BEFORE THE ELECTRICITY OMBUDSMAN, JHARKHAND 4th floor, Bhagirathi Complex, Karamtoli Road, Ranchi – 834001

Dated- 13th September, 2011

Appeal No. EOJ/11/2011

JSEB through its Chairman & others	••••	Appellant(s)
	Versus	
M/s S.M. Process Plant Pvt. Ltd.	•••••	Respondent(s)

Present:

Shri Arun Kumar Datta	Electricity Ombudsman
Shri Rajesh Shankar	Standing Counsel for appellant Board
Shri Dheeraj Kumar	Addl. Counsel for appellant Board
Shri Ajit Kumar	Counsel for respondent
Shri Vijay Gupta	Advocate for respondent

JUDGEMENT

1. This appeal has been filed by the appellant J.S.E.B. against the Judgement/order dated 11/05/2011 passed in case no. 01/2011.

2. The brief fact of this case is that the consumer/respondent M/s S.M. Process Plant Pvt. Ltd. was served with a notice dated 01/11/2010 by JSEB to pay the revised balance security amount of Rs.19,75,045/- (Rs. Nineteen lacs seventy five thousands and forty five) as the revised security amount comes to Rs. 25,56,045/- and as the consumer/respondent had already deposited initial security amount of Rs. 5,81,000/- (Rs. Five lacs eighty one thousand) which was directed to be paid within 30 days failing which the connection of the consumer/respondent will be disconnected. Thereafter the consumer/respondent had represented before the General Manager cum Chief Engineer, Electric Supply Area, Hazaribagh of Jharkhand State Electricity Board and opted for pre payment meter in view of Clause 10.1 and 10.2 of the Electricity Supply (Code) Regulations instead of depositing the additional security demand of the appellant JSEB. The grievance of the consumer/respondent could not be redressed therefore the

consumer/respondent had filed his representation/complaint before the learned Vidyut Upbhokta Shikayat Niwaran Forum (In short to be referred as V.U.S.N.F.) of JSEB, Ranchi which was registered as case no. 01/2011.

3. To settle the dead lock in providing pre payment meter by the JSEB the learned VUSNF ordered for payment of revised security amount in 20 equal installments without any interest. As such the only grievance of appellant which has led the appellant JSEB to file this case is on the point of numbers of installments and on the point of interest.

FINDINGS

4. On perusal of the Judgement/order of the learned VUSNF dated 11/05/2011 passed in case no. 01/2011 it is found that the learned VUSNF had ordered for payment of revised security amount in 20 installments on the basis of letter no. 883 dated 03/11/2008 of the Chief Engineer (C & R) by which he had allowed the total outstanding dues to be paid in 50 and 30 installments. In this regard it has been contended by Sri Rajesh Shankar the learned Standing Counsel of appellant JSEB that the aforesaid order of Chief Engineer (C&R) in letter no. 883 was in the case of total outstanding dues under Section 126 of the Electricity Act, 2003 whereas in this case it is the revised amount of security and it is not the energy charge of JSEB therefore the aforesaid letter can not be made basis for grant of 20 installments.

5. On the other hand, it has been submitted by Sri Ajit Kumar, the learned Counsel of consumer/respondent that the learned Standing Counsel of JSEB as well as the Nodal officer had a telephonic talk with the authority of JSEB on the point of payment of revised security amount in 20 installments and as such the aforesaid order of the learned VUSNF is a consented order therefore the jurisdiction of this Forum is barred under Section 18.1 of the Jharkhand State Electricity Regulatory Commission (In short to be referred as J.S.E.R.C.) (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers and Electricity Ombudsman) Regulations, 2005. On the other hand, it has been submitted by the learned Standing Counsel of appellant JSEB that the Board had only consented for payment of revised security amount in installments as

provided in Clause 11.9 of the Electricity Supply (Code) Regulations, 2005 and not in 20 installments as such the jurisdiction of this Forum is not barred.

6. I also find myself in agreement that the aforesaid contentions of the learned Standing Counsel of appellant JSEB because the order of the learned VUSNF passed in this case at 4.4 at page 04 clearly goes to show that the learned Counsel of appellant JSEB had only submitted for payment of revised security amount in installments and the learned Forum made basis for payment of 20 installments on letter no. 883 dated 03/10/2008 of the Chief Engineer (C&R). As such I am also led to hold that the jurisdiction of this Forum is not barred under Clause 18.1 of the JSERC (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers and Electricity Ombudsman) Regulations, 2005.

7. So far as payment of revised amount of security deposit is concerned I am led to hold that the installments of revised security amount can not be more than 12 installments because it has to be revised after every 12 months on the basis of average billing amount of three months as laid down in Clause 10.2 of the Electricity Supply (Code) Regulations, 2005. Therefore it is directed that the consumer/respondent shall pay the revised amount of security deposits in 12 equal monthly installments to appellant JSEB and the order of the learned VUSNF passed in this case is modified accordingly.

8. Now the point remains to be decided as to whether the appellant/JSEB is entitled to charge interest on the revised amount of security and if so at which rate. In this regard Clause 11.9.1 of Electricity Supply (Code) Regulations, 2005 clearly lays down that "Grant of installment facility shall not affect the liability of the consumer to pay surcharge for delayed payment as per tariff notification issued from time to time, till full payment and clearance of arrears". The ruling relied and filed on behalf of respondent/consumer and also relied by the VUSNF in its Judgement with regard to the ruling reported in 2005 (2) of JCR 437 (JHR) of the Hon'ble Jharkhand High Court can not be made basis for refusal of grant of interest to appellant/JSEB because the aforesaid ruling was made in the case of old tariff of 1993 in which there was no provision for charging DPS/interest on the security amount if not deposited within time nor the consumer was paid any interest towards deposit of security in Clause 15.3 of old tariff of 1993 whereas in the new tariff of JSERC's Electricity Supply (Code) Regulations there is

clear provision under Clause 11.9.1 which empowers the appellant JSEB to charge interest/DPS as per notification issued from time to time, till full payment and clearance of arrear. Clause 10.6 of Electricity Supply (Code) Regulations, 2005 also provides that the Distribution licensee shall pay interest on the amount of security deposited by the consumer at the prevalent bank rate of the Reserve Bank of India. In the same manner also JSEB can charge interest on the arrears of revised security amount at the prevalent bank rate of the Reserve Bank of India. In the prevalent bank rate of the Reserve Bank of India. In view of the aforesaid provisions of law, the Judgement/order of the learned VUSNF passed in case no 01/2011 dated 11/05/2011 can not be upheld.

9. Thus from the aforesaid discussions and findings made above I am led to hold that the aforesaid consumer/respondent in the aforesaid case will pay the revised amount of security demanded by the appellant JSEB through impugned notice in 12 equal monthly installments with interest at the prevalent bank rate of the Reserve Bank of India and also at the same rate on which the JSEB pays the interest charge on the refunded security deposits to consumers. In this connection the party will execute agreement in the Office of the concerned Electrical Superintending Engineer within 15 days from the date of this order. The appellant/JSEB is also directed to make every efforts for obtaining pre payment meter for giving effects to Clause 10.1 and its proviso with regard to supply of power under pre payment mode.

10. In the result the aforesaid appeal no. EOJ/11/2011 JSEB versus M/s S.M. Process Plant Pvt. Ltd. is allowed and the Judgement/order of the learned VUSNF of JSEB, Ranchi passed in case no. 01/2011 dated 11.05.2011 is set aside.

Let a copy of this order be served on both the parties.

Sd/-Electricity Ombudsman