

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
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Dwarka, NASHIK 422011

No. / CGRF /Nashik/NUC/637 /27-17/

Date:

(BY R.P.A.D.)

Date of Submission of the case :02/12/2017

Date of Decision : 12/01/2017

To.

1. M/s. Indus Towers Ltd., .
2010, E-core, 2nd floor,
Marval Edge, Viman Nagar,
Pune 411014
(Consumer No.)

Complainant

2. Nodal Officer ,
Maharashtra State Electricity Distribution Com. Ltd.,
Urban Circle Office Nashik.

Distribution Company
(Respondent)

Executive Engineer,
Maharashtra State Electricity Distribution Com. Ltd.
Division Office , Chandwad / Nashik (R)

DECISION

M/s. Indus Towers Ltd , (hereafter referred as the Complainant). Nashik is the Industrial consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Respondent). The Complainant has submitted grievance against MSEDCL for refund of Security Deposit. The Complainant filed a complaint regarding this with the Internal Grievance Redressal Committee of the Maharashtra State Electricity Distribution Company Ltd. But not satisfied with the decision of the Respondent , the consumer has submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representation is registered at Serial No. 140 of 2017 on 02 /12/2017.

The Forum in its meeting on 07/12/2017, decided to admit this case for hearing on 27/12/2017 at 1.00 pm in the office of the forum . A notice dated 08/12/2017 to that effect was sent to the appellant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Urban Circle Office Nashik for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer.

Smt. P.V. Bankar, Nodal Officer, Shri.B.V. Maind represented the Distribution Company during the hearing. Shri D.S. Talware appeared on behalf of the consumer.

Consumer's Representation in Brief :

The complainant had connections as per following details:

Consumer no.	Billing unit	SD pending	Date of Ack	Division
73030057063	5487 Pimpalgaon	48770	7 June 2015	Chandwad
74060006273	0469 ozar (R)	15000	08 Sept.. 2016	Nashik -R

1. The electricity supply to these sites as mentioned in the table above are already surrendered.
2. Then they applied for refund of Security Deposit along with all required documents to the concerned SDO on dates as shown in columne "Date of Ack" in the above table. There were no queries . No compliance is pending with them. As per MERC directives SOP , the said activity is

ought to be completed within thirty (30) days from the date of receipt of application for closure of account. The concerned SDOs have shown very passive approach towards consumer grievances despite of all directives of rules, regulations, guidelines and SOP Regulations..

Relief Sought:-

1. Arrange to refund the Security Deposit to us at the earliest of above consumers.
2. Arrange to take further needful action per SOP, rules & regulations (Appendix-A, Sr.no.7 (III)).

Arguments from the Distribution Company:

The Distribution Company submitted a letter dated 22/12/2017 from the Nodal Officer, MSEDCL, Urban Circle Office Nashik and other relevant correspondence in this case. The representatives of the Distribution Company stated that:

es bMI VKbI l fy- 2010 bl dksvj] foeku uxj i qks ; kps rdkjhckr dk; Zdkjh vfHk; ark pknOM foHkkx ; kauh R; kps l nfHkZ l da 5610 fn- 19@12@2017 vUo; s l knj dSY; k Eg.k. ; kuq kj es bMI VKbI l fy- xk-da 73030057063 ; kauk vuker jDde #- 48]770@ /kukns k da 300270 fn- 20@11@2017 uq kj ns ; kr vkys vkgr-

rl p dk; Zdkjh vfHk; ark] xteh.k foHkkx R; kps l nfHkZ i = da 6493 fn- 22@12@2017 vUo; s l knj dSY; k Eg.k. ; kuq kj es bMI VKbI l fy- xk- da 074060006273 ; kauk vuker jDde #- 15]000@ /kukns k da 070709 ck; vkj-i-h, -Mh- i# da EEN/R/NSK/CASH/3745 fn- 20@07@2017 uq kj xtgdkP; k iRR; koj ns ; kr vkysyK vkgs

Action by IGRC :

1. Internal Grievance Redressal Cell Nashik Urban Circle conducted hearing on 10/11/2016 for the complaint submitted on 12/09/2016 .
2. After hearing both the parties IGRC gave decision as per letter dated 29/11/2016 as under .

^ I ol l cf/kr mi foHkkfx; vf/kdkjh ; kauh da uhp; k fu; ekl vf/ku jkgu xtgdkph vuker jDde ijr dj.krckcr Rojhr ; kX; rh dk; bkgh djkoh **

Observations by the Forum:

1. After the surrender of the connections , the complainant has applied to the concerned Sub-Divisions of the Distribution Company as per following details along with the indemnity bond:

Cons. No.	S/Dn.	Division	Amt. of SD	Dated	Remark
73030057063	Pimpalgaon	Chandwad	48,770/-	07/06/15	Refund of Rs. 48770/- given vide ch. No. 300290/20/11/17.
74060006273	Ozar (R)	Nashik (R)	15,000/-	08/09/16	Refund of Rs. 15000/- given vide ch. No. 070709/20/07/17.

From Say submitted by the Dist. Co. it seems that S.D. refund is given after 8 to 12 months late even after IGRC's decision on dt.29/11/16 and 27 & 14 months late repressively from the date of application.

2. However .the queries raised by the Divisional Offices are irrelevant and just to cover up the delays. There is no need to take indemnity bond on Rs. 100 stamp paper in case of the lost money receipt. It is not supported by any MERC Regulation. In fact, as per the regulation of the 11.9 of MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005.

“Upon termination of supply, the Distribution Licensee shall, after recovery of all amounts due, refund the remainder amount held by the Distribution Licensee to the person who deposited the security, with an intimation to the consumer, if different from such person.”

Hence there was an obligation on the Distribution Company to refund the amount after disconnection without asking for any compliance. Also, when the amount is to be refunded by account payee cheque, it was not even necessary to seek production of original receipt, leave aside indemnity bond.

3. The Forum could not find any circular about taking indemnity bond on Rs. 100 stamp paper issued by the Distribution Company /earst while MSEB. The Code of commercial instructions (1996) of the erstwhile MSEB is available in this regard. But even in this document under the title of **“REFUND OF DEPOSITS IN ABSENCE OF THE ORIGINAL RECEIPT ISSUED BY THE BOARD”** it is specifically mentioned that :

“Whenever an original money receipt for the amount paid as Earnest Money Deposit or Security Deposit is misplaced or lost by the party paying such a deposit or when it is not possible for such party to surrender the original money receipt, the deposit amount may be refunded after obtaining a simple indemnity in the form of a letter (inserted at appendix – 60) from such party, (which

need not be on stamped paper irrespective of the amount of the deposit provided that the amount in such cases shall be refunded by "A/C Payee" cheques only."

4. As such the action of the Distribution Company in demanding notarized indemnity bond on Rs. 100/- stamp paper is not justified. This also indicates lack of proper knowledge of the concerned officers of the Distribution Company
5. As per the S.N. 8 (ii) of the Appendix A of the MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014 , it is mandated that the time period for payment of final dues closed in 45 days in rural area from the date of receipt of application other wise compensation is to be paid.

Supply Activity/Event	Standard	Compensation Payable
8. Other Services (ii) Time period for other services from the date of application :		Rs 100 per week or part thereof of delay.
- change of name	Second billing cycle	
- change of tariff Category	Second billing cycle	
- reduction in contract demand / sanctioned load.	Second billing cycle	
<u>-Closure of account-Time period for payment of final dues to consumer from the date of receipt of application for closure of account.</u>	Thirty (30) days (Class I cities and Urban Area). Forty Five (45) days(Rural Areas)	

6. Following discrepancies are noticed on the part of the Distribution Company in handling these cases:
 - ✓ The complainant applied for refund in 2015 and 2016 .But he was not immediately informed about the submission of the original money receipt of Security Deposit or indemnity bond in case of Lost Money Receipt.
 - ✓ It was insisted to submit indemnity bond on Rs.100/- stamp paper and to be notarized.
 - ✓ The concerned office has not taken cognizance of the fact that the refund is to be made in prescribed time limit and any delay in refund would attract the entitlement of the compensation to the consumer.
7. In some cases it is observed that cheque of refund of some connections were drawn but it was not sent to complainant by post it was kept with them awaiting for consumer to approach, which ultimately has to be cancelled.
8. The complainant is eligible for the compensation at the rate of Rs. 100 per week or part thereof for the delay after 45 days from the date of application for each connection. As the refund is not yet effected the amount of the compensation cannot be computed by the Forum at this stage.
9. The Distribution Company is directed to refund the Security Deposit of each connection to the complainant along with interest at Bank Rate of RBI as per rule and also the compensation at the rate of Rs. 100 per week or part thereof for the delay after 45 days from the date of application till the date of refund

After considering the representation submitted by the consumer, comments and arguments by the Distribution Company , all other records available, the grievance is decided with the observations and directions as elaborated in the preceding paragraphs and the following order is passed by the Forum for implementation:

ORDER

1. The Distribution Company should refund within 20 days from the date of this order , the Security Deposit for each connection of the complainant along with interest at Bank Rate of RBI and also pay the compensation at the rate of Rs. 100 per week or part thereof for the delay after after 45 days from the date of application till the date of refund.
2. As per regulation 8.7 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 , order passed or direction issued by the Forum in this order shall be implemented by the Distribution Licensee within one month and the concerned Nodal Officer shall furnish intimation of such compliance to the Forum .

3. As per regulation 22 of the above mentioned regulations , non-compliance of the orders/directions in this order by the Distribution Licensee in any manner whatsoever shall be deemed to be a contravention of the provisions of these Regulations and the Maharashtra Electricity Regulatory Commission can initiate proceedings *suo motu* or on a complaint filed by any person to impose penalty or prosecution proceeding under Sections 142 and 149 of the Electricity Act, 2003.
4. 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.

(Chandrakant M. Yeshirao)

Member

(Prasad P. Bicchal)

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 (For Ex. Engr.(Admn)
- 2 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101 (For P.R.O)
- 3 Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. , Urban Circle office, Nashik .