

**BEFORE THE FORUM
FOR REDRESSAL OF CONSUMER GRIEVANCES
IN SOUTHERN POWER DISTRIBUTION COMPANY OF A.P LIMITED TIRUPATI**

On this the 19th day of March 2019

C.G.No:323/2018-19/Tirupati Circle

Present

Sri. A. Jagadeesh Chandra Rao
Sri. A. Sreenivasulu Reddy
Sri. D. Subba Rao
Sri. Dr. R. Surendra Kumar

Chairperson
Member (Finance)
Member (Technical)
Independent Member

Between

Sri D.Sairam Prasad,
6-74,
Santha Bazar,
B.Kothakota,
Chittoor- Dist.

Complainant

AND

1. AAO/Madanapalle
2. SAO/Tirupati
3. SE/Tirupati

Respondents

ORDER

1. The complainant presented this complaint on the plea that the orders of the CGRF vide C.G.No.226/2014-15 was not implemented by the respondents in allowing interest on security deposit and interest on excess amount outstanding on account of wrong billing. His argument is that calculation of interest on the amount outstanding on account of wrong billing has to be adjusted in the next bill and so on. When the principal and interest are added in the successive months bill, both will become principal and the amount should be compounded yearly along with stipulated interest if bills were stopped. In simple the DISCOM has to apply the methodology when giving interest on the outstanding excess amount on wrong billing as the DISCOM is collecting the interest on delayed payment surcharge on various other heads from the consumers. The second objection raised by the complainant is that interest on security deposit was totally forgotten in the to be billed statements. As per Reg. No.06/2004 interest on security deposit should be paid on 1st May every year.

C.G.No:323/2018-19/Tirupati Circle

o/c
DESPATCHED
DATE *25/3/19*

2. The respondent No.1 and 3 in their written submission have certified that calculation of interest on excess amount paid by the consumer towards cc charges has been calculated @ 24% per annum as per the orders of the forum vide C.G.No.226/2014-15. They have also certified that the adjustment of interest on security deposit was done as follows :

Year	ISD adjusted in the bills
Apr' 2009	Rs. 2,220/-
Apr' 2010	Rs.3,941/-
April'2011	Rs.3,616/-
April'2012	Rs.3,616/-
April'2013	Rs.3,757/-
April'2014	Rs.5,633/-

Total – Rs. 22,783/-

3. A personal hearing was conducted on 28.01.2019 in the court hall of CGRF office TPT. All the respondents and the complainant attended the personal hearing and reiterated their arguments. The complainant has also filed order of the Hon'ble Vidhyut Ombudsman in Appeal No.16/2017 regarding adjustment of interest on security deposit.
4. Points for determination are :
1. Whether the complainant is entitled for calculation of interest @ 24% per annum in the methodology allowing interest on the outstanding excess amount as DISCOM is collecting the interest on delayed payment surcharge?
 2. Whether interest on security deposit has to be allowed in his case on compound interest with yearly rests?

Point No.1:

The Forum in their order vide CG.No.226/2014-15 has directed the respondents to pay the consumer the interest charges @ 24 % per annum on the excess amount outstanding on account of wrong billing as per Clause No. 4.7.3 of Reg.No.05/2004. This interests may also be adjusted in subsequent CC bills. Since the respondents have allowed the interest on excess of CC charges paid by the complainant in accordance with the provisions contained in Reg. No.05/2004 only, the argument of the complainant is not maintainable. The respondents have already allowed him interest of Rs.15,60,654/- on excess billing of Rs.16,26,176/- . The complainant has not placed any order of the commission on allowing of interest as he demanded. Hence the complainant is not entitled for interest in the methodology he claimed. Thus the point is answered accordingly.

C.G.No:323/2018-19/Tirupati Circle

