

**BEFORE THE CONSUMER GRIEVANCES REDRESSAL FORUM
MADHYA GUJARAT VIJ COLIMITED
CORPORATE OFFICE, 5TH FLOOR SP VIDYUT BHAVAN,
RACECOURSE, VADODARA 390 007**

Subject	Consumer Grievances Complaint No.MG-II-33-2015.16
Complainant	The Chairman, Nandesari Industries Association 153/A GIDC, Nandesari, Dist : Vadodara
Respondent	Shri H R Shah, Executive Engineer (O&M) MGVCL Vadodara.
Date of hearing	09.10.2015 at Anand

QUORUM	NAME
Chairperson	Shri P J Patel, Gandhinagar
Independent Member	Harsha S Chauhan, Vadodara

The complaint dated 30.09.2015 regarding review of payment of additional Security Deposit.

On 09.10.2015, the case of the Complainant Grievance was heard before Consumer Grievance Redressal Forum wherein Shri Babubhai C Patel, Chairman and Shri Yogeshbhai Palan, Director appeared on behalf of Nandesari Industries Association whereas Shri H R Shah, Executive Engineer (O&M) appeared as respondent on behalf of MGVCL before the Forum. Both the parties were heard.

The brief details of the case are as under:

1. The complainant has HT connection in the name of “The Chairman, Nandesari Industries Association, 153/A GIDC, Nandesari, Dist : Vadodara”. Bearing consumer No.14022 with a contract load of 2000 KVA.
2. The complainant has requested for reduction of load from 2000 KVA to 1500 KVA by registered application dated 16.07.2015. Reduction of load is approved vide MGVCL Corporate Office letter No.998 dated 21.08.2015
3. The complainant informed to pay differential Security Deposit amount of Rs.45,92,796/- as per prevailing rates at the time of change in load.

4. The complainant has submitted Bank Guarantee (BG) for Rs.45,92,796/- with objection and approached the Forum to review Security Deposit amount as per energy bill of last three years.
5. Complainant has appealed to the Forum to refund the excess amount recovered against Security Deposit.

The representatives of the complainant contended that they are regular and honest consumer and paying all energy bills in time. They have asked reduction from 2000 KVA to 1500 KVA due to lower consumption. The maximum energy bill has never crossed to the figure of Rs.20,42,300/- in previous year. It is, therefore, requested to consider existing BG of Rs.24 lacs available with the company and return additional BG of Rs.45,92,796/- remitted to MGVCL under objection. As a natural justice, while reducing the load Security Deposit should be reduced whereas in this case MGVCL is recovering more Security Deposit so requested to give justice.

The respondent contended that reduction of load to the above HT consumer is processed and as per Notification No.8 of 2005, clause No.4.8 *"In case, a consumer seeks reduction in contract demand/contracted load, then the licensee shall review the request. Upon such review, if licensee reduces contract demand/contracted load, then the Security Deposit shall be calculated at the prevailing applicable tariff rate for the reduced demand as if it is a new service, as specified in Clause 4.4. Based on such review, refund of excess will be made by the licensee"*. As such, it is reviewed at the prevailing rate, accordingly complainant has to pay Security Deposit of Rs.69,92,796/- as a new Security Deposit against which Rs.24 lacs is available with the company as a old Security Deposit hence differential Security Deposit amounting to Rs.45,92,796/- is required to recover. Hence, recent BG along with old Security Deposit is the requisite demand as per GERC Notification.

The Forum Members present at the hearing considered contention of both the parties and perused the records and observed that upon reduction of contract load

/ contract demand, the review done by MGVCL is as per GERC Notification No.8 / 2005 clause No.4.8. The connection was released on 5.9.2012. At that time Security Deposit Rs.95,84,406.00 was paid as Bank Guarantee. As per clause No.4.6 of GERC Notification No.8 of 2005 it is being reviewed and as per last review in April 2015 revised BG to Rs.24 lacs. The present revision is due to change in load (reduction) and Security Deposit applicable as per clause No.4.8. Again, it will be reviewed in next year as per clause No.4.6 based on the average units consumption of previous FY i.e. period April to March. The clause No.4.6 of the Notification No.8 of 2005 is as under:

“Subject to the restrictions of the periods of three months or two months or one and half months as specified in Clauses 4.1 and 4.2, the adequacy of the amount of Security Deposit calculation in respect of consumers may be reviewed by the licensee usually once in every year (preferably after revision of tariff for the respective year) based on the average unit consumption for the period representing 12 (twelve) months from April to March of the previous year”.

Considering above points the Security Deposit recovered by MGVCL is as per rules and MGVCL is reviewing it periodically.

ORDER

The Forum directs the complainant The Chairman, Nandesari Industries Association 153/A GIDC, Nandesari, Dist : Vadodara, that differential Security Deposit recovered by MGVCL is in order.

(Harsha S Chauhan)
Independent Member

(P J Patel)
Chairperson

PS :

If the complainant is not satisfied with the order of this Forum, the complainant may approach The Staff Officer, Office of the Electricity Ombudsman, Gujarat Electricity Regulatory Commission, Barrack No.3, Polytechnic Compound, Ambawadi, Ahmedabad 380 015 in accordance with Clause No.2.63 Chapter-2 of GERC Notification No.2 of 2011.

Procedure to make representations before Ombudsman***

1. Representation should be in writing duly signed by the complainant with his name and address.
2. Representation should be supported with affidavit.
3. True copy of order of Forum and original complaint made before Forum should be attached. Enclosed documents should be certified copies of the original documents.
4. The representation before Ombudsman should be submitted within 30 days from the date of order of Forum.
5. Copy of representation should be submitted at the office of Ombudsman. Copy of representation should be submitted to all respondents.
6. If the complainant is required to pay any amount according to the order of Forum, one-third of such amount should be deposited by complainant and proofs should be attached along with the representation.
7. The matter should not be pending before the competent Forum or any other court, tribunal, arbitrator or any other authority.
8. All representations should be with a sufficient cause, reasonable diligence causing the consumer prima facie loss and damages / inconvenience.
9. Representation may be submitted in English or Gujarati language

*** <http://www.gercin.org/docs/Cosumer%20Grievances/Procedure/Procedure.pdf>