

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
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Case No. 55 of 2011

In the matter of
Complaint by Sai Metal Treat, against MSEDCL, under Sections 142 and 146 of the
Electricity Act, 2003, for non-compliance of the CGRF Order Dated 27th September,
2010.

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

Sai Metal Treat

...Complainant

V/s

Maharashtra State Electricity Distribution Co. Ltd
Through The Chief Engineer (Kalyan Zone),
The Superintending Engineer (Vasai Circle),
The Deputy Ex. Engineer (Vasai Sub. Division)

...Opponent

ORDER

Date: 1st December, 2011

Sai Metal Treat, the Complainant herein filed the present complaint on 22nd 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 grounds that the Opponent has failed to comply with the Order dated 27th September, 2010 of Consumer Grievance Redressal Forum (“CGRF”), Kalyan Zone.

2. The prayers made by the Complainant are:

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- 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 Short of RLC paid as up to Dec. '10 + short of interest paid on RLC.*

- c) *Balance RLC monthly installments to receive in monthly bills & due amount to be paid from Jan. '11 till start of refund in monthly bills.*
- d) *Compensation as agreed upon by CGRF Rs.4,800 plus Rs.100/ week till date of refund may be credited to our account.*
- e) *Single phase SD + RLC refund on PD supply.*
- f) *The cost of the Petition to the Petitioner."*

3. The Complainant submitted as under:

- (a) The Complainant is a L.T. consumer of the Opponent with Contract Demand (CD) of 54kVA and is billed as per Industrial Tariff. Its industry is situated at Neminath Ind. Estate, Navghar, Vasai (East) in the year 1997.
- (b) According to the Complainant at the time of new connection it paid Rs.19,500 + Rs.29,250 as six month minimum charges towards Security Deposit (SD) but the Opponent has not shown these amounts in the bill.
- (c) The Complainant claims that Opponent collected excess amount of Rs.13,752/- towards connected load penalty which is not in accordance with the directions given by this Commission in Case No. 2 of 2003 and the Ombudsman's Order in Rep No. 39 of 2006, and the same is liable to be refunded with interest totaling to Rs.27,504/-. Further, the amount of RLC was to be refunded to the Complainant from July 2008 onwards. However due to extension of load from 65HP to 107HP the Consumer Number changed, and, because of same RLC was not refunded.
- (d) The Complainant's single phase connection was disconnected in June 2006. However amounts collected on same like SD/ASD/RLC have not been refunded. Further it is contended that, Opponent MSEDCL did not supply corrected and updated copy of CPL for want of which it faced difficulty to put forth its grievance.
- (e) The Complainant approached the Opponent's Dy. E. E., to resolve the matter, but the same was not effective. Aggrieved by the Opponent's inaction, the Complainant approached the Internal Grievance Redressal Cell (IGRC), but the issue was not resolved. Therefore, the complainant registered its grievance with CGRF, Kalyan Zone, on 15/06/2010 alleging Excessive Energy Bills.
- (f) The CGRF, Kalyan Zone passed its Order dated 27th September 2010, with the following relevant directions:
 1. *The grievance application is allowed.*
 2. *Licensee is directed to refund the amount of SD and ASD as per the receipts produced to the consumer with R.B.I rate of interest.*
 3. *Licensee is directed to refund the amount of connected load penalty recovered excess with interest to the consumer as per directions of Hon. MERC.*
 4. *Licensee is directed to work out the amount of RLC and to refund excess amount to the consumer as per the directions of Hon. MERC and Ombudsman.*
 5. *Licensee is directed on receipt of application from consumer, to disconnect permanently single phase connection and transfer the amount of this connection toward SD/ASD/RLC to the existing LT-V connection of consumer.*
 6. *Licensee to furnish updated and correct copy of CPL to consumer as and when required.*

7. *Licensee to pay compensation of Rs.2400/- (Rs. Two Thousand Four Hundred only) for delay in giving final dues to consumer and further to pay compensation of Rs 100/- per week from today till the final dues are paid.*
 8. *The Compliance should be reported to the forum within 60 days from the date of receipt of this decision.*
4. Complainant has in the present complaint alleged that the Opponent has failed to comply with the said Order dated 27th Sept., 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/04502 dated 09/05/2011, wherein it made the following submissions:
 - a) **Regarding refund of Security Deposit & Additional Security Deposit:** Refund of S.D Rs.19,500/- & ASD of Rs.29,250/- is already refunded with interest Rs.34,455.42 in the billing month of Jan-2011.
 - b) **Refund of RLC:** As per CGRF, Kalyan order & IT reported RLC comes Rs.1,15,119/- out of which Rs.55,832.72/- & Int.2,037.60 refunded in month of Jan-2011 & balance amount Rs.4,604.76 & Int. Rs.92.09 is refunded through energy bill in the month of April-2011. Remaining RLC amount will be refunded as per MERC Tariff Orders in the matter.
 - c) **Refund of S.D & RLC OF 1 Ph PD meter:** S.D. of Rs 80/- & Int. Rs.44.39 is refunded in the energy bill of Apr-2011. Consumer is permanently disconnected on 16.12.1999. So there is no question of refund of RLC.
 - d) **Compensation:** Compensation Rs.5,200/- is refunded in the energy bill of Apr-2011.
 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.
 9. 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.
 10. 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.

11. The Complainant vide letter dated 21.05.2011 to the Chief Engineer, Kalyan Zone of the Opponent, communicated that “MSEDCL has not read the Petition form II, page 7 para b(iv) which states that while refunding the amount in Jan 2011, MSEDCL has illegally deducted the amount of Rs.37,487 by making undue accounting adjustment entries. RLC interest at 6% for the period from July 2008 to Jan 2011 is wrongly calculated. Actually, interest of Rs.5,161.19 is to be given but MSEDCL reply mentions Rs.2,037.60 as the interest amount. Please refund the balance interest in coming bill.”
12. During the hearing held on 22nd June, 2011, the Opponent MSEDCL appeared alongwith it's IT Officer as per the Commission's direction. 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 stated that the RLC would be refunded manually for the PD consumers. Further, it is submitted that the refund of remaining consumers would be made by the end of June 2011.
13. Further, Complainant vide letter dated 30.06.2011 has submitted to the Commission reiterating the details of the statement sent in May, 2011, to the Opponent, and conveying that *MSEDCL has not read the petition form II, page7 para b (iv) which says that while refunding the amount in Jan 2011, MSEDCL has illegally deducted the amount of Rs.37,487 by making undue accounting adjustment entries.*
14. 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 letter from the Complainant. The Commission's office then handed over photocopy of the Complainant's said letter, to the Opponent. The Commission directed the Opponent to look into the pending matters expeditiously and submit its compliance report.
15. 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.
16. During the hearing held on 23rd August, 2011, the Opponent submitted that full compliance has been made & 'Full compliance report' on the case would be submitted.
17. Thereafter, vide a letter No. SE/VC/VSI/ 11941 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.

18. The Complainant vide its letter dated 22nd September, 2011 further submitted:

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- Vide our Petition page no. 7 para b (iv) refund was demanded for Rs.37,487 as undue accounting adjustment by MSEDCL.
- RLC monthly refund installment from April, 2011 to August, 2011 is credited in Sept., 2011 bill but there is no confirmation and assurance of giving further monthly RLC credit in bills.”

This above submission was again made by the Complainant vide the Complainant's letter dated 12th October, 2011, also adding that installment of Sept. 2011 is not credited in Oct, 2011 bill.

19. The Opponent vide its letter EE/VSI/T/6718 dated 11th Nov., 2011 submitted that ‘in case of RLC refund from April to Aug. 2011 is already given and from Sept. to Nov. 2011 is being credited in the bill month of Nov., 2011 billing’.

20. Referring to the above mentioned submission dated 11th Nov., 2011, the Complainant vide an Affidavit, received by the Commission's office on 23rd November, 2011, has submitted that the Opponent had not replied to the issue/ refund demand i.e. while refunding the amount in Jan., 2011, MSEDCL has deducted Rs.37,487 by making undue accounting adjustment entries. The Complainant has presented calculations by which it claims that net payable by the Complainant would come to Rs.6,298 as against deduction of Rs.37,487.

21. Having heard both the parties and considering the material placed on record, the Commission observes that Complainant and Opponent are not able to reconcile mutually the amount to the settled/ refunded between the parties. Also, from the submissions made by both the parties, it is clear that a major part of the complaints made by the Complainant, in the present complaint before the Commission, have been resolved. The Commission, however, cannot look into the matter of billing dispute and calculations between the consumer and the Licensee.

The Commission directs the Complainant to approach the CGRF, Kalyan Zone once again, with a request to sort out the matter of dispute on remaining amounts of refund as mentioned at para 20 of this Order.

Accordingly, the Complaint in Case No. 55 of 2011 stands disposed of. No order as to costs.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman