

BEFORE THE CONSUMER GRIEVANCES REDRESSAL FORUM
MADHYA GUJARAT VIJ CO LIMITED
CORPORATE OFFICE, 2ND FLOOR SP VIDYUT BHAVAN,
RACECOURSE, VADODARA 390 007

Subject	Consumer Grievances Complaint No.MG-II-21-09.10
Complainant	M/s. JCT Electronics Limited, NHH No.8, Village Kandari, Tal: Karjan, Dist: Vadodara (con No.HT13493)
Respondent	Shri V J Pandya, EE Jambuva Dn and Shri B T Dalwadi, Jambuva S/dn.
Date of hearing	16/09/2009

QUORUM	NAME
Chairman	Shri S A Pota, MGVCL
Member	Shri K R Shah, MGVCL
Independent Member	Dr R C Desai, Vadodara
Convener	Shri P L Mistry, MGVCL

This complaint dated 02.09.09 is directed against the additional Security Deposit of Rs.2,06,51,459/- vide letter No.JMB/Rev/08/3369 dated 13.05.09 issued by the MGVCL.

Today on 16/09/2009, the case of the Complainant Grievance was heard before Consumer Grievance Redressal Forum wherein Shri M M Sharma, Manager (Elect) appeared on behalf of M/s. JCT Electronics Limited, whereas Shri Shri V J Pandya EE and B T Dalwadi, appeared as respondents on behalf of MGVCL before the Forum. Both the parties were heard.

The facts of the case are that the complainant is a company manufacturing electric products such as TV etc and are having a electrical connection of MGVCL bearing con No.HT13493. They are also having a fuel oil based Captive Power Plant (CPP) of 5.3 MW which runs in parallel to MGVCL supply. However, due to sudden failure of CPP in July 2008, it caused increase in consumption from MGVCL supply. They are in the process of setting up 3 x 1.9 MW Gas based set in place of fuel oil based CPP and this would be commissioned in Sept 2009. Thereafter, their consumption from MGVCL supply is bound to go down. Because of increase in consumption from MGVCL during the breakdown of CPP, the MGVCL has enhanced Security Deposit (which is related to consumption) and has served a notice dated 13.05.09 to pay additional Security Deposit of Rs.2,06,51,459/-. Being aggrieved by this demand, the complainant has filed a complaint dated 02.09.09.

Shri M M Sharma, Manager who appeared on behalf of M/s. JCT Electronics urged that the rise in consumption was temporary due to failure of CPP and the consumption of MGVCL would return back to that during the period prior to July 2008. The company's financial position is not bad but tight. Due to craze for LCD TV now, their sale of conventional TV has suffered during last two years. They have approached BIFR to declare their company a sick unit. Therefore, they pray for some concession in the additional Security Deposit. Anyway, the additional Security

Deposit would have to be refunded as the consumption would reduce after October 2009 onwards.

The Respondent Shri V J Pandya EE MGVCL contended that the notice served for payment of additional Security Deposit is in order as it is calculated on the basis of consumption which has increased due to failure of their CPP. Once their CPP starts, their consumption of MGVCL would reduce and the Security Deposit would be reviewed and refund if any may be paid back as per rules.

The Forum Members present at the hearing considered contention of both the parties and perused the records. It appears from the record that the notice for additional Security Deposit is issued by MGVCL in May 2009 due to rise in consumption of electricity from MGVCL after July 2008 onwards. It may be noted that Security Deposit is based on some percentage of the annual consumption. The notice is not served due to failure of CPP but due to increased consumption from MGVCL. Once the consumption reverts back to the level of period prior to July 2008, the Security Deposit amount would also reduced and extra amount of Security Deposit if any would be refunded to the complainant.

In view of the above discussion, the Forum is of the opinion that the notice served to complainant for payment of additional Security Deposit due to rise in consumption from MGVCL due to failure of their CPP is in order.

ORDER

The Forum directs the Madhya Gujarat Vij Co Limited to recover the amount of Rs.2,06,51,549/- towards additional Security Deposit due to rise in consumption and the Security Deposit amount be reviewed when the consumption from MGVCL decreases.

(K R Shah)
Member

(Dr R C Desai)
Independent Member

(S A Pota)
Chairman

PS :

If the complainant is not satisfied with the order of this Forum, the complainant may approach the Ombudsman, Gujarat Electricity Regulatory Commission, 1st floor, Neptune Tower, OPP: Nehru Bridge, Ashram Road, Ahmedabad 380 009 in accordance with Chapter-5, Clause No.13 of GERC Notification No.4 of 2005.