

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

Case No.05/2015

Date of Grievance : 16.02.2015

Date of Order : 20.03.2015

In the matter of refund of Security Deposit & compensation for delay in refund of Security Deposit.

Mr. Anil Sabharwal,
The Anchorage,
203, Priyanka Park,
S.No.87, Baner,
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. Anil Sabharwal

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 31.12.2014 passed by IGRC Ganeshkhind Urban Circle, Pune for not paying of compensation

for delay in refund of security deposit, the consumer above named prefers these grievance 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/05 of 2015/61 dtd.18.02.2015. Accordingly the Distribution Licensee i.e. MSEDCL filed its reply on 04.03.2015.
- 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) The energy connection vide consumer no.160220926416 was released in favour of Mr.R.A.Sabharwal for construction purpose.
 - ii) Licensee had issued firm quotation dated 18.12.2007 for Rs.10126/- to the consumer for installation of temporary construction connection.
 - iii) The consumer deposited amount of Rs.10126/- as per said quotation on 19.12.2007 (including Rs.10000/- as Security Deposit).
 - iv) The said connection was disconnected on 18.9.2008 and meter was taken again by Licensee.
 - v) The consumer applied for refund of security deposit of Rs.10000/- on 8.5.2009.
 - vi) Licensee after adjustment of bills refunded Security deposit to the consumer of Rs.8428/- on 12.12.2014,
 - vii) According to consumer the Licensee made delay of 5 years & 6 months for refunding of S.D. Therefore the consumer claims compensation as well as interest as per SOP norms.
 - viii) IGRC vide impugned order dated 31.12.2014 allowed interest for delay in refund of security deposit but as regards compensation, sought legal opinion & did not pass any order about compensation.
- 5) Mr.Anil Sabharwal submitted that after construction work was over meter was surrendered & Licensee disconnected the supply of connection

No.160220926416 on 18.09.2008 & new connection bearing consumer no.16022094927 was installed. He applied for refund of security deposit on 8.5.2009 but in spite of several visits to the office of the licensee the security deposit was not refunded. However it was refunded on 12.12.2014 to the tune of Rs.8428/- after adjusting bill amount. He did not receive security deposit within stipulated time therefore as per provisions of MERC(SOP of distribution licensees, period for giving supply & determination of compensation) Regulations 2014 vide Appendix A Sub clause 8 (II) compensation of Rs.28400/- alongwith interest for delay till the date of refund be paid to him.

- 6) On the other hand, licensee was represented Mr.A.V.Raidurg, Ex.Engineer, Mr.Magar, Addl.Ex.Engineer, & Mr.Shinde, Dy.Manager (F&A). They submitted that security deposit of Rs.8428/- was already refunded to the consumer on 12.12.2014. Similarly the interest on security deposit for delay after one month has been calculated as per circulars & the interest amount of Rs.4383.37 was paid to the consumer on 31.01.2015. They further submitted that as per Commercial Circular No.PR-3/Tariff/21382dtd. 5.7.14 page no.29 Clause No.12 it is clearly mentioned that -

Any person who is affected by the failure of distribution licensee to meet the standards of performance specified under these regulations at who seeks to claim compensation shall file his claim with such a distribution licensee within a maximum period of 60 days from the time such a person is affected by such failure of the distribution licensee to meet the standards of performance.

The consumers give application for refund of S.D. on 8.5.2009. Therefore he should have received S.D. refund on or before 8.6.2009. Since he did not receive S.D. within stipulated time, he should have applied for compensation upto 8.8.2009 i.e. within 60 days as per SOP Circulars but he file grievance application to IGRF on 8.12.2014 i.e. after

long period of 5 years. Therefore the question does not arise about payment of compensation.

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

<u>Points</u>	<u>Findings</u>
I) Whether claim of the consumer is barred by law ?	No.
II) Whether consumer is entitled to get compensation as claimed for ?	Yes.
III) Whether consumer is entitled to get interest for the period of delay till the date of refund ?	Yes.
IV) What order ?	As per final order.

- 8) Reasons :

As to points no.I to III

Admittedly, licensee had provided supply to the consumer vide consumer no.160220926416 for construction work. Licensee raised the bill for consumption till 5.7.2008. After construction work was over meter was surrendered for permanent disconnection on 18.9.2008. Thereafter 8.5.2009 consumer made application in writing to licensee for refund of security deposit. The licensee did not refund security deposit immediately but it was refunded on 12.12.2014 to the tune of Rs.8428/-.

- 9) We are dealing with points no. I to III simultaneously & together since interlined. Provisions for determination of compensation are laid down in regulation no.12 of MERC (Standards of performance of distribution licensees, period for giving supply and determination of compensation) Regulations, 2014 herein after referred to as the regulations. Regulation No.12 reads as under.

12. Determination of Compensation:

12.1 *The compensation to be paid by the Distribution Licensee to the affected person is specified in Appendix A of these Regulations.*

12.2 *The Distribution Licensee shall be liable to pay to the affected person, such compensation as provided in Appendix A to these Regulations:*

Provided that any person who is affected by the failure of the Distribution Licensee to meet the standards of performance specified under these Regulations and who seeks to claim compensation shall file his claim with such a Distribution Licensee within a maximum period of sixty (60) days from the time such a person is affected by such failure of the Distribution Licensee to meet the standards of performance :

Provided further that the Distribution Licensee shall provide information to consumers with regard to its officers /competent authority to settle claims for compensation:

Provided further that the Distribution Licensee shall compensate the affected person(s) within a maximum period of ninety (90) days from the date of filing his claim.

12.3 In case the Distribution Licensee fails to pay the compensation or if the affected person is aggrieved by non-redressal of his grievances, he may make a representation for the redressal of his grievance to the concerned Consumer Grievance Redressal Forum in accordance with the provisions of Maharashtra Electricity Regulatory Commission/Consumer Grievances Redressal Forum & Electricity Ombudsman) Regulation, 2006 including any amendment thereto as in force from time to time.

Provided - - - - -

- 10) As per Appendix-A of said regulations Clause-8 is in respect of other services- "in case of closure of account" - time period for payment of final dues to the consumer, from the date of receipt of application for closure of account is for thirty (30) days. (Class-I Cities & Urban area). The compensation payable to the consumer for failure to meet such standards of performance is Rs.100/- per week or part thereof of delay.
- 11) The consumer applied for refund of S.D. on 8.5.2009. Standards of performance for refund of security deposit as per Appendix-A of Clause No.8(II) of the regulations is for 30 days. Therefore the licensee should have refunded security deposit to the consumer on or before 8.6.2009. However the licensee refunded security deposit to the consumer after long

period i.e. on 12.12.2014. Thus Licensee made delay of 5 years 6 months & 4 days in refund of S.D. Therefore as per SOP Norms referred to above, compensation calculates to 284 weeks and 4 days. Therefore total compensation calculate to $285 \times 100 = \text{Rs.}28500/-$.

12) As regards whether the claim of consumer is barred by law or not. It has come on record the licensee applied for refund of security deposit on 8.5.2009. However the licensee did not refund the said S.D. immediately. But it was paid on 12.12.2014. The licensee should have refunded S.D. on or before 8.6.2009 as per MERC Regulations. There is nothing on record whether licensee has acted upon on the application dated.8.5.2009 filed by the consumer. Moreover licensee did not inform the consumer as to whether his application for refund & S.D.was allowed or rejected or what amount after adjustment was to be paid to the consumer. However licensee refunded the security deposit on 12.12.2014 but prior to that the consumer had approached to IGRF on 8.12.2014. IGRC entertained the grievance & allowed it partly to the extent of payment of interest on security deposit for delayed period. Thus licensee kept the grievance alive right from filing of application for refund of S.D. on 8/5/2009 & till 12.12.2014 when S.D.was refunded. Therefore all these facts constitute claim of consumer for failure to meet standards of performance by the licensee is not barred.

13) Now as far as payment of interest on refund of security deposit for delay is concerned, the consumer applied for refund of security deposit on 8.5.2009. The licensee refunded security deposit after adjustment of bill to Rs.8428/- on 12.12.2014. The licensee should have refunded security deposit on or before 8.6.2009 as per standards of performance as mentioned above. Therefore consumer is entitled to get interest for delayed period mentioned above as per MERC Regulations and according to law.

14) For the reasons stated above we answer point no. I in the negative & points No. II & III in the affirmative. The consumer is entitle to get compensation of Rs.28500/- for failure to meet standards of performance in refund of security deposit as per MERC (Standards of performance of distribution licensees, period for giving supply and determination of compensation) Regulations, 2014 Appendix-A Clause 8 (II) entry no.3.

Hence grievance needs to be allowed.

ORDER

- 1) Grievance of the consumer stands is allowed with cost.
- 2) Licensee to pay compensation of Rs.28500/- to the consumer for failure to meet standards of performance in refund of security deposit.
- 3) Licensee to pay interest to the consumer for delay in refund of security deposit as per MERC Regulations.
- 4) Licensee to report the compliance within one month from the receipt of this order.

Delivered on: -20.03.2015

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

Suryakant Pathak
Member
CGRF:PZ:PUNE

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.