



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/197/ 221 OF 2009-2010 OF M/S. FAMOUS SILK MILLS PVT.LTD REGISTERED WITH CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT INTEREST ON REFUNDED AMOUNT AND REFUND OF SECURITY DEPOSIT.

M/s. Famous Silk Mills Pvt. Ltd.
F-1/12, MIDC Badlapur (East)
Badlapur

} (Here in after
referred
as Consumer)

Versus

Maharashtra State Electricity Distribution
Company Limited through its
Dy.Executive Engineer.
Badlapur (East) Sub Dn. Badlapur

} (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. 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 04/03/2009 for interest on refunded amount and refund of Security Deposit. The details are as follows: -

Name of the consumer :- M/s. Famous Silk Mills Pvt.Ltd.

Address: - As above

Consumer No : - 021540036389.

Reason of dispute: Payment of interest on refunded amount and refund of security deposit with interest.

- 3). The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/204 dated 04/03/2009 to Nodal Officer of licensee. The licensee replied vide letter dated 06.04.09.
- 4). The consumer registered his grievance in IGRC on 05/12/08 for the above grievance, but licensee did not give any response hence the consumer approached CGRF and registered the grievance on 4.3.09.
- 5). The first hearing was scheduled to be held on 31.3.09 at 16.00 hours. But as per consumer's request letter dated 30.3.09, this hearing was postponed to 04.04.09 at 15.00 hours. Forum Members heard both the parties on 04/04/09 @ 16.00 Hrs. in the meeting hall of the Forum's office. Consumer Shri R.Kamlia, Shri B.R. Mantri, consumer's representative, and Shri V. Y. Kamble, Nodal Officer In-charge, Shri

A.W.Mahajan,Dy.E.E., Shri Nalke, D.A.(Revenue), Shri B. R. Patil, A. A. Representative of the licensee attended hearing.

- 6). The Consumer's Representative (CR) stated that their unit was power loom and they received energy bills upto March 2000, as per power loom tariff. From April 2000 to Jan.2003 the licensee had charged on Industrial tariff instead of power loom tariff and as per CGRF directives vide order No.106/121 dt. 27.12.2007, they have received Rs.4,58,549.00 from the licensee. Since this amount was difference during the period April 2000 to Jan.03 towards wrong application of tariff by the licensee, the licensee was supposed to refund it in the month of Jan.03, but they refunded in lump sum in Dec.08 without interest. The CR submits that therefore the consumer is entitle for interest equivalent to the bank rate payable in terms of Section 62 of the Electricity Act on excess collected amount. As they were lincesee's consumer upto Sept.05 (PD date) they shall be paid interest as Bank rate and thereafter interest @ 12% per year till to day.
- 7). The consumer further submits that the Security Deposit is also not refunded, the same should be refunded with interest from Mar 2000 till date, though the licensee stated that it is given as adjustment, they have not received actually.
- 8). The licensee stated that as per order of CGRF No.106/121 dt. 27.12.2007, the sub divisional officer proposed a B-80 for approval of the competent authority. Being the refund is large amount SE is the competent authority. Therefore a B-80 proposal was prepared and sent to Executive Engineer Kalyan (R) Division. The Executive Engineer, after verification and Divisional Auditing further sent to SE. The same is

processed in Circle office accounts section and after going through all the details and auditing the same put up to SE for approval. After receiving the approval, the funds being big amount had to be allotted from Head Office W/M section. After receipt of funds of Rs.4,58,549.23 received from W/M Section Head Office, the payment was made to the consumer by cheque No.765597 dt.4.12.08. All the official procedure took some time. Therefore as stated by the CR the refund for the period from March 2000 to Jan.2003 was to be received in Jan.03 was not possible. Also when the matter was with CGRF and the refund is made as per CGRF order, payment of interest does not arise. The licensee further submits that the consumer while accepting the cheque of Rs.4,58,549.23 on 6.2.09, he has not lodged any complaint regarding late receipt of amount or neither protested to take the cheque. It is not delayed purposely. Any delay caused is due to official procedure; therefore payment on refunded amount is not arising.

9). Forum asked the licensee to prepare statement of SD, interest paid, interest to be paid etc. and give statement to consumer and forum. The licensee agreed to submit this information within one month and also agreed to refund the SD with interest upto date as per rules.

10). Forum observations:

The consumer approached to forum with following grievances.

- i). Interest on getting the refund amount late from the licensee.
- ii). Refund of SD with interest.

11). Interest on getting the refund amount late from the licensee:- Forum had clearly mentioned in its order dated 27.12.07 that the amount should

be refunded to the consumer by the licensee within 90 days of the order. Therefore the consumer could very well approach the MERC for the non compliance of the forum's order under Section 142 of Electricity Act 2003, if the licensee has not paid the said amount within time given by this forum. However, the consumer has not done so and after a long delay approached to the forum to get the interest on delayed payment. This action of consumer can not be justified and hence his pray for payment of interest on the amount refunded as per earlier order of this forum, is rejected.

- 12). Refund of SD with interest:- The licensee has failed to submit any record in respect of SD and interest thereon to the forum till to day. Therefore, the licensee is directed to calculate the total Security Deposit amount deposited by the consumer and interest thereon at the bank of RBI at the relevant time, and pay the said amount of SD and interest, if any, to the consumer by cheque within a period of 30 days from the date of this decision.
- 13). There has been no. of holidays and consequently less working days during last month. There has also been sudden increase in registration of grievances by the consumers before this forum since last three months, as result of which this forum is forced to hear arguments in two cases on every day and also to decide such a cases at the same rate. Therefore, there has been some delay in deciding this case.
- 14). After hearing both the parties, studying all available documents submitted by licensee as well as consumer, the forum unanimously passes the following order.

ORDER

- 1) Licensee should follow the directions given in above para number No.12.
- 2) The Compliance should be reported to the forum within 90 days from the date of this decision.
- 3) The Consumer can file representation against this decision to the Ombudsman at the following address.

*“Maharashtra Electricity Regulatory Commission,
606/608, Keshav Building, Bandra Kurla Complex, Mumbai 51”*

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

- 4) Consumer can approach Maharashtra Electricity Regulatory Commission on the following address :

*“Maharashtra Electricity Regulatory Commission,
13th floor, World Trade Center, Cuffe Parade, Colaba, Mumbai 05”*

for compliance in case of non-compliance, part compliance or delay in compliance of this decision passed under “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2003”, under Section 142 of the Electricity Act 2003.

Date : 07/05/2009

(Sau V. V. Kelkar)
Member
CGRF Kalyan

(R.V.Shivdas)
Member Secretary
CGRF Kalyan

(M.N.Patale)
Chairman
CGRF Kalyan