



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/266/292 OF 2009-2010 OF
M/S. RAMSON INDUSTRIES, VASAI, REGISTERED WITH CONSUMER
GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT
EXCESSIVE BILLING.

M/s. Ramson Industries
Gala No. 03,
Parmar Techno Centre, Phase-III
Pelhar, Waliv,
Tal : Vasai, Dist.Thane.

} (Here-in-after
referred
as Consumer)

Versus

Maharashtra State Electricity Distribution
Company Limited through its
Dy. Executive Engineer
Vasai Road (East) Sub-Dn.
Vasai, Dist. Thane.

} (Here-in-after
referred
as licensee)

- 1) Consumer Grievance Redressal Forum has been established under "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 conferred 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 L.T.-V 65 HP consumer of the licensee with C. D. 54 KVA. The Consumer is billed as per Industrial tariff. Consumer registered grievance with the Forum on 11/06/2009 for Excessive Energy Bills. The details are as follows: -

Name of the consumer :- M/s. Ramson Industries

Address: - As given in the title

Consumer No : - 001940783981

Reason of dispute: Excessive Energy Bills.

- 3). The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/556 dated 11/06/2009 to Nodal Officer of licensee. The licensee through Dy. Executive Engineer MSEDCL Sub/Dn. Vasai Road East filed reply vide letter No. DYEE/VSIB/5147, dated 01/07/2009.
- 4) The consumer has raised these grievances before the Chairman, IGRC MSEDCL., Vasai Circle, Vasai (East) and the Executive Engineer (O&M) Division, MSEDCL, Vasai Division, on 12/03/2009. The said Internal Redressal Cell and the Executive Engineer did not give any hearing to the consumer & also did not send any reply resolving the said grievances to the consumer. Therefore, the consumer has registered the present grievance before this forum on 11/06/2009.

- 5). The Forum heard both the parties on 01/07/2009 @ 16.00 Hrs. in the meeting hall of the Forum's office. Shri Harshad Sheth, representative of the consumer & Shri R.G.Gharat UDC, representative of the licensee, attended hearing. Minutes of the hearing including the submissions made by the parties are recorded and the same are kept in the record. Submissions made by each party in respect of each grievance shall be referred while deciding each of the grievances to avoid repetition.
- 6). The following grievances raised by the consumer in its letter dated 07/03/09 sent to the concerned IGRC and Executive Engineer of which copy the consumer has attached with the grievance made before this forum, arise for consideration, and considering the reply dtd. 01/07/09 with CPL filed by the licensee, record produced by the parties, and submissions made by the parties, the finding or resolution on each of such grievance is given against it, for the given reasons.
- 7). As to grievance No. (1): – Regarding refund of difference between MD based tariff & H. P. based tariff & P. F. penalty recovered in the bills for Aug. 08, Sept. 08, Nov. 08, Jan. 09 & Feb. 09 : The Consumer Representative (CR) submits that the licensee has charged MD based tariff to the consumer without 100% metering and its such action is illegal. He relies on operative order dtd. 20.6.08 of MERC in case No.72 of 2007, MSEDCL circular No.81 dt.7.7.08 in support of his contention. He further submit that as per order dated 12.9.08 of MERC in case 44 of 2008, the licensee can not impose MD based fixed charges, PF penalty and demand penalty/incentive without MD based tariff being made applicable to the concerned consumer but in the instant case, the licensee has applied the

above charges or penalties without MD based tariff being applicable to it and hence such action of licensee is illegal. He further submit that thus the licensee has violated the Act, rules and orders of MERC and hence is liable for action under section 142 and 146 of the Electricity Act 2003. He further submits that therefore the licensee be directed to refund the amounts of such illegally recovered charges together with interest at the rate which it applies to the defaulting consumer. The CR submits that the consumer claims refund of an amount of Rs. 1650 towards the difference in between the fixed charges as per

MD based tariff and HP based tariff in the bills for the period of Aug. 08, Sept. 08, Nov. 08, Jan. 09 & Feb. 09 and P.F. penalty of Rs. 21596.28 charged in the bill for Sept. 08 and Feb. 09.

---As against above contention, the LR submits that the licensee has applied MD based tariff from Aug.08 on completion of 100% TOD metering and as per directives given in Clause 10.5 of Com. Circular No.81 dt.7.7.08. Further he claims that MD based tariff is applied to the consumer from Aug. 08 is correct i.e. Rs. 100 per KVA per month of Rs. 65% of maximum demand or 40% of contract demand whichever is higher. He therefore submits that whatever charges based on MD based tariff, are recovered by the licensee from the consumer are correct and legal and therefore the question of refunding the same to the consumer does not arise.

While deciding the question regarding the applicability of MD based tariff to the LT above 20 KW industrial units, the Hon. Electricity Ombudsman vide order dated 6.5.09 in representation No.33 of 2009, M/s.

Crystal Industries V/S MSEDCL, relying on the MSEDCL's circulars dtd. 05.02.09 held that the MSEDCL has suo moto decided to start MD based tariff for LT V consumers from April 09 inspite of 100% installations of MD meters completed in Aug.08 and therefore the MSEDCL is liable to refund the excess fixed charges and PF penalty recovered from such consumer.

Therefore following the above referred decision, the licensee is directed to refund the amount of MD charges collected over and above the fixed charges recoverable as per HP based tariff and the PF penalty recovered from the consumer prior to the billing period of April 2009 together with interest at the Bank rate of RBI within 30 days from the date of this decision.

- 8) As to grievance No. (2) – Regarding refund of Rs. 1824.97 added as arrears in the bill for Oct. 2008 : The consumer claims that the licensee has added Rs. 1824.97 as arrears in the bill for Oct. 2008. The licensee should justify the said arrears or else, refund the same. As against this, the licensee claims that the arrears of Rs. 1824.97 charged as arrears in the bill for Oct. 08 are correct as the consumer has paid the amount towards the bill for Sept. 08 on 26/09/08 as against the date of prompt payment was 22/09/08. It is clear from the copy of bill for Sept. 08 filed by the consumer that the said bill was issued for Rs. 66,200 with a delayed payment charges (DPC) of Rs. 1324.06 to be paid if the said bill was paid after 29/09/08, with a note that if the consumer pays the said bill on or before 22/09/08, it will get prompt payment discount of Rs. 503 so that it will have to pay Rs. 65,700 only. It is clear from CPL for the month of Oct. 08 that the

consumer has paid an amount of Rs. 65,700 i.e. the amount payable towards the prompt payment, but paid the same on 26/09/08 and not on or before 22/09/08, and therefore, the licensee has charged Rs. 1824.97 as arrears which includes the balance amount of Rs. 500 out of total amount of Rs. 66,200 of the bill for Sept. 08 and the amount of DPC of Rs. 1324.06 mentioned in the bill for the month Sept. 08. The licensee did not produce any circular of the licensee about applying the entire amount of DPC for non payment of part of the amount of the said bill for Sept. 08, as directed at the time of hearing. However, considering the fact that such an amount of DPC of Rs. 1324.06 was expressly mentioned in the bill for Sept. 08, it's charging in the month of Oct. 08 cannot be said to be illegal. Therefore, in our opinion the licensee cannot be directed to refund the amount of Rs. 1824.97 charged as arrears in the bill for Oct. 08 as requested by the consumer. Therefore, consumer's such request is rejected.

- 9) As to grievance No. (3) – Regarding refund of excess amount paid towards the bill for Jan. 09 : The consumer claims that the bill for Jan. 09 was Rs. 42,180 but the consumer paid an amount of Rs. 45,230. Therefore, the licensee be directed to refund the excess amount of Rs. 3,050 paid by the consumer as above. As against this, the licensee claims that an amount of Rs. 2253.42 towards the excess amount paid by the consumer in Jan. 09 has been credited in Feb. 09 as the consumer has paid his bill for the month Jan. 09 after due date. It is clear from the CPL for the month Feb. 09 that the consumer has paid an amount of Rs. 45,230 towards the bill for Jan. 09 on 31/01/09 i.e. after 27/01/09 at the time of which the amount payable for the said bill for Jan. 09 was Rs. 42,980 inclusive of DPC of Rs.

799.45. Therefore, the consumer has paid an excess amount of Rs. 2,250.00 (45,230.00 – 42,980 = 2,250). The CPL for Feb. 09 shows that the licensee has given credit of Rs. 2253.42 to the consumer in the said bill. Thus the licensee has given credit of the excess amount paid by the consumer while paying the bill for Jan. 09 and therefore, the consumer is not entitled for refund of any such amount on this count as claimed by it. Hence consumer's such claim is rejected.

- 10) As to grievance No. (4) - Regarding Additional Security Deposit and interest on it : The consumer claims that the licensee has collected Additional Security Deposit (ASD) of Rs. 11,700 at the time of giving new connections during the period in which the consumer took this connection. However, such amount of ASD is not displayed in the bills. Therefore, the licensee be directed to display the said amount of ASD in the bills and to pay interest of Rs. 702 of one year on it. The licensee agreed to display the said amount of ASD in the bills and to pay interest on it as per rules. Therefore, the licensee is directed to display the said amount of Rs. 11,700 of ASD in the bills and credit the interest on it at the Bank rate of RBI, in the ensuing bill after a period of 30 days from the date of decision in this case.
- 11) As to grievance No. (5) – Regarding refund of excess service connection charges : The consumer claims that the licensee demanded Rs. 14,000 as service connection charges in the demand notice to the consumer when the consumer has taken this electric connection and accordingly the consumer paid or deposited Rs. 14,000 towards service charges. However, the service charges for overhead connection are Rs. 6,500, as per the schedule of charges under Regulation Section 18 vide MERC

order No. 70, dt. 09/09/06. Therefore, the licensee be directed to refund the difference of Rs. 7,500. As against this, the licensee claims that the electric connection or supply to the consumer was given through underground cable and therefore, service charges for such connection are Rs. 14,000 and hence service charges of the said amount has been recovered from the consumer and therefore, the consumer is not entitle for any refund on this count. It is clear from the schedule of rates filed by consumer that the service connection charges for new underground connection were Rs. 14,000 during the said period. It is also clear from the copy of letter No. SE/VC/Tech/6455 dt. 28/12/2006 sent by Superintending Engineer, Vasai Circle to Executive Engineer, Vasai Division regarding estimate for giving power supply to 29 Nos. of IP, 28 Nos. of IC, and 1 No. of three phase Water Pump connections to M/s. Parmar Builders of Survey No. 141, 176, Pelhar Village, Waliv, Tal : vasai, Dist : Thane read with letter No. DYEE/VS/(F)/B/5820, dt. 27/07/2009 send by Dy. Executive Engineer, MSEDCL., Vasai Road East to the Forum, that the said estimate was prepared for the installment of electric connection at the unit of consumer with L.T. underground cable net work. In view of this, the contention of licensee that L.T. underground cable was given for the electric connection at the said unit and therefore, Rs. 14,000 were recovered as service charges will have to be accepted. Therefore, the consumer is not entitle for any refund on this count. Hence his grievance about it is rejected.

- 11). In view of the findings on the grievances of the consumer as above, the forum unanimously passes the following order.

O-R-D-E-R

- 1) The grievance application is partly allowed.
- 2) The licensee to comply the directions given in above para Nos. 07 and 10.
- 3) Grievance Nos. 2, 3 and 5 are rejected as observed in Para Nos. 8, 9, and 11.
- 4) The Compliance should be reported to the forum within 90 days from the date of decision.
- 5) The Consumer can file representation against this decision with the Ombudsman at the following address.

“Office of the Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606/608, Keshav Bldg, Bandra Kurla Complex, Mumbai 51”
Representation can be filed within 60 days from the date of this order.

- 5). Consumer, as per section 142 of the Electricity Act, 2003, can approach Maharashtra Electricity Regulatory Commission at the following address:-
“Maharashtra Electricity Regulatory Commission, 13th floor, World Trade Center, Cuffe Parade, Colaba, Mumbai 05”

for non-compliance, part compliance or delay in compliance of this decision issued under “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2003”

Date : 27/07/2009

(Sau V. V. Kelkar)
Member
CGRF Kalyan

(R.V.Shivdas)
Member Secretary
CGRF Kalyan

(M.N.Patale)
Chairman
CGRF Kalyan