

**MAHARASTRA STATE ELECTRICITY BOARD**  
**KALYAN ZONE, KALYAN**

Phone 1) 2210707

2) 2328283

Office of the Consumer  
Redressal  
behind Tejashri,  
Cherwanji Road,

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Ext-122.

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**IN THE MATTER OF GRIEVANCE NO. K/N/001/0011 OF 05-06**  
**OF M/S MAKERS LABORATORIES LTD REGISTERED WITH**  
**CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN**  
**ZONE, KALYAN ABOUT THE DELAY & CONDITIONAL**  
**SANCTION OF ADDITIONAL LOAD BY LICENSEE**

M/S Makers Laboratories Ltd  
after

A-163 Phase1, MIDC, Dombivali (E)

Pin Code 421203

Consumer)

(Here in

referred to

as

**Versus**

Maharashtra State Electricity Board, through its

Superintending Engineer,

Kalyan Circle (1), Kalyan

(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 2003” 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 H.T. consumer of the licensee connected to

their 22 KV network using energy for industrial purpose. Consumer disputed delay & conditional sanction in releasing additional sanctioned load of 50 KW (additional contract demand of 25 KVA) by the licensee, vide his above grievance registered with forum on 01/4/2005. The details are as follows.

Name of the consumer: - Makers Laboratories Ltd

Address same as above

ConsumerNo:-020129012588

*Grievances: - (1) Delay in sanctioning additional load of 50 KW (additional contract demand of 25 KVA) & prayer for sanctioning compensation for delay (2) Imposition of condition of installing H.T. metering cubicle unit in place of existing metering arrangement for releasing above additional load &*

*levy of supervision charges of Rs 43,800 for the said work.*

- 3) The batch of papers containing above grievances was sent by forum vide letter no. 126 dt 1<sup>st</sup> April 2005 to Nodal Officer of licensee. The letter was replied by Nodal Officer vide letter no. SE/KCK/TECH/2129 dt 16<sup>th</sup> May 2005.
- 4) All the three members of forum heard both the parties on 16<sup>th</sup> May 05 from 15 hours to 16 hours in the meeting hall of the forum's office.
- 5) Shri Vijay Daga authorized representative of the consumer represented the case of consumer & Shri R. G. Shaikh Nodal Officer, & Shri P. G. Kulkarni Assistant Engineer of licensee represented the case for licensee.
- 6) Shri Daga, authorized representative of the consumer pointed out that the application for sanctioning additional sanctioned load was given to the licensee on 19<sup>th</sup> July 2002 and thereafter he and his client i.e. consumer followed with the licensee for giving sanctioned load of 50KW (additional contract demand of 25 KVA) from time to time. Licensee released load on paper on 21<sup>st</sup> February 2005. The additional sanctioned load of 50 KW (additional contract demand of 25 KVA) was released by imposing condition of installing H.T. metering cubicle in place of existing metering arrangement. He also pointed out that there is abnormal delay in releasing additional load mentioned above and compensation for delay should be given to the consumer. He also disputed the charges of Rupees Forty three

thousand eight hundred (Rs 43,800/-) only levied by the licensee towards supervision charges for installing H.T. metering cubicle. He argued that charges of installing H.T. metering cubical are very heavy and unnecessary burden to the consumer. He further argued that no specific advantage would be served either to the licensee or to the consumer by changing existing metering equipment arrangement. He requested forum to withdraw this condition of licensee asking the consumer to install H.T. metering cubicle in place of existing metering arrangement.

- 7) Shri Shaikh, Nodal officer of licensee submitted that application for additional load was received on 19<sup>th</sup> July 2002 but the application was submitted in the name of M/s. Makers Laboratories Ltd. whereas the H.T.connection stands in the name of Makers Drugs Pvt. Ltd. Hence the consumer was asked vide letter dt.19<sup>th</sup> Aug.2002 to apply for change of name or apply for additional load in the name of existing consumer. The change of name was affected, after completion of formalities by consumer, on 19<sup>th</sup> November 2003.
- 8) Shri Shaikh further submitted that the consumer was informed to submit documents such as SSI certificate for total load of 149 KW (existing 99 KW and additional load of 50 KW). He further pointed out that consumer has not submitted SSI certificate till today. He further added that in the mean time as per departmental circular 725 dated 22<sup>nd</sup> December 2004; additional load of 50 KW (additional contract demand of 25

KVA) was released on 21<sup>st</sup> Feb.2005. He also pointed out that the consumer has not given consent for installing H.T.cubical and has not paid charges of Rs.1,11,800/- as demanded and hence the additional load mentioned above has not been released to him uptill now.

- 9) Shri Vijay Daga submitted that application for change of name was given to licensee on 1<sup>st</sup> April 94 and NOC of Makers Drugs & Foods Pvt. Ltd. for transfer of security deposit in the name of Makers Laboratories was given to licensee on 30<sup>th</sup> May 2002.
- 10) Copies of both the letters mentioned in para above were handed over to Shri Shaikh on the day of hearing and he was asked to offer his remarks. Shri Shaikh replied that he would look into the matter and report in a couple of days the chain of events to the forum.
- 11) Shri Shaikh, Nodal officer was also asked to submit the documents and departmental circulars, if any, on which he intends to rely in support of imposing condition of asking consumer to replace the existing metering arrangement by H.T. metering cubicle and levying the charges of Rs 43,800/- as supervision charges for the said work.
- 12) Shri Shaikh, Nodal officer submitted chain of events and departmental circulars vide letter No. SE/KC/Tech/2172 dt.20/5/2005.
- 13) Now we proceed to decide grievance for delay in sanctioning additional load. A chain of events for change of name of consumer from M/s. Makers Drugs & Foods Pvt. Ltd, to M/s.

Makers Laboratories Ltd, as per licensee's letter mentioned in para 12 above, is given below in table.

| <b>EVENT</b>   | <b>DATE</b> |
|--|-------------|
| Applied for change of name with high court order   | 01/04/1994  |
| Submitted following documents<br>Memorandum & Article of association<br>Xerox copy of licensee's bill<br>MPCB consent<br>MIDC order for change in name<br>Amalgamation documents | 08/04/2000  |
| NOC of Makers Drugs & Foods Products for transfer of security deposit to Makers Laboratories Ltd submitted   | 30/05/2000  |
| Submitted papers regarding authorized sign   | 29/04/2003  |
| Agreement signed   | 10/11/2003  |
| Change of name effected  | 19/11/2003. |

14) It is seen from above events that there is no moment after 1<sup>st</sup> April 1994 till 30<sup>th</sup> May 2000. There is also a delay from April 2002 to 19<sup>th</sup> November 2003. Both these delays of more than 6 years & 3 ½ years respectively on the part of the licensee speak volumes.

15) The departmental circular 725 dt.22/12/2004 of licensee has revised para about method of charging service line charges (SLC) as reproduced here. *"The consumer will be required to pay the SLC charges or actual estimated cost of supply,*

*whichever is higher on non refundable basis.*” The additional load was released after a gap of two months i.e. on 21<sup>st</sup> Feb.2005 after issue of this circular. Though there is a delay of two months, there were no norms or accountability of this delay at that time.

- 16) Maharashtra Electricity Regulatory Commission notified “Maharashtra Electricity Regulatory Commission (Standard of Performance of Distribution Licensee, Period for giving supply and determination of compensation) Regulation, 2005” on 20<sup>th</sup> January 2005 (called SOP). As per item 1(ii) of Appendix “A” of regulation 12.1 of the above said SOP, time period for intimation of charges to be borne by applicant from the date of receipt of application in case of connection to be given from existing net work in town and cities is 15 days. On the day of notification of SOP i.e. on 20<sup>th</sup> January 2005 the time period of 15 days for sanctioning additional load to the above consumer was already over and thus there is a delay from 20<sup>th</sup> January 2005 to 21<sup>st</sup> February 2005 in sanctioning the additional load by the licensee to the consumer. The consumer has grievance for delay on the part of the licensee and demanded compensation for delay. The forum, therefore, is of the opinion that compensation as per column 3 of item 1 (ii) of table of Appendix “A” of regulation 12.1 of SOP, at Rs.100/- per week or part thereof of delay is payable to the consumer by the licensee. Thus compensation for delay of more than 4 week and less than 5 weeks from 20<sup>th</sup> January 2005 to 21<sup>st</sup>

February 2005 works out to be Rs. 500/- & is payable to the consumer by the licensee.

17) Now we take up to decide the grievance of imposing condition of installing H.T. metering cubicle in place of existing metering arrangement for releasing additional load of 50 KW (additional contract demand of 25 KVA). This condition, as per licensee's estimate, would cost consumer an amount of Rupees three lakhs thirty five thousand eight hundred only (Rs 3,35,800) including supervision charges of Rs 43,800 for taking sanction from licensee for additional load of 50 KW (additional contract demand of 25 KVA).

18) Nodal Officer has relied on departmental circulars issued & annexed to letter mentioned in para 12 above for imposing condition of installing H.T. metering cubicle in place of existing metering arrangement for releasing additional load of 50 KW (additional contract demand of 25 KVA). The relevant extract of condition of installing H.T. metering cubicle as per departmental circulars is as reproduced below.

*“Circular dated 21<sup>st</sup> November 1997: - In case of old metering arrangement where combined CTPT unit is used, the single phase oil filled CT & PT shall only be used as replacement in case if combined CTPT unit fails. In such cases possibility of replacing existing metering instruments by a cubicle may be explored.*

*It has been decided to use H.T. metering cubicle for release of power to new H.T. consumers on priority. Further where*



*possible, replacement of existing metering system by such cubicles shall be done for important consumers.*

*Circular dated 19<sup>th</sup> June 1998: - In case of old metering arrangement where combined CT & PT unit or the single-phase oil filled CT & PT are used & in case any of these CTPT unit or CT & PT fails. In such cases possibility of replacing existing metering instruments by a cubicle may be explored.*

*Circular dated 18<sup>th</sup> Sepember 1998: -The use of H.T. metering cubicle for release of new connection/replacement of failed CT/PT of existing consumers should be insisted. Single phase CT/PT instead of cubicle should not be used for release of new connection”.*

A careful study of relevant extract of above departmental circulars clearly shows that nowhere it has been a pre condition for replacing existing metering arrangement by a H.T. metering cubicle while releasing additional load. The only condition in above circulars for replacing existing metering system is *“where possible, replacement of existing metering system by such cubicles shall be done for important consumers.”* The inclusion of words important consumers indicates that replacement of existing metering arrangement by H.T. metering cubicle cannot be made applicable to all H.T. consumers while sanctioning additional load but can be made applicable to only important consumers. The load detail of consumer is as per table below.

|  | <b>Connected load</b> | <b>Contract demand</b> |
|--|-----------------------|------------------------|
|  | <b>KW</b>             | <b>KVA</b>             |

|                   |            |            |
|-------------------|------------|------------|
| <b>Existing</b>   | 99         | 99         |
| <b>Additional</b> | 50         | 25         |
| <b>Total</b>      | <b>149</b> | <b>124</b> |

This is a SSI unit manufacturing drugs. The monthly revenue realized by this consumer is in the range of Rs 40000 to Rs 50000 as seen from energy bills of December 2004. Nodal Officer of licensee had not said that the present metering arrangement cannot cater to this additional contract demand of 25 KVA which means present metering arrangement can cater to this additional contract demand of 25 KVA.

Taking into consideration above factors described below,

- (i) total connected load of consumer: - 149 KW
- (ii) SSI status of consumer
- (iii) monthly revenue realized in the range of Rs 40000 to Rs 50000
- (iv) present metering arrangement can cater to additional contract demand of 25 KVA

& contents of circulars of licensee, it would not be in spirit of policy of licensee mentioned in the said circulars to impose a precondition of asking this type of H.T. consumer to install H.T. metering cubicle in place of existing metering arrangement for releasing additional load of 50 KW (additional contract demand of 25 KVA) & levying supervision charges of Rs 43,800 for the said work.

- 19) We, therefore, decide to strike down the pre condition imposed by licensee asking consumer to install H.T. metering cubicle in place of existing metering arrangement. In view of this decision

the supervision charges of Rs 43,800 levied, vide sanction letter of 21-02-05 of licensee addressed to consumer, stands deleted.

20) After taking stock of entire episode, we are inclined to pass the following order.

### **O-R-D-E-R**

- 1) Licensee should pay Rupees Five hundred only (Rs 500) as compensation to consumer within ninety days from the date of this order for delay of more than four & less than five weeks for sanctioning additional load of 50 KW (additional contract demand of 25 KVA).
- 2) The condition imposed by licensee asking consumer to install H.T. metering cubicle in place of existing metering arrangement for releasing additional load of 50 KW (additional contract demand of 25 KVA) is, hereby, struck down & therefore supervision charges of Rs 43,800 levied, vide sanction letter of 21-02-05 of licensee addressed to consumer, stands deleted.
- 3) Consumer should pay Rupees Sixty eight thousand (Rs 68,000) only, as per load sanction letter of licensee dated 21<sup>st</sup> February 2005 (Rs 15000 as fixed connection charges plus Rs 42000 as security deposit plus Rs 11000 as cost of TOD meter), to the licensee within one month from the date of this order.
- 4) Licensee should release additional load of 50KW (additional contract demand of 25 KVA) to consumer within one month

from the date of receipt of payment of Rs 68000 as mentioned above.

- 5) Consumer can file appeal against this decision with the Ombudsman at the following address.

Maharastra Electricity Regulatory Commission, 606/608,  
Keshav Building, Bandra Kurla Complex, Mumbai 51

Appeal can be filed within 60 days from the date of this order.

- 6) Consumer, as per section 142 of Indian Electricity Act 2003, can approach Maharashtra Electricity Regulatory Commission at the following address

Maharastra Electricity Regulatory Commission,  
13<sup>th</sup> floor, World Trade Centre, Cuffe Parade, Colaba, 400005.  
for non-compliance, part compliance or delay in compliance of this decision issued under “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressed Forum & Ombudsman) Regulation 2003”

**Date:- 30/5/2005 paRTIAL**

|                            |                     |                     |
|----------------------------|---------------------|---------------------|
| <b>(S.H.Chaphekarande)</b> | <b>(V.V.Kelkar)</b> | <b>(I.Q.Najam)</b>  |
| <b>Member Secretary</b>    | <b>Member</b>       | <b>Chair person</b> |
| <b>CGRF Kalyan</b>         | <b>CGRF Kalyan</b>  | <b>CGRF Kalyan</b>  |