

**BEFORE THE CONSUMER GRIEVANCE REDRESSAL FORUM  
AURANGABAD ZONE, AURANGABAD.**

**Case No. CGRF/AZ/AUC/749/2019/34  
Registration No. 2019070008**

Date of Admission : 02.07.2019

Date of Decision : 22 .10.2019

Shri. M\_s Galdhar Foods, : COMPLAINANT/  
PETITIONER

Plot No.48, MIDC, Chikalthana,  
Aurangabad- 431003.

(Consumer No. 490014851922 )

**VERSUS**

Maharashtra State Electricity Dist. Co. Ltd.,: RESPONDENT  
through it's Nodal Officer, EE(Admn),  
Urban Circle, Aurangabad.

The Addl. Executive Engineer,  
Chikalthana, Sub Division, Aurangabad

For Consumer : Shri H.A.Kapaida  
For Licensee : Shri. Mohadikar  
Addl. EE, Chikalthana Sub-Dn.

**CORAM**

Smt. Shobha B. Varma, Chairperson  
Shri Makarand P Kulkarni, Tech. Member/Secretary  
Shri Vilaschandra S. Kabra Member.

**Brief facts of the dispute are as under:-**

- 1) The complainant M/s Galdhar Foods, Plot No.48, MIDC, Chikalhana, Aurangabad - 431003 having Consumer No. 490014732109 and the petitioner is authorized signatory of M/s Galdhar Foods.
- 2) In order to start food products unit at above mentioned premises, the complainant submitted application for release of LT connection for connected load and contract demand of 150 Kw & 185 KVA respectively in the office of Executive Engineer Urban Division No.2, Aurangabad along with all required documents.
- 3) It is submitted that, after receipt of feasibility report from Addl. Executive Engineer, MIDC, Chikalhana Office, Executive Engineer issued sanction letter vide letter No.205 dt. 20.01.2018. The estimate was sanctioned under 1.3% Non DDF CC&RF scheme.
- 4) It is submitted that, the Respondent has allowed the petitioner to carry out the work of development of infrastructure which includes installation of 200 KVA transformer, HT/LT Line, cables etc.
- 5) That, as per sanction letter, petitioner has paid 1.3% supervision charges and completed the entire infrastructure work by procuring all material required for providing supply to his factory under supervision of MSEDCL authorities. It is submitted that, after completion of work, it was handed over to MSEDCL after inspection from Electrical Inspector.
- 6) That, it is only after completion of all formalities, LT supply was released to the petitioner's factory. The total amount incurred by the petitioner towards development of infrastructure, as per WCR is Rs. 3, 57,590/-.

- 7) That on 09.04.2018, the petitioner has sent a letter to the MSEDCL & requested for refund or adjust the cost incurred by him as per amount shown in Work Completion Report.
- 8) That on 28.08.2018, Executive Engineer, Urban Division-II has submitted proposal to Superintending Engineer for refund of infrastructure cost.
- 9) On 22.04.2019 the petitioner has lodged complaint before IGRC for refund. Since hearing was not concluded within 60 days, hence present petition is filed.

10) It is prayed that :-

- 1) Respondent may be directed to refund Rs. 3,57,590/- spent by the petitioner towards development of infrastructure work together with interest.
- 2) Respondent may be directed to refund cost paid towards CT Operated Meter, DTC meter installed & its testing charges along with interest.
- 3) Respondent may be directed to pay suitable compensation for harassment and towards litigation cost.

Out of the above relief this prayer of refund of CT operated meter & testing charges is not pressed

**The Respondent has filed say (P. No.25) as under:**

- 11) That, the petitioner was in need of 11 Kv high tension line. On getting approval under 1.3% Non DDF CC&RF Scheme, the consumer has paid necessary amount & completed the work & submitted work completion report. That the proposal for refund of infrastructure cost is submitted to higher office.

- 12) The complainant has submitted rejoinder on 30.07.2019 (P.No.27) & has stated that there is lapse of 14 months for not taking cognizance of the application dt. 09.04.2018 submitted by the petitioner.
- 13) In the say dated 13.08.2019 (P.No.28) the Respondent has stated that, the proposal is already submitted for approval to higher office and on receiving it action will proceed.
- 14) We have perused the pleadings & all documents placed on record by both the parties. Heard arguments advanced by Consumer Representative Shri. Kapadia and Shri Mohadikar, Addl. Executive Engineer & Shri. Khakse, Nodal Officer of MSEDCL.
- 15) Following points arise for our determination & we have recorded its findings for the reasons to follow:-

Sr. No.	POINTS	ANSWER
1	Whether the petitioner is entitled for refund of infrastructure cost & DTC meter cost along with interest?	Yes
2	Whether the petitioner is entitled for compensation?	Yes Rs.1000/-
3	What order & costs?	As per final order

**REASONS:**

- 16) **Point No.1:-** The parties are not at dispute about the fact that the petitioner's power supply is covered under Non Dedicated Distribution Facility (Non DDF) CC&RF Scheme. Estimate was sanctioned under 1.3% normative charges. Technical sanction letter was issued on 20<sup>th</sup> January 2018 (P.NO.14, 15) along with estimate (P.No.16 & 17). Work completion Report is at (P.No.18-20) & it goes to show that, work was completed on 12.03.2018. Thereafter, power supply was released by MSEDCL to the petitioner.

17) On 09.04.2018, the petitioner has sent request letter (P.No.21) to the MSEDCL for refund of infrastructure cost. It is seen that Executive Engineer Urban Division has submitted the letter dtd. 28<sup>th</sup> August 2018 (P.No.22) & 22.04.2019 (P.No.26) to Superintending Engineer, Urban Circle, seeking approval for refund of infrastructure cost. On 30.09.2019, Superintending Engineer, MSEDCL has made communication by letter (P.No.62) informing Executive Engineer, Urban Division, Aurangabad about refund. It is informed that there are some discrepancies observed by the Zonal Office. However, the competent authority has approved the proposal, subject to compliance of discrepancies & hence returned the proposal for compliance. The discrepancies observed by the Zonal Office as regards with the petitioner are listed as below (P.No.63 to 65):-

- 1) As per WCR, work completion date is 12.03.2018 & submitted invoice against purchase of material bearing Invoice No. SU 38/17-18 Dt. 23.03.2018 of M/s Bush Electricals & Engineering, Aurangabad, i.e. invoice date is after work completion date.
- 2) During joint inspection on 24.08.2019 by Zonal team Dy. Executive Engineer-II Aurangabad Zone & Dy. Manager (F&A) Aurangabad Zone, it is found that some material are not found on site as per WCR statement i.e. list of WCR Sr. No.17, 19 & 24 to 33 items are not found on site & Sr. No. 20 having quantity 1.2 Cmt. instead of 2.3 Cmt.
- 3) Undertaking required on India Non judicial Bond of Rs. 200/- in prescribed format is not submitted.

18) It is important to note that, during inspection the inspecting officers have found material on the spot, which raises strong presumption

about purchasing the material by the petitioner before WCR. Referring to invoice no. SU 38/17-18 dt. 23.03.2018 (P.No.42) issued by M/s New Bush Electricals & Engineers to the petitioner, it goes to show that material was supplied to the petitioner. In this respect general practice adopted in the business community of delivering the article on demand & preparing final invoice subsequently requires to be considered. As such issuance of final bill on 23.03.2018 i.e. after WCR dtd. 12.03.2018 does not falsify the petitioner's submission about purchasing material. As regards second objection raised by MSEDCL, we are of the opinion that the refund of infrastructure cost be made in respect of the material actually utilized for on the site completion of work. Since the petitioner's connection is Non DDF, the undertaking in prescribed format is not necessary.

- 19) On perusal of WCR, it is seen that DTC meter is included in it. The Hon'ble MERC approved Schedule of Charges in case No. 19/2012 and circulated vide Circular No. 24500 dated 30.0.2012, prescribes that:

*"3.1 – The cost of meter is recoverable only when the consumer opts to purchase meter from MSEDCL or in case of lost & burnt meter. The recoverable charges approved by the Commission shall be Annexure-3"*

Also about testing charges it is prescribed in - 4 Miscellaneous and General charges of the said circular as under:

*"a) Installation testing fee:*

*The filed officer are directed not to charge any amount for first inspection & testing of consumers' installation at the time of giving new connection. For all the subsequent tests & inspection of consumer's installation, the company shall recover charges indicated in annexure-4."*

Considering the spirit of the circular, we are inclined to refund the cost of the DTC metering to the petitioner as part of the infrastructure work on the basis of WCR..

- 20) The WCR is dt. 12.03.2018 & date of commissioning is 20.03.2018. The petitioner though applied for refund on 09.04.2018, for about 14 months & 15 days i.e. before 02.07.2019 his application was not properly processed. Naturally, on account of delay caused for refund of his invested amount & therefore we feel it just & proper to grant interest on refundable cost amount. In this respect practice directions dt. 22 July 2019 issued by Hon'ble MERC regarding interest rates are material, which is reproduced below:-

*“Unless the commission does not specifically delay or approve different interest rate on amount to be refunded by Distribution Licensee to the consumer, Forums under CGRF Regulations 2006 shall henceforth, uniformly grant interest if entitled to , on amount to be refunded to consumer at interest rate equivalent to the Bank Rate declared by the Reserve Bank of India prevailing during the relevant period (i.e. Bank Rate)”.*

- 21) Bearing in mind these guidelines, we direct the Respondent to pay refund amount together with interest from the date of his application i.e. 09.04.2018 computed at the prevailing rate of interest equivalent to the Bank rate declared by the Reserve Bank of India till the date of actual payment as the petitioner is entitled for interest from the date of his application i.e. 09.04.2018. We accordingly answer point No.1 in the affirmative.

- 22) **Point No.2**:- It appears that the application demanding infrastructure cost was submitted on 09.04.2018, however the proposal was sent on 28.08.2018 (P.No.22) & thereafter on 22.04.2019 (P.No.24) to competent authority & ultimately it was approved on 30.09.2019. Thus time of one year & five months was consumed for approval. As such, we feel that considerable time was consumed without any reason for refund. As such, the petitioner was put to inconvenience & compelled to file this petition. Hence, we feel it just & proper to grant compensation of Rs. One thousand payable by the Respondent to the petitioner. We answer point No.2 in the affirmative.
- 23) Considering above discussion, we proceed to pass following order in reply to point No.3.

### **ORDER**

Petition is hereby allowed in the following terms:-

- 1) Respondent is hereby directed to refund infrastructure cost & DTC meter cost to the petitioner as per the actual material used on site for completion of work, together with interest from 09.04.2018, at the rate equivalent to the prevailing Bank Rate declared by the Reserve Bank of India till the date of actual payment.
- 2) The aforesaid refund amount along with interest be adjusted in the post energy bills starting immediately from next billing month of this order.
- 3) The Respondent is also directed to pay compensation of Rs.1000/- (Rs. One thousand) to the petitioner.

- 4) Parties to bear their own cost.
- 5) Compliance be reported within thirty days of passing this order.

Sd/-  
Shobha B. Varma  
Chairperson

Sd/-  
Makarand P. Kulkarni  
Member / Secretary

Sd/-  
Vilaschandra S.Kabra  
Member