



**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/354/398 OF 2010-2011 OF**  
**M/S. S. P. PLASTICS VASAI REGISTERED WITH CONSUMER**  
**GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT**  
**EXCESSIVE BILLING.**

M/s. S. P. Plastics  
Gala No. 11/12,  
Kalpataru Ind. Estate, Chinchpada,  
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 25/06/2010 for Excessive Energy Bills. The details are as follows: -

Name of the consumer :- M/s. S. P. Plastics

Address: - As given in the title

Consumer No : - 001840503905

Reason of dispute: Excessive Energy Bills.

- 3) The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/284 dated 25/06/2010 to Nodal Officer of licensee. The licensee filed reply vide letter No. IGRC/VC/CGRC-0354/0398/2010-11/6000, dated 21/07/2010.
- 4) The forum heard both the parties on 23/07/2010 @ 14.30 Hrs. in the meeting hall of the Forum's office. Shri Harshad Sheth, Shri Vinit Sheth representatives of the consumer & 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 Kalpataru Ind. Estate, Chinchpada, Vasai (East). According to consumer in June 2008 licensee

appropriated the Additional Security Deposit (ASD) of Rs. 14,000 to the bill unpaid consequently they could not get the benefit of PPD vide chart enclosed. Consumer brought this irregularity to the notice of licensee but none cared, consequently licensee is liable to refund the amount of DPC, PPD and interest charged as per the directions of Hon. Ombudsman in representation No. 23 of 09 dt. 26/03/09. Consumer further averred that licensee collected excess connected load penalty wrongly from Aug. 03 to April 04 while enhancing load from 65 to 92 HP amounting to Rs. 45000 as per the chart enclosed and the licensee is liable to refund the amount with interest as per direction of MERC in case No. 02 of 03 dt. 14/07/05 and order of Ombudsman in representation No. 39 of 06 dt. 05/09/06. It is further the contention of consumer that their single phase meter No. 001840504669 is to be clubbed with three phase meter consequently single phase connection is to be permanently disconnected and the amount of SD, ASD, RLC collected by licensee in this context needs to be transferred to the LT-V connection. Vide letters dt. 21/12/09, 28/05/10 consumer apprised all the above points for compliance to the officials of 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 DPC, PPD, interest collected while appropriating ASD in June 2008 and the amount of excess connected load penalty and the SD/ASD/RLC in respect of single phase connection P. D. with interest.

- 6) Licensee opposed the contentions raised above by filing stereotype reply dt. 21/07/10. So far DPC, PPD and interest collected in the context of appropriation of ASD in June 2008 it is contended that I.T. department did

not receive instructions from Head Office in this behalf and so far excess connected load penalty, detail clarification is required. As regards P. D. of single phase connection according to licensee for want of application from the licensee as per rules, question of compliance does not arise, consequently licensee prayed to dismiss the grievance since sans merits.

- 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 justified in appropriating ASD amount from the unpaid energy bill of June 2008 ?	NO
b)Whether licensee is liable to refund the amount of excess connected load penalty as per directions of Hon. MERC / Ombudsman ?	Yes
c)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
d)What Order ?	As per Order below

### **Reasons**

- 8) Learned representative for the consumer at the outset inviting our attention to the applications dt. 21/12/09, 28/05/10 urged that licensee appropriated ASD amount for the bill of June 2008, is in contravention to the directions of Hon. Ombudsman in representation No. 23 of 09 dt. 26/03/09 in case

Natural Sugar and Allied Industries V/s. MSEDCL. Learned representative for the licensee vide report dt. 20/08/10 pointed out that amount in question will be refunded in next billing cycle. In the case cited as above 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, PPD and interest if recovered. In the instant case officials of the licensee showing the consumer unpaid in energy bill appropriated the ASD amount thereby consumer was treated defaulter for payment of energy bill consequently 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 consonance 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.

- 9) So far excess connected load penalty according to consumer on perusal the CPL, it is transpired that while enhancing load from 65 to 92 HP for the period Aug. 03 to April 04 officials of the licensee collected excess

connection load penalty wrongly and the same needs to be refunded as per directions of Hon. MERC in case No. 02 of 03 dt. 14/07/05 and order of Ombudsman in representation No. 39 of 06 dt. 05/09/06. Learned representative for the consumer inviting out attention to the chart enclosed submitted that exaggerated KVAH is used to charge penalty instead giving 7% incentive and as such connected load penalty charged being excess needs to be refunded. Consumer on this count enclosed calculation chart with application. On going through the orders of Hon. MERC and Ombudsman as above in the light of charts enclosed and hearing the contentions made by both the parties we find proper to direct the officials of the licensee to work out connected load penalty and if collected excess, refund the amount with interest.

- 10) It is further the grievance of consumer that their single phase connection vide consumer No. 001840504669 was permanently disconnected while extending load however licensee did not transfer SD, RLC and interest in respect of this single phase connection so far, to their account of LT-V. Learned representative for the consumer in this context submitted that on 29/05/10 they have requested the Dy. Executive Engineer to refund SD & RLC of this permanently disconnected connection but none responded though approached the IGR Cell. He 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. On the other hand, learned representative for the licensee submitted that as per the department circular dt. 15/12/08 consumer has to apply separately for P. D. and refund of SD, RLC, 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. On perusal the records available nothing to show that consumer gave separate application for refund of SD & RLC as required. It is seen while extending the load single phase connection was permanently disconnected and later on this sort of application tendered. 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 given by consumer. (No circular is produced for the perusal of forum though repeatedly directed to the representative for the licensee to produce the same). Under the circumstance consumer can be directed to give separate application for refund of SD/ASD/RLC if not given earlier. Assuming for a movement, no separate application is given, vide application dt. 29/05/10 consumer had apprised that his single phase connection is to be made P.D. follows SD/RLC in this context to be refunded therefore it cannot be said that officials of the licensee were and are not aware of single phase connection P.D. Considering the position we are of the considered view that licensee has to refund SD/ASD/RLC of such meter with RBI rate of interest. In view of the discussion supra, we find proper to direct the licensee to refund the amount of DPC, PPD, interest while appropriating ASD in June 2008, excess connected load penalty charges, and to transfer SD/ASD/RLC in connection with single phase P. D. meter to the consumer's LT-V connection with interest. Points are therefore answered accordingly and the grievance application will have to be allowed.

11) 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 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 and compliance should be reported to the forum within 60 days from the date of receipt of this decision..
- 3) Licensee is directed to work out and refund the amount of connected load 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 and compliance should be reported to the forum within 60 days from the date of receipt of this decision..



- 4) 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.
- 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 : 14/10/2010

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

(R.V.Shivdas)  
Member Secretary  
CGRF Kalyan

(S.N. Saundankar)  
Chairperson  
CGRF Kalyan