



Consumer Grievance Redressal Forum, Kalyan Zone  
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301  
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**IN THE MATTER OF GRIEVANCE NO. K/E/334/375 OF 09-10 OF M/S  
JANICE TEXTILES LTD. MURBAD , REGISTERED WITH  
CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE,  
KALYAN FOR NON REFUND OF SECURITY DEPOSIT AND OTHER  
CHARGES.**

M/s. Janice Textiles Ltd.  
Plot No. A – 4/2, MIDC  
Murbad : 421 401,  
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 complainant was H.T. consumer of the Licensee and was billed as per Industrial tariff. The complainant registered grievance with the Forum on 05/05/2010 regarding Excessive Energy Bill. The details are as follows : -  
Name of the complainant : M/s. Janice Textiles Ltd.  
Address: - As above  
Old Consumer No : 018019018985  
Reason for Dispute : - Regarding Excessive Energy Bill
- 3). The batch of papers containing above grievance was sent by Forum vide letter No. EE/CGRF/Kalyan/186, dt. 05/05/2010 to the Nodal Officer of the Licensee, and the Licensee through Nodal Officer MSEDCL Kalyan Circle-II filed reply vide letter No. SE/KCK-II/HTB/2328, dt. 31/05/2010.
- 4) The Members of the forum heard both the parties at length, on 01/06/2010 @ 15.00 Hrs. in the meeting hall of the Forum's office. Shri A. K. Gupta representative of the consumer & Shri G. K. Panpatil, Nodal Officer, Shri V.D. Kale, Asstt. Engr., Shri P. M. Garg Asstt. Acctt. representatives of the licensee, attended hearing. Second hearing was held on 21/06/2010 at 15.00 hrs. in the meeting hall of the Forum's office. Shri A. K. Gupta representative of the consumer & Shri G. K. Panpatil, Nodal Officer, Shri V. D. Kale, Asstt. Engr., Shri P. M. Garg Asstt. Acctt. 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) Complainant factory was H.T. consumer. Supply to the complainant factory was permanently disconnected in July 2004. According to

the complainant they never exceeded the sanctioned contract Demand of 417 KVA and inspite of this, officials of the licensee raised false and incorrect bills showing they exceeded the limits on various occasions. It is contended licensee temporarily disconnected the electric supply of the factory alleging they have committed breach of agreement with the Board and raised false bill till 2004 totaling to Rs. 20,11,179.88. Thereafter licensee filed civil suit for recovery of alleged arrears with interest, in Civil Court at Kalyan bearing No.41 of 2005. Records shows on the request application of consumer dt.14.12.07 during the pendency of the said suit opted for One Time Settlement(OTS) package on depositing additional Rs.60,000/- as 2% of the total amount claimed. The competent authority at HO awarded the package by their letter dated 11.02.08 on the terms and conditions mentioned therein. By this package one of the conditions is that the date of TD is to be treated as the date of PD and the minimum demand charges from TD to PD be waived, however, no refund for amount already paid is to be made and that the package was valid for one month from the date of intimation to the consumer. The said suit was withdrawn by the licensee on 08.03.10. By the grievance application complainant alleges that the licensee waived demand charges from TD to PD period on 11.02.08 (on the date of package) and declared their liability nil as on 30.3.01 however did not refund Rs.7,84,569/- which they have paid for 10 months from April 01 to Jan.02 after TD and Rs.60,000/- received as addl. amount 2% on 15.11.07. It is contended even after disconnection of electric supply on 30.3.01 to Jan.01 they have paid Rs.7,84,569/- and this amount they are entitled to get from the licensee. It is further the contention of complainant that inspite no

dues against the factory, licensee raised false bills and as they had no alternative they have paid Rs.60000/- as additional to opt for OTS package therefore they are entitle to recover this amount of Rs.60000/-. So far the amount of Security Deposit it is contended, since the complainant's supply is permanently disconnected, there is no point in keeping this deposit amount with the licensee and that the licensee is liable to pay this amount with interest. Complainant requested the licensee by applications dt. 02.10.07, 15.10.07, 23.07.07 and thereafter also to refund amount of Rs. 7,84,569/- + Rs.60,000/- and Rs.5,05,050/- with interest but in vain, therefore complainant lodged this reference with prayers to direct the licensee to refund the above said amount with interest as per rules.

- 6). Licensee opposed the contentions raised above. It is contented that on the request of complainant and undertaking to that effect HO awarded OTS package by letter dtd. 11.02.08 and the award which binds the complainant mentions the date of TD to be treated as the date of PD, the minimum demand charges from TD to PD are waived, no refund of amount already paid (if any) thereby whatever amount paid by the consumer already not to be refunded therefore question of refund of amount of Rs. 7,84,569/- paid by the complainant in view of the undertaking does not arise. So far refund of Rs.60,000/- it is contended complainant opted for OTS and this amount as 2% was paid to that effect for proposal, can not be refunded. So far amount of Rs.5,05,05/- as SD lying with licensee, it is contended being the amount of complainant can be adjusted as per terms of package. In short, according to licensee since OTS package binds the complainant, amount already paid i.e.Rs. 7,84,569/-, and Rs.60000/- being the amount for proposal ,

can not be refunded and hence payment of interest is out of question. Consequently licensee prayed to dismiss the grievance application being devoid of substance.

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

Points	Findings
a). Whether it is proper to direct the licensee to refund amount of Rs. 7,84,569/- paid by the complainant towards the bill from 30.03.01 to Jan.02 for 10 months , with interest ?	Yes
b). Whether it is proper to direct the licensee to refund of Rs.60,000/- as 2% amount paid by the complainant towards the proposal of OTS package with interest?	Yes
c). Whether it is proper to direct the licensee to refund Security Deposit Rs.5,05,050/- with interest ?	Yes
d)What Order ?	As per Order below

### Reasons

- 9) Learned representative for the complainant factory inviting our attention to the voluminous record urged with force that complainant factory never exceeded the sanctioned contract demand of 417 kVA nor committed any breach of agreement with Board, factory was not in arrears of any charges and inspite of this, officials of the licensee discontinued their supply without notice on 30.3.01 illegally. He submitted that the licensee admitting their mistake of wrong recording MD readings, demanding SLC and SD refunded them amounts earlier, however knowing that the factory is not due to pay any

amount, to harass showing falsely factory in arrears recovered illegally Rs.7,84,569/- and this amount licensee is liable to refund, however, by one sentence as term of package mentions that amount already paid not to be refunded causes injustice to the factory. CR with force further submitted that this term of package of not refunding the amount already paid is discriminative in as much as while passing other OTS packages dt.15.10.07 in case of M/s.K.T.Steel Industries, dt. 17.9.08 M/s.Areeb Rolling Mills, the competent authority refunded the amounts they have already paid. He has relied on the chart enclosed with the letter dtd 21.06.10 placed on record. Complainant factory's connection was Temporarily Disconnected on 31.03.01 and was Permanantly Disconnected in April 2004 i.e. after 52 months. In case of M/s.Areeb Rolling Mills their PD was done only after six months and four days after TD is the instance of discrimination pointed out by the CR. We have gone through the entire records. We nowhere find as to how the amount of Rs. 7,84,569/- was recovered by the licensee from the complainant. In the Plaint of Suit No.41/05 also no description of this amount is given. By various letters issued by the complainant it is apparent that the amount as above was paid to the licensee. According to complainant in order to restore electricity after TD, they have paid the amount as above. By the OTS package letter dtd. 11.02.08 placed on record mentions the date of TD to be treated as PD and the minimum demand charges from TD to PD are waived but no refund for amount already paid. As stated above, according to complainant he was neither in arrears of any amount nor they have exceeded the limits of maximum demand at any time, however to restore the electricity, amount as above was paid. The unilateral decision of the licensee of not refunding the amount paid earlier by the consumer for no reason

a wrong message will go to the consumer that not to deposit the amount with licensee. In the case in hand, complainant factory paid the amount as above, with a view to restore the electricity which was disconnected illegally. This amount was not the energy bill but received by the licensee wrongly towards minimum charges. Had complainant not paid amount as above, would have been protected as per the above said package formula. Since complainant consumer paid amount even after TD the same needs to be refunded as per the principle of natural justice, in as much as, vide package formula minimum charges from TD to PD are to be waived. Complainant factory's TD was done in March 01 and it was made PD in 2004. Amount as above was deposited from April 01 to Jan.02 i.e. after TD needs to be refunded to the consumer who honestly paid, considering the principle of natural justice, equity and good conscience.

- 10). Apart from the terms of package formula referred to supra, learned representative for complainant submitted that licensee made intentional discrimination in respect of complainant factory. Inviting our attention to the chart he pointed out the cases wherein the licensee shown favourism. In fact, all consumers are equal before the distribution licensee and on one footing, and that rule of equality demands to treat all with one scale. According to complainant by OTS packages dt.15.10.07 and 17.09.08 M/s.K.T.Steel Industries and M/s.Areeb Rolling Mills respectively, were refunded amounts whereas by the package dt 11.2.08 complainants are not refunded the amount complainant paid, is not only discrimination but a clear-cut example of causing injustice. On perusal the records couple with chart as above we find force in the submission of learned representative for complainant. By the package letter dtd 11.02.08 in case of complainant it was directed no refund of amount already paid, if any,

whereas while giving package to other companies amounts already paid have been refunded as pointed out by the complainant in their letter dtd 21.06.10. Licensee cannot cause such a discrimination and injustice to the consumer. From this point of view, it is not proper on the part of the licensee to direct the complainant consumer that amount already paid will not be refunded and that we feel that amount paid by complainant needs to be refunded to him.

11). It is to be noted that in the year 2005 licensee had filed spl CS No.41/05 against the complainant for recovery of the bill amount including the amount claimed by the complainant in the Court at Kalyan and the same was withdrawn unconditionally on 08.03.10, vide letter of S.E. dtd 11.11.09, considering the records as a whole speaks volume. According to complainant with a view to restore electric supply which was discontinued illegally he had paid the amount and the same required to be refunded. It is pertinent to note that representative for the licensee were directed to file record in connection with the amount received however nothing is placed on record. On the premise claim of the complainant about refund of Rs. 7,84,569/- with interest if looked in the light of the documents on record, to our considered view it is proper to direct the licensee to refund the said amount to the complainant with bank rate interest.

12). Admittedly complainant paid Rs.60,000/- as 2% towards the proposal of OTS package vide letter of SE dtd 15.11.07. According to complainant he had demanded this amount from the licensee but no response was given. It is seen from the letter of complainant dtd 26.11.07 he had paid this amount under protest. During the course of hearing Representative of the licensee were directed to produce details on OTS i.e. circular, notification and its reservations but nothing placed on record, therefore, on the basis of available scanty



record we are constrained to proceed with the grievance. When according to complainant he paid the said amount under protest and when his connection was Temporarily Disconnected in 2001 and it was so done illegally, amount so paid by the complainant necessary to be refunded to him with Bank rate interest. It is seen from the record complainant repeatedly requested the licensee to refund this amount but he was not responded. When the amount was received it has to be refunded that too with interest in the natural course of event. On going through the record and the circumstances referred to above we find it proper to direct the licensee to refund the said amount of Rs.60,000/- to the complainant with bank rate interest.

13). So far refund of Security Deposit Rs.5,05,050/- it is seen from the letter of complainant dt 12.04.10, was claimed since 28.04.09 but till to-day it has not been refunded. Admittedly complainant factory's connection was permanently disconnected in the year 2004 that means since then complainant is not the consumer of the licensee. When complainant is no more consumer and the SD was demanded licensee is duty bound to refund the said amount immediately. True it is, SD amount was subject matter of the suit No.41/05 and the suit was withdrawn on 08.03.10. After withdrawal of the suit complainant by their letter dtd 21.6.10 also claimed the amount of the SD but nothing done by the licensee so far. On this background, we feel proper to direct the licensee to refund the amount of SD with RBI bank rate of interest.

14) Learned representative for the complainant submitted that officials of the licensee without notice disconnected the supply of factory in the year 2001 and though repeated requests and correspondence made, cognizance was not taken thereby factory suffered loss, and in this context licensee be directed to pay them

heavy compensation. Regulation 8 of the Maharashtra Electricity Regulatory Commission (consumer grievance Redressal forum and electricity ombudsman) Regulation 2006 provides that if after the completion of the proceeding forum is satisfied with any of the allegations contained in the grievance is correct, it shall issue an order to the distribution licensee directing to pay such amount as may be awarded by it as compensation to the consumer for any loss or damage suffered by him. In the present case factory's electric connection was disconnected in the year 2001 and till today it has not been restored. Licensee filed suit in the year 2005 and got it withdrawn unconditionally in the year 2010. It is seen during the span of 10 years complainant factory is without electric supply, consequently it must have suffered loss/damage. This loss to our view needs to be compensated. Going through the record and the circumstances discussed supra, we feel it proper to direct the licensee to pay a just compensation of Rs.10000/- (Rs.Ten thousand only) to the complainant. In view of the discussion as above grievance application since carry substance apt to be allowed. Points are answered accordingly and hence the order :

### **ORDER**

- 1) Grievance application is allowed.
- 2) Licensee is directed to refund amount of Rs.7,84,569/- towards the bill from April 01 to Jan.02 after TD and Rs.60000/- as 2% for proposal of OTS package with bank rate interest to the complainant.
- 3) Licensee is further directed to refund Rs.5,05,050/- towards Security Deposit with bank rate interest to the complainant.
- 4) Licensee to refund the above said amounts to the complainant within 30 days from the date of this order.

5) Licensee to pay Rs.10000/- (Rs.Ten thousand only) as compensation to the complainant within 90 days from date of this order.

6) 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, 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” within 60 days from the date of this order.

Date : 14/07/2010

(Mrs. S.A. Jamdar)  
Member  
CGRF Kalyan

(R.V.Shivdas)  
Member Secretary  
CGRF Kalyan

(S.N. Saundankar)  
Chairperson  
CGRF Kalyan