



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

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**IN THE MATTER OF GRIEVANCE NO. K/E/307/344 OF 09-10 OF M/S  
BHAGWANDAS ISPAT PVT. LTD. MURBAD , REGISTERED WITH  
CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN  
ABOUT REFUND OF DPC AND INTEREST.**

M/s. Bhagwandas Ispat Pvt. Ltd.  
H-20, MIDC, Addl. Murbad  
Village - Kundavli,  
Dist : Thane

(Here in after  
referred to  
as Consumer)

**Versus**

Maharashtra State Electricity Distribution  
Company Limited through its  
Superintending Engineer, Kalyan Circle-II

(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 (MERC) 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. The Consumer is billed as per Industrial tariff. The consumer registered grievance with the Forum on 04/11/2009 regarding Refund of DPC & Interest. The details are as follows: -

Name of the consumer : M/s. Bhagwandas Ispat Pvt. Ltd.

Address: - As above

Consumer No : 018019021150

Reason for Dispute : - Regarding Refund of DPC & Interest

- 3). The batch of papers containing above grievance was sent by Forum vide letter No. EE/CGRF/Kalyan/906, dt. 04/11/2009 to the Nodal Officer of the Licensee, and the Licensee through Nodal Officer MSEDCL Kalyan Circle-II filed reply vide letter No. SE/KCK-I/Tech/HT/4253, dt. 19/11/09.
- 4) The Chairperson & Member Secretary of the forum heard both the parties on 23/11/2009 @ 15.00 Hrs. in the meeting hall of the Forum's office. Shri B. R. Mantry representative of the consumer & Shri R. V. Purohit, Nodal Officer, Shri M. G. Pai, Accounts Officer representatives 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 the parties in respect of grievance since already recorded will be referred to avoid repetition.
- 5). The consumer is having sanction load of 3210 KW consuming energy above one lakh units per month and pays electricity bill above Rs. one crore per month. According to consumer he pays the electricity bills regularly. They have furnished Bank Guarantee (BG) of Rs. one crore.

On 11.06.09 consumer received notice for non payment of bill and bill for the month of June 09 for Rs.72,51,346/- with delayed payment of Rs. 32,534.59. It is contended that consumer had furnished Bank Guarantee of Rs.1 crore and the Deposit Rs.71,80,240/- with licensee. Consumer paid the electricity bill Rs. 42,90,530/- within the discount period and the same was adjusted towards Security Deposit (SD) arrears against the bill however, without considering the prompt payment, licensee demanded excess amount of Rs. 2,40,910/-. Since Security Deposit was already furnished, consumer requested the licensee to adjust balance SD with current bill for the month of May 08. Under impression that the bill will be adjusted against the SD held by licensee, consumer did not pay bill for the month of May 09. As it was not adjusted licensee issued notice for non payment and charged DPC with interest. It is further the contention of consumer that the licensee as per the MERC Regulations, considering the position that they are H. T. consumer should have waive interest and DPC charges and the same needs to be refunded to them. Consumer apprised the same to the concerned authority but in vain hence the grievance application.

- 6). According to licensee as per rules from all HT consumers additional SD demand was made and accordingly consumer was to pay additional SD Rs. 6,54,000 on or before 30/04/2008, however, consumer failed to pay additional SD demand on due date hence additional SD demand was adjusted out of energy bill of May 2008. This amount Rs. 42,90,530 paid on 26/05/08 i.e. after availing prompt payment discount and that short fall of Rs. 6,54,000 was against the said bill and as the IT system ignored prompt discount amount as well as charged DPC on balance outstanding

arrears of May 08, as such amount of Rs. 8,94,910 paid on 04/07/08 wrongly presumed by the consumer as payment towards addl. SD and as such consumer considered total SD Rs. 8,94,910 and the record of the licensee found amount Rs. 6,54,000. According to licensee consumer vide application dt. 29/06/09 requested to waive the amount of Rs. 2,40,910, however, it was recovered as per prevailing rules and regulations. So far BG to be adjusted from the bill of May 2009, Office of Superintending Engineer received order from Chief Engineer at fag end of 30/05/09 hence could not be considered for adjustment against the bill at the end of May 09 month, due to which consumer was asked to pay the bill with DPC.

- 7). On perusal of the record and hearing both the parties following points arise for the consideration of Forum and findings thereon for the reasons recorded below :

Points	Findings
a) Whether consumer is eligible to waive DPC with interest as prayed ?	Yes
b) What Order ?	As per order below

Reasons

- 8) According to consumer, from the electricity bill of May 08 licensee demanded SD arrears Rs. 6,54,000/-. This bill was Rs. 44,36,317/- thereby discount of Rs. 41,467/- and load incentive of Rs. 1,04,320/- total bill was paid Rs. 42,90,530/- on 26/05/08, however, Licensee shown transfer of Rs. 6,54,000 without their knowledge, thereafter from the bill June 2008 of Rs. 56,31,230/- including the arrears of Rs. 8,94,907

consumer paid on 04/07/08 Rs. 8,94,910/- thereby the licensee was to refund the amount of DPC and interest. By the letter dt. 08/10/09 consumer informed the licensee that they have submitted BG of Rs. 1 crore against the SD and they have furnished BG in the month of May 09 under the impression that the bill will be adjusted against the SD held by the licensee. Adjustment of SD is to be considered after the month from the date of application and as such electricity bill for the month of May 09 is not considered against the SD thereby DPC and interest has been charged as per the MERC Regulation 2005. It is seen from the letter of Superintending Engineer, Kalyan Circle – II dt. 20/08/09 since IT system ignored prompt discount amount as well as charged DPC on balance outstanding arrears of May 08, consumer appears to have wrongly presumed that amount of Rs. 4,94,910 paid on 04/07/08 as payment towards addl. SD and that the record found Rs. 6,54,000. This shows due to computer mistake, some misunderstanding arose and thereby point of DPC arose.

- 9) So far BG is concerned, the office of Chief Engineer had directed to adjust May 09 bill towards BG received at the fag end of 30/05/09 by fax hence it could not be considered for adjustment against bill at the end of May 09, therefore, the licensee had asked the consumer to pay the bill with DPC. In fact, consumer by the application requested for adjustment for May 2009 bill against the BG itself.
- 10) So far DPC, interest and prompt pay discount of May 2008 is concerned, it is seen the office of licensee adjusted the SD in current bill instead giving notice to consumer for furnishing SD within 30 days as per the Regulations of MERC. Hon. Ombudsman by order dt. 26/03/09 in Representation No. 23 of 2009 observed that SD is not to be adjusted in current bill, and that

separate notice is to be given to that effect to the consumer. In the case in hand without giving separate notice to the consumer office of licensee appropriated SD in the current bill, squarely in contravention to the observations as above.

- 11) On perusal the record it is seen, HT consumer consuming electricity more than 1 lakh units per month and pays the electricity bill regularly. Due to computer mistake in the office of licensee and misunderstanding on the part of consumer, it seems confusion arose resulting in DPC and the consequence of charging interest. Considering the observation of Hon. Ombudsman mentioned supra and as there was no intention on the part of consumer to delay the payment and as the statute is enacted with animus to look to the interests of consumer as well as the public company, in the fitness of circumstances we feel proper to waive DPC with interest and that consumer deserves the same. Point is answered according and hence the order :

### **ORDER**

- 1) Grievance application is allowed.
- 2) Licensee is directed to waive DPC and interest recovered from the consumer within 60 days from the date of this decision.
- 3) The Compliance should be reported to the forum within 60 days from the date of this decision.
- 4) The Consumer can file representation against this decision with Hon. Electricity 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, 003, 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 : 09/12/2009

(R.V.Shivdas)  
Member Secretary  
CGRF Kalyan

(S.N. Saundankar)  
Chairperson  
CGRF Kalyan