



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/ 0166/ 0189 OF 08-09
OF M/S. K. K. CHEMINSTRUMENTS, MIDC DOMBIVALI REGISTERED
WITH CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE,
KALYAN ABOUT EXCESSIVE BILLING.**

**M/s. K. K. Cheminstruments
Through its proprietor
Prof.Dr.P.K.Chopade,
Plot No. A – 130, Phase – 1,
M.I.D.C. Dombivali (East)
Dist : Thane, Pin : 421 203**

**Here-in after
referred
as Consumer**

Versus

**Maharashtra State Electricity Distribution
Company Limited through its
Dy. Executive Engineer
Kalyan (East) Sub-Division No. I**

**Here-in-after
referred
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 L.T. Industrial consumer of the licensee connected to their 415-volt network. The Consumer is billed as per Industrial tariff. Consumer registered grievance with the Forum on dated 02/02/2009 for Excessive Energy Bill. The details are as follows: -
Name of the consumer :- M/s. K. K. Chemistruments
Address: - As above
Consumer No : - 021500002082
Reason of dispute: Excessive Energy Bill.**
- 3). **The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/076 dated 02/02/2009 to Nodal Officer, Kalyan Circle-1, Kalyan. The licensee though initially did not file any reply, subsequently filed say cum reply dated 16.3.09 regarding interest paid to the consumer on security deposit from 1998 to May 2005 with detailed statement from Dec.97 to Feb.09, and also a letter dated 25.2.09 with CPL from Dec.97 to Feb.09. The consumer also subsequently filed letters dated 19.3.09 and 21.3.09 by way as reply to the above letter cum reply dtd 16.3.09 filed by the licensee.**

- 4). The Members of the Forum heard both the parties on 17/02/2009 @ 15.00 Hrs. in the meeting hall of the Forum's office. Dr. Shri P. K. Chopade, the Proprietor of Consumer M/s.K.K.Chemiinstruments & Shri D. B. Nitnaware (N.O.), Shri Bhojane, A.E., Shri Davis, Jr. Engr., Shri D. R. Patil, Dy. EE., Sau. S. S. Natu, Asstt. Acctt., Sau S. K. Kalan, LDC., representatives of the licensee attended hearing.
- 5). The consumer approached IGRC on 8.5.06, after making efforts to get his grievances resolved by the officers of the licensee. The IGRC vide letter dtd.29.6.06 intimated the consumer that he has instructed the concerned Executive Engineer, to refund in lumpsom and to give interest as per norms. Thereafter the consumer made further correspondence with the concerned officers of the licensee to get the above directions of the IGRC implemented but was not satisfied with the action taken by the said officers, and therefore he has again requested the IGRC through Nodel Officer, Kalyan Circle-1, Kalyan, to give him further hearing as according to him, his grievances have been incompletely redressed. However, the Nodel Officer, vide letter dtd. 24.11.08 informed the consumer that since the hearing in the said case was already completed and he has given his decision in the case on 29.6.06, he may approach the higher forum, if the said decision is not acceptable to him. Therefore, the consumer has filed the present grievance before this forum.
- 6) The consumer submits that he has been fighting with licensee unsuccessfully for redressal of his grievances since last 9 years. The consumer has written more than 100 letters to the licensee. But no a single document available with the licensee. However the consumer

narrated the background of the case from dispute to decision of the IGRC.

- 7). The consumer submits that this is a case of illegal and unjustified disconnection followed by repeated recurrence due to negligence and irresponsible attitude of the licensee officers, which caused heavy and unbearable loss to a 74 year old Sr. citizen, Proprietor, to the extent upto closing and disposing his factory. Consumer stated that since the instructions to E.E. given by Nodal officer was unclear, the licensee officers tried to bend the instructions and misinterpreted the decision of IGRC as they requires. He again approached the IGRC to give elaborate instructions, then the Nodal officer given in writing that once the decision is given, re-decision can not be given, so you have to approach next authority i.e. CGRF So he approached CGRC and registered his case on 02.02.09. The consumer stated that he had availed a three phase Industrial Power, IP 67 HP, connection in the year 1971 having consumer No.021500002082 In the year 2000 he planed to implement a chemical project exhaustively researched by his Doctorate Chemical Engineer Son along with a team of Doctorate technologist and chemical Engineers at America. He installed all machineries and his Doctorate Chemical Engineer Son left America to India just to start this project at his developed plant at Dombivali. In the meantime the consumer represented with the licensee for erroneous and exorbitant “average bills” issued during Jan.2000 to Jan.2001. He was made to run from pillar to post, made protracted correspondence with licensee and gave No of personal visits to various offices from Sub Division to Zonal offices, but all went fruitless and finally instead of solving his

grievances, his supply has been disconnected permanently without any notice or justification. He constantly followed the matter exhaustively irrespective of old age. Then the Dy. E. E. (Shri Nichhat) replaced the concerned T/F with lower capacity, with malafied intention and declared that the load of 67 HP can not be given from the T/F. If the consumer want supply, he has to apply for new connection and bears all infrastructure cost. He approached the S.E. who after thoroughly studying the case directed E.E. / Dy. EE stating that “he is an existing consumer whose supply is illegally disconnected. He has not paid the bill for want of solving the dispute. The consumer asked current bill, till his dispute is cleared. Before clearing his dispute, his supply is disconnected. If the T/F is overload, replace it by suitable capacity and reconnect the supply immediately.” Then the licensee officers opened their eyes. The EE approved and instructed Dy. E. E. to replace higher capacity T/F and reconnect the supply. While reconnecting the supply Dy. E. E. purposely recovered minimum bills, SLC charges, addl. SD, reconnection charges, meter cost etc. as required for new connection, inspite of SE’s instructions to reconnect the supply. The consumer paid all these payments under protest because he required supply. Even after making the payments as demanded by Dy.EE, the reconnection again delayed. When reconnected, only one phase was connected purposely with an intention to harass the consumer because he has not fulfilled his personal requirement. Finally he got reconnection (3 phase) after 45 months. He took up the issue of refund of all these payments on the basis of SE’s letter. Licensee EE/Dy.EE did not give any response. Finally the consumer approached IGRC. IGRC declared

it “as illegal disconnection”, and “instructions given to the EE to refund in lumpsum (Annexure -1) by cheque, Also give interest as per norms” vide letter No.2617 dt.29.7.06. But the Dy.EE did not implement the order of IGRC Nodal Officer. From here his new grievances started and he kept his follow up constantly. He got some recovered amount partly refunded after two years creating more grievances. He is constantly following up with the licensee since last 10 years. He fed up by dealing with the licensee, mentally and physically disturbed in addition to uncountable loss. On having aggrieved, the consumer finally approached the CGRF for justice. The relief’s now sought from CGRF are as below:

- 8). The consumer further submits that though the grievances are discussed in detail in IGRC and proposed appropriate action, the instructions given to the Executive Engineer, were very brief, inadequate and unclear. Due to that the EE interpreted the same as his imagination. Therefore implementation was not effected properly and created new grievances due to incomplete execution. To his 1+10 pages grievance letter and detailed hearing for half a day, IGRC gave redress by letter dated 29-07-06, as “instructions have been given to the EE (i). to refund in lumpsum (Annexure -1) by cheque, (ii). Also give interest as per norms”. The redress being very brief, qualitative. The consumer initially, could not sense the illusory part of it Lumpsum meant the total sum of refund from several issues. One item was his credit amount. They deducted energy bills during one year to the tune of Rs.71,000/- still remained balance to the tune of Rs.61000/-. This amount they refunded by cheque. There are no norm for giving interest.

Not considered payment against other dues. The EE further contravened the instructions of IGRC “Also give interest as per norms” denying paying interest and the consumer was intimated in March 07, (Annexure.-2), 8 to 9 months after the date of instructions of IGRC that the execution of redress was totally completed.

- 9). The consumer further submits that on his persistent hectic struggle along with that of Nodal officer, the EE informed (Annexure.-3) that the issue of consumer protection act in Oct. 07 the issue being a policy matter, is being referred to higher office and further conceded in July 08 (Annexure. 4) that the issue of updating SD is being pursued and after that interest will be paid at the rate of 6%. Under the circumstances CGRF is requested to convert redress of IGRC to elaborate, quantitative, precise and clear redress.
- 10). As against this, the representative of licensee submits that IGRC has given decision to refund in lumpsum by cheque and also give interest as per norms. Accordingly, consumer has been given the refund. But in respect of norms for giving interest on interest the licensee said “there is no such norms”. The licensee then informed the IGRC that the implementation of the grievances are completed.
- 11). The consumer further submits that as regards the norms of charging interest by MSEDCL, following are the instances when MSEDCL charged him interest and DPC on erroneous bills, erroneous and “pseudo” arrears. For erroneous bill of Rs.15649/-, even if rightly disputed, MSEDCL has charged him in Aug.2005 and forcibly recovered from his credit account along with 1.5% interest & 2% DPC for the period August to Oct. 2005.

- 12). The consumer further submits that he is paying bills in full. Still in some recent instances MSEDCL is charging 'pseudo' arrears and interest on these 'pseudo' arrears, are as follows:

Month & year	'Pseudo' arrears Rs	Interest charged per month Rs.	Interest per month %
Jan. 08	2.41	0.79	23
June 08	Nil	0.38	Infinity
Oct 08	1.42	0.76	53.5
Dec. 08	44.45	1.05	24
Jan. 09	41.00	2.01	6.9

-The consumer further submits that taking into consideration the above statement, this forum should decide the issue on merit and lawfully permitted norms, without discrimination to the norms of MSEDCL of recovery of arrears. If this forum decides that the payable amount by MSEDCL should be inclusive of penal charges then such penal charges be specified, the EE should be given specific and precise instructions accordingly. Alternatively if this forum decides that the refund after two years may be considered as arrears payable by MSEDCL, the EE may be instructed to give refund, without discrimination with the norms of MSEDCL, by including compound interest 1.5 % and DPC 2% after due dates.

- 13). The Forum asked the licensee, what was the minimum bill of the consumer, the representative of licensee replied as Rs.5000/-. If it was so, forum enquired as to how then totally SD of Rs.22,880/- was taken from the consumer. The representative of the licensee however could not reply the above query satisfactorily.
- 14). The representative of the Licensee submits that the consumer should apply for the refund of SD alongwith original receipts. The consumer submits that since this is very old matter, he doesn't have original receipts. Considering the above facts, the Forum suggested the licensee to settle the issue on the basis of information on record, because as per consumer's statement and licensee, the SD amount with licensee is tallying. The Forum further asked the licensee to give details from 1998 till to day about the amount of SD paid at various intervals and interest paid, for which the licensee asked for 15 days for preparation this information. However forum gave them 8 days time as the licensee had already got one month's time during which the dispute was pending with the IGRC.
- 15). Consumer further submits as under :-
- 1). Relief by way of complete execution of elaborate, unequivocal and non-ambiguous, specifically point wise redress is sought.
 - (A) - Relief on account of skipped over execution of redress.
 - A-1: Payment of interest on SD as per guide lines of RBI and updating SD amount.. (i) the consumer submits that the licensee has paid the interest on the security deposit of Rs.12,140/- disproportionate to the periods as under:

1	From Feb.98 to Feb.99 the interest paid -(for 12 months) on SD of Rs.,12140/-	Rs. 0668 (A.5)
2	From March 99 to March 2000(12 months) interest paid on SD of Rs.,12140/-	Rs.9637 (A-5)
3	From April 2000 to June 2001 (for 15 months) the interest paid. on SD of Rs.,12140/-	Rs.0546 (A-5)
4	.From July 01 to Jan.03 (19 months) the interest paid on SD of Rs.12140/-	Rs.0425 (A.5)
5	From Jan.03 to May 05 the interest paid by MSEDCL SD on SD of Rs.,12140/- at 3% per annum(for 17 months)	Rs.1046 (A-5)
6	In June 05 the licensee has recovered from the consumer an ASD of Rs.10,740/- .From June 05 onwards till today no interest is paid on total SD (12140/- + Rs.10,740/-) of Rs.22880/-	No interest is paid from Jun.05 on SD of Rs. 22880/-

He further submits that the interest calculated above (1) to (5) are not correct, as on the same amount of SD, the interest paid for 19 months is less than the interest paid for 12 months. This should be revised. He further submits that the interest on the total SD of Rs.22,880/- from June 05 is not paid. He further submits that for the above referred period and on the payments delayed after annual due dates, interest at the rate applied to default consumer i.e. @ 1.5 % interest and 2% DPC be paid. The forum asked the licensee to furnish complete data of up dating of SD from 1998 till Jan. 2009 and the interest paid during this period. The licensee agreed to submit this information within 8 days.

2). The consumer further submits that the EE Mr Jadhav did not execute the guide lines of RBI. Thus the EE neglected and not considered the guide lines of RBI, even after directive from Competent Authority. Later S.E. Kalyan Circle-I, reminded the EE, as per recent letter No.5116 dated 25.11.08 (copy enclosed Annexure.6) that “the matter is pending since last two years, therefore your compliance of action should be submitted within 7 days.” After this notice of 7 days till today there is no actual execution of the instructions by the E.E.

A-2). The consumer also demanded reimbursement of unnecessary burden of overheads incurred for the period (Sept. 2000 to June 2004) during which no power was catered to him. He claims compensation / reimbursement on this count as under:

(a). Watchmen wages for 4 years for two watchmen 45 months period of power disconnected. as: Rs.48,000/- for 1st twelve months, Rs 52,800/- for 2nd twelve months, Rs.60,000/- for further nine months, Rs. 48,600/- for balance nine months, a total of Rs 2,09,400/- The consumer further submits that as the amount is not reimbursed so far (for more than four years), the payable amount should be treated as arrears and recurring arrears receivable from MSEDCL, without discrimination to the norms MSEDCL of recovery of arrears, along with monthly interest 1.5% and DPC 2% pm. The forum asked the consumer why he was required to keep the watchman. The consumer replied that The MSEDCL disconnected power illegally without giving notice. With reference to date of illegal disconnection PD, Feb.01 as per CPL and thereby suspension of factory activities,

lawfully he had to pay salary to all the staff upto April 01. However he has put up demand of salaries of watchmen only.

(b) The consumer further submits that he has incurred expenses on visits and communication for getting justified services and for getting redress of recurring grievances as: Rs.2100/- during the year 2000, Rs.400/- + Rs 500/- during the years 2001 and 2002, Rs.3500/- during the year 2003, Rs.4600/- during the year 2004/-, Rs.4500/- during the year 2005, Rs.3900/- during the year 2006 , Rs 4800/- during the year 2007, and Rs 5600/- during the year 2008. Thus he has incurred total expenses of Rs.29,900/- during the period of nine years. He has therefore claimed Rs.29,900/- towards the said expenses and the licensee be directed to pay the same, treating the same as arrears without discrimination to the norms MSEDCL of recovery of arrears, along with monthly interest 1.5% and DPC 2%.

(c) The consumer further submits that he has incurred expenses on repairs of machinery and equipments which got damaged due to lying idle and unused due to unjustified disconnection and non-catering of power for 1377 days. He incurred expenses to the tune of Rs. 1,38,700/- as repair charges during June 2004 to Dec. 2004. It is requested that this amount be reimbursed as recurring arrears from the year 2005, without discrimination to the norms MSEDCL of recovery of arrears, along with monthly compounded interest 1.5% and DPC 2% pm.

(d). The consumer further submits that he may be reimbursed the cost of repairs during June 2004 to Dec. 2004 to the damaged glass equipment due to unjustified disconnection of power for 1377 days.

The said cost was to the tune of Rs 1,73,400/-. He further submits that this amount be reimbursed as arrears and recurring arrears, without discrimination to the norms MSEDCL of recovery of arrears, along with monthly interest 1.5% and DPL 2% pm from the year 2005.

16). The aggrieved consumer also argued that he should get relief on account of inadequate execution of redress towards unlawfully recovered interest on recurring erroneous arrears. - The EE recovered from him (Rs.6185.25+807.80+1076.07+ 1340.80 =) 9409.92 (Annx.7, 8) in April 2002) on 'pseudo' arrears during Jan. 2000 to Dec. 2000 and reconnection charges Rs. 300/-) charged and recovered in Sept 2003. The licensee conceded that these recovered amounts from me were unlawfully recovered and therefore refunded Rs. 6185.25 in May 2004 (see CPL Annexure 5 at May 04) and (Rs. 1340.70 +1076.07+300) Rs. 2716.77 in Sept 2005 two years after the period of recovery (see CPL annexure 5 at Sept.05).

17). The consumer further submits that Unlawfully recovered reconnection charges in Sept.03 were refunded after two years. Interest on this @ RBI is not given. The interest should be given promptly as penalized to a defaulter consumer.

18). The consumer further submits that he was deprived of using the above referred amounts to meet his business expenses over and above in addition he had to bear bank interest on these amounts for the prolonged period. MSEDCL was unlawfully holding these amounts. IGRC gave instructions "to refund in lump sum by cheque and also give interest as per norms." The EE refused to pay interest stating that there are no norms to pay interest on such sums.

(Annx.9)

- 19). The consumer continued to argue that - Coercive ransom demands were recovered from him for giving reconnection. For reconnecting his power supply, MSEDCL demanded huge amounts (Rs.99730/-) (Annexure 5&7) in the month of April 2002, Rs.32160/- (Annexure-10 –bill dt.20.8.03) in the month of Sept. 2003 and charged Rs.20413/- (Annexure-5) during Feb 2004 to May 2004 under the pretext of minimum charges, duty charges etc. for the period the licensee could not cater power after unjustified disconnection of his power supply.
- 20). The consumer further submits that for getting power supply there being no alternative, he was made to surrender to the autocratic, highhanded, beyond tariff specified coercive ransom demands of huge amounts. On getting reconnection with utmost hectic and prolonged strenuous efforts for 18 months, he has convinced the licensee that these amounts recovered from him were not as per the ambit of any rules and regulations (see Annex.10). During all this period, he was under tremendous tension and was deprived of using these receivable huge amounts in business and trade yielding at least 15 to 20 % on monthly rotation over and above he had to keep on paying interest to his bank.
- 21). The consumer further submits that to his grievance-letter of 1+10 pages to get refund of these amounts along with penal charges, IGRC gave very much generalized and very brief, equivocal and ambiguous redress as “instructions have been given to the EE to

refund in lumpsum by cheque, Also give interest as per norms” The EE refunded only the credit amount in my account instead lumpsum along with interest. The licensee refused to pay interest stating that there are no norms to pay interest on such sums.

- 22). The consumer further submits that taking in to consideration that the mode of recovery of these huge amounts was high handed, coercive and ransom and held for three to four years, he request CGRF that the mode of repayment of these amounts should be with comparable harsh penalty (at-least equivalent to business and trade gain viz. 15% to 20 %) because the MSEDCL held the amounts unnecessarily for such a long period, and as the amounts are repaid after three to four years, CGRF is further requested to advise that the receivable amounts inclusive of monthly returns be treated as payment of arrears and recurring arrears from the date of coercive ransom sums recovered were refunded by MSEDCL. CGRF is requested to give suitable redress.
- 23). The consumer further submits that on the issue of consumer protection act the licensee replied him that the issue being policy matter, is being referred to higher office. But till to day no decision of the higher office is intimated and no is taken by the concerned EE on the said point.
- 24). The consumer further submits about the Historical wrongfull activity of Dy EE Shri Nichat and Shri Khandekar, JE as against his honest response. As a part of wrongfull activitiy of billing on ‘average’ for Jan. 2000 to Jan. 2001, not furnishing of provisional bill, illegal disconnection of power without written notice,

the Dy. EE, Mr Nichat gave a false report of overloading of transformer in June 2003. LATER, in July 2003, to escape the falseness of his report, the Dy. EE Mr. Nichat changed the higher KVA transformer to lower KVA transformer.(Annex.11). This is a very serious dare devil's contravention of the National Electricity Policy. The Jr. Engr. Mr. Khandekar joined hands to this conspiracy and contravention by giving a false report of giving reconnection of all the three phases of power from 3-12-2003 as against his historical inordinately delaying reconnection of all the three phases of power till 1-6-2004 through feasible system (Annex.12). In the mean time between 2002 to 2004, as a part of wrongfull planning, forcefull recovery of huge ransom sums were demanded and recovered from him for reconnecting power supply.

- 25). The consumer further submits that the then Dy.EE Shri Nichal's disloyal and mischievious action towards his Dept. and criminal action against the consumer by changing the existing higher capacity T/F to lower capacity and declared that the T/F is overloaded to refrain the consumer to get him his legitimate right of getting reconnection, is serious misconduct. Moreover Jr.Engr. Shri Khandekar, due to pressure from higher offices, installed the meter and released only one phase with a revengable intention and refrained the consumer to run his factory and reported to higher offices that the supply is released completely. Repeated representations and several visits to various offices, he finally connected other two phases. There is no any directives laid down in any rules and regulations to change the machinery/equipment not to

give power to the consumers. Both the officers therefore are liable to be punished under misconduct and indicipline. Because of this wrongfull activities, over riding rules by the EE _and forcefull recovery of huge ransom at his age of 64 to 69 years there has been human havoc in his factory and also of his next generation (being forced to migrate to America).

26). The consumer further submits that as against the wrongfull and forcefull recovery, he voluntarily intimated MSEDCL of excess crediting of Rs. 17078/- in his other consumer account head.(Annex.14 a, b, c).The contravening and conspired activity of the Dy. EE and JE has created history in MSEDCL and consumer's integrity and approach for returning excess B-80 might be historical and CGRF is requested to take serious cognizance of this incident.

27). As regards deficiency in services, illegal disconnection, highhandedness autocratic harassment and inordinate delay in reconnection, the consumer submits that appropriate relief for deficiency in services, illegal disconnection,, autocratic, highhanded ransom demands and inordinate delay in reconnection may be given. He relies on the following decisions of District, State and National consumer's forums, in support of his such submission and according to him the said forums have granted compensations in the said cases for - (a) For non preparation and non service of bills (b) failure to finalize bills after meter readings (c) unjustified disconnection of power supply (d) Inordinate delay in supply of power.

(1). Y.N.Gupta Vs DESU, 1993 (I) CPJ (NC)

(2). H.M.Manjarekar Vs Dy.Eng.MSEB 1991 (I) CPR, 452, 453 (Mah)

(3). West Bengal SEB Vs ITS Ice Factory 1993 (#) CPR, 448 (VVB)

(4). Ass.Eng. TNEB Vs Panjab SEB III (1999) CPJ, 278 (Pb).

The consumer further submits that it has been held by National Commission that non preparation and non service of bills at the given time (due date) as per billing cycle and harassing the consumer and billing them for heavy amount arrears, amounts to deficiency in service. In a case, “Y.N.Gupta V/S DESU,1993 (1) CPJ, 27(NC)” the consumer requested the details of arrears and the period to which they related. Instead of supplying details, the electricity connection was disconnected for THREE DAYS. Compensation of Rs.7000/- awarded by State Commission, was considered to be grossly inadequate by National Commission and the Commission granted compensation of Rs.30,000/- for defaulted disconnection of power for THREE DAYS.

28). The consumer further submits that in his case, he kept on requesting for revised correct bills in place of erroneous and exorbitant bills and / or provisional bills for the period of more than one year, or even requested to verify his voluntarily prepared provisional bills to enable the licensee to make the payment. Instead of supplying these details or provisional bills, his supply was disconnected illegally, without giving written notice, and finally he had to yield to huge ransom demands for getting reconnection. His power was made alive after 1225 days and all the three phases of power (full supply) were reconnected 152 days thereafter ie total 1377 days after disconnection of power. (Annexure 11 & I2). Under

such exceptional highly aggravated conditions of deficiency in services, and wrongfull activity highhanded forcefull demands and harassment by MSEDCL, the quantum of liability of compensation payable to him by MSEDCL is bound to be aggravated than the compensation as compared to the cases mentioned above. CGRF is requested for deeply thought prudent decision, without discrimination to the say of both the sides. The consumer further submits that taking into consideration his honest conduct, he is not putting unjustified and excessive demands, however he requests CGRF not to award a MEAGER relief.

- 29). The consumer further submits that due to suspension of implementation of advanced research and development activities, he was deprived of returns from such activities. The consumer further submits that In several ways, the above mentioned Dy, EE and Jr. E failed to meet standards of performances during the year 2000 to 2004 (both the years inclusive), for which penalty may be imposed on or prosecution of the erring officers, may be directed, because of their failure, he has severely affected by way of suspension of his activities and he is entitled for appropriate compensation as may be prudently determined by the Forum.
- 30). The consumer further submits that he is a Doctorate in chemical technology in the year 1964 from internationally reputed institution. He had monopolized manufacturing import substitute fine chemicals required for life saving drugs. By the year 2000, he was 64 years old with 30 years seasoned experience. His son is also a gold medalist and did Doctorate in chemical engineering in the year

1996. He, during his stay in America, developed jointly with me chemical projects during the years 1997 to 2000 based on waste from sugar industry and corn (basically agro and agro-waste material). For each of the projects, most advanced specialized techniques were developed to turn each of the project of multinational importance and into multi-crore project in a short span of time. It was a right time in the year 2001 for his son, aged 30 to come back in India at that time, to take-over his factory and implement the projects standardized. At this time he and his son had fallen prey to conspired guileful activities of the Dy. EE and Jr. E due to their failing to meet the standards of performances. He and his son both were deprived of multi crore returns on the established projects.

- 31). The consumer further submits that the said part of the project work was published by his son in the year 2000 in journal of international repute. Getting discouraged by the circumstances developed by MSEDCL, he published and patented the part project in the years 2001 to 2004, This is for information of CGRF. The copies of the work published are filed by him in this case.

The consumer further submits that in a similar project like his project income of Rs.5,00,000/- per month was earned and therefore he and his son could have definitely earn that much of profit in their such project, had the MSEDCL would not have issued wrong bills for excessive amount and could not have illegally disconnected the electricity supply to their project. The said fact be considered while

deciding the amount of compensation which he has claimed in this case. (Annexure .15)

- 32). The consumer further submits that due to failure of their project due to illegal disconnection of electric supply by the MSEDCL, his son ultimately chosen to shift to America for service and thus there has been Brain drain to America due to the illegal disconnection of electric supply by MSEDCL.
- 33). The consumer further submits that he has been Defamed by the remarks on the bills as PD client and 'Pay cash No cheque' , which the officers of MSEDCL started making, reconnection i.e. from 1st June 2004 till Nov.05, when the refund of minimum charges were credited in his Account. (For example a copy of a bill is enclosed- Anneure-16 - Bill dated 11.01.05). Such instructions are normally given to the parties, which do not pay the bills in due dates or whose cheques are bounced. By these remarks on his bills, it was made to understand to everybody that he is the party who does not pay bills in due dates and his cheques are bounced. Such a single instance is not at all taken place in his case during the last 35 years. Under the circumstances he was humiliated and unnecessarily labeled as "defaulter party" and party whose cheques are bounced. He challenges the Licensee to show such a single instance of bouncing his cheque. Taking into consideration the gravity of this serious defamation, CGRF is requested for suitable relief by way of compensation.

34). The consumer further submits that he got *Mental agony, he is agonized in two ways (1) Countable mental agony (2) Recurring mental agony.*

(1) Countable mental agony: Even though mental agony caused by deficiency in services illegal disconnection, contravening the electricity policy by Dy.EE, sustaining the payment of huge ransom demand, inordinate delay in giving connection by Junior Engineer, contravening the directions of IGRC by E.E, is historic and enormous, it is countable mental agony. (2). Recurring mental agony. : The circumstances which led his next generation family to migrate to America are the causes of recurring mental agony and it occurs time and again profusely like profuse bleeding from fresh wound.

35). The consumer further submits that at his age of 74 years now he is unable to express the extent of agony he is under going. The CGRF is requested to adjudicate about the extent of agony he is suffering and give him relief accordingly. The consumer further submits that he has not made any excessive demands, but he expecting compensation commensurate with circumstances and other equivalently comparable cases. He therefore request this forum to give a prudent decision, without under-valuing himself and circumstances while giving the relief in this respect.

36). The consumer further submits that it is his experience that during the IGRC hearing all his grievances were elaborately and clearly discussed about the quantum of relief to be given, but when IGRC gave its decision in writing, it was very brief, equivocal and

ambiguous, and he was deprived of justified relief. Therefore, he request the forum to give deeply thought prudent decision clearly and elaborately.

- 37). The consumer further submit that finally the IGRC vide letter No.5098 dated 14.11.08 informed that “all the grievances have been solved except three points (copy enclosed Annexure-17). As the IGRC conducted their hearing on 23.5.08 and given their decision on 29.6.08, re-decision could not be given. If it is not accepted to him then he can go for next forum”. It is not satisfactory and not acceptable for the reasons stated above, therefore he has approached the CGRF.
- 38). As against the above contentions of the consumer. The representative of licensee submits that the case is of 2002-2004 and hence the issue is time barred. On this, the forum expressed that there has been continuous correspondence between licensee and the consumer. The licensee implemented the orders partly and for implementation of balance issues, correspondence between the licensee and consumer is still continuing and the case is live since the dispute till to day. The last letter given by the licensee is dated 25.11.08 and the reply given by consumer is dated 17.1.09 and therefore question of time bar may not arise.
- 39). Considering the application in prescribed proforma made by the consumer before this forum, various contentions raised by him in his subsequently filed applications, notes of arguments, the reliefs claimed by the consumer before this forum, following points arise

for determination and considering various contentions raised by the party, the findings thereon are given for the following reasons:-

- (1). Relief regarding amounts of Security Deposits and interest thereon, and refund of excess Security Deposit.
- (2). Relief regarding the interest on various amounts earlier recovered from the consumer during PD period, due to delay in refunding the same.
- (3). The relief of compensation for illegal disconnection of electric supply and delay in restoring complete electric supply to the consumer.

40). Relief regarding amounts of Security Deposits and interest thereon, and refund of excess Security Deposit: Admittedly the initial security deposit taken from the consumer at the time of giving electric connection in the year 1997, was Rs.12,140/-. The CPL of the period from Dec.07 to Feb.09 produced by the licensee with letter dated 25.03.09 shows that the amount of security deposit is shown as Rs.12,140/- from Dec.07 to Sept.04, Rs.22,140/- from Oct.04 to Feb.05 and Rs.22,880/- from Mar.05 to Oct.07, Rs.Nil from Nov.07 to May 08, Rs.10,000/- from Jun.08 to Feb.09. The consumer denies any receipt of refund of any amount of Security Deposit and the licensee also does not claim any such refund. Therefore obviously the entries of the SD as above, reducing the amount of SD, are incorrect. It appears from the claim made by the consumer in his letters dated 19.3.09 and 9.3.09 and from zerox copy of receipt dt.3.9.03 and demand notice dtd.2.9.03 that an amount of Rs.10,000/- was taken as Addl. Security Deposit from the consumer on 3.9.03. The consumer,

during the course of arguments, submitted that he is not having original receipt of the said amounts. Therefore the licensee is directed to change the amount of SD from Rs.12,140/- to Rs. 22,140/- from Sept.03 and calculate further interest on such total amount of security deposit of Rs.22,140/- from Sept.03 onwards and pay the said amount of interest @ as may be hereinafter directed, on consumer following prescribed procedure to get such payment of addl. Security deposit confirmed in absence of original receipts.

- 41). The consumer has claimed interest on the amounts of SD at the rate which the licensee applies to the defaulter consumers i.e. @ of Rs.1.5% per month with 2.5% DPC on the ground that the licensee did not refund the amount of SD during the period in which the supply of electricity to his industry was stopped for about 1377 days due to delay in restoration of supply and that excess amount has been taken as SD. It is clear from Section 47 (4) of the Electricity Act 2003 read with Clause No.11.11 of the MERC (Electric Code and other Conditions of supply) Regulations 2005 that the licensee has to pay the interest at the rate equivalent to the Bank rate of Reserve Bank of India on the amounts of Security Deposit of the consumers. In view of this, this forum also can not direct the payment of interest at more rate than the above referred bank rate. It is also clear from the order of MERC in case No.2 of 2003 that in the said case the MERC directed payment of interest at the rate applied by MSEB to their customers on the amounts collected on account of invocation of connected load power penalty not in line with the dispensation observed by MERC. However, it is not so in the instant case the

concerned amount is of Security Deposit. Therefore for the above reasons, such request of consumer for the interest at higher rate on such amount can not be granted and hence rejected. Therefore the licensee is directed to pay the interest on the amounts of S.D. at the bank rate of RBI, after recalculating the amount of interest, changing the amount of SD from Sept.03, after deducting the amount of interest already paid.

- 42). The consumer has prayed for refund of excess amount of Security Deposit as per the provisions clause 11.4 of the above referred regulations 2005, the licensee has to recalculate the amount of SD once in each financial year. Therefore the prayer of consumer for refund of excess amount of SD will have to be granted. The licensee is directed to recalculate the amount of SD by considering the consumption during the last 12 months and refund excess SD within a period of 60 days.
- 43). As to relief regarding the interest on various amounts earlier recovered from the consumer, during PD period, due to delay in refunding the same:- The consumer claim that the licensee demanded and recovered huge amount of Rs.99730/- in April 02 (Annexure 5 & 7), Rs. 32160/- in the month of Sept.03 (A.10 bill dtd.20.8.03), charged Rs.20,413/- (A.5) during Feb.04 to May 04 under the pretext of minimum charges, duty charges etc. , and also recovered from the consumer amounts of Rs.6185.25 + Rs.807.80 + Rs.1070.07 + Rs.1340.80 = Rs.9409.92 in April 2002 (Annexure 7 & 8) as arrears during Jan.00 to Dec.00, charged and recovered an amount of Rs.300/- towards reconnection charges illegally, but

subsequently refunded the same to him on his representations. He further submit that however, the licensee refused to pay interest on the said amount on the ground that “there are no norms” to pay interest on such amounts. The consumer claims interest at the rate which the licensee applies to the defaulters. However, considering the above referred provisions of Section 47 (4) of the Electricity Act 2003 read with Clause No.11.11 of the MERC (Electric Code and other Conditions of supply) Regulations 2005, and fact that the licensee subsequently refunded the said amounts prima-facie show that the same were unnecessarily recovered from the consumer and the licensee also made much delay in refunding the said amounts, the licensee directed to pay the interest on the said amounts at the bank rate of RBI from the respective dates of recovery till the respective dates of refund to the consumer within a period two months from the date of this decision.

- 44). As to the relief of compensation for illegal disconnection of electric supply and delay in restoring complete electric supply to the consumer:- Admittedly the electric supply to the consumer was disconnected and the same was disconnected status during the period from Feb.01 to Jan.04 as is clear from CPL filed by the licensee with letter dated 25.2.2009. The said CPL shows that the consumer was making the payment regularly till July 1999 from the date of connection in Dec.97, but the consumer stopped paying the bills regularly from Aug.99 as a result of which the arrears have increased to Rs.1,14,069.77 in Dec.2000 and then Rs.1,26,281.89 in Jan.2001, and therefore the electric supply was disconnected,

probably in the month of Feb.01 or so. It is pertinent to note that the consumer has not filed any document to show that he has claimed before any officers of licensee or IGRC that he has not received any notice about disconnection from the licensee. He has not filed copy of the letter dtd.30.5.2000 which he allegedly made to the IGRC and copy of the letter 8.5.06, referred by IGRC in his letter dtd.29.6.06. It is for the first time in the grievance before this forum that the consumer has claimed that the licensee did not give any notice of disconnection to him and therefore it is difficult to believe the same. Moreover, the cause of action for challenging the said alleged illegal disconnection took place in Feb.01 and therefore considering the provisions of Clause 6.6 of the MERC (CGRF & Electricity Ombudsman) Regulation 2006, this forum consider the grievance of consumer regarding such alleged illegal disconnection within a period of 2 years from the cause of action in Feb.01, or at the most within a period of two years from the date 10.06.03 on which the electricity act 2003 came into force. Therefore consumer's claim about it is barred by limitation. Therefore consumer's claim about compensation for alleged disconnection of electric supply is rejected.

- 45). Thus considering the contentions raised by the both the parties and the record of the case, the forum unanimously holds as above and passed the following order.

O-R-D-E-R

- 1). The licensee should recalculate the amount of Security Deposit and refund the interest and also excess SD amount as directed in para (40 to 42) above.
- 2). The licensee should pay the interest at the Bank rate of RBI on various amounts earlier recovered and subsequently refunded to the consumer, from the respective dates of recovery till the respective dates of refund as directed in para-43 above.
- 3). The prayer of consumer for compensation for the disconnection of electric supply and its consequential effects, is rejected.
- 4). Compliance should be reported to the forum within 90 days from the date of this decision.
- 5). Consumer can file appeal against this decision with the Ombudsman at the following address.

***“Maharashtra 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 the Electricity Act, 2003, can approach Maharashtra Electricity Regulatory Commission 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 : 01/04/2009

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

**(M.N.Patale)
Chairman
CGRF Kalyan**

**(R.V.Shivdas)
Member Secretary
CGRF Kalyan**