

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@mercindia.org.in
Website: www.mercindia.org.in

Case No. 52 of 2011

In the matter of
**Complaint by Bhakti Industries, against MSEDCL, under Sections 142 and 146 of the
Electricity Act, 2003, alleging non-compliance of the CGRF Kalyan Order dated 15th
December 2010.**

**Shri V. P. Raja, Chairman
Shri Vijay L. Sonavane, Member**

Bhakti Industries

...Complainant

V/s

Maharashtra State Electricity Distribution Co.Ltd
through

Chief Engineer (Kalyan Zone),
The Superintendent Engineer (Vasai Circle)
The Deputy Ex. Engineer (Vasai Sub Division)

...Opponent

ORDER

Date: 1st December, 2011

Bhakti Industries the Complainant herein, filed the present Complaint on 30th March, 2011, against Maharashtra State Electricity Distribution Company Limited (“MSEDCL”). The Complainant wishes to invoke the penal provisions under Sections 142 and 146 of the Electricity Act, 2003 (“EA2003”) on the ground that the Opponent has failed to comply with the Order dated 15th December, 2010 of Consumer Grievance Redressal Forum (“CGRF”), Kalyan Zone.

2. The prayers made by the Complainant are:

“

- a) *Invocation of section 142 & 146 of Electricity Act for non compliance of CGRF order, E.A.2003 & non implementation of ACT, Rules & regulations.*
- b) *Refund of Addl. SD Rs. 43,000 with interest paid on 03.03.97*
- c) *Compensation of Rs. 2,000 as ordered by CGRF may be credited*
- d) *Amount of Rs. 47,849.72 on account of C.L. penalty may be refunded*
- e) *Refund of short of RLC paid as up to Dec. '10 + short of interest paid on RLC.*

- f) *Balance RLC monthly installments to receive in monthly bills & due amount to be paid from Jan. '11 till start of refund in monthly bills.*
- g) *Refund of Rs.5,017.72 to be made which is deducted under suspense while part refund made in bill of Jan. 2011.*
- h) *The cost of the petition Rs.10,000 to the petitioner. ”*

3. The Complainant submitted as under:

- a) The complainant is a L.T.-V consumer of the Opponent MSEDCL with a Contract Demand 80kVA. The consumer is billed as per Industrial Tariff. The consumer has taken the electricity from the Opponent to the industry situated at Dhuri Ind. Complex, Waliv Phata, Vasai(East).
- b) The Complainant alleges that while giving the 65HP connection in 1996, the Opponent collected Security Deposit (SD) of Rs.15,600/-, Electricity Duty (ED) Rs. 23,400/- & Additional S.D. of Rs.43,000/-, but, however, did not refund the same though the original receipt has been produced. Further, the Opponent collected the excess connected load penalty contrary to the decision of this Commission in Case No. 2 of 2003 and the Ombudsman's Order 39 of 2006.
- c) The Opponent was supposed to refund the RLC amount from July 2008 onwards but it is yet to be refunded.
- d) Therefore, aggrieved by the Opponent's inaction, the Complainant approached the Internal Grievance Redressal Cell (**IGRC**) on 07/06/2010 but the issue was not resolved. Therefore, the complainant registered its grievance with CGRF on 05/10/2010 on excessive energy bills.
- e) The CGRF, Kalyan Zone, passed its Order dated 15.10.2010, with the following relevant directions:

“

- 1. *Licensee is directed to refund the amount of SD/ASD/ED with R.B.I rate of interest to the consumer as per direction given by Hon'ble MERC in Case No.93 of 2008 dated 01.09.2010 if not paid earlier, within 45 days and compliance should be reported to forum within 60 days from the date of receipt of this decision.*
- 2. *Licensee is directed to pay compensation of Rs.2000/-to the consumer as mentioned para 07 (of CGRF Order) within 90 days and compliance should be reported to forum within 100 days from the date of receipt of this decision.*
- 3. *Licensee is directed to calculate the amount of RLC and excess connected load penalty as per the direction of Hon'ble MERC and Ombudsman and if recovered excess and not paid earlier, refund to the consumer with interest within 45 days and compliance should be reported to forum within 60 days from the date of receipt of this decision.”*

- 4. The Complainant has in the present complaint alleged that the Opponent has failed to comply with the said Order dated 15th Dec., 2010 of the CGRF, Kalyan Zone.
- 5. The Commission vide Notice dated 18th April, 2011, scheduled a hearing in the matter on 11th May, 2011.

6. The Opponent filed a reply vide its letter no. SE/VC/VSI/04500 dated 09/05/2011, wherein it made the following submissions:
- a) **Refund of Security Deposit & Additional Security Deposit:** S.D of Rs 15,600/ & A.S.D of Rs. 23,400/- is already refunded with interest in the month of January 2011 but Rs. 43,000/- paid by consumer on date 03.03.1997 is not against S.D as per bill copy produced by the consumer. This amount was taken against third installment of energy bill, hence no refund arises.
 - b) **Compensation:** As per CGRF order Rs.2000/-against compensation is being refunded through energy bill of Apr-2011.
 - c) **Refund of excess connected load penalty:** Excess connected load penalty of Rs.15,106.14/- alongwith Int. Rs.20,316.63/-is refunded through energy bill of Apr-2011.
 - d) **Refund of RLC:** As per CGRF, Kalyan order RLC Rs.74,955.06/-& interest Rs.2,735.47/-refunded through energy bill in the month of Jan-2011 & balance RLC Rs. 6,181.86 & Int. Rs. 123.64 is refunded through energy bill in the month of Apr. 2011. Remaining RLC amount will be refunded as per MERC tariff orders.
 - e) **To give the explanation regarding the amount of bill adjustment:** As per CPL record Rs.5,017.72 arrears required to recover from the consumer which are the debit bill adjustment in Aug. & Sept.-07 of the recovery of the TOSE amount for the period from Sept-05 to Sept-06 @4 paisa per unit as per the Govt. notification No. TD(D)/4/1511 Dated 27/05/2004. So the above amount is deducted from the total refund.
7. During the hearing held before the Commission on 11th May, 2011, Shri Harshad Sheth appeared on behalf of the Complainant. Shri Vinod Patil, E.E.(Vasai Division) and Shri S. M. Banger, A.E.(Vasai-East) appeared on behalf of the Opponent.
8. The Complainant submitted that the issue is with respect to the delay in refund of the amount which was due from the Opponent, i.e., refund of SD, ASD, ASC & RLC with interest. The Complainant also submitted that there were total 70 such cases pending in respect of refund of RLC by the Opponent, to the consumers in Vasai Circle itself. Further, the Complainant also requested that the refunds should be made only through the Opponent's IT software so as to avoid any future complications. The Opponent submitted that the RLC amount would soon be refunded through the IT software, through the bills and the refund would be made from June, 2011 onwards.
9. The Commission was of the view that MSEDCL should not be looking towards the aforesaid 70 consumers' cases only, but it should come-up with a plan of action so as to refund the claimed amounts to all its concerned consumers. Since the entire plan of refund seems to be based on the mapping and work of updating of software by the Information Technology Department (**IT Dept.**) of MSEDCL the concerned Officer/s of the IT Dept. of MSEDCL should be involved in the matter and should be present in the next hearing to be held before the Commission. Accordingly, the matter stood adjourned to 22/06/2011.

10. The Complainant vide its letter dated 19.05.2011 to the Chief Engineer, Kalyan Zone of the Opponent, wherein the following issues were raised, among other points:
“
- (i) On 5th May 2011, MSEDCL vasai circle delivered para wise reply with a copy of bill with hand written message of giving credit of Rs.43,728.27 as per CGRF order. But we have received bill of May, 2011 which shows credit of Rs.28,309.11 only. No explanation is given nor any letter is given. So either mistake may be rectified by Sub Div., Vasai (E), or bill may be revised, or reason may be informed to us in writing.
 - (ii) RLC interest at 6% for the period from July 2008 to Jan 2011 is wrongly calculated.
 - (iii) Refund of ASD Rs.43,000/-with interest is not made.
 - (iv) Rs.47,849 was deducted while making part refund in Jan. 2011. But the bill for May 2011 has different figures. So, details are required from MSEDCL.”
11. During the hearing held on 22nd June, 2011, the Opponent’s IT Officer was present alongwith other representatives. The Opponent submitted a copy of MSEDCL’s two circulars issued vide Ref. No.PR-3/Tariff/7623 dated 11/03/2011 and vide PR3-tariff/427/15534 dated 19/05/2011 wherein it is mentioned that the RLC for the PD consumers would be refunded by cash/ cheque, after the end of the financial year in which it becomes due, i.e. in April of next financial year. Further, it was submitted that the refund of remaining consumers would be made by the end of June 2011.
12. The Complainant vide its letter dated 30.06.2011 made again the following submissions:
- a) Refund of ASD Rs. 43,000 with interest is not made.
 - b) Rs.47,849 which was deducted while making part refund in Jan, 2011. But after the petition was filed before MERC, MSEDCL gave hand written bill copy for refund of Rs. 43,728.27 but actually credited only Rs. 28,309.11.
13. During the hearing held on 8th July, 2011, no body was present on behalf of the Complainant. While the Opponent was making its submission it was noted that the Opponent had not received the abovesaid letters from the Complainant. The Commission’s office then handed over photocopies of the Complainant’s said letters to the Opponent. The Commission directed the Opponent to look into the pending matters expeditiously and submit its compliance report.
14. During the hearing held on 5th August, 2011 the Opponent submitted that 52.5% RLC (for 3 years after 31/03/2011) has been refunded till date while refund of remaining RLC will be based on the issuance of Circular by the Commercial Department. In view of the submission, the Commission directed the Opponent to expedite issuance of the said circular from its Head Office and also to arrange early refunding of the outstanding RLC amount.
15. During the hearing held on 23rd August, 2011, the Opponent submitted that full compliance has been made & ‘Full compliance report’ on the case could be submitted.

16. Thereafter, vide a letter No. SE/VC/VSI/ 11947 dated 12th September, 2011 which was received by the Commission's office, on 15th September 2011, the Opponent submitted an Affidavit wherein it declared the steps taken by it to comply with the Order of the CGRF, Kalyan Zone.
17. Complainant vide its letter dated 15th September, 2011 submitted that Opponent had given less amount than the credit amount displayed on the bill i.e. shown Rs.47,849 but credited only Rs.28,309.11 in the bill.

Further, vide its letter dated 22nd September, 2011 the Complainant submitted that in May-2011, credit of Rs.48,745.49 is mentioned, but actually the amount credited is Rs.28,309.11, thus there is a short payment of Rs.20,436.38. Also RLC monthly refund installment from April, 2011 to August, 2011 is credited in bill but confirmation and assurance of giving further monthly RLC credit in bills is not mentioned in the Affidavit of MSEDCL.

18. Opponent vide its letter EE/VSI/T/6241 dated 19th October, 2011 submitted/ clarified that 'In May-2011 credit was given for Rs.48745.49. But the displayed amount was Rs.28,309.11. As per CPL credit was correct. But the amount reflected shows Rs.20,436.38. After due scrutiny at IT, the credit is effected in billing month of Oct.-2011
19. Subsequently, the Complainant also confirmed that the Opponent has complied with the CGRF's said order. Vide a letter dated 14th Oct., 2011, received by the Commission's office on 4th Nov., 2011, and further vide an Affidavit dated 15th Nov., 2011, the Complainant has stated as under:

“Respondent MSEDCL has made full compliance of our refund demand and the said amount has been credited to our account. Now we have no grievance in respect of our petition and respective refund.”

In view of the above, nothing survives in the matter.

Accordingly, the Complaint in Case No. 52 of 2011 stands disposed of. No order as to costs.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman