



Consumer Grievance Redressal Forum, Kalyan Zone  
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301  
Ph- 2210707, Fax – 2210707, E-mail : cgrfkalyan@mahadiscom.in

Date of Grievance : 26/11/2012  
Date of Order : 12/08/2013  
Period Taken : 259 days

**IN THE MATTER OF GRIEVANCE NO. K/E/663/782 OF 2012-13 OF M/S.K.T. CANTEEN OF MANIKPUR, VASAI (WEST) REGISTERED WITH CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT EXCESSIVE ENERGY BILL**

M/s. K. T. Canteen,  
New Lawrence Trade Centre,  
Manikpur, Vasai (West), Dist. Thane  
Consumer No. 001699030360



(Here-in-after  
referred  
as Consumer)

Versus

Maharashtra State Electricity Distribution  
Company Limited through its  
Dy. Exe.Engineer, Vasai S/dn, Vasai (W)



(Here-in-after  
referred  
as Licensee)

Appearance : - C.R. – Shri Harshad Sheth  
For Licensee - Shri S.S. Bakshi, Exe. Engineer  
Mr. V.C. Patil, Executive Engineer, Vasai Division  
Shri Jadhav, Dy. Exe.Engineer, Vasai [West] S/dn  
Shri S.D. Gaikwad, Exe. Engineer, Vasai Division  
Sau. Ovhal, Jr. Engineer, Vasai [West] S/dn  
Mr. V.R. Patil, Engineer, Vasai [West] S/dn

(Per Shri. Sadashiv S. Deshmukh, Chairperson)

1. This 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. The 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 having L.T.-II supply from the Licensee. The Consumer is billed as per said tariff. Consumer registered grievance with the Forum on 26/11/2012 for Excessive Bill towards P.F. penalty.
3. The papers containing above grievance were sent by Forum vide letter No. EE/CGRF/Kalyan/0807 dated 26/11/2012 to Nodal Officer of Licensee. The Licensee filed its reply on 16/1/2013
4. The Consumer is having supply from Licensee from 2/8/2007 bearing Consumer no. 001699030360. It is of LT-ii-b category. Sanctioned load is of 107 KW and sanctioned demand is of 80 KVA.
5. Dispute in the present matter commenced on Consumer receiving the bill for September, October 2012 and letter to that effect is addressed by the Consumer to the Dy. Exe.Engineer on 17/12/2012. Further such letters are addressed to said Officer on 29/10/2012, 20/11/2012 & 15/12/2012 covering the period up to Dec.'12.
6. Consumer had approached IGRC on 21/9/2012 and IGRC passed an order on 7/2/2013 rejecting the prayer of Consumer. In between the Consumer had approached this Forum by filing grievance on 26/11/2012 and during pendency of this matter, IGRC has passed the order as stated above and it is also now challenged. Licensee filed reply on 16/1/2013. Consumer had added rejoinders Nos. 1 to 7 during period from 26/12/2012 to 21/5/2012, to which Licensee replied on 12/4/2013, 20/4/2013 & 4/5/2013. Dispute of Consumer now is for Aug.'12, Sep.'12, Nov.'12 & Dec.'12. The said dispute is raised contending that appropriately calculation of P.F. is not done by the Licensee. Wrong calculation is done working out P.F. and thereby consumer is charged with P.F. penalty but

in fact the Consumer is entitled to P.F. incentive and hence P.F. penalty recovered be refunded to him and necessary incentive be awarded.

7. In this matter, C.R. attended regularly but for the Licensee different officers attended the matter who were posted from time to time.
8. It seems to be the factual aspect relied on by Licensee to work out the aspects of P.F. penalty and while dealing it Licensee relied heavily on the internal circular issued by Chief General Manager (IT) dated 20/7/2013 and even the Officers of Licensee in this matter sought reply from said IT Section and IT Section replied vide its letter dated 4/1/2013 about P.F., how to be calculated is stated in that particular letter. It is in consonance with the letter of Chief General Manager (IT), communicating to the Dy. General Manager (IT) at various places in Maharashtra and System Analysts (IT). The Chief General Manager (IT) has forwarded the details and stated the purpose of amendment.
9. In this matter, we heard both sides time and again as they were concentrating on interpretation of mode of working out P.F. The Officers of Licensee claimed that calculation for the disputed months is done as per the above letter of Chief General Manager (IT) and hence calculation is correct. On behalf of Consumer reliance was placed on the order of Hon'ble Ombudsman passed in Representation No.10 of 2013 dated 6/3/2013 in the matter of Supreme Industries Ltd. v/s Maharashtra State Electricity Distribution Co. Ltd. The Hon'ble Ombudsman in Para 2 of the order dealt the facts therein and aspect of working out P.F. and observed as under:

“Gist of Representation is that up to Nov. '11, Respondent calculated average P.F. by one method :  $kWh \div kVAh$  and from Dec.'11 by another method:  $kWh \div \text{SQRT}(kWh^2 + RkVAh^2)$ . Ideally the average P.F. calculated by both the methods should be the same but the bill of Dec.'11 shows average P.F. calculated by the first method is 0.999 and by second method as 0.986. ..”

Thereafter the Hon'ble Ombudsman considered the clause 2.1 (d) of MERC (Supply Code) Regulations pertaining to average P.F. in Para 8, referred to Annexure I of the appropriate tariff schedule of MERC Tariff order dated 12/9/2010 in Case no.111 of 2009 which speaks about P.F. calculation. Two modes are given, one after another and in Para no. 9 of the Hon'ble Ombudsman's order, it is observed as under:

“Plain reading of above provisions make it abundantly clear that whenever average measurement is not possible through the installed meter, the kVAh shall be calculated as  $= \text{SQRT} (\text{kWh}^2 + \text{RkVAh}^2)$  and average P.F. shall be calculated as  $= \text{kWh} \div \text{kVAh}$ . In this case, measurement of kVAh is possible from the reading of the installed meter. Therefore, average P.F. shall be calculated as  $= \text{kWh} \div \text{kVAh}$  for giving P.F. incentive in the bills. Accordingly to the values of kWh and kVAh, taken from the meter readings, average P.F. for the month of Dec.'11 is  $4994500 \div 499500 = 0.999$  and the average P.F. for the month of Jan '12 is  $5203000 \div 5218500 = 0.997$ . The Appellant is therefore entitled for 7% incentive by taking into consideration the Power Factor level of 1.00 as shown in the above table for the month of Dec. '11 as well as Jan.'12. The Respondent is, therefore, hereby directed to work out P.F. incentive in terms of the above tariff order and give necessary credit, in the Appellant's ensuing bills, towards rectification of errors in the said two bills of Dec.'11 & Jan '12, accordingly.

10. Though it is contended by the Licensee that the above order of Hon'ble Ombudsman is not applicable to the present matter, the C.R. submitted that by all means this order is applicable to the present case. We find question before Hon'ble Ombudsman was pertaining to two modes stated for working out average P.F. and while stating so, in Para 4 the Hon'ble Ombudsman noted that there was an error in the measurement of RkVAh for the month of Dec.'11 &

Jan.'12 and thereby P.F. needs to be re-calculated correctly. Accordingly, error in recording measurement of RkVAh is dealt therein. Similarly in the matter before this Forum, it is demonstrated by the C.R. that already two factors are visible from the readings available in the meter of Consumer pertaining to kWh and kVAh. However, the figures in RkVAh are not tallying. This aspect is for disputed months of Aug., Sep., Nov., Dec. of 2012 which is now conceded by the Officers of Licensee. The Consumer has worked out the said aspect and sought incentive. Those details are as per the following chart.

Month	KWH			KVAH			RKVAH			P.F.	KVAH BY	P.F. BY	RECEIVED INC.	CHARGED PENALTY TO WAIVE	INCENTIVE TO RECEIVE
	Prev. Reading	Current reading	Total kwh x 2 MF	Prev. Reading	Current reading	Total kwh x 2 MF	Prev. Reading	Current reading	Total kwh x 2 MF	kvh / kvah	Sq. Root	Sq. RT formula			
Aug '12	147308	149625	4634	151231	153549	4636	456730	468505	23550	1.000	24092	0.1931		41,936.62	4,076.10
Sep '12	149625	151519	3788	153549	155443	3788	468505	478768	20526	1.000	20873	0.1815		35,866.81	3,439.17
Nov '12	153413	155309	3792	157337	159233	3792	489213	499345	20264	1.000	20616	0.1839		40,307.79	3,865.91
Dec '12	155309	157436	4254	159233	161360	4254	499345	510924	23158	1.000	23545	0.1807		41,908.17	4,018.59

11. We find as the Officers of Licensee conceded to the error apparent in showing RkVAh, now this claim is to be allowed. Accordingly, the Licensee is required to refund the P.F. penalty, DPC and interest recovered and pay the P.F. incentive admissible after verifying the figure worked out by the Consumer.
12. As per the judgment of Hon'ble Ombudsman no more comments are required on the circular issued by the Chief General Manager (IT) of the Licensee dated 20/7/2012. The judgment of Hon'ble Ombudsman referred above speaks itself. Accordingly this grievance is to be allowed.
13. In this matter the Forum was required to deal the aspect, along with other bunch of matters of similar nature including Grievance No.K/E/693/819 of 2013-14 Shri Rakesh Shah, hearing both parties time and again. These parties added from time to time their contentions, precedents, supplemented their arguments. Matter before the IGRC was dealt in the said Group during pendency of this matter. As matter was of importance due to technical aspect, both parties were given time to make their submissions.

Hence the Order

**O-R-D-E-R**

- a) The grievance of the Consumer is hereby allowed.
- b) The bills for the months of Aug, Sep. Nov. & Dec. of 2012 and charging of P.F. penalty are set aside.
- c) Licensee directed to work out afresh correctly the Average Power Factor, i.e. P.F. as discussed above for the month of Aug, Sep. Nov. & Dec. of 2012 considering the kWh, kVAh which is visible from the meter and reading available. Thereafter refund the P.F. penalty, DPC and interest imposed and recovered from the Consumer and provide incentive, if found payable. This be done within 45 days from the date of receipt of this order and amount so found due to be paid to the Consumer or be adjusted in the ensuing bills. Interest be paid as per Bank Rate for the amount deposited by Consumer as per the bills, which is required to be refunded.
- d) Compliance be submitted within 60 days of the receipt of this Order.

Date : 12/08/2013

**I Agree**

**I Agree**

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

**(Chandrashekhar U. Patil)**  
**Member Secretary**  
**CGRF Kalyan**

**(Sadashiv S. Deshmukh)**  
**Chairperson**  
**CGRF Kalyan**

**Note:-**

- a) The consumer if not satisfied, may file representation against this order before the Hon. 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”.*

- b) Consumer, as per section 142 of the Electricity Act, 2003, 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”*