

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**Case No. 61 of 2011**

**In the matter of**  
**Complaint by Raj Laboratories against MSEDCL under Sections 142 and 146 of the**  
**Electricity Act, 2003 for non-compliance of CGRF Order dated 3<sup>rd</sup> January, 2011.**

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

Raj Laboratories

...Complainant

V/s

Maharashtra State Electricity Distribution Company Limited.  
through The Chief Engineer (Kalyan Zone),  
The Superintending Engineer (Vasai Circle),  
The Deputy Ex. Engineer (Vasai Sub. Division),

...Opponent

**ORDER**

**Dated: 1<sup>st</sup> December, 2011**

Raj Laboratories, the Complainant herein filed the present complaint on 26<sup>th</sup> April 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 3<sup>rd</sup> January, 2011 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 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 with IT software programme only Or entire balance amount may be refunded in coming bill.*
- d) *Credit balance of Rs.20,050+ interest collected excess while load extension.*
- e) *Compensation of Rs.500 as ordered by CGRF.*
- f) *The cost of the Petition Rs.10,000 to the Petitioner. ”*

3. The Complainant submitted as under:
- a) The Complainant is a LT-V consumer of Opponent, with Contract Demand (CD) of 80kVA, billed as per industrial tariff. Its industry is situated at Agarwal Udyog Nagar Ext-II, Sativali Road, Waliv, Vasai (East).
  - b) According to Complainant at the time of new connection, in the year 2002, The Opponent collected Security Deposit (SD) Rs.19,500/- plus Addl. Security Deposit (ASD) Rs.23,400/- (six month minimum bill charges). These amounts with interest thereupon were not refunded though copies were produced.
  - c) The Complainant contended that the Opponent illegally collected Rs.37,188.90 under head of debit bill adjustment in July 2010 bill, and the same needs to be refunded.
  - d) Further, the RLC collected by the Opponent was to be refunded from July 2008 onwards. RLC collected from Complainant amounting to Rs.1,51,448/- with interest, not fully refunded to Complainant.
  - e) The Complainant had claimed the amounts through letters dated 26<sup>th</sup> July 2010 and 13<sup>th</sup> Sept., 2010, to which the Opponent did not respond. Aggrieved by the Opponent's inaction the Complainant approached the IGR Cell but the matter was not resolved. Therefore, the Complainant registered its grievance with CGRF, Kalyan Zone, on 08<sup>th</sup> October, 2010 alleging Excessive Energy Bills.
  - f) In response, the Opponent vide letter dated 22<sup>nd</sup> November 2010 replied to the CGRF that amount of ASD (six month minimum bill charges), along with RLC with interest is being refunded. So far as credit balance as claimed by the Complainant it was contended that on verification of records balance will be shown in the bill of consumer.
  - g) The CGRF, Kalyan Zone passed its order dated 03<sup>rd</sup> Jan., 2011, with the following relevant directions:
    1. *The grievance application is partly allowed.*
    2. *Licensee is directed to refund the amount of ASD (six month minimum bill charges) with RBI rate of interest to the consumer if not paid earlier as per the directions given by Hon. MERC in case No. 93 of 2008 dated 01/09/2010 within 45 days and compliance should be reported to the forum within 60 days from the date of receipt of this decision.*
    3. *Licensee is directed to pay compensation of Rs.500/- (Rs. Five Hundred only) to the consumer as mentioned in para no.7 (of the CGRF order) within 90 days from the date of receipt of this decision.*
    4. *Licensee is further directed to work out the amount of RLC as per the directions of Hon. MERC in case No. 72 of 2007, 144 of 2008 and ombudsman in case No. 39 of 2006 and if collected excess, to refund the same with interest within 45 days and compliance should be reported to the forum within 60 days from the date of receipt of this decision.*
    5. *Licensee is further directed to work out the amount under head of debit bill adjustment in July 2010 vide para no.9 (of the CGRF order) and if collected excess, refund the same to the consumer with interest within 45 days and compliance should be reported to the forum within 60 days from the date of receipt of this decision.*

4. The Complainant has alleged that the Opponent has partly complied with the said Order dated 3<sup>rd</sup> Jan., 2011 of the CGRF, Kalyan Zone.
5. The Commission vide Notice dated 4<sup>th</sup> May, 2011, scheduled a hearing in the matter on 11<sup>th</sup> May, 2011.
6. The Opponent filed a reply vide its letter no. SE/VC/VSI/04501 dated 09/05/2011, wherein it made the following submissions:

**1. Refund of Security Deposit & Additional Security Deposit.**

SD Rs.19,500/- & ASD Rs.23,400/- is already refunded with interest Rs.19,877.60 in the billing month of Jan-2011.

**2. Refund of RLC.**

As per CGRF, Kalyan order & IT report total RLC comes Rs.1,42,683/- out of which Rs.69,201.01 & interest Rs.2,525.48 refunded in the month of Jan-2011 & balance amount Rs.5,707.38 & interest Rs.85.61 is refunded through energy bill in the month of Apr-2011. Remaining RLC amount will be refunded as per MERC tariff orders in the matter.

**3. Credit balance of Rs.20,050/-**

After due verification of the record, it is noticed that even though the final bill amount was recovered after P.D., the same amount debit entry was not made in the records hence the credit is displayed in CPL. As it is the actual recorded, final recorded energy bill considering the final readings, the bill prepared & paid by the consumer is correct. Hence no question of refund arises.

7. During the hearing held before the Commission on 11<sup>th</sup> 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, with reference to the Opponent's Affidavit of 9<sup>th</sup> May 2011 communicated that:
  - (i) MSEDCL Vasai Circle delivered a copy of bill with hand written message of giving credit of Rs.5,792.99 as per CGRF order.
  - (ii) Reply on excess credit of Rs.20,050/-, while extending the load is given without details, which is a false reply. Need to justify giving PD report of 65HP supply. Details as requested may be given.
  - (iii) Demands refund of *illegally* collected Rs.37,188.90 in July, 2010 bill, as brought out in Petition Form II.
  - (iv) Compensation of Rs.500/-, yet to be made.
  - (v) RLC interest at 6% for period July 2008 to Jan., 2011 is wrongly calculated.”
12. During the hearing held on 22<sup>nd</sup> 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, the Complainant vide letter dated 30.06.2011 submitted to the Commission, as hereunder:

“

  - 1) Vide Petition Form II, have demanded to refund of the illegally collected Rs. 37,188.90 in July, 2010 bill.
  - 2) Compensation of Rs.500 as ordered by CGRF but sub. Div. has not considered.”
14. During the hearing held on 8<sup>th</sup> 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 5<sup>th</sup> 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 23<sup>rd</sup> August, 2011, the Opponent submitted that full compliance has been made & 'Full compliance report' on the case would be submitted.
17. The Complainant vide a letter dated 29<sup>th</sup> August, 2011, to the Opponent, once again submitted that issue of refund of Rs.37,188 wrongly debited in July, 2010, was not resolved.

18. Thereafter, vide a letter No. SE/VC/VSI/ 11944 dated 12<sup>th</sup> September, 2011 which was received by the Commission's office, on 15<sup>th</sup> 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.
19. Through its letter dated 22<sup>nd</sup> September, 2011 the Complainant resubmitted the issues raised vide its letter of 30.06.2011, also adding that '*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 - - .*'

The above submissions were made by the Complainant once again vide its letter dated 12<sup>th</sup> October, 2011 also submitting that '*installment of Sept. 2011 is not credited in Oct, 2011 bill*'.

20. The Opponent vide its letter EE/VSI/T/6718 dated 11<sup>th</sup> Nov., 2011 submitted that '*Demand for refund of Rs.37,188.90 is totally illegal, it is against the fact.*' It is also submitted that the Complainant had two meters out of which one meter had become P.D. Details of adjustments of bills, payments and amounts accordingly, has been brought out in the submission. The submission also says that '*compensation amount Rs.500/- is being given in the month of Nov., 2011.*'
21. In response to above, the Complainant has submitted an Affidavit, dated 21<sup>st</sup> November, 2011 whereby it has submitted that '*MSEDCL has given false reply and has misguided MERC- - .*' As per the Complainant it never had two meters, and that a new consumer number was provided by the Opponent alongwith a new meter while extending the load from 65 to 107HP, in Oct., 2006. The Complainant claims that a fictitious amount of Rs.37,188.90 was debited in July, 2010, in new consumer number, which is illegal, but was paid under protest by the consumer.
22. 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, covering compliance of the Order passed by the CGRF, Kalyan Zone, have been resolved. The Commission, however, cannot look into the matter of billing dispute and difference of 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 brought out at para 20 and 21 of this Order.

Accordingly, the Complaint in Case No. 61 of 2011 stands disposed of. No order as to costs.

Sd/-  
(Vijay L. Sonavane)  
Member

Sd/-  
(V. P. Raja)  
Chairman