd. is a Company having various consumers in the several divisions of the Licensee. Therefore the Licensee can treat the said application of the consumer as per Reg.No.10.5 of supply code, 2005 and as per guidelines of the Licensee vide CE, Comm. letter No. *P-com/Acctts/19021 dated 6.7.2013* referred to above. It is brought to our notice that the live consumer of M/s. Indus Tower Ltd. having consumer No.170203892732 is an arrears of Rs. 1,02,510/-. Therefore the Licensee is at liberty to adjust security deposit of Rs.3500/- with interest thereon of the present consumer vide Regulation No.11 & 12 of supply code, 2005.

- 13) The consumer after having stopped its business at the said locality, applied the Licensee for refund of S.D. The Licensee received said application on 29.6.2016 but did not act immediately for refund of S.D. as per Regulation No. 11.9 of supply code, 2005. It is pertinent to mention that the said refund of S.D. is not paid till date but according to Licensee it is going to adjust the said S.D. against the arrears of live consumer of the same company. Therefore, under this circumstances the consumer is entitled to get SOP compensation.

As per Appendix-A , item No.8 (ii) of MERC SOP Regulations,2014, the Licensee is liable to pay compensation of Rs.100/- per week or part thereof of delay. The refund of S.D. was due in the second billing cycle from the application dated 29.06.2016. The Licensee has not refunded S.D. till date. Therefore now Licensee is required to calculate SOP Compensation from the date of application of the consumer from second billing cycle till the date of payment of S.D.& further to calculate interest on S.D. as mentioned above.

- 14) The grievance is liable to be allowed.  
15) Hence we proceed to pass following order.

**ORDER**

1. Grievance of the consumer stands allowed with cost.
2. The Licensee to refund SD of Rs. 3500/- to the consumer alongwith interest equivalent to the Bank rate of RBI from the second billing cycle of the application till the date of dispatch of the refund.
3. The Licensee to pay SOP compensation to the consumer from date of application till the date of refund at the rate of Rs.100/- per week for part there of delay as per Appendix -A item no.8 (ii) of MERC (SOP) Regulations,2014.
4. The Licensee to divert the S.D. of Rs.3500/- alongwith interest of the present consumer against the arrears of live consumer having no.170203892732 as per CE, Commercial Circular dated 6.6.2013 and to inform the consumer accordingly.
5. The Licensee to report compliance within one month from the date of receipt of this order.

Delivered on: - 09.03.2017

**Sd/-**  
**S.S.Pathak**  
Member  
CGRF:PZ: PUNE

**Sd/-**  
**B.S.Savant**  
Member/Secretary  
CGRF:PZ: PUNE

**Sd/-**  
**S.N.Shelke**  
Chairperson  
CGRF:PZ:PUNE

Note: - The consumer if not satisfied may filed representation against this order before the Hon'ble Ombudsman within 60 days from the date of this order at the following address.

Office of the Ombudsman,  
Maharashtra Electricity Regulatory Commission,  
606/608, Keshav Bldg.,  
Bandra Kurla Complex,  
Bandra (E), Mumbai-51.