

KERALA STATE ELECTRICITY BOARD
ORDER OF THE CONSUMER GRIEVANCE REDRESSAL FORUM,
CENTRAL REGION, ERNAKULAM, [Website : cgrf.kseb.in](http://cgrf.kseb.in), [Email : cgrf.ekm@gmail.com](mailto:cgrf.ekm@gmail.com)
Phone:0484-2394288, CUG No. 9496008719

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| Present | (1) Shri. Austin D'Cruz (2) Shri. Mathew. P. Kurian (3) Smt. A. Girija, | Chairperson Member Member |
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Petitioner

Mr. Afsal. K.I,
M/s. Velakode Rubber & Reclaims
(P) Ltd.,
Velakode, Mundur,
Thrissur-680545.

Respondent

- 1) The Spl. Officer (Revenue),
Vydyuthi Bhavanam, KSEB,
Pattom,
Thiruvananthapuram.
- 2) The Deputy Chief Engineer,
Electrical Circle, KSEB,
Thrissur.

No.CGRF-CR/Comp.48/12-13

Date 7/9/2012

ORDER

Background of the case

The petitioner, Sri. Afsal. K.I, Velakode Rubber & Reclaims Pvt. Ltd, is an HT consumer bearing Cons. Code 17/5674 under Ele. Section, Mundur. In order to avail this connection the petitioner had requested for a power allocation with 500 KVA contract demand on 28/3/08 and the same was sanctioned on 13/1/09. But his requirement was only for 100 KVA as found while submitting the HT agreement on 7/2/11 and HT agreement was executed accordingly on 1/4/2011. Again the petitioner had requested for revision in his contract demand from 100 KVA to 500 KVA in 06/11. The respondent had sanctioned the same in 7/11 and HT agreement executed accordingly in 8/11. The petitioner had again requested for reducing contract demand to 200 KVA in 01/12 and another HT agreement was executed accordingly in 02/12. The petitioner had approached this Forum in 2/12 for exemption from remitting UCM demand of Rs. 2,97,000/- vide his petition registered as 85/12-13/28.2.12 and this Forum had instructed that the minimum demand charge shall be collected only for the months of 12/2010 and 1/2011 and the excess amount remitted shall either be reimbursed within two months or else adjusted in the petitioner's subsequent bills. In consideration with this judgment, the respondent issued a fresh demand amounting Rs. 2,70,000/- as UCM for the period of two months and taking the contract demand as 500 KVA. But the previously issued demand notice was prepared based on a demand of 100 KVA contract demand.

The petitioner had remitted security deposit amounting Rs. 6,27,804/- and had executed bank guarantee for the same amount. The security deposit collected by the respondent was much higher than the required. The petitioner had submitted an application before the respondent to refund the excess security

deposit collected and to release the bank guarantee but there was no response. The aggrieved petitioner approached this Forum seeking justice.

Statement of facts was called for on 10/7/12 and the same was submitted by the respondent on 14/8/12. The Forum afforded an opportunity to hear both the parties. The Forum conducted hearing on 3/9/2012. Both the parties were present in the hearing. Oral as well as written versions were submitted by both sides.

Statement of the petitioner:

The petitioner complained of incorrect calculation of UCM charge by the respondent for the months 12/2010 and 1/2011. While revising the UCM charge as per CGRF instruction the respondent made an upward revision of the demand KVA arbitrarily from 100 KVA to 500 KVA. In the Lr. No. DB/25/2010-11 of the respondent, it was clearly mentioned that the minimum demand charge for the period 3/2010 to 2/2011 is Rs. 2,97,000/- and this was based on a contract demand of 100 KVA. He was also instructed to file an undertaking stating that the petitioner will remit the additional minimum demand amount if the meter reading exceeds 100 KVA contract demand.

Now the respondent has decided to compute the UCM charges for two months as Rs. 2,70,000/- based on a contract demand of 500 KVA. But the actual contract demand is 100 KVA. The UCM charges would have been only Rs. 54,000/- had the KVA demand remained unchanged from 100 KVA. The action of the respondent in arriving the UCM charges as Rs. 2,70,000/- was not correct and is against the order of the Hon'ble CGRF.

Petitioner argued that Hon'ble CGRF has found the date of completion of work by the respondent as 30/11/2010. But as per supply code regulation 10(1) (2), the petitioner can enjoy a period 3 months for availing supply without remitting UCM charges from the date of such completion of work. The UCM charge should be petitioner's fixed/minimum demand charge and this should be 75% of contract demand. Respondent's action of charging the UCM on the contract demand as per the power allocation is wrong. Petitioner requested before this Forum to issue necessary direction to revise the UCM charge based on the contract demand of 100 KVA.

The petitioner stated that the remitted security deposit of Rs. 6,27,804/- was much higher than the required and the eligible amount. The bank guarantee for the same had to be executed unnecessarily. The respondent was not acceding to his request either to release the bank guarantee nor to refund the excess security deposit collected from him. He requested for refund excess security deposit remitted with double interest rate as prescribed in regulation 16 of supply code and also to release bank guarantee.

Statement of the Respondent:

The respondent stated that the petitioner, M/s.Velakode Rubbers & Reclaims Pvt. Ltd demanded power allocation for 500 KVA on 28/3/2008 and sanction was given by the respondent on 13/1/2009. But the petitioner executed HT agreement with the respondent for a contract demand of 100 KVA on 1/4/2011. Again he enhanced the contract demand to 500 KVA with effect from 26/8/2011. Again on

18/2/2012 the petitioner reduced the contract demand to 200 KVA by executing revised HT agreement.

He added that the petitioner approached the respondent initially for contract demand of 500 KVA. Later on knowing the UCM amount to be paid, the petitioner executed an HT agreement for 100 KVA thus giving wrong impression to the respondent in an attempt to get lower demand charges. Within a period of 3 months from the availing of power, petitioner requested for additional power of 400 KVA and executed agreement accordingly. As per the instruction of CGRF, the respondent cancelled the disputed demand notice and a fresh demand for the period of two months issued as per the sanctioned power allocation of 500 KVA. The revised UCM charges were Rs. 2,70,000/-. The excess amount of Rs. 27,000/- paid by the petitioner will be adjusted in the future bills. Petitioner was mistakenly issued UCM demand notice based on 100 KVA contract demand previously. But the respondent is entitled to recover such under charged amount as per the regulations in force.

In the prevailing frame work for the minimum demand calculation, 75% of the contract demand will be taken in zone I and Zone III. In zone II alone, the recorded MD will be taken. Hence the petitioner's argument of taking average recorded maximum demand for MD calculation is without any basis.

The security deposit of the petitioner in cash was Rs. 6,27,804/- and BG was for Rs. 6,27,804/-. As per the prevailing rules, KSEB is to collect the bank guarantee for the same amount as that of CD in case if the CD amount is higher than Rs. 5 lakh. As per the monthly demands of the petitioner for the period from 4/2011 to 3/2012, the required security deposit is worked out to be Rs. 2,17,818/-. The excess security deposit at credit will be returned to the petitioner. Since the required SD was found less than 5 lakhs the petitioner's bank guarantee was returned back on 1/8/2012. The respondent prayed that the Hon'ble Forum shall consider these mentioned facts, before disposing the petition.

Analysis and findings:

Having examined the petition in detail, the statement of facts of the respondent, considering all the facts and circumstances of the case, and perusing all the documents of both sides, the Forum comes to the following conclusions and decisions thereof.

The main argument points of petitioner were:

- 1) The respondent vide letter No. DB/25/10-11 of AE/ES/Mundoor had demanded the UCM charge on 18/3/11 based on 100 KVA contract demand. Since the order of CGRF has directed to limit the UCM to 2 months the contract demand was revised as 500 KVA in the calculation by the respondent.
- 2) Even though the petitioner is the absolute owner of the premises, and submitted necessary documents in proof, the respondent collected CD twice the rate as applicable for a tenant.

The main contention of respondent were:

- 1) The petitioner requested and availed a power allocation of 500 KVA, but the HT agreement was for 100 KVA and executed on 1/4/2011. His contract

demand till 1/4/2011 was 500 KVA. Hon'ble CGRF instructed to demand UCM only for the months 12/10 & 1/11. It is not possible for the respondent to collect UCM for 100 KVA as the petitioner revised his requirement to 100 KVA only on 7/2/11 and put up his request accordingly and agreement executed on 1/4/11.

- 2) The respondent could not ascertain whether the petitioner is a tenant or the absolute owner of the premises from the submitted records.

This Forum had heard both the petitioner and respondent. The petitioner was issued with a demand notice for UCM charges based on 100 KVA contract demand for 11 months. Respondent revised the contract demand from 100 KVA to 500 KVA in order to issue the revised UCM charge. As per the petitioner, the respondent is liable to collect demand charge only for 75% of 100 KVA contract demand. He further stated that since the Hon'ble CGRF had accepted the date of completion of work by respondent as 30/11/2010, the petitioner is entitled to get 90 days notice period for availing connection before raising UCM charges. The respondent admitted that the petitioner was issued UCM demand notice on 18/3/11 which was based on 100 KVA demand. This was mistakenly done. The demand applicable during this period was 500 KVA. Hence his action is correct.

On verification of the records Forum finds that the petitioner had availed power allocation with contract demand for 500 KVA on 13/1/09. Since he found that he may not be requiring the allotted 500 KVA, he submitted his HT agreement on 7/2/11 for 100 KVA. Since the respondent found that the intended demand is only 100 KVA instead of the sanctioned 500 KVA, he had put up letter to petitioner in confirmation of the same on.....Respondent decided to execute the HT agreement accordingly on 1/4/11. Petitioner had again revised his contract demand subsequently and the present contract demand is 200 KVA. This may again vary in future as per his need.

Here the issue before the Forum is to find whether petitioner's UCM can be calculated based on the sanctioned contract demand of 500 KVA or based on the contract demand of 100 KVA availed while executing HT agreement. Petitioner had a dispute on the calculation of UCM before this Forum as per Compt. No.85. This Forum had then directed to collect UCM for 12/10 & 1/11. The records show that the petitioner's requested and sanctioned power allocation in this disputed period was with a contract demand of 500 KVA.

Petitioner had argued that this Forum had found the work completion date by respondent as 30/11/2010 which is the date of request to EI for their sanction. The fact was that petitioner installation was also not ready during then. Thus was vivid from the fact that petitioner received EI sanction for his scheme only on 28/1/11. But this Forum had decided to issue such an order in order to grant maximum relief to the complainant. Petitioner's complaint that he should have got 3 months notice period from the assumed date of completion of work is felt to be for tilting the present dispute to his advantage. In this context this Forum does not find any merit in his argument. Here the petitioner had a contract demand of 500 KVA from the date of sanction on 13/1/09 till he executed HT agreement on 1/4/11. This Forum vide order No. 85/21.4.12 had instructed that respondent can collect UCM for 2 months i.e. for 12/10 & 01/11. The contract demand of the petitioner during this period and till 1/4/11 was 500 KVA. The supply code mention vide reg. 10(1) that respondent can collect the minimum demand charge as UCM. This Forum feels in this case that the minimum demand charge shall be

75% of contract demand and here it is 375 KVA. Hence the respondent is required to revise the two months UCM charges based on the minimum demand of 375 KVA.

Petitioner had argued that respondent had collected extra SD which is more than the required and the same was not returned to him even after repeated request. Respondent had admitted that this happened mistakenly on the presumption that petitioner is a tenant. Aggrieved petitioner had demanded reimbursement of the additional SD collected from him and amounting Rs. 409986/- (627804-217818) with double interest. Forum cannot find any reason to deny this demand of the petitioner. The additional SD collected can be reimbursement with double the interest as applicable to CD from the date of collection of such amount.

DECISION:

Petitioner's UCM for the month of 12/2010 and 01/2011 to be assessed based on a demand of 375 KVA. The additional security deposit of amount Rs. 409986/- is to be reimbursed to petitioner with double the interest as applicable to CD from the date of receipt of the amount.

The petitioner is at liberty to file appeal before the Electricity Ombudsman within 30 days of receipt of this order, if the petitioner is not satisfied with this decision.

The petition is disposed as above.

Dated this 7th day of September 2012

Sd/-

- 1) Sri. Austin D'Cruz
(CHAIRPERSON)

Sd/-

- 2) Sri. Mathew. P. Kurian
2nd Member

Sd/-

- 3) Smt. A. Girija
3rd Member

Endt. On CGRF-CR/Comp. 48/12-13

Mr. Afsal. K.I,
M/s. Velakode Rubber & Reclaims (P) Ltd.,
Velakode, Mundur, Thrissur-680545.

Copy Submitted to: The Chief Engineer, Distribution Central, KSEB, Gandhi Square, DH Road, Kochi-16.

Copy to : 1) The Deputy Chief Engineer, Electrical Circle, KSEB, Thrissur
2) The Spl. Officer (Revenue), Vyduthi Bhavanam, Tvm.

CHAIRPERSON

