

BEFORE THE COMPLAINANT GRIEVANCE REDRESSAL FORUM
B.E.S. & T. UNDERTAKING

(Constituted under section 42(5) of Electricity Act 2003)

Ground Floor, Multistoried Annex Building,
BEST's Colaba Depot
Colaba, Mumbai - 400 001

Telephone No. 22853561

Representation No. N-F(S)-157-2012 dtd. 12/07/2012

M/s ICONOPLASTComplainant

V/S

B.E.S.&T. UndertakingRespondent

Present

Quorum :
1. Shri R U Ingule, Chairman
2. Shri S P Goswami, Member
3. Member - Vacant

On behalf of the Complainant : 1. Shri. Kailash B. Agarwal

On behalf of the Respondent :
1. Shri Sunil B. Tokekar, AAM(F/S)
2. Shri Sandeep V. Kulkarni, AAOC(F/S)
3. Shri V.P. Sawant, AAMC(F/N)

Date of Hearing : 08/08/2012

Date of Order : 07/09/2012

Judgment by Shri. R.U. Ingule, Chairman

M/s ICONOPLAST, 3rd floor, Unit A-30, Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai - 400 031 has come before the Forum for grievance regarding Security Deposit. In the electricity bills pertaining to A/c no. 690-368-063*7 and A/c no. 202-028-621 the amount of security deposit deposited by the complainant is not appearing and the complainant has requested to give interest for the security deposit amount.

Complainant has submitted in brief as under :

- 1.0 The complainant has approached to IGR Cell on 18/04/2012 for his grievances like appearing of security deposit in electricity bill, to get interest on security deposit amount deposited by him from the date of receipts and to refund the excess amount of security deposit amount deposited by him. The complainant has approached to CGRF in schedule 'A' dtd. 04/07/2012 (received by CGRF on 11/07/2012) as no remedy is provided by the Distribution Licensee regarding his grievance. The complainant has requested the Forum to provide remedy for his grievances regarding security deposit amount deposited by him.

**Respondent, BEST Undertaking in its written statement
in brief submitted as under :**

- 2.0 M/s. Iconoplast had applied in Annexure 'C' on 19.04.2012, which was submitted to Customer Care (F/N) Ward. Customer Care (F/N) Ward did not forward the complaint in Annexure 'C' to our Office. As we did not receive the complaint and also unaware of the complaint, the same was not replied.
- 3.0 The complainant in his application under Schedule 'A' states that he has forwarded various e-mails and also applied through Annexure 'C' for Security Deposit to be appeared on the electricity bills, but the same are not replied so far. The complainant has therefore, requested that the Security Deposit paid by him may appear on the electricity bill, interest on Security Deposit to be paid and excess security deposit, if any, paid by him may be refunded to him.
- 4.0 The various letters received by us were forwarded to our Deposit section. The Deposit section initiated immediate action and the deposit amount is now appearing in the electricity bill with effect from June, 2012. Interest on Security Deposit has been worked out by our deposit section, which comes to Rs. 486.75 for Account No.202-028-621 and Rs.7903.62 for Account No. 690-368-063, which is already inserted in our system and the same will be credited to the consumer's bill in the ensuing month.
- 5.0 In respect of refund of excess security deposit, we have to state that the consumer is having two accounts, viz. 202-028-621 and 690-368-063. The Security Deposit for Account No. 202-028-621 was only Rs.1650/- and the bill amount was much more. Therefore, our Energy Audit Department has raised a notice for paying additional Security Deposit amount of Rs.19,907/-. The combined Security Deposit amount of both the accounts is Rs.15,150/-(Rs.13,500/- for Account No. 690-368-063 and Rs.1650/- for Account No.202-028-621). As such, there is no excess amount paid by the complainant towards Security Deposit.

REASONS :

- 6.0 We have heard Shri Kailash Agarwal for the complainant and also gone through written argument placed on file by him. We have also heard representative of the Respondent BEST Undertaking Shri. Sunil B. Tokekar, AAM(F/S), Shri Sandeep V. Kulkarni, AAOC(F/S) and Shri V.P. Sawant, AAMC(F/N).

- 7.0 We have gone through the grievances of the complainant regarding security deposit amount deposited by him and observed that the complainant has paid the security deposit of Rs. 13,500.00 on 09/05/1996 vide receipt no. 67723 and Rs. 1,650.00 on 09/03/2007 vide receipt no. V31136. On both the receipts thereon a/c no. of the complainant is not mentioned, only installation no. 497265 is mentioned.
- 8.0 The Respondent BEST Undertaking has served a notice to the complainant for demanding additional security deposit of Rs. 52,517.23 vide letter dtd. 01/10/2011 against a/c no. 202-028-621. This amount of security deposit was approximately of one month of equivalent billing amount based on the average monthly billing for the last 12 months i.e for the F.Y. 2009-2010.
- 8.1 The complainant had raised the objection for the calculation of this security deposit amount vide his email dtd. 19/10/2011 and requested that his monthly average billing is much less and therefore the amount of security deposit asked should be reduced. Accordingly, the Respondent BEST Undertaking had recalculated the amount of security deposit to Rs. 37,970.86 equivalent to the average monthly billing for the FY. 2010-2011 and the same amount was informed to the complainant vide its letter dtd. 02/11/2011.
- 8.2 The complainant had also raised the objection for the calculation of this security deposit amount vide his email dtd. 08/11/2011 as the billing amount of the complainant has been reduced further in current financial year as his consumption was less. The Respondent BEST Undertaking had again recalculated the amount of security deposit to Rs. 19,907.17 equivalent to the average monthly billing for the FY. 2011-2012 and the same amount was informed to the consumer vide letter dtd. 02/04/2012.
- 9.0 From the date of deposit of security of Rs. 13,500.00 on 09/05/1996, it was observed that this amount was not appearing in electricity bill of a/c no. 690-368-063 till the date of serving the notice for payment of additional security deposit by the Respondent BEST Undertaking i.e. 01/10/2011. Same thing had observed in case of the security deposit of Rs. 1,650.00 paid on 09/03/2007 against the a/c no. 202-028-621. No documentation was submitted before this Forum under what circumstances these security deposits were deposited by the complainant.
- 10.0 As per the papers submitted before the Forum, it is observed that security deposit of Rs. 13,500.00 pertains to a/c no. 690-368-063 and Rs. 1,650.00 pertains to a/c no. 202-028-621. The notice was served for additional security deposit against the average billing of the a/c no. 202-028-621 by the Respondent BEST Undertaking vide its letter dtd. 01/10/2011. The complainant has mixed the issue of security deposit of both the accounts and pursued matter with the Respondent BEST Undertaking assuming as if it is one account only.
- 11.0 The Respondent BEST Undertaking has calculated the net interest payable to the complainant by deducting TDS and it is observed that the wrong credit was given to the complainant of interest of security deposit of earlier consumer during the year 1996-97 & 1997-98 through electricity bill as per their normal practice. The wrong credit of interest on security deposit of earlier consumer was confirmed by the Respondent BEST Undertaking through the ledgers and same is admitted by the complainant also.

- 12.0 As per the MERC Regulations, 2005 Regulation no. 11 related to Security Deposit. There under Regulation no. 11.11 reads as under.

“The Distribution Licensee shall pay interest on the amount of security deposited in cash (including cheque and demand draft) by the consumer at a rate equivalent to the bank rate of the Reserve Bank of India.

Provided that such interest shall be paid where the amount of security deposited in cash under this Regulation 11 is equal to or more than Rupees Fifty.”

- 13.0 This Forum observes that there are lapses on the part of the Respondent BEST Undertaking for not collecting security deposit as per the MERC Regulations, 2005. Accordingly, no security deposit amount is appearing in complainant’s electricity bill. MERC Regulation, 2005 Regulation no. 11.2 reads as under.

“The amount of the security referred to in Regulation 11.1 above shall be an equivalent of the average of three months of billing or the billing cycle period, whichever is lesser. For the purpose of determining the average billing under this Regulation 11.2, the average of the billing to the consumer for the last twelve months, or in cases where supply has been provided for a shorter period, the average of the billing of such shorter period, shall be considered.”

- 13.1 We observe that the Respondent BEST Undertaking has also failed to recover the wrongly credited interest on security deposit of earlier consumer from the complainant. This amount was recoverable from the complainant.

- 14.0 We further observe that the complainant has raised the issue of security deposit only after the Respondent BEST Undertaking has served the notice for additional security deposit on 01/10/2011. Then the complainant also raised the issue of payment of interest on security deposit as per MERC Regulation, 2005 Regulation no. 11.11. All these years the complainant has been remained silent about the same.

- 15.0 The Respondent BEST Undertaking has calculated the interest on security deposit from the date of deposition of security by simple interest method, as envisaged under the MERC Regulation, 2005 Regulation no. 11.11. At this juncture the Forum observes that the complainant had been all along ignored the fact that his security deposit is not appearing in the electricity bill & this fact should have been informed to the Respondent BEST Undertaking by the complainant as well. Further the complainant has been benefited by way of transfer of the interest on the security deposit of the earlier consumer. The interest on the amount if calculated at the rate as submitted by the complainant before this Forum, then there is nominal difference between the two figures. Therefore, the Forum is of the view that the complainant’s demand has not been in consonance with the provisions of the law in demanding the compound interest when he ought to have brought the issue of non-appearance deposit and interest thereupon to the notice of the officials of the Respondent BEST Undertaking, which he has failed to do so.

- 16.0 As there are lapses on the part of complainant also, therefore he can not be allowed to reap the benefit of his own wrong. The Respondent BEST Undertaking had informed the complainant that the credit of amount of interest on security deposit would be adjusted in the ensuing bills, vide its letter dtd. 26/07/2012. This Forum therefore is of the view that the appropriate justice has been done with the complainant and no additional benefits can be given to complainant. Accordingly we do so & pass the following order.

ORDER

1. Complaint no. N-F(S)-157-2012 dtd. 12/07/2012 stands dismissed.
2. The Respondent BEST Undertaking is directed to comply the appearance of the interest on the security deposit of the complainant as per MERC's Regulation, 2005 in his ensuing bill & thereafter inform the compliance thereto to this Forum within a period of one month there from.
3. Copies be given to both the parties.

(Vacant)
Member

(Shri S P Goswami)
Member

(Shri R U Ingule)
Chairman