



**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/351/395 OF 2010-2011 OF**  
**M/S. A. N. ELECTRICALS, VASAI REGISTERED WITH CONSUMER**  
**GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT**  
**EXCESSIVE BILLING.**

M/s. A. N. Electricals  
Gala No. 09,  
Merchant Ind. Estate No. 2  
Waliv, 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.-V consumer of the licensee with C. D. 54 KVA. The Consumer is billed as per Industrial tariff. Consumer registered grievance with the Forum on 16/06/2010 for Excessive Energy Bills. The details are as follows: -

Name of the consumer :- M/s. A. N. Electricals

Address: - As given in the title

Consumer No : - 001840853043

Reason of dispute: Excessive Energy Bills.

- 3) The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/268 dated 16/06/2010 to Nodal Officer of licensee. The licensee filed reply vide letter No. IGRC/VC/CGRC-0351/0395/2010-11/4653, dated 03/07/2010.
- 4) The forum heard both the parties on 14/07/2010 @ 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) The consumer has taken electricity connection from the Distribution Licensee (DL) to the industry situated at Merchant Ind. Estate, Waliv, Vasai (East) in the year 2000. According to consumer at the time of new connection in the year 2000 they paid Rs. 19,500 as Security Deposit (SD) and Rs. 11,700 as Additional Security Deposit (ASD), thereafter while

enhancing load SD of Rs. 26,000/- as per annual average was collected in the month of June 2008. It is the contention of consumer that the amount already collected towards SD and ASD disappeared from the processing data. Consumer does not have receipts of SD & ASD as above, however verifying F-1 register receiving indemnity bond in the light of the chart enclosed amount with interest can be refunded however officials of the licensee though persuaded did not respond flouting the rules Clause 9.4 of Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005 thereby liable for compensation for delay in refunding the amount. It is averred by the consumer that while appropriating SD amount of Rs. 15,200/- in June 2008 licensee collected delayed payment charges (DPC) and prompt payment charges (PPD), interest as shown in the chart due to negligence of not showing the said amount in the bill. It is contended charging of PPD, interest, DPC as above is contrary to the order dated 26/03/09 passed by Hon. Ombudsman in representation No. 23 of 09 therefore licensee is liable to refund the recovered amount as above. It is contended that during the period April 2005 to Sept. 2007 officials of the licensee charged capacitor penalty as shown in the chart about Rs. 52,315/- needs to be refunded with interest as per the directions in MERC case No. 02 of 03 dt. 14/07/05 and order of Hon. Ombudsman in representation No. 39 of 06 dt. 05/09/06. Consumer further averred that single phase meter No. 001840623706 is not required since it is to be clubbed with three phase meter consequently single phase meter is to be permanently disconnected and the amount of SD/ASD/RLC collected by licensee in this context needs to be transferred to their LT-V connection. According to consumer licensee did not supply them correct

update CPL for want of which they face difficulty to put forth their grievance. Vide letter dt. 24/08/09 consumer apprised all the above points for compliance to the licensee but they did not pay heed therefore they moved the IGR Cell, but in vain. Consequently consumer lodged this grievance with prayer to direct the licensee to refund the amount of SD/ASD paid in 2000 with interest, amount of DPC/PPD and interest collected while appropriating additional SD in June 2008, capacitor penalty illegally charged and the amount of SD/ASD/RLC in connection with single phase PD with interest.

- 6) Licensee opposed the contentions raised above by filing stereotype 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 appropriation of SD amount of Rs. 15,200/- in June 2008 it is averred by the consumer that licensee due to inaction/negligence of not showing SD/ASD amount in the bill wrongly collected delay payment charges (DPC), interest and prompt payment discount (PPD) as pointed out by their consultant in February 2010. It is contended charging of PPD, interest and DPC as above is contrary to the order dated 26/03/09 passed by the Hon. Ombudsman in representation No. 23 of 2009, therefore licensee is liable to refund this recovered amount with interest. So far capacitor penalty it is contended, no details are given by the consumer on

this count therefore any action on their part does not arise and that Accounts Section in this context has already been moved. In so far refund of amount concerning single phase connection according to licensee consumer did not furnish separate application for permanently disconnection of single phase meter nor for getting the amount as stated. It is contended on furnishing separate application, amount concerning to the single phase connection will be refunded as per rules. As such according to licensee grievance application since sans merits on the grounds mentioned above 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 SD/ASD in the event of zero display/without the production of receipt as per directions of Hon. MERC in case No. 93 of 08 ?	Yes
b) Whether licensee is justified to appropriate SD amount from the bill in June 2008 ?	NO
c) Whether licensee is liable to refund the amount of charged capacitor penalty as per the directions of Hon. MERC/Ombudsman ?	Yes
d) Whether licensee is liable to disconnect permanently single phase meter and transfer the amount of SD/ASD/RLC collected in this context to the account of LT-V connection ?	Yes
e) 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 consumer submitted that on verifying F-1 register furnishing indemnity bond in the light of update CPL, amount as mentioned in the chart enclosed needs to 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 at this juncture submitted that at times F-1 registers are not preserved therefore it is rather risky to refund such 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 SD 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 SD 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 SD 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 needful can be done by the officials of the licensee in the light of the directions given by Hon. MERC as above without violating the consumers rights under Electricity Act 2003.

- 10) So far refund of DPC, interest and PPD inviting our attention to the complaint dated 24/08/09 addressed to the Dy. Ex. Engr. Vasai Sub/Dn. learned representative for the consumer submitted that at the time of getting new connection in 2000 ASD was paid however amount of SD of Rs. 15,200 was appropriated in June 2008 though consumer was paying

the bill regularly. He urged with force that though the bill was paid within discount period his SD was appropriated and because of this licensee imposed DPC without any fault on the part of consumer and he was deprived from the facility of PPD and the interest was charged. In this context he relied on the decision of Hon. Electricity Ombudsman in representation No. 23 of 09 dt. 26/03/09 in case Natural Sugar and Allied Industries V/s. MSEDCL. In this case licensee without intimating the consumer appropriated 39.61 lakhs from May 2008 paid bill amount towards the ASD rendering May 2008 bill payment as insufficient therefore licensee included DPC and interest in the bill of June 2008. Hon. Ombudsman observed that licensee cannot transfer the amount of ASD if unpaid to the main bill and treat it as arrears cautioning transferring unpaid ASD amount in the main bill would mean allowing interest or DPC on the ASD like any other arrears is not provided in the law and contrary to the Supply Code Regulation and further pointed out that licensee's action of appropriating the amount of ASD is disapproved directing licensee to refund the amount including DPC and/or interest if recovered. In the instant case showing Nil amount of ASD appropriated the ASD amount thereby consumer was treated defaulter for payment of energy bill thereby the consumer deprived from PPD and that DPC and interest was imposed. Considering the facts as above action of the licensee of appropriating ASD imposing DPC and interest is not inconsonance to the provisions of Section 47 of Electricity Act 2003 and the Supply Code Regulation. In view of this licensee is liable to refund the amount of DPC, PPD and interest collected while appropriating additional SD in June 2008 as per the order dt. 26/03/09 referred to above.



- 11) So far refund of capacitor penalty charges according to consumer these charges were collected during April 05 to Sept. 07 as per the chart enclosed in violation of the licensee's own conditions of supply as well commissions order in this behalf. Consumer in his complaint dt. 24/08/09 nor the licensee in their reply pointed details on the capacitor penalty. It is therefore apt to direct the officials of the licensee going through the chart enclosed and verifying the records, to work out and refund the amount of capacitor penalty charges with simple interest at the same rate charged as unpaid amount of bill, if wrongly collected in the light of the directions given by Hon. MERC in case No. 02 of 03 and order of Hon. Ombudsman in representation No. 39 of 06.
- 12) It is also the grievance of consumer that their single phase connection as per decided policy of licensee is to be permanently disconnected. Consequently SD of Rs. 3350/- with RLC of Rs. 66.06 is necessary to be transferred to their LT-V account however licensee did not do anything in this context though repeatedly requested and the IGR Cell also failed. Learned representative for the consumer urged with force that as per MERC Regulation 2005 and SOP referred to above licensee has to settle dues of such consumers within 30 days from the date of receipt of application for closure of account and for delay on this count penalty of Rs. 100/- per week is to be imposed. On the other hand, learned representative for the licensee submitted that as per the department circular dt. 15/12/08 consumer has to apply for P. D. and refund of SD, RLC separately, however consumer has not given separate applications in as much as these applications are processed through various sections like Accounts, Record, Audit, I.T. etc. Nothing to show that consumer gave application for refund of SD & RLC as required. Apart from giving

applications, one thing is apparent that in case of P. D. connection licensee is under obligation to refund/transfer the amount of SD & RLC with interest to the consumer. In this case according to licensee this amount has not been transferred/refunded since separate application as per the circular dt. 15/12/08 not presented by consumer. Under the circumstance consumer can be directed to give separate application for permanent disconnection of single phase connection and thereafter licensee to refund the amount of SD/ASD/RLC collected in this context with interest.

- 13) It is to be noted that learned representative for the consumer alleged that officials of the licensee give anti consumer treatment, do not even peep to their documents and their attitude is recalcitrant towards the consumer. In the present scenario considering the laudable objects of the Electricity Act 2003 and the directions given by the Hon. MERC, Ombudsman it is high time for the officials to hear the consumers patiently and to decide wisely so that consumers as a whole would not put to trouble, inconvenience, harassment. In view of the discussion supra, it is proper to direct the licensee to refund the amount of SD/ASD with RBI rate of interest as per the directions in Hon. MERC case No. 93 of 08, to refund amount of DPC, PPD and interest collected while ASD appropriated in June 2008, to refund capacitor penalty if illegally charged, as per the directions in MERC case No. 02 of 03 and order of Ombudsman in 39 of 06 and to transfer the amount of SD/ASD/RLC with RBI rate of interest in connection with single phase connection to the existing LT-V connection of consumer within the stipulated period and further to supply correct and update CPL as and when required. Points are therefore answered accordingly. Consequently grievance application will have to be allowed.

- 14) While parting to the matter it is to be noted that this grievance was submitted by the consumer before the Forum and was registered on 16/06/2010. Vide para 6.18 of Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 Forum has 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 SD and ASD with R.B.I. rate of interest to the consumer as per the directions given by Hon. MERC in case No. 93 of 08 dated 01/09/2010.
- 3) Licensee is directed to refund the amount of DPC, PPD and interest collected while ASD appropriated in June 2008 with R.B.I. rate of interest to the consumer as per the directions given by Hon. Ombudsman in representation No. 23 of 09 dated 26/03/2009 within 30 days from the date of receipt of this order and compliance should be reported to the forum within 60 days from the date of receipt of this decision.
- 4) Licensee is directed to work out and refund the amount of capacitor penalty charges with simple interest at the same rate charged as unpaid amount of bill, if wrongly collected in the light of the directions given by Hon. MERC in case No. 02 of 03 and order of Hon. Ombudsman in representation No. 39 of 06 within 30 days from the date of receipt of this order and compliance

should be reported to the forum within 60 days from the date of receipt of this decision.

- 5) Licensee is directed on receipt of application from consumer, to disconnect permanently single phase connection and transfer the amount of SD/ASD/RLC concerning to this meter to the existing LT-V connection of consumer within 30 days from the date of receipt of the application of consumer.
- 6) Licensee to furnish update and correct copy of CPL to consumer as and when required.
- 7) 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”.*

- 8) 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 : 06/10/2010

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

(R.V.Shivdas)  
Member Secretary  
CGRF Kalyan

(S.N. Saundankar)  
Chairperson  
CGRF Kalyan