



Consumer Grievance Redressal Forum, Kalyan Zone  
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301  
Ph: – 2210707 & 2328283 Ext: - 122

**IN THE MATTER OF GRIEVANCE NO. K/E/092/0105 OF 07-08**  
**OF M/S KONKAN SYNTHETICS REGISTERED WITH**  
**CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN**  
**ZONE, KALYAN ABOUT ACCEPTANCE OF BANK**  
**GUARANTEE FOR SECURITY DEPOSIT**

M/s Konkan Synthetics,

(Here in after

C-61, MIDC Mahad

referred to

Dist: - Raigad 402309

as consumer)

**Versus**

Maharashtra State Electricity Distribution  
Company Limited through its Superintending  
Engineer, Pen Circle, Pen 402107,

Here in after  
referred to  
as licensee)

1) Consumer Grievance Redressal Forum has been established under regulation of “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2006” to redress the grievances of consumers. This regulation has been made by the Maharashtra Electricity Regulatory Commission vide powers conformed on it by section 181 read with sub-section 5 to 7 of section 42 of the Electricity Act, 2003. (36 of 2003).

2) The consumer is a H.T. consumer of the licensee connected to their 220 Kilo-Volt network. Consumer is billed as per industrial (HT 1C) tariff. The consumer registered grievance with the forum on dated 18/05/2007.

The details are as follows: -

*Name of the consumer: - M/s. Konkan Synthetics Ltd.*

*Address on electricity bill: - As above*

*Consumer No: - 04101901610-1.*

*Reason of dispute:- About acceptance of Bank guarantee or letter of credit as security deposit & refund of security deposit paid in cash.*

3) The batch of papers containing above grievance was sent by Forum vide letter No. 979 dated 18/05/2007 to Nodal Officer of licensee. The letter was replied by licensee vide letter Nos 3469 & 3703 dated 16/06/07 & 28/06/07 respectively.

4) All three members of the Forum heard both the parties on 18/06/2007 & 05/07/07. Shri Kamlesh Sharma consumer's representatives attended hearings on both days. Licensee's

representatives, Shri G. A. Mali Legal Advisor, Shri K. B. Waghmare Assistant Accountant, and Shri A. K. Patole UDC attended hearing on 18/06/07 & Shri D. R. Bansode Nodal Officer; Shri A. K. Patole UDC attended hearing on 5/07/07.

- 5) The consumer vide grievance application dated 07/05/07 (received by Forum on 15/05/07 & registered on 18/05/07) & Shri Sharma during hearing on 18/06/07 made submission that they approached licensee vide their letter dated 7/06/05 requesting to accept irrevocable letter of credit issued by commercial bank or unconditional bank guarantee as security deposit (SD) & refund them cash SD paid by them in one installment. Reminders were sent to licensee vide letters dated 14/11/05, 19/09/06, 26/02/07 but to no avail. Their this demand was as per orders contained in Para 11.10 of **Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005.** (SCR, 2005). The Para reads as under :-

*A consumer with a consumption of electricity of not less than one lac (1,00,000) kilo-watt hours per month; and with no undisputed sums payable to the Distribution Licensee under Section 56 of the Act may, at the option of such consumer, deposit security under this Regulation 11, by way of cash, irrevocable letter of credit or unconditional bank guarantee issued by a scheduled commercial bank.*

- 6) They sought relief from Forum to get the refund of their cash SD of Rs 87,71,000/- from licensee in one installment on submission of letter of credit or bank guarantee.
- 7) Licensee vide letter 16/06/07 submitted that SCR, 2005 was notified & came into effect from 20.01.2005.. The consumer has paid SD of Rs 87,71,000 from 13.06.1989 to 21.10.1997 as per the rules & regulation of erstwhile Maharashtra State Electricity Board. The demand of consumer needs to be dismissed.
- 8) Shri Sharma, during hearing on 18/06/07, produced letter No 503 dated 23/01/07 of Superintending Engineer Ganeshkhind Urban Pune Circle addressed to one of their sister concern M/s Century Enka. Licensee in the said letter has extended the facility of accepting unconditional bank guarantee in lieu of cash SD & accepted to refund SD paid through energy bills.
- 9) Forum directed Shri Mali to file their reply on this submission of consumer before next hearing.
- 10) Nodal Officer Shri Bansode submitted reply vide letter dated 28/06/07 & stated during hearing on 05/07/07 that they have accepted request of consumer to refund cash SD through energy bills on submission of unconditional bank guarantee against SD. A copy of letter dated 4/07/07 sent to consumer was also submitted by Shri Bansode.
- 11) Shri Sharma also submitted letter to Forum that their grievance is settled & acceptable to them.
- 12) No order is passed by Forum as the matter stands disposed off.

**Date: - 09/07/07**

**(Sau V. V. Kelkar)**  
**Member**  
**CGRF Kalyan**

**(I. Q. Najam)**  
**Chair person**  
**CGRF Kalyan**

**(D. B. Nitnaware)**  
**Member Secretary**  
**CGRF Kalyan**