

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

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**Case No. CGRF(NUZ)/035/2008**

Applicant : Ms/. Manish Poly Industries  
Plot No. C-93/3, MIDC Hingna  
NAGPUR through  
Shri Rajendra L. Rathi.

Non-applicant : MSEDCL represented by  
Dy. Executive Engineer,  
MIDC Division, NUZ,  
Nagpur and his Jr. Engineer  
Shri M.B. Deshmukh.

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.

3) Shri S.J. Bhargawa  
Executive Engineer &  
Member Secretary,  
Consumer Grievance Redressal  
Forum, Nagpur Urban Zone,  
Nagpur.

**ORDER (Passed on 24.07.2008)**

This grievance application is filed on 26.06.2008  
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 erroneous power factor penalty bill of Rs.8,796.62 dated 10.03.2006.

He has requested to refund the penalty amount to him by withdrawing the aforementioned bill.

Before approaching this Forum, the applicant had filed his complaint on the same subject-matter on 21.11.2007 before the Internal Grievance Redressal Cell (in short, the Cell). The Cell, upon inquiry and hearing, informed the applicant by its letter being letter no. 8046 dated 28.12.2007 that readings of KWH and KVAH units for the month of December, 2005 to March 2006 were taken in the presence the applicant's representative and that the power factor penalty in question was charged properly.

The applicant is not satisfied with the Cell's order and hence, the present grievance application.

The matter was heard on 14.07.2008 and 19.07.2008.

The applicant contended that his power factor was always above 0.9 and he has also installed capacitor since inception of his Unit. The power factor calculated for the month of January 2006 was erroneously mentioned as 0.53. He had requested the non-applicant to furnish him with the readings of KWH and KVAH for the last one year vide his letter dated 16.04.006. However, this information was not provided to him. He paid the power factor penalty under protest to avoid power disconnection. Not only this, but the

concerned Engineer had assured him to test his meter. However, instead of withdrawing the power factor penalty amount, the non-applicant informed the applicant on 27.04.2006 that the power factor penalty for low power factor was correctly charged vide Executive Engineer's letter dated 27.04.2006. The applicant again submitted another application dated 31.05.2006 informing that neither the meter was tested nor the meter reading sheet for the month of January 2006 was received by him. No reply, whatsoever, was received by him from the non-applicant. Hence, he filed his complaint before Cell on 21.11.2007. The Cell rejected the applicant's request, vide its letter dated 28.12.2007, due to which he is aggrieved. According to him, the Cell did not apply its mind and did not mention anything about previous readings of KWH and KVAH from January 2005 to November 2005 though he had repeatedly requested the non-applicant earlier to submit this data.

He lastly prayed that the Cell's order be quashed. He also requested that the aforesaid amount of Rs.8796.62 be refunded to him.

The non-applicant, on his part, has submitted his parawise report dated 03.07.2008 which is on record. It has been stated in this report as well as in the oral submissions of the Jr. Engineer that the power factor penalty in question was rightly inflicted upon the applicant as per low tension tariff applicable w.e.f. 01.12.2003. The Power factor penalty was to be levied whenever the average power factor is less than 90% and penal charges in such cases were to be levied @ 2% of the amount of monthly energy bill for first 1% fall in the power

factor below 90% beyond which the penal charges were required to be levied @ 1% for each percentage point fall in the power factor below 89%. He has submitted an annexure showing the power factor calculation for the months of January, 2006 to March 2006. As per KWH and KVAH readings, the power factor calculated for the month of January 2006 was 0.53 which is less than the permissible limit. Hence, penalty of Rs. 8796=62 for low power factor was correctly charged and the bill to that effect rightly issued to the applicant on 10.03.2006. He added that readings of KWH and KVAH for the month of December 2005 to March 2006 were taken in the presence of representative of the applicant.

He lastly prayed that the grievance application may be rejected.

In this case, it is an admitted position on record that the applicant immediately upon receipt of this disputed bill approached the non-applicant's officials by filing complaint dated 16.04.2006. In this letter, the applicant had requested the non-applicant to let him know reading of KWH and KVAH in the preceding one year's period so as to make it clear that his power factor was always above 0.9. This application was duly received by the Assistant Engineer, Hingna Sub-Division, NUC, Nagpur on 20.04.2006. There is also an endorsement made by the applicant on this application to the effect that an assurance was given to test the applicant's meter and, therefore, he was paying the penalty amount under protest. The applicant also pursued his request about furnishing the recorded data for the calendar year 2005. However, the only reply given to him was that the power factor penalty was

charged correctly. It is not disputed by the applicant that the KWH and KVAH readings were taken in the presence of his representative. However, his say is that the person who has signed the recorded readings was a helper and as such, he was unable to react to the readings recorded.

When pointedly asked by us, the non-applicant's representative was not able to give any convincing reply on the point as to why the information sought for by the applicant, vide his letter dated 16.04.2006, could not be furnished to him. There is a plea taken during hearing by the non-applicant that the KWH and KVAH data recorded by the meter was not available because the preservation period of six months had already lapsed in the past. However, this plea is not accepted by us for the simple reason that this data was very much available with the non-applicant when the applicant requested for furnishing this data to him in April 2006. The prescribed period of six months had not expired that time. It is also a matter of record that the applicant's meter was not tested at the relevant time when the applicant specifically insisted upon the non-applicant to test his meter. On this point also, there is no plausible explanation forth-coming from the non-applicant's side. There seems to be no reason to disbelieve the claim of the applicant. He deserves to be given benefit of doubt.

It is also an admitted position that the applicant's meter's power factor was never below 0.9 anytime before or after the disputed billing month. The non-applicant also admitted during hearing that no power factor penalty was ever imposed upon the applicant excepting the power factor penalty which has been disputed in this application.

Moreover, as laid down in Regulation 12.2 of the Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) Regulations 2005 the Distribution Licensee may require the consumer, within a reasonable time period, which shall not be less than three months, to take such effective measures so as to raise the average power factor or control harmonics of his installation to a value not less than such norm, in accordance with Regulation 12.1 above:

Provided that the Distribution Licensee may charge penalty or provide incentives for low/high power factor and for harmonics, in accordance with relevant Orders of the Commission.

The above provision requires a Distribution Licensee to inform the consumer about low power factor and ask to him take effective measures so as to raise it to a value not less than the prescribed norm. These Regulations have come into force w.e.f. 20.01.2005 and hence, they are very much attracted in the instant case. Against this background, there is no record to show whether MSEDCL ever informed the applicant to take effective measures as aforesaid.

The net result is that the applicant's grievance deserves to be removed.

Hence, the grievance application is allowed and the non-applicant is directed to withdraw the disputed bill in question and also to refund the said penalty amount to him.

The non-applicant shall carry out this order and report compliance to this Forum on or before 31.08.2008.

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>(S.J. Bhargawa)</b>	<b>(Smt. Gauri Chandrayan)</b>	<b>(S.D. Jahagirdar)</b>
Member-Secretary	MEMBER	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.