

**BEFORE THE CONSUMER GRIEVANCE REDRESSAL FORUM
AURANGABAD ZONE, AURANGABAD.**

**Case No. CGRF/AZ/AUC/763/2019/48
Registration No. 2019080049**

Date of Admission : 27.08.2019

Date of Decision : 13.11.2019

International Hospital, : COMPLAINANT
Plot No.8/9, Motiwala Nagar,
Jalna Road, Aurangabad-431001.
(Consumer No. 490014838110)

VERSUS

Maharashtra State Electricity Dist. Co. Ltd.
Through it's Nodal Officer /
The Executive Engineer,
MSEDCL, Urban Circle,
Aurangabad.

For Consumer : Shri H.A.Kapadia
For Licensee : Mrs. P.S. Bhalerao
The Additional Executive Engineer,
MSEDCL, Krantichowk S/Dn. Urban Dn-II,
Aurangabad.

CORAM

Smt Shobha B. Varma, Chairperson
Shri Makarand P Kulkarni, Tech. Member/Secretary
Shri Vilaschandra S. Kabra Member

CONSUMER GRIEVANCE REDRESSAL DECISION

- 1) The applicant International Hospital Plot No.8/9, Motiwala Nagar, Jalna Road, Aurangabad-431001 having Consumer No. 490014838110. The applicant has filed a complaint against the respondent through the Executive Engineer i.e. Nodal Officer, MSEDCL Urban Circle, Aurangabad under Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulation 2006 in Annexure (A) on 27.08.2019.

The facts of the dispute in nutshell are as under:-

- 2) That, the petitioner is authorized signatory of International Hospital, situated at Plot No.8/9, Motiwala Nagar, Jalna Road, Aurangabad.
- 3) In view to start hospital at above mentioned premises, the complainant submitted application for release of LT connection of connected load 150 Kw in the office of Executive Engineer, Urban Division No.2, Aurangabad along with all required documents.
- 4) It is submitted that after receipt of feasibility report from Addl. Executive Engineer, sanction letter was issued vide letter no. 3035 dt. 17.10.2017. The estimate was sanctioned under 1.3% Non DDF CC&RF scheme.
- 5) The petitioner was asked to carry out the work of development of infrastructure which included installation of 200 KVA transformer HT/LT line, cables etc.
- 6) That, after payment of 1.3% supervision charges, the petitioner has procured all required material and carried out the infrastructure work required for providing supply to their hospital under supervision of MSEDCL authority.
- 7) It is submitted that the complete work, after installation, was handed over to MSEDCL. It is only after completion of all formalities, LT supply

was released to the hospital. The total amount incurred towards development of infrastructure as per WCR is Rs. 4,42,214/-.

- 8) That, since the petitioner did not get the refund of cost incurred towards development of infrastructure, so request letter dt. 03.05.2018 was sent by the petitioner to the Respondent.
- 9) That, as per sanctioned estimate, the petitioner was asked to install LT CT operated meter which was required to be installed by MSEDCL. That, as per MERC guidelines and MSEDCL's own circular No.43 the metering is required to be provided by MSEDCL. Hence the cost spent by the petitioner towards meter is also required to be refunded.
- 10) That, as per provision of Electricity Act, 2003 and directives issued by MERC, infrastructure for providing connection to consumer is required to be developed by MSEDCL and in case the same is developed by consumer, the cost incurred by consumer is required to be refunded or adjusted in monthly electricity bills.
- 11) Since Respondent has not taken any cognizance of request submitted vide letter dt. 03.05.2018, the petitioner therefore filed complaint in Internal Grievance Redressal Cell of MSEDCL Urban Circle, Aurangabad on 22.04.2019. However the order dt. 02.07.2019 passed by IGRC is vague and does not provide any clear directives.
- 12) It is prayed that :-
 - 1) Respondent may be directed to refund Rs. 4,42,214/- spent by the petitioner towards development of infrastructure work along with interest.

- 13) The Respondent in their say (P.No.24) has submitted that, in obedience of the order passed by IGRC, the proposal of consumer under Non DDF is sent to higher office for approval.
- 14) The Respondent has produced on record, copy of approval of refund of infrastructure cost of the petitioner dt. 24.09.2019 (P.No.42). Further the condition of submitting undertaking on Indian Non judicial bond is now waived by the MSEDCL as per letter no. CE/AZ/F&A/No.3444 dt. 18.10.2019, produced at Pg.No.47. Prayer of compensation & refund of meter & testing charges is not pressed by the petitioner.
- 15) Considering these aspect, now the only point remained to be considered for determination is as follows:

Sr.No.	POINTS	ANSWER
1	Whether the petitioner is entitled for interest on the refund of infrastructure cost amount?	Yes
2	What order?	As per final order

REASONS

- 16) **Point No 1:-** As per approval dt. 24.09.2019, the petitioner is entitled to get refund of infrastructure cost. However, it is found that W.C.R. (Pg.No.32) is dtd. 28.11.2017. The petitioner has made demand of refund of infrastructure cost through energy bills by letter dtd. 03.05.2018 (Pg.No.15) which was received to the Respondent on the same date. However, his application was not properly processed & it was approved after 1 year 4 months & 21 days i.e. on 24.09.2019. Naturally, on account of delay caused for refund of his invested amount, we feel it just & proper to grant interest on refundable cost amount. In

this respect practice directions dt. 22 July 2019 issued by Hon'ble MERC regarding interest rates are material, which is reproduced below:-

“Unless the commission does not specifically deny or approve different interest rate on amount to be refunded by Distribution Licensee to the consumer, Forums under CGRF Regulations 2006 shall henceforth, uniformly grant interest if entitled to, on amount to be refunded to consumer, at interest rate equivalent to the Bank Rate declared by the Reserve Bank of India prevailing during the relevant period (i.e. Bank Rate)”.

- 17) Bearing in mind these guidelines, we direct the Respondent to pay refund amount together with interest from the date of his application i.e. 03.05.2018 computed at the rate of interest equivalent to the prevailing Bank rate declared by the Reserve Bank of India till the date of actual payment as the petitioner is entitled for interest from the date of his application i.e. 03.05.2018. We accordingly answer point No.1 in the affirmative.
- 18) Considering above discussion, we proceed to pass following order in reply to point No.2

ORDER

The petition is allowed in the following terms:-

1. The Respondent is hereby directed to refund infrastructure cost to the petitioner, as per approval dt. 24.09.2019 and as per WCR.
2. The refund of infrastructure cost be made together with interest from 03.05.2018, at the rate equivalent to the prevailing Bank Rate declared by the Reserve Bank of India, till the date of actual payment.

3. The aforesaid refund amount along with interest be adjusted in the post energy bills starting immediately from next billing month of this order.
4. Parties to bear their own costs.
5. Compliance be reported within thirty days of passing this order.

Sd/-

Shobha B. Varma
Chairperson

Sd/-

M. P. Kulkarni
Technical Member / Secretary

Sd/-

Vilaschandra S.Kabra
Member