BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

(Appointed by the Maharashtra Electricity Regulatory Commission under Section 42(6) of the Electricity Act, 2003)

## **REPRESENTATION NO. 78 OF 2020**

In the matter of delay in refund of security deposit and compensation thereof

Smt. Kavita Suresh Budhrani ...... Appellant

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Ulhasnagar - II (MSEDCL) .. Respondent

Appearances: -

For Appellant: Deepak P. Nirgude, Representative

For Respondent: 1. Ashok P. Sawant, Executive Engineer, Ulhasnagar II 2. Chandrakant Sapkal, Deputy Manager

## **Coram: Deepak Lad**

Date of Hearing: 4<sup>th</sup> November 2020

Date of Order: 13th November 2020

## ORDER

This Representation is filed on 6<sup>th</sup> October 2020 under Regulation 17.2 of the Maharashtra Electricity Regulatory Commission (Appellant Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 (CGRF Regulations) against the order dated 17<sup>th</sup> August 2020 passed by the Appellant Grievance Redressal Forum, MSEDCL, Kalyan Zone (the Forum).

2. The Forum, by its order dated 17.08.2020 has partly allowed the grievance application in Case No. 2046 of 2019-20 and the operative part of the order is as below: -

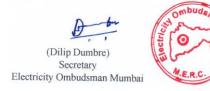
"2) Respondent Utility shall refund final dues with interest i.e. Rs. 10,064/- within 30 days from 06/08/2020.



Page 1 of 8 78 of 2020 Kavita Budhrani 3) Respondent Utility Shall pay SOP compensation at the rate of Rs. 100/- week or part thereof fit it fails to credit final dues to Appellant account till 05/09/2020."

3. Aggrieved by the order of the Forum, the Appellant filed this representation stating in brief as below: -

- (i) The Appellant was a LT Industrial Appellant (No. 021513161597) on plot behind Block C-7 next to Sai Niketan Apartment, Ulhasnagar-5.
- (ii) The Appellant has applied online for permanent disconnection of electricity supply on 16.07.2019. The Respondent disconnected it on 29.08.2019 but did not refund the Security Deposit (SD) of Rs.7500/-. Hence, the Appellant vide letter dated 20.11.2019 requested to refund the amount of SD.
- (iii) The Respondent suggested to apply online for SD refund. Hence, the Appellant applied online for refund of SD on 17.12.2019 along with all the necessary documents.
- (iv) The Respondent did not take any action on the online application.
- (v) The Appellant then filed a grievance application with the Internal Grievance Redressal Cell (IGRC) on 20.02.2020 for refund of SD. The Respondent billed the Appellant till November 2019, bill of which was paid under protest. The IGRC did not conduct hearing. Hence, the Appellant approached the Forum on 21.07.2020.
- (vi) The Forum, by its order dated 17.08.2020 directed the Respondent to refund Rs. 10,064/- as final dues with interest within 30 days from 06.08.2020 (the date of completed application). The Respondent shall also pay SOP compensation at the rate of Rs. 100/- per week or part thereof from 05.09.2020 till the amount is paid.
- (vii) The Appellant received amount of various refunds like fixed charges of August 2019 and September 2019, interest on SD, excess energy bill in September 2020. However, SD was received on 01.10.2020. The Respondent has paid Rs.400/- as a compensation as per Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014 (SOP Regulations 2014).
- (viii) The Forum failed to consider the date for SOP compensation as 16.07.2019 (PD),
  23.10.2019 (fixed charges refund), 20.11.2019 (SD application for refund),
  17.12.2019 (SD online application for refund), 18.07.2020 (again SD online



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application for refund) however, the Forum has considered wrongly 06.08.2020 for compensation which is not correct.

- (ix) Hence, the Appellant prays that
  - (a) The additional compensation be granted from the respective date of applications as per SOP Regulations 2014.
  - (b) To take strict action against the officials of the MSEDCL for negligence of duty.
  - (c) To pay Rs.10000/- cost towards financial loss, litigation cost and mental harassment.
- 4. The Respondent filed its reply by letter dated 26.08.2020 stating in brief as under: -
  - (i) The Appellant was a LT industrial Appellant (No. 021513161597) on plot behind Block C-7 next to Sai Niketan Apartment, Ulhasnagar-5.
  - (ii) The Appellant has given online request for permanent disconnection of electric supply on 16.07.2019. Accordingly, electricity supply of the Appellant was disconnected on 29.08.2019.
  - (iii) The Appellant's application dated 23.10.2019 regarding fixed charges/bill: -
    - The Appellant applied on 23.10.2019 for refund of the amount towards fixed charges inadvertently paid in excess. The Appellant's request for permanent disconnection is allowed after the payment of final bill as per the last reading before disconnection. Due to procedural delay, disconnection was carried out after generation of final bill as per the meter reading in the month of September 2019. Appellant is eligible to pay the energy bill as per the final reading. Hence the Appellant paid the excess fixed charge (FC) amount of August 2019 (Rs.441/-) and September 2019 (Rs.220). Hence, excess paid amount Rs.661/- is liable to be refunded to the Appellant. As per order of the Forum, Rs.661/- is refunded to the Appellant on 04.09.2020. As per CPL, Appellant has paid final bill amount twice i.e. Rs.1310/- on 02.11.2019 and 12.12.2019. Hence, excess paid amount is Rs.1310/-. The credit amount considering FC and energy charges adjustments is refunded to Appellant on 04.09.2020. This does not include SD amount.



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- (iv) The Appellant's application dated 20.11.2019 regarding refund of SD: -As per the directions received from competent authority to the field officers, the SD refund proposal is to be accepted and approved by field officers for HT/LT consumers through online system only, with effect from 05.11.2019. The Field staff requested the Appellant to apply online for SD refund. On the basis of this oral information, the Appellant applied online on 17.12.2019.
- (v) The Appellant's application dated 17.12. 2019 for SD refund online:-Appellant has applied online for SD refund on 17.12.2019 (ID. 2501). It was expected to view this application at division level but unfortunately due to some technical error, same could not be viewed. Meanwhile, the Appellant filed the grievance application with the IGRC on 20.02.2020. It was instructed to process the application immediately but same could not be processed due to Covid-19 epidemic. The IGRC did not conduct hearing.
- (vi) In the month of July 2020, all applications including that of the Appellant are reflected in the Dy Manager's ID for verification on 17.07.2020. The Appellant's application is verified and rejected by this office since the bank details given by the Appellant differ from the documents attached to the application. The Respondent has no access to change the bank details hence Appellant's application is rejected being incomplete in scrutiny. Accordingly, on the same day it was informed to the Appellant to file again complete online application correctly, but Appellant did not apply. The Appellant approached the Forum on 21.07.2020. Till the hearing with the Forum on 05.08.2020, the Appellant had not applied again with correct online application.
- (vii) The Forum, by its order dated 17.08.2020 has directed the Respondent to refund final dues with interest i.e. Rs. 10,064/- within 30 days from 06.08.2020 (i.e. 05.09.2020). If not refunded, the Respondent to pay SOP compensation at the rate of Rs.100/- per week to the Appellant from 05.09.2020 to the date of refund.
- (viii) Appellant`s Online SD refund application dated 18.07.2020 :-Observations in respect of online SD refund applications are as below:



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- (a) For example: If Appellant applied online SD refund on 01.12.2019 and documents not uploaded then such application will not reflect for any action in division login.
- (b) For example :- If Appellant uploaded the documents after two months i.e. 01.02.2020, then application date does not change, it was reflected as 01.12.2019 instead of 01.02.2020.
- (c) For example :- After that, if this office rejects the application on dated 02.02.2020 & Appellant again applies online for SD refund on 01.03.2020 then application number is changed but date reflected as 03.02.2020 instead of 01.03.2020.
- (d) This Appellant's application is rejected on 17.07.2020.
- (e) After the Forum's hearing, the Appellant again applied online and uploaded documents on 05.08.2020 and application reflected for approval to division office on dated 06.08.2020.
- (f) But date reflected as 18.07.2020 instead of actual date of application. There is systemic issue in updating dates in the computerised system, which was discussed by this office with higher authority, it will be cleared by head office soon. The Appellant uploads the documents after the Forum's hearing on 05.08.2020 and now the Appellant denied accepting the date of application.

As per order of the Forum, the Respondent has refunded the amount tabulated as below: -

Sr.	Particulars	Amount	Payment date	Amount
No.				paid by
1	Fix charges of Aug-19 & Sep-	661.00	04/09/2020	Division
	19			office
2	Excess Energy Bill as per CPL	1761.00	04/09/2020	Division
				office
3	Interest on SD till	1028.00	04/09/2020	Division
	dt.10/08/2020			office
4	Security Deposit as per CPL	6614.74	01/10/2020	Head Office
	Total Refundable Amount	10,064.74		

As per the order of the Forum, delay took place from 06.09.2020 to 01.10.2020 i.e. 4 weeks therefore this office paid Rs.400/- SOP compensation on



dt.16.10.2020. Interest on security deposit, from 11.08.2020 to 01.10.2020 of Rs.100.80 is processed for payment.

- (g) Some procedural delay has been occurred in disconnection and SD refund, but it was totally non-intentional and due to lacuna in the part of online application disposal system. This was newly introduced and hence was beyond control of the Respondent. Moreover, lockdown due to Covid-19 also contributed to the delay.
- (h) In view of the above, the Respondent prays that the Representation of the Appellant be rejected as there is nothing to be resolved after issue of the Forum's order.

5. Due to Covid-19 epidemic, the hearing was scheduled on e-platform and hence the instant representation was heard on 04.11.2020 on e-platform by Video Conferencing. The Appellant as well as the Respondent have reiterated their submissions as per the written submissions. The Appellant stated that she received all the payments due. However, prayed for additional compensation as per SOP Regulations 2014.

## **Analysis and Ruling**

6. Heard the parties and perused the documents on record. The Appellant has applied for permanent disconnection of electric supply on 16.07.2019. Accordingly, electricity supply of the Appellant was disconnected on 29.08.2019. The bills were issued for August 2017 and September 2017. The Appellant has requested by her application dated 23.10.2019 to refund the amount towards fix charges inadvertently paid in excess. The Appellant's application dated 20.11.2019 regarding refund of SD. According to the Respondent, the SD refund proposal is to be accepted and approved by field officers for HT/LT consumers through online system only, with effect from 05.11.2019. The Respondent requested the Appellant to apply online for SD refund. Accordingly the Appellant applied online on 17.12.2019. The Appellant filed the grievance application with the IGRC on 20.02.2020. It was instructed to process the application immediately but same could not be processed due to Covid-19 epidemic.

7. In the month of July 2020, all applications including that of the Appellant reflected in the Dy Manager ID for verification on 17.07.2020. The Appellant's application is verified and



rejected by this office since the bank details given by Appellant differ from the documents attached to the application. The Appellant approached the Forum on 21.07.2020. Till the hearing with the Forum on 05.08.2020, the Appellant had not applied again with correct online application.

8. The Forum, by its order dated 17.08.2020 has directed the Respondent to refund final dues with interest i.e. Rs. 10,064/- within 30 days from 06.08.2020 (i.e. 05.09.2020). If not refunded, the Respondent to pay SOP compensation at the rate of Rs.100/- per week to the Appellant from 05.09.2020 to the date of refund.

9. The basic prayer of the Appellant is for compensation as per SOP Regulation 2014 before the IGRC as well as the Forum. In this case, it is important to note that the Appellant has erred in filing the correct online application for refund of SD. Secondly, Covid-19 epidemic has played its own role in the entire process. The Respondent has developed an online system for many more issues including that of refund of SD. Online system has become the norm of the day and it helps both the consumers and the organisations. While this online system is developed, there is a continuous process of updating the software and fixing various bugs for smooth functioning of the system. I noted that the Forum has examined the Appellant's claim for compensation under provisions of SOP Regulations 2014 and has appropriately captured its finding at second paragraph of the reasoning section of the order dated 17.08.2020 which is reproduced below:

"As far as SOP compensation is concerned consumer applied offline for S.D. refund first time on 23/10/2019. Then filed application in IGRC on 20/02/2020 and demanded compensation. Respondent utility contends that consumer not submitted original S.D. receipt. Consumer first applied for S.D. on 16/11/2020 through online system in which consumer bank details were wrong, hence consumer have been informed to refeed the online application for S.D. refund, which consumer fed on 06/08/2020. In our opinion Respondent Utility has to refund the S.D. amount within 30 days from date of complete application of closure of account. Hence consumer is entitled for SOP compensation if Respondent Utility fails to refund the S.D. amount within 30 days from 06/08/2020 i.e. from the date of complete application. The SOP compensation as per Appendix 'A' of SOP regulation for delay in refund of final dues is Rs.100/- week or part thereof of delay.

Respondent Utility to take strict action on concerned staff who has failed in his/her duty to processor reply to consumer for offline application submitted by consumer on 23/10/2019."



10. I, therefore, do not find it necessary to interfere with the order of the Forum which is reasoned and speaking one. The Representation is therefore disposed of accordingly.

Sd/-(Deepak Lad) Electricity Ombudsman (Mumbai)



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