

**Consumer Grievance Redressal Forum
Maharashtra State Electricity Distribution Co. Ltd.
Bhandup Urban Zone, Bhandup**

Ref. No. Secretary/MSEDCL/CGRF/BNDUZ/

Date :

Case No. 164

Hearing Dt. 25/03/2008

In the matter of waiver of Interest on delayed payment

M/s. Raunak Dyeing Pvt. Ltd.

- Appellant

Vs.

MSEDCL, Bhiwandi

- Respondent

Present during the hearing

A - On behalf of CGRF, Bhandup

- 1) Shri S.L. Kulkarni, Chairman, CGRF, Bhandup.
- 2) Shri S.B. Wahane, Member Secretary, CGRF, Bhandup.
- 3) Mrs. Manik P. Datar, Member, CGRF, Bhandup.

B - On behalf of Appellant

- 1) Shri G.B. Singh, Consumer representative.

C - On behalf of Respondent

- 1) Mr. R.P. Choudhary, Ex. Engr., Bhiwandi circle.
- 2) Mr. Bharate, Asstt. Engr., Bhiwandi Circle.
- 3) Mr. Kele, Manager, M/s. Torrent Power Ltd.
- 4) Mr. Bhagwat, Dy. Manager, M/s. Torrent Power Ltd.

PREAMBLE :

The consumer registered his grievance with this Forum on 15th Feb. 2008 vide case No. 164. Consumer was aggrieved with the decision of ICGRC order vide letter No. SE/BWDC/Tech/ICGRC/Case NO. 123, dtd. 19th December 2007. The hearing date was fixed on 13/03/2008 followed by 25/03/2008.

CONSUMER'S SAY :

Consumer is having HT connection with 900 kv connected load and 700 kva sanction load bearing consumer No. 13989000165 at plot No. 9, MIDC area, P.O. Saravali, Bhiwandi.

1) The consumer paid amount of Rs. 8,84,124/- a security deposit. Consumer was eligible to get interest at the rate of 6% as per MERC guidelines from the utility. Accordingly the interest should be payable to him is Rs. 53047/- in the month of March-April 2007. But it was paid to him in the month of Sept-2007 for Rs. 36174/- instead of Rs. 53047/-. Thus Rs. 16872.97 was paid less to him. It was paid six months after expiry of schedule time. It should be payable to consumer with less amount paid by MSEDCL (DF M/s. Torrent Power Ltd.). It should be paid with 15% interest rate as the amount was utilized by MSEDCL (DF M/s. Torrent Power Ltd.).

2) Less power factor incentive awarded to the consumer in the month of October 2006 for Rs. 8763/- and in the month of January 2007 for Rs. 393/-, which totally comes to Rs. 9156/-. It should be refunded to the consumer.

3) Consumer had paid RLC (Regulatory liability charges) amount of Rs. 3877697/-) during December 2003 to Sept 2006 which should be refunded as per guidelines of MERC.

4) a) HT consumer comes under MIDC area. In the month of October and November-2006, he was billed as a continuous process unit, which was not applicable for it. It should be charged as non-continuous unit.

b) Unit consumption in the month of October was 182689 units but for calculation of ASC unit total consumed units were taken to 68660. Due to this consumer was billed excess ASC units of (78729-51153 = 27576). Excess amount charged for ASC units should be refunded. Consumer should be billed as non-continuous in the month of October & November-2006 in place of continuous process units already charged him. Excess amount charged for continuous to non-continuous should be refunded to the consumer.

UTILITY'S SAY:

1) The H.T. consumer M/s. Ronak Dyeing Pvt. Ltd. has a security deposit of Rs. 884124/-, out of this Rs. 275000/- is paid in 8 installments from April 2006 to Nov 2006. The interest is given @ 6% p.a. from the date of payment of S.D. (on the amount paid after 31st March 2006).

The total interest calculated on S.D. is Rs. 46640.61. After making the deduction of Rs. 10466/- against Income Tax from the interest as per I.T. rules 31 (1) (b), the balance amount Rs. 36174.61 is credited in the bill of consumer issued during Sept, 2007. The I.T. deduction certificate (from 16-A) is already issued to consumer.

The interest on S.D. is given to the consumer as per rules; hence the claim of consumer of interest on delay should be rejected.

2) The P.F. incentive given during the month of Oct, 2006 is Rs. 8129.89. But the actual P.F. incentive of Rs. 14498.42 (2% of Rs. 724920.80) was to be issued in the month of Oct, 2006

$$\begin{aligned} \text{Rs. 724920.80} &= \text{Revised ASC } (51153 \times 5.15 = 263437.95) \\ &+ \text{EC } (268660 - 51153 = 217507 \times 2.15 = 467640.05) \\ &+ \text{TOD } (-6157.20) \end{aligned}$$

Hence, subsequent due correction of P.F. incentive, ASC (changed from 42% to 28%) & E.D. charged to the consumer is adjusted in the month of Nov, 2006, by giving credit of Rs. 63990.95.

The P.F. incentive given during the month of Jan, 2007 is Rs. 9082.75 (1% of 908274.90).

$$\begin{aligned} \text{Rs. 908274.90} &= \text{ASC } (72808 \times 5.15 = 374961.20) \\ &+ \text{EC } (260030 - 72808 = 187222 \times 2.85 = 533582.70) \\ &+ \text{TOD } (-269.00) \end{aligned}$$

The P.F. incentive given to the consumer during the month of Oct 2006 & Jan 2007 are correct.

3) The refund of RLC, the case is in the Appellate Tribunal, Delhi. The necessary action will initiated after receipt of decision.

4) The consumer is billed with continuous HT tariff from Oct 2006 to Nov 2007 billing month & with non-continuous tariff from Dec 2006 to Feb 2007 billing month. The ASC units charged to the consumer are as below :

Sr. No.	Billing month	ASC units charged	ASC%
1	Oct 2006	51153	28%
2	Nov 2006	72901	28%
3	Dec 2006	70286	28%
4	Jan 2007	72808	28%
5	Feb 2007	71694	28%

As the consumer has not submitted the certificate of continuous industry the bills during Oct 2006 & Nov 2006 are to be issued with non-continuous tariff (Rs. 2085 for non ASC units).

OBSERVATIONS:

1) As per consumers view amount of S.D. paid is Rs. 884124/- where as per utility's say out of S.D. amount for Rs. 884124/- the amount of Rs. 275000/- was paid by the consumer in 8 installments during the period of April to Nov 2006.

As per utility's say the amount of interest on SD worked out by utility was Rs. 46640.61, which is agreeable to the consumer. However, this amount was paid to the consumer by utility six months late. The consumer's request to grant him interest for such late payment is genuine and hence he should be awarded 6% interest on delayed payment amount i.e. 46640.61 for delayed period of six months.

2) Utility submitted the document regarding refund of less PF incentive paid, it was discussed during the hearing and both the parties were convinced regarding it's refund in the month of Nov 2006.

3) The matter regarding the refund of RLC amount paid by the consumer during Dec-2003 to Sept 2006. Utility is required to take action as per decision of MERC.

4) The consumer is having single feeder supply and has non-continuous nature of production. He regularly faces load shedding during staggering days as decided by utility. However, the utility considered and charged him as per tariff of continuous process industry, which is unjustified. Hence, any amount charged in excess should be refunded to the consumer.

ORDER

1) Interest on delayed payment of S.D. should be paid to the consumer @ 6% per annum.

2) Consumer bills should be revised considering him as non-continuous production industry.

3) Less PF incentive awarded to the consumer in the month of Oct-2006. This issue had therefore already has been settle by utility. Hence no orders.

4) The utility should take action regarding RLC as per directives of MERC.

The order is issued under the seal of consumer Grievance Redressal Forum M.S.E.D.C. Ltd., Bhandup Urban Zone, Bhandup on 15th of April, 2008.

Note : 1) If Consumer is not satisfied with the decision, he may go in appeal within 60 days from date of receipt of this order to the Electricity Ombudsman in attached "Form B".

Address of the Ombudsman

The Electricity Ombudsman,
Maharashtra Electricity Regulatory Commission,
606, Keshav Building,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051.

2) If utility is not satisfied with order, it may go in appeal before the Hon. High Court within 60 days from receipt of the order.

MRS. M.P. DATAR
MEMBER
CGRF, BHANDUP

S.L. KULKARNI
CHAIRMAN
CGRF, BHANDUP

S.B. WAHANE
MEMBER SECRETARY
CGRF, BHANDUP