

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

Case No.02/2015

Date of Grievance : 07.01.2015

Date of Order : 17.03.2015

In the matter of refund of security deposit & payment of interest on security deposit.

Mr.Dilip Vishwanath Balwadkar,
Ghar No.366, S.No.9/9/1,
Balewadi Gaothan,
Balewadi, Pune-411045

Complainant
(Herein after referred to as Consumer)

Versus

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

Respondent
(Herein after referred to as Licensee)

Quorum

**Chair person
Member Secretary
Member**

**Mr. S.N.Shelke
Mr. Y. M.Kamble
Mr.S.S.Pathak**

Appearance

For Consumer

**Mr.Nanasaheb M Nikam
Representative.**

For Respondent

**Mr.A.V.Raidurg, Ex.Engineer
Shivajinagar Division.
Mr.S.B.Magar,
Addl.Ex.Engr.Aundh S/dn.**

- 1) The Consumer has filed present Grievance application under regulation no. 6.4 of the MERC (CGRF & E.O.) Regulations 2006.
- 2) Being aggrieved and dissatisfied by the order dated 29.10.2014 passed by IGRC Ganeshkhind Urban Circle, Pune, the consumer above named prefers this application on the following amongst other grounds.

- 3) The papers containing the above grievance were sent by the Forum to the Executive Engineer, M.S.E.D.C.L., Shivajinagar Division, Pune vide letter no. EE/CGRF/PZ/Notice/02 of 2015/10 dtd.07.01.2015. Accordingly the Distribution Licensee i.e. MSEDCL filed its reply on 30.01.2015.
- 4) We heard both sides at length, gone through the contentions of the consumer and reply of the respondent and the documents placed on record by the parties. On its basis following factual aspects were disclosed.
 - i) Supply for construction purpose was released to the consumer vide no.160220434335 in the name of Dilip Vishwanath Balwadkar.
 - ii) After construction was over consumer applied for permanent disconnection of said supply and accordingly the said connection made P.D. (Permanent Disconnection) on 11.2.2013.
 - iii) The consumer applied for refund of security deposit on 16.5.2013.
 - iv) Licensee transferred amount of security deposit of Rs.25,000/- in the month of Jan.2014 to consumer No.170011489675 standing in the name of Tushar Dilip Balwadkar who happens to be son of the consumer.
 - v) Thereafter licensee has been adjusting amount of security deposit from the energy bills of Tushar Balwadkar from July-2014.
 - vi) Consumer made grievance to IGRC, Rastapeth Urban Circle, for refund of Security deposit with interest on 17.09.2014.
 - vii) The IGRC vide impugned order dtd.29.10.2014 directed the Licensee to make enquiry as to why security deposit was not refunded within stipulated time & that to take necessary action as per rules against the defaulter & further directed to pay interest from Jan.2014 on Security deposit and to submit the report thereof within 8 days to IGRC.
 - viii) Accordingly Licensee paid interest of Rs.1483/- on Security Deposit on 6.12.2014 through cheque.
- 5) Consumer Representative namely Mr. Nanasaheb M Nikam submitted that the supply was released for construction purpose. After completion of construction the said connection was made P.D. on 11.2.2013. Thereafter they

applied for refund of security deposit on 16.5.2013. However inspite of demand in writing as well as oral demand, security deposit was not refunded. Thereafter he made grievance to IGRC on 17.09.2014. The IGRC allowed payment of interest on security deposit from Jan.2014. However licensee did not pay the interest on said amount immediately but made delayed payment of interest i.e. on 6.12.2014 of Rs.1483/- He suffered monetary loss & therefore he may be granted additional interest for further period i.e. from Jan.2014 to 6.12.2014.

6) On the other hand licensee was represented through Ex,Engineer, A.M.Raidurg & Addl.Ex.Engr. Mr. Magar, they submitted that decision of IGRC was intimated to sub/division office vide letter no.7081 dt.17.11.2014 for taking suitable action/credit adjustment in energy bill & same was also communicated to the consumer. In the meanwhile consumer representative personally approached to Divisional Office & requested not to adjust it in energy bill but to disburse the amount through cheque. Thereafter interest amount of Rs.1483/- was refunded to the consumer through cheque bearing No.4794 dtd. 6.12.2014 vide letter no.7438 dt.6.12.2014. The Divisional office has paid the eligible amount of interest to the consumer within reasonable time and therefore grievance be rejected.

7) Following points arise for our determination & we give our findings thereon for the reasons stated below.

Points	Findings
i) Whether consumer is entitled to get additional interest on security deposit as claimed for?	Yes.
ii) What Order?	As per final order.

8) Reasons :

It is seen from the record after completion construction work the connection was made P.D. on 11.2.2013. The said consumer applied for refund of Security deposit on 16.5.2013. As per item no.7 of Appendix-A of MERC (standards of performance of distribution licensee, period for giving supply and determination of compensation) Regulation-2005 time period for payment of final dues on consumer from date of receipt of application for closure of account is for 30 days. Since the connection was made P.D. on 11.02.2013 Standard of Performance for refund of Security Deposit was till 11.03.2013 (30 days). However Licensee did not take any action for payment of Security Deposit during the said period. On the contrary, it is seen from record licensee transferred security deposit to another consumer vide consumer no. 170011489675 standing in the name of Tushar Dilip Balwadkar in the month of Jan.2014 without consent in writing from said consumer. Thereafter licensee started adjustment of security deposit in the energy bills of another consumer vide consumer no.170011489675 from July-2014. However there is nothing on record to show that why licensee transferred the S.D. of said consumer in another account & that the adjustment of said S.D. against energy bills of another consumer. This act of licensee is not as per MERC Rules & Regulations.

9) Commercial Circular No.192 issued by Chief Engineer, (Commercial) vide No.P-Com/Acctts/Int.on S.D./2013-14/11884 dtd. 15.04.2014 in respect of rate of interest on consumer security deposit for the year 2013-14 to the extent of relevance reads as under.

<i>Effective period for interest rate</i>	<i>Applilcable rate @ Rs.</i>
<i>April-01 2013 to May-02 2013</i>	<i>8.50%</i>
<i>May-03 2013 to July 11,2013</i>	<i>8.25%</i>
<i>July-15 2013 to Sept.19, 2013</i>	<i>10.25%</i>
<i>Sept.20, 2013 to Oct.06, 2013</i>	<i>9.50%</i>
<i>Oct.07, 2013 to Oct.28,2013</i>	<i>9.00%</i>
<i>Oct.29, 2013 to Jan.27, 2014</i>	<i>8.75%</i>
<i>Jan.28,2014 to March 31,2014</i>	<i>9.00 %</i>

Interest on Security Deposit against energy bill will be worked out accordingly for the year 2013-14 and to be paid /adjusted as per rules.

- 10) Licensee paid interest on security deposit in the month of Jan.2014 to Rs.1483/- through cheque bearing no.004794 dtd.6.12.2014 drawn on Bank of Baroda. However as discussed above Licensee should have refunded the security deposit within one month from the date of closure of account connection of the consumer was made P.D. by the Licensee on 11.2.2013 Thereafter security deposit should have been refunded within one month. Licensee did not refund the same within the stipulated time. The IGRC has rightly directed the Licensee to take suitable action against the defaulting the employees for failure to refund of security deposit within stipulated time. Even after decision of IGRC dated 29.10.2014 the licensee did not pay interest on security deposit within 8 days as directed but the said interest was paid on 6.12.2014 to Rs.1483/- IGRC has allowed interest on security deposit only uptill Jan.2014 & the said interest as mentioned above was paid by the Licensee on 6.12.2014. However since the interest was paid at delayed period, we find substance in the grievance of consumer. Therefore consumer is

entitled to get interest for the additional period i.e. from Jan.2014 to 6.12.2014.
We answer point no. I in the affirmative. Grievance is liable to be allowed.

11) Grievance could not be decided within stipulated time since old grievance matters were pending & some of them have been decided in this month.

Hence the order

ORDER

- 1) Grievance of the consumer stands allowed.
- 2) Licensee to pay interest on security deposit of consumer for further period i.e. from Jan.2014 to Dec.2014 as per rules.
- 3) Licensee to take suitable action against the defaulting employee for non refund of Security deposit within stipulated time.
- 4) Licensee to report compliance within one month of receipt of this order.

Delivered on: -17.03.2015

Y.M.Kamble
Member/Secretary
CGRF:PZ:PUNE

Suryakant Pathak
Member
CGRF:PZ:PUNE

S.N.Shelke
Chairperson
CGRF:PZ:PUNE

