



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/347/391 OF 2010-2011 OF
M/S. VOID POLYPLAST, VASAI REGISTERED WITH CONSUMER
GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT
EXCESSIVE BILLING.

M/s. Vaid Polyplast
Gala No. 03 ,
Siddhi Ind. Estate, Gauripada,
Vasai (East), Dist. : Thane

(Here-in-after
referred
as Consumer)

Versus

Maharashtra State Electricity Distribution
Company Limited through its
Dy. Executive Engineer
Vasai Road (East) Sub-Dn.
Vasai, Dist. Thane.

(Here-in-after
referred
as licensee)

- 1) Consumer Grievance Redressal Forum has been established under "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 conferred 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 with C. D. 54 KVA. The Consumer is billed as per Industrial tariff. Consumer registered grievance with the Forum on 15/06/2010 for Excessive Energy Bills. The details are as follows: -

Name of the consumer :- M/s. Vaid Polyplast

Address: - As given in the title

Consumer No : - 0018490788897

Reason of dispute: Excessive Energy Bills.

- 3) The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/251 dated 15/06/2010 to Nodal Officer of licensee. The licensee filed reply vide letter No. IGRC/VC/CGRC-0347/0391/2010-11/4657, dated 03/07/2010.
- 4) The forum heard both the parties on 12/07/2010 @ 16.00 Hrs. in the meeting hall of the Forum's office. Shri Harshad Sheth, Shri Vinit Sheth representatives of the consumer & Shri S. R. Purohit Nodal Officer and Shri S. M. Bangar, Dy. Ex. Engr. 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 each party in respect of each grievance shall be referred while deciding each of the grievances to avoid repetition.
- 5) Consumer has taken electricity from the Distribution licensee to the company premises situated at Siddhi Ind. Estate, Gauripada, Vasai (East) in the year 2002. According to consumer Security Deposit (SD) and Additional

Security Deposit (ASD) i.e. Rs. 19,500/- (+) Rs. 11,700/- = Rs. 31,200/- was paid in the month of May 2002 however do not display in the computer and the bill. Consumer do not have receipts of SD & ASD as above, however verifying F-1 register in the light of the chart enclosed said amount with interest can be refunded however not refunded so far though claimed. It is further contended by the consumer that officials of the Dist. Licensee wrongly charged power factor (P.F.) penalty and the same needs to be refunded. It is averred without considering August 08 KVAH, P.F. penalty for the month of Sept. 08 was charged. So also P.F. penalty for Oct. 08 and Nov. 08 was charged contrary to the formula. KVAH for Dec. 08 wrongly fed to computer therefore PF penalty charged for January 09 was also erroneous. It is therefore the contention of consumer that excess PF penalty collected by the licensee as mentioned in the chart enclosed needs to be refunded as per the directions given by the Hon. MERC and Ombudsman. It is further contended that MD was not reset for November 2008 to January 2009, consequently KVA MD did not display for these three months. As per the directions of Hon. MERC in case No. 26 of 09 H.P. based tariff is to be applied, therefore the difference of M.D. tariff charges as depicted in the chart enclosed since wrongly collected needs to be refunded. It is further the contention of consumer that licensee did not update the data therefore there is a possibility of manipulation of wrong entries in the system therefore correct and update CPL is require to be furnished. By letter dt. 15/02/10 and 28/05/10 consumer apprised the same to the Dy. Ex. Engr. Vasai Sub-Division and requested to refund the amount as above but not responded therefore moved the IGR Cell but in vain, hence consumer lodged the grievance with prayers to direct the

licensee to furnish correct and update CPL, to refund the amount of SD & ASD, excess PF Penalty and MD based charges with interest as per the charts enclosed.

- 6) Licensee opposed the contentions raised as above by filing reply dt. 03/07/10. So far refund of SD & ASD without the production of receipts and zero display, according to licensee at times registers are not preserved therefore it is unsafe to refund the amount and the problem of zero display due to change over to Oracle system is the technical difficulty. In this context according to licensee Akhil Bharatiya Grahak Manch has filed case before the Hon. MERC bearing No. 93/08. In short, according to licensee presently without production of SD & ASD receipts, it is unsafe to refund the amount and that problem of zero display is under consideration of I. T. So far PF penalty charged, it is contended as per calculation enumerated in MERC tariff case No. 116/2008 was imposed using RKVAH as one of it's parameter and not RKVAH (Lag) and that RKVAH is not equal to RKVAH (Lag) only but it is the vector sum RKVAH (lag) and RKVAH (lead) therefore calculation as suggested by the consumer to bill the PF penalty is erroneous and inconsistent with the directions given by the Hon. MERC. Consequently there is no substance in the contention raised by the consumer and on this background power factor penalty since charged correctly cannot be refunded. As regards MD based charges, it is contended monthly reading is a joint process, representative of consumer and licensee jointly take the reading and on the premise had consumer doubt on the reading or resetting of the MD, they could have requested for re-check history data of the reading or the MRI, however after-thought on the instructions of the professional advisor, consumer falsely alleged on

excess recovery of MD charges. In so far supply of update CPL, has already been given and under the circumstance grievance application since sans merits be dismissed in limine.

- 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 licensee is liable to refund the amount of S.D. / ASD without the production of receipts and in the event of zero display as per the directions of Hon. MERC ?	Yes
b)Whether licensee is liable to refund collected excess P F. penalty as per the order of MERC ?	Yes
c)Whether licensee is liable to refund M.D. based charges as per the order of MERC ?	Yes
d)What Order ?	As per Order below

Reasons

- 8) At the outset learned representative for the consumer submitted that officials of the licensee have not supplied them correct and update CPL for want of which they face difficulty to putforth their grievances properly. During the course of hearing Forum directed the representative for the licensee to supply correct and update CPL to consumer and accordingly it was supplied. In fact, officials of the licensee are duty bound to supply correct and update CPL as and when required.

- 9) So far refund of SD and ASD amount in case of non availability of receipts and in the event of zero display due to change over to oracle system learned representative for the licensee submitted that on verifying F-1 register furnishing indemnity bond in the light of update CPL, amount as mentioned in the chart enclosed can be refunded. In the instant case consumer do not have receipts of SD & ASD and there is problem of zero display. Point therefore arises whether without receipts amount with interest can be refunded on furnishing indemnity bond. Learned representative for the licensee submitted that at times F-1 registers are not preserved therefore it is rather risky to refund amount without receipts. He pointed out that “Akhil Bharatiya Grahak Manch” has filed case No. 93/2008 involving this vital point. Learned representative for consumer urged that F-1 Register is maintained in the Office in which entry of consumer’s number, name, date of release of connection, details of S.D. and ASD etc. is recorded and on verifying the Firm Quotations and concerned records in the presence of consumer or his representative, amount of lost/misplaced SD & ASD with interest can be refunded. Learned representative for the licensee all the while submitted that Case No. 93 of 2008 is pending on this count. From the website we collected the copy of order dt. 01/09/2010 passed by Hon. MERC in case No. 93 of 2008. In para 10 (v) & (vi) licensee pointed out in the context of their letter dt. 29/04/09 that on production of money receipts or any other documentary evidence in respect of S.D. after due verification data regarding SD can be updated and correct amount of SD can be shown in the energy bill in the event of zero display and further pointed out that consumers who do not produce money receipts or any other documentary evidence in respect of

S.D. paid, it will be presumed that these consumers have not paid any SD and on this background Hon. MERC in para 19 (ii) directed the licensee to take efforts to correct error regarding zero SD display within six months time. Considering the aspect of zero display, on production of any other documentary evidence in respect of SD paid, the officials of the licensee have to correct the position. As regards lost/misplaced receipts of SD/ASD, on verifying F-1 register, record of consumers in and around the locality and the amounts paid as SD/ASD at the time of new connection, firm quotation and considering prevailing practice of collecting SD/ASD from the respective tariff category, furnishing indemnity bond, hearing the consumers patiently, officials of the licensee to do the needful in the light of the directions given by Hon. MERC without violating the consumers rights under Electricity Act 2003.

- 10) It is further the grievance of the consumer that licensee charged P.F. penalty contrary to the directions given by the Hon. MERC in Tariff Case No. 116, dt. 01/08/2009. Learned representative for the consumer inviting our attention to the application made to Dy. Ex. Engr. dt. 28/05/2010 submitted that KVAH is to be calculated using RKVAH Lag. displayed on the bill. He contended that in the month of September 2008 KVAH consumed was wrongly entered without considering the reading of August 08 KVAH and the calculation equation mentioned in the order as above and the excess PF penalty recovered needs to be refunded. In contra, learned representative for the licensee pointing calculation depicted by the consumer urged with force that RKVAH is to be used as one of it's parameter and not RKVAH (Lag) and further submitted that RKVAH is not equal to RKVAH (Lag) only but it is the vector sum RKVAH (Lag) and

RKVAH (Lead). In reply dt. 02/07/10 Nodal Officer in detail pointed out the power factor calculation in the light of MERC Tariff Order. Needless to say Dist. Licensee has to follow the directions given by Hon. MERC. We have gone through the detail order of Hon. MERC dated 17/08/2009 page 239 and also subsequent clarificatory order dt. 12/05/10. In clarificatory order Hon. MERC on page 3/4 stated vide chart :

Power Factor Penalty (Applicable for HT-I, HT-II, HT-IV, HT-V and HT-VI categories, as well as LT-II (B), LT-II (C), LT-III and **LT-V** (B) categories). Whenever the average PF is less than 0.9, penal charges shall be levied at the rate of the following percentages of the amount of the monthly bill including energy charges, reliability charges, FAC and Fixed/Demand Charges, but excluding Taxes and Duties :

Sr.No	Range of Power Factor	P. F. Level	Penalty
1	0.895 to 0.900	0.90	0%
2	0.885 to 0.894	0.89	2%
3	0.875 to 0.884	0.88	3%
4	0.865 to 0.874	0.87	4%
5	0.855 to 0.864	0.86	5%
6	0.845 to 0.854	0.85	6%
7	0.835 to 0.844	0.84	7%
8	0.825 to 0.834	0.83	8%
9	0.815 to 0.824	0.82	9%
10	<u>0.805 to 0.814</u>	<u>0.81</u>	<u>10%</u>

Executive Engineer Vasai Circle vide reply dt. 28/05/2010 and 20/08/10 pointed out the calculation as regards charging of PF penalty. On going through the chart enclosed and the contentions made by the learned representative for licensee we find force in the submission of learned representative for consumer. Therefore we feel proper to direct the officials of the licensee to calculate P.F. penalty as per the order of Hon. MERC referred to supra and to refund excess collected P. F. penalty to the consumer with interest within the stipulated time.

- 11) So far claim regarding refund of excess Maximum Demand (MD) charges inviting our attention to the letters dt. 15.02.10 / 28.05.10 learned representative for the consumer urged with force that Nov. 08 to Jan. 09 MD data was misleading and no activation was done and that KVA MD did not display for these three months therefore licensee charged $1100 \times 3 =$ Rs. 3300/- instead the correct charges and hence licensee is liable to refund the excess collected amount as above relying on the order dt. 05/03/10 passed by Hon. MERC in case No. 26 of 09. We have carefully read relevant para No. 29 and 31 of the said order. At this juncture learned representative for the licensee urged with force that verification of MRI data is essential. On going through the charts enclosed and the contentions made by the learned representative for licensee we find force in the contention of consumer. Under the circumstance it is proper to direct the officials of the licensee verifying the MRI data couple with documents produced by the consumer to calculate the difference between MD base and HP base tariff and to refund the excess collected amount with RBI rate of interest to the consumer as per the directions of Hon. MERC in the case referred to above. In view of the discussion supra, we find proper to direct

the licensee to refund the amount of SD/ASD, PF penalty and MD meter charges collected excess, to the consumer as per the directions given in the orders of Hon. MERC referred to above and to furnish correct update copy of CPL as and when required. Points are therefore answered accordingly. Consequently grievance application will have to be allowed.

- 12) While parting to the matter it is to be noted that this reference was submitted by the consumer before the Forum and was registered on 15/06/2010. Vide para 6.18 of Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 Forum to decide the grievance within a period of two months from the date of receipt. Learned representative for the licensee sought time to file written argument therefore delay is caused in deciding the grievance. Hence the order :

O-R-D-E-R

- 1) The grievance application is allowed.
- 2) Licensee is directed to refund the amount of S.D. and A.S.D. with RBI rate of interest to the consumer as per the directions given by Hon. MERC in case No. 93 of 2008 dated 01/09/2010.
- 3) Licensee is directed to refund the amount of PF penalty / M.D. based tariff collected excess with RBI rate of interest to the consumer as per the directions of Hon. MERC and the Ombudsman within 30 days from the date of receipt of this decision and report compliance to the forum within 60 days from the date of receipt of this decision .

- 4) Licensee to furnish update and correct copy of CPL to consumer as and when required.
- 5) The Consumer can file representation against this decision with the Hon. Electricity Ombudsman within 60 days from the date of this order at the following address.

“Office of the Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606/608, Keshav Bldg, Bandra Kurla Complex, Mumbai 51”.

- 6) Consumer, as per section 142 of the Electricity Act, 003, can approach Hon. Maharashtra Electricity Regulatory Commission 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” at the following address:-

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

Date : 29/09/2010

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

(R.V.Shivdas)
Member Secretary
CGRF Kalyan

(S.N. Saundankar)
Chairperson
CGRF Kalyan