

**Maharashtra State Electricity Distribution Co. Ltd.'s
Consumer Grievance Redressal Forum
Nagpur Urban Zone, Nagpur**

Case No. CGRF(NUZ)/030/2007

- Applicant : The Secretary,
S.E. Railway Employees
Co-op. Housing Society
Sahkar Mandir Hall,
Ranapratap Nagar,
NAGPUR.
- Non-applicant : MSEDCL represented by
the Nodal Officer-
Executive Engineer,
Congressnagar Division, NUZ,
Nagpur.
- Quorum Present : 1) Shri S.D. Jahagirdar,
Chairman,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.
- 2) Smt. Gouri Chandrayan,
Member,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

ORDER (Passed on 20.06.2007)

The present grievance application has been filed on 21.05.2007 under Regulation 6.4 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 here-in-after referred-to-as the said Regulations.

The grievance of the applicant is in respect of non-refund of proper residual amount out of Rs. 3000/- which was deposited with the non-applicant on 27.09.2006 as advised by the non-applicant towards temporary electricity connection sought for by the applicant for a function organized on 08.10.2006. His grievance is also in respect of the energy consumption bill and about the non-applicant's failure to inform him about the relevant details of the consumption bill of the applicant.

The applicant has prayed for grant of following reliefs in this grievance application.

- 1) Direct the non-applicant to issue correct revised electricity bill and to refund balance amount alongwith details of the energy bill for one day;
- 2) Direct the non-applicant to pay compensation to the applicant as per MERC (Standards of Performance for Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005 hereinafter referred to as SOP Regulations from 08.11.2006 till finalization of the matter;
- 3) Award cost of Rs. 1000/- to the applicant;
- 4) Grant compensation of Rs. 1000/- towards the applicant's mental and physical agony;

Before approaching this Forum, the applicant had addressed his application, being application dated 20.11.2006 to the Assistant Engineer, Trimurtinagar, S/Dn., MSEDCL, Nagpur on the same subject-matter of the present grievance.

A second application, being application dated 12.05.2007, was also submitted by the applicant to the Dy. Executive Engineer, Trimurtinagar, S/Division MSEDCL, Nagpur on the same subject. However, the applicant's grievance is not redressed to his satisfaction and hence, the present grievance application.

The intimation given by the applicant by way of his applications dated 20.11.2006 and dated 12.03.2007 is deemed to be the intimation given to the Internal Grievance Redressal Cell (in short, the Cell) under the said Regulations and hence, the applicant was not required to approach the Cell again for the purpose of redressal of his present grievance.

The matter was heard on 08.06.2007 and 14.06.2007.

The applicant's case was presented before this Forum by his nominated representative one Shri A.V. Prabhune while the case of the non-applicant Company was presented before this Forum by the Company's Dy. Executive Engineer and Divisional Accountant.

The applicant's representative contended that the applicant had applied for providing temporary electricity connection for conducting Kojagiri programme on 08.10.2006. Thereupon, the non-applicant advised him to deposit amount of Rs.3000/-. This amount was paid by the applicant on 27.09.2006. The temporary electricity connection sought for by the applicant was accordingly provided on 08.10.2006. The energy consumption of the applicant for one day was of 26 units. The applicant by his application dated 20.11.2006

applied to the Assistant Engineer Trimurinagar, S/Dn. on 20.11.2006 with a request to refund the deposit amount after deducting electricity charges for 26 units and other charges. The applicant also requested the Assistant Engineer to provide relevant details of the energy consumption bill. The matter of refund of deposit amount was followed up by the applicant subsequently by his application dated 12.03.2007. Through this application, the non-applicant was informed that the final bill of Rs.2152/- finalized by the non-applicant was exorbitant since the applicant had consumed only 26 units of electricity on 8th October, 2006. The concerned Dy. E.E. was requested to provide all relevant details of the final bill. The non-applicant was also informed that as per SOP Regulations, the account should have been finalized within 30 days i.e. upto 08.11.2006. However, no satisfactory remedy was provided to the applicant with the result that the applicant had to suffer avoidable hardships. He vehemently argued that the non-applicant did not provide any details of the electricity bill till the end of May, 2007 despite lot of persuasion. The Divisional Accountant, Congressnagar Division, NUC, MSEDCL, Nagpur informed the applicant by his letter, being letter no. 2026 dated 28.05.2007, that the amount of electricity charges and other charges for 26 units consumed by him on 08.10.2006 comes to Rs.824/- and that the applicant is entitled to get refund of (Rs.3000-824=) Rs.2176. Accordingly, a cheque of Rs.2176 dated 29.05.2007 was issued in the name of Shri A.D. Deshmukh. Since the applicant was not satisfied with the amount charged and with the quantum of refund amount, he refused to accept the cheque.

The applicant's representative further strongly contended that the amount of Rs. 824/- charged as consumption bill is also wrong. In that, he submitted that meter rent of Rs. 100/- charged in the bill should not have been charged because meter rent for temporary connection cannot be recovered as per MERC's tariff order dated 08.09.2006. Likewise, the supervision charges and labour charges of Rs.98=93 and 65=95 respectively charged in the bill are also not admissible as per MERC's orders. Amount of Rs.13/- charged in the bill towards Regulatory Liability Charges also should not have been included in the bill since such charge has been held to be inapplicable and inadmissible by MERC. According to him, the energy bill issued to the applicant is unjust, improper and illegal.

He quoted SOP Regulations and particularly, Regulation 9.4 thereof, in which it has been laid down that where the consumer applied for closure of account with the licensee, the licensee shall, subject to satisfaction of amounts due from the consumer, repay all outstanding amounts due to the consumer within a period of 30 days from the date of receipt of such application for closure of the account. According to him, the non-applicant has failed to repay the correct outstanding amount due to the applicant on or before 08.11.2006 i.e. within 30 days from the date on which the temporary electricity connection was provided and as such compensation is payable as per Appendix "A" appended to SOP Regulations. The non-applicant is liable to pay compensation at the rate of Rs.100/- per week or part thereof of delay caused beyond 08.11.2006. He also urged that cost of Rs.1000/- may be

awarded to the applicant. In addition, the applicant's representative has also demanded compensation of Rs.1000/- for the applicant for his mental and physical harassment caused by the non-applicant.

The non-applicant, on his part, has submitted his parawise report on 06.06.2007. He has not disputed that the amount of Rs. 3000/- was deposited by the applicant. He has admitted in this report that while issuing the energy bill to the applicant, a wrong mention was made that the applicant's consumption bill is of Rs.2152/-. He also admitted that a letter to that effect was wrongly issued on 25.01.2007. He continued to submit that original receipt of deposit was called for from the applicant by this letter. However, this original receipt was submitted by him on 12.03.2007 after lapse of 1 ½ months. He further submitted that after the applicant pointed out the mistake committed by the non-applicant, vide his application dated 12.03.2007, the applicant's final bill for 26 units including all the charges was settled at Rs. 824/- and that the amount of refund was settled at Rs.2176/-. Accordingly, a cheque, being cheque no. 421233 dated 29.05.2007, for Rs. 2176/- towards refund amount was issued in favour of Shri A.D. Deshmukh who is the Secretary of the applicant-Society. A letter, being letter no. 2026 dated 28.05.2007 was accordingly issued and final bill of Rs. 824/- was also appended to this letter. However, the applicant refused to accept the cheque and final bill. He added that the applicant's grievance was thus resolved in May, 2007. According to him, the mistake committed in issuing a wrong letter dated 25.01.2007 was a bonafide mistake and that the same has not caused any

inconvenience or irreparable loss to the applicant. There was a delay of hardly two months in refunding the admissible amount. There was no delay in providing electricity supply to the applicant. The error committed in this matter is of trivial nature and the applicant cannot make assets of such bonafide mistake. He added that the provision quoted by the applicant cannot be treated as a mandatory provision. He requested this Forum to consider all these the facts and circumstances and also the fact that the non-applicant Company has admitted that a bonafide mistake came to the committed through in advertence.

He lastly prayed that the compensation and the cost sought for by the applicant may not be awarded.

The applicant has submitted a re-joinder on 21.05.2007 as a reply to the parawise report filed on record by the non-applicant. He has contended therein that the non-applicant's letter dated 25.01.2007 was actually posted in February, 2007 and the same was actually received by the applicant on 28.02.2007. There was thus a delay of more than one month from the date of issue of this letter till the date of its receipt by the applicant. He has reiterated that the non-applicant has failed to refund the proper amount within 30 days i.e. upto 08.11.2006 and that the non-applicant was also informed about the applicability of SOP Regulations to the present matter. Despite this position, the grievance is not yet redressed as per legal provisions.

He added that the applicant refused to accept the cheque of Rs.2176/- since the matter was before this Forum and there was no directive from this Forum for the applicant

to accept the same at any stage. The other reason, according to him, is that the energy bill of Rs. 824 is still incorrect. Moreover, the cheque of Rs.2176/- dated 29.05.2007 ought to have been issued in the name of Secretary S.E. Railway Employees Co-op. Hsg. Society and not in the name of Shri A.D. Deshmukh.

According to him, the delay in refunding the amount is of about 7 months i.e. about 30 weeks from 08.11.2006 to 08.06.2007. The non-applicant cannot be excused for the in-ordinate delay caused by him. He reiterated the provisions of SOP Regulations and strongly contended that the applicant is legally entitled to get compensation as laid down in Appendix "A" thereof. He expressed a view that the erring employees of MSEDCL should be punished so as to curb the tendency of violating legal provision and also their careless & arrogant attitude towards consumers.

In reply, the non-applicant has denied the allegations made against the non-applicant. He also mentioned that the allegation made by the applicant against the officials of the non-applicant Company smells of personal grudges of the applicant's representative who has been nominated as the authorized representative in a series of cases before against MSEDCL. This statement made by the non-applicant has been strongly objected to by the applicant's representative. His submission is that the statement made by the non-applicant is not only imaginary and baseless but it is also indicative of the arrogant attitude of the Nodal Officer who has signed the reply. He urged this Forum to take a serious view of the matter.

The non-applicant has further stated in his reply that application for sanction of temporary electricity connection was submitted by one Shri A.D. Deshmukh, Secretary S.E. Railway Employees Co-op. Hsg. Society and the demand note was issued in the name of Shri A.D. Deshmukh. The demand note amount was also deposited by Shri A.D. Deshmukh and hence, the cheque of Rs. 2176/- came to be issued in the name of Shri A.D. Deshmukh.

He lastly stated that the re-joinder filed by the applicant's representative does not contain any justification and it is malafide.

This Forum has considered all the submissions, written and oral, made by both the parties.

It is not disputed that temporary electricity connection was provided to the applicant on 08.10.2006. It is also admitted by the non-applicant that a letter was issued on 25.01.2007 in which a wrong mention of bill amount of Rs.2152/- was made. This, according to him, has happened inadvertently. A final bill for 26 units including all charges was issued on 28.05.2007 and the bill amount is of Rs.824/-.

Now, as laid down in Regulation 9.4 of SOP Regulations, the Distribution licensee is duty-bound to re-pay all outstanding amounts due to the consumer within a period of 30 days from the date of receipt of application for closure of account. In the instant case, this application for closure of account was made by the applicant on 20.11.2006. The record shows that this application was duly received by the non-applicant on 21.11.2006. Hence, it is crystal clear that the non-applicant was duty bound to re-pay all outstanding

amounts due to the applicant subject to satisfaction of the amount payable by the consumer within a period of 30 days from 21.11.2006. It was the duty of the non-applicant to have procured the original receipt of deposit during this period of 30 days. However, the non-applicant wrote to the applicant on 25.01.2007 asking him to submit the original receipt. Thus, no fault can be attributed to the applicant for submitting the original receipt after the period of 30 days is over. Thus, all paper work should have been completed and residual deposit amount paid to the applicant on or before 20.12.2006. The applicant's representative's contention that this amount should have been paid to the applicant on or before 08.11.2006 is not correct and legal. The legal provision as per Regulation 9.4 is explained above.

It is a matter of record that a cheque for amount of Rs.2176 was issued along with the energy bill of Rs. 824/-. The date of cheque is 29.05.2007. The non-applicant complied with the applicant's request on 29.05.2007. Admittedly, there is a delay in finalising account of the applicant and in re-paying the outstanding amount due to him. It is also an admitted position that the applicant refused to accept this cheque of Rs.2176/-. In this respect, this Forum observes that the applicant should have accepted this amount under protest which has not been done in the present case. The Forum is also of the view that the delay from 20.12.2006 to 29.05.2007 deserves to be compensated to the applicant in terms of SOP Regulations. Now, this delay is of 161 days i.e. 23 weeks. As laid down in clause 7 meant for closure of account in Appendix "A" read with Regulation 9.4, the compensation payable to the

applicant comes to Rs. 2300/- @ Rs. 100/- per week or part thereof of delay. We, therefore, order that compensation of Rs. 2300/- (Two Thousand Three Hundred) be paid by the non-applicant to the applicant as per SOP Regulations.

It is a matter of record that the applicant did raise a dispute about the amount to be refunded. According to him, the amount to be refunded is much more Rs.2176/- which was proposed to be paid to the applicant. In that, he has specifically brought to our notice that amounts charged towards meter rent, supervision charges, labour charges and Regulatory Liability charges are not applicable in this case. Based on this, his submission is that compensation as per SOP Regulations may be awarded till the finalisation of the matter. It is true that the amount proposed to be paid to the applicant was not all correct and adequate. However, this Forum is of the view that a major amount of Rs.2176/- was already refunded to the applicant in May, 2007 which the applicant refused to accept. As such compensation is payable upto 29th May 2007 and not beyond this date.

This Forum also holds the view that the contention raised by the applicant's representative in respect of inadmissibility of meter rent, Regulatory Liability charge, supervision charges and labour charges deserves to be accepted. The MERC in its tariff order dated 08.09.2006 passed in case no. 70 of 2005 on the approval of schedule of charges has clearly laid down that no charge for hiring of meter shall be recoverable in respect of temporary connection. The meter rent of Rs.100/- charged in the final bill of Rs. 824/- is not thus legal. The applicant's representative has pointed

out that the MERC in its order dated 29.09.2006 passed in case no. 54 of 2005 has done away with recovery of Regulatory liability charges. There was no comment or response from the non-applicant's side in this regard. Hence, we hold that the charge of Rs. 13/- levied in the bill of Rs. 824/- towards Regulatory Liability charges is also not recoverable.

As regards the supervision charges and labour charges included in the bill of Rs.824/-, the non-applicant could not convince us as to how and on what basis and for what works these charges have been levied in the bill. Normally, these charges are applicable when the Distribution Licensee executes works relating to such temporary supply in terms of Regulations 3.3 and particularly Regulation 3.3.6 of the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations,2005 hereinafter referred-to-as SupplyCode Regulations. In the instant case, there is no iota of any evidence to show that any works were either proposed to be executed or actually executed by the non-applicant for the purpose of giving temporary connection to the applicant. No estimate of any kind towards any such works was produced on record by the non-applicant. There is also no mention at all about this in the parawise report submitted by the non-applicant. It seems that 15% supervision charges and 10% labour charges are levied on the gross amount of Rs.659=55 of the bill which only pertains to the charges for electricity supply. There is no provision in Supply Code Regulations or elsewhere to recover such supervision & labour charges on the gross amount of charges for electricity supplied in terms of Regulation 3.4 of the Supply Code Regulations. Thus, the

applicant's contention raised in this respect of is quite cogent, convincing and legal. The net effect is that the meter rent of Rs.100/-, electricity Regulatory Liability charge, supervision charges and labour charges included in the bill of Rs. 824/- are not admissible. Hence, we direct that the non-applicant shall issue a revised bill to the applicant keeping in mind the above observations.

Consequently, the applicant is also entitled to receive proper amount of refund once the consumption bill is revised.

Justification given by the non-applicant in his parawise report for his wrong doings is not acceptable to this Forum.

The applicant has demanded cost of Rs.1000/- and compensation of Rs. 1000/- in his grievance application. During the course of hearing on 14.06.2007, the representatives of the non-applicant Company have tendered unconditional oral apology for the mistakes committed and for the delay caused. The applicant has been held by us to be eligible to get compensation of Rs. 2300/- under SOP Regulations. In view of these circumstances, we do not find it proper to award any cost or any other compensation sought for by the applicant. His request for awarding cost of Rs. 1000/- and other compensation of Rs. 1000/- towards applicant's mental & physical harassment thus stands rejected.

As regards the applicant's representative's request to take a serious view, in the context of non-applicant's allegation that the applicant's representative has a bias against the non-applicant Company's officials and that he has

been nominated as a representative of consumers in a series of cases, this Forum observes that no proof is submitted by the non-applicant to substantiate his say. We, therefore, direct the Nodal Officer of the non-applicant Company to desist himself in future from making such unwarranted statements without any concrete proof.

In the result, the grievance application is allowed and the same stands disposed off in terms of this order.

The non-applicant shall report compliance of this Order to this Forum on or before 30.06.2007.

Sd/-
(Smt. Gauri Chandrayan)
MEMBER

Sd/-
(S.D. Jahagirdar)
CHAIRMAN

**CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO LTD's
NAGPUR URBAN ZONE, NAGPUR.**

**Member-Secretary
Consumer Grievance Redressal Forum,
Maharashtra State Electricity Distribution Co.Ltd.,
Nagpur Urban Zone, NAGPUR**