

**CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.
NASHIK ZONE**

(Established under the section 42 (5) of the Electricity Act, 2003)

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**Office of the
Consumer Grievance Redressal Forum
Kharbanda Park, 1st Floor,
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Dwarka, NASHIK 422011**

**No. / CGRF /Nashik/NRC/NR.Dn/409/47-13/
(BY R.P.A.D.)**

Date:

**Date of Submission of the case : 04/02/2014
Date of Decision : 14/07/2014**

To.

1) M/s. Hariom Enterprises, .
Plot No. B-194, MIDC,
Sinnar, Nashik 422113
(Consumer No. 076040005818)

Complainant

- 2) Nodal Officer ,
Maharashtra State Electricity Distribution Com. Ltd.,
Rural Circle office, Vidyut Bhavan ,
Nashik
- 3) Executive Engineer (Rural)
Maharashtra State Electricity Distribution Com. Ltd.
Patel Chamber , Nashik .

Distribution Company
(Respondent)

DECISION

M/s. Hariom Enterprises , (hereafter referred as the Complainant). Sinnar Nashik is the LT Industrial consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Respondent). The Complainant has submitted grievance against MSEDCL for accumulated billing & PF incentive issue . The Complainant has filed a complaint regarding this with the Internal Grievance Redressal Committee of the Maharashtra State Electricity Distribution Company Ltd. But as the IGRC did not provide any remedy within 2 months, the consumer has submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representation is registered at Serial No.47 of 2013 on 04 /02/2014.

The case could not be kept for hearing immediately after its receipt as the posts of the Chairperson and Member of the Forum were vacant. After the appointment of the Chairperson, the Forum in its first meeting on 09/06/2014, decided to admit this case for hearing on 24/06/2014 at 11.00 pm in the office of the forum . A notice dated 10/06/2014 to that effect was sent to the Complainant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Rural Circle Office Nashik, for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer. The copy of this notice was also endorsed to the Executive Engineer (Rural Division) ,Nashik

Shi. B. N. Sawant, Nodal Officer, Shri A. R, Chavan Executive Engineer (Rural) Dn. Nashik, Shri. A. G. Gaidani Asstt. Engr., Shri. N. B. Rohankar Asstt. Engr. , Shri. D. J. Nirgude, Asstt. Auditor represented the Distribution Company during the hearing. Shri S. S. Shah and Shri. T. N. Agrawal , appeared on behalf of the consumer.

Consumers Representation:

1. The complainant is the consumer of MSEDCL availing 3-ph LT power supply since 07.07.2012. In the month of March 2013, the MSEDCL issued bill for accumulated consumption 9151 KWH without taking proper reading of KWH, KVAH & RKVAH. As the reading of KVAH & RKVAH consumption mentioned as zero, hence Power Factor incentive was also not allowed. The bill was however paid under protest for full amount Rs.66,410/- on 30.04.2013. Thereafter MSEDCL issued all bills till today without taking meter reading and in the month of Nov.2013 again issued accumulated bill for 13884 KWH. Further once again in the month of Dec. 2013 bill issued with zero reading.
2. As the bill of Nov. 2013 was not acceptable , the complainant requested vide letter dt.26.12.2013 to allow 3 installments. However MSEDCL issued again adhoc bill for Rs.50,000/- which was paid by us on due date 13.01.2014.
3. All the bills were issued without allowing PF incentive 7% although the consumer has installed capacitor and maintained PF to unity, but the MSEDCL failed to take reading of PF, KVAH & KVARH and hence PF was indicated as 0.90 for which incentive is not applicable.
4. As the MSEDCL issued all bills without actual meter reading, major of the consumption billed in the bill of Nov. 2013 which had attracted higher tariff including ASC-1 to 4 & addl. FAC made applicable from Aug. 2013. Hence due to accumulation of consumption, units utilised prior to Sept. 2013 were charged at higher tariff rate.
5. Financial burden on us increased suddenly in the month of Dec. 2013 due to accumulated bill which we otherwise would have paid in monthly installments.
6. Power factor incentive was totally ignored due to zero reading of KVAH & KVARH which had resulted 7% loss in entire period from March-13 to Dec. 2013.
7. Accumulation of DPC and interest due to non-acceptance of bill of Nov-2013 in 3 installments.
8. The CGRF passed interim order No. MS/CGRF/NSKZ/00027 dt.04.02.2014 on their application dt.04.02.2014 which stayed disconnection notice dt.31.01.2014 of Sinnar-I Sub-Div. MSEDCL till grievance is settled fully by IGRC &/ CGRF.
9. The IGRC settled the grievance partly vide order No. SE/NSK-R/Tech/CGRF/1757 dt.29.03.2014.
10. As the MSEDCL issued all bills without actual meter reading, major of the consumption billed in the bill of Nov. 2013 which had attracted higher tariff including ASC-1 to 4 & addl. FAC made applicable from Aug. 2013. Hence due to accumulation of consumption, units utilised prior to Sept. 2013 were charged at higher tariff rate, the IGRC settled this issue by allowing credit of Rs.7,505.30
11. Financial burden increased suddenly in the month of Dec. 2013 due to accumulated bill which we otherwise would have paid in monthly installments, installment allowed by MSEDCL after filing grievance with IGRC, Nasik.
12. Power factor incentive was totally ignored due to zero reading of KVAH & KVARH which had resulted 7% loss in entire period from March-13 to Dec. 2013, PF incentive allowed by IGRC for amount Rs.18,311.43
13. Amount of claim Vs settlement by IGRC/ MSEDCL.

On account of AEC diff.:	Rs. 7,505.30
On account of PF incentive	Rs.18,311.43
Unknown amount paid	Rs. 3,953.27
Total amount credited	Rs.29,770.00 in March 2014.
14. Accumulation of DPC and interest due to non acceptance of running bill by MSEDCL. Total Int. & DPC worked out to Rs.15,205.30 as per the statement attached. Balance amount receivable Rs.15,205.30 less Rs.3,953.27 = Rs.11,252.03 which needs to be considered by Hon. CGRF for refund.

Demands of the Consumer:

1. To admit the grievance and pass immediately instructions to Sinnar-I S/dn. office not to disconnect the supply till the grievance is fully settled by IGRC &/ CGRF.
2. Allow payment of accumulated bill of 10 months in 3 equal installments and waive off DPC & interest charges
3. Appropriate the consumption proportionately to each month and allow benefit of lower tariff rate prior for the consumption of power prior to Aug. 2013.
4. PF incentive at 7% should be allowed for billing from March 2013 to Dec. 2013 as PF is maintained to unity.
5. Action against erring officials as per SOP 2005, Appendix-A, section 7(i) for not taking bi-monthly meter reading. Penalty at Rs.200/- per month x 10 = Rs.2,000/- for violation of SOP is proposed to be recovered and paid to us.
6. Compensation of Rs.20,000/- towards mental agony, expenditure for follow up with MSEDCL, filing grievance application, attending offices of MSEDCL, attending hearings, man-hr cost, traveling expenses etc.
7. The complainant may be allowed to submit additional submission to this grievance as may be required during the hearing at later date.
8. Pass such further and other orders, as the Hon. IGRC may deem fit for proper keeping in view the facts and circumstances of the case.

Arguments from the Distribution Company.

The Distribution Company submitted a letter dated 21/06/2014 from the Nodal Officer, MSEDCL, Nashik Rural Circle Office, a letter dated 21/06/2014 from the Assistant Engineer, Sinnar S/Dn. Office and other relevant correspondence in this case. Putting forth the arguments on the points raised in the grievance. The representatives of the Distribution Company stated that:

“In case of M/s Hariom Enterprises, in view of the decision of the IGRC, Rural Circle, Nashik adjustment as per (-B 80) of Rs. 30325.45/- towards DPC, interest and additional charges for the period November 2013 to April 2014 have been given online as per bill revision dated 21/06/2014.”

Action by IGRC:

1. The grievance was submitted to the Internal Grievance Redressal Committee at Nashik Rural Circle office on 29/01/2014.
2. The hearing was conducted on 11/04/2014 and the IGRC recorded observations as under in the proceedings :
 - It is observed that the cheque no.039666 of consumer dt. 13.1.2014 is deposited on dt.17.1.2014 & shown dishonoured on dt.20th. The supply of M/S Hariom enterprises was disconnected by M.S.E.D.C.L. on dt. 18.2.2014 when it is noticed by the Nashik Road Circle Office that cheque is dishonored.
 - The cheque bouncing is not seen to be seriously taken by the account holder.
 - Hence IGRC is of the view only M.S.E.D.C.L. can not be blamed for the disconnection of supply. The supply is disconnected on dt 18/2/2014 and the same is reconnected on the same day.
3. The IGRC as per its letter dated 23/04/2014 gave the following decision :

“The e consumer's request for compensation for disconnection of supply is not accepted.”

Observations by the Forum:

1. As explained by the Distribution Company representative, the computation of the adjustment is as under:

➤ D.P.C.	Rs. 6112.93
➤ Interest on Arrears	Rs .2440.56
➤ A.E.C. Difference	Rs. 7505..30
➤ PF Incentive	Rs. 18311.43

Total Adjustment	Rs. 34370.28

Of which Rs. 30325.45 /- have been already credited in May 2014 bill and Rs. 4044.83/- have been credited in June 2014. Now Current Interest from November 2013 to April 2014 is to be refunded., which will be done in July 2014 bill. The complainant agrees with this adjustment

2. The complainant has claimed compensation for not taking bi-monthly meter reading and action against erring officials as per SOP 2005. so far as the compensation for reading defaults is concerned , the Forum records following observations:

- The consumer is given supply on 07/07/2012. While scrutinising the CPL for July 2012 to May 2014 , it is seen that the Distribution Company has issued bill for accumulated consumption for March 2013 and also for November 2013.
- Thus there was default in taking and feeding actual reading from July 2012 till February 2013 which was corrected in March 2013. As per the section 9.1 of the prevailing MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005, it is mandated that the reading of consumer's meter shall be undertaken by the Authorised Representative at least once in every three months for agricultural consumers and at least once in every two months for all other consumers. The regulations provide compensation for the deficiency if any in maintaining this standard. However the claim for compensation is to be filed within a period of sixty days from the date of rectification of the deficiency as per section 12.2 of the MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005. The deficiency of wrong billing for July 2012 to February 2013 was rectified by the Distribution Company in the March 2013 bill issued on 27/03/2013. Hence the claim for compensation should have been filed by the complainant before 26/05/2013 (within 60 days). The complainant has however filed the complaint with claim for compensation on 29/01/2014 to IGRC.
- There was also default in taking and feeding actual readings from April 2013 till October 2013 which was corrected in November 2013 bill issued on 29/11/2013. The claim for compensation of this deficiency is to be filed before 28/01/2014 (within 60 days) . As the complainant has filed the same with IGRC on 29/01/2014 . it also can not entertained in view of the said MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005 regulations.

As such the claims for compensation against two instances of the discrepancies are beyond prescribed time frame , hence they can not be considered.

3. Though the compensation to consumer is not admissible on technical grounds, the fact remains that there has been default on the part of the Distribution Company and the reading agency in recording correct readings. The Executive Engineer , Rural Division ,Nashik should investigate and take appropriate action on the erring MSEDCL staff and the reading agency.
4. The complainant's demand of compensation towards mental agony, expenditure for follow up with MSEDCL, filing grievance application, attending offices of MSEDCL, attending hearings, man-hr cost, traveling expenses etc. can not be accepted as the prevailing SOP Regulations, 2005 do not provide any such compensation.
5. Forum could not pass appropriate order, on this Grievance for its redressal within a period of two months from its date of receipt as mandated in regulation 6.18 of the MERC (CGRF & EO) Regulations, 2006, because the posts of the Chairperson and the Member remained vacant after 08/02/2014 and the Forum could start functioning only after the appointment and joining of the Chairperson with effect from 06/06/2014. The post of the Member representing the Consumer Organisation is still vacant.

The representation is disposed off with the observations and directions as elaborated in the preceding paragraphs.

If aggrieved by the non-redressal of his Grievance by the Forum, the Complainant may make a representation to the Electricity Ombudsman, 606, 'KESHAVA', Bandra Kurla Complex, Bandra (East), Mumbai 400 051 within sixty (60) days from the date of this order under regulation 17.2 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006.

(Chandrakishar C. Humane)
Member-Secretary & Executive Engineer

(Suresh P.Wagh)
Chairman

Consumer Grievance Redressal Forum
Nashik Zone

Copy for information and necessary action to:

- 1 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101
- 2 Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. , Rural Circle office, Nashik Road.