



# Madhya Pradesh Electricity Regulatory Commission

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## Petition No. 84/2006

### SUB: IN MATTER OF APPEAL FOR REVISING THE BASIS FOR SECURITY DEPOSITS CALCULATION.

M/s. Sam Industries Ltd. A.B. Road, Village Dakachya, Distt. Indore.	-	Petitioner
<b>V/s</b> M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore.	-	Respondent

### ORDER

(Passed on this day 12<sup>th</sup> September, 2006)

Shri Anil Maloo, Executive Director appears on behalf of the Petitioner.

Shri R.C. Somani, Addl S.E. and Shri P.K. Saxena, Addl. S.E. (Com) appear for the Board.

2. Petition has been filed in the matter of appeal for revising the basis for security deposits calculation.

3. Petitioner submitted that it is a Soyabean Processing Industry which runs barely six months in a year from October to March. It is submitted by the petitioner that petitioner has deposited the security deposit of Rs. 2764970/- but petitioner is in receipt of billing for the month of July 2006 from the Respondent Company West Discom in which they have asked to deposit an additional security deposit of Rs. 3367882/-.

4. It is also submitted by the petitioner that the Respondent has calculated its security deposit on the basis of the last six month's average billing but the petitioner prayed to the Company to recalculate the amount of security deposit on the basis of annual billing instead of half yearly billing as presently they are doing because petitioner has to pay heavy deposit during off season from April to September for consumption of power during the previous six months and off season is always under financial constrains. It is also submitted by the petitioner to calculate the security deposit at the rate of 1.5 times of the average billing instead of present practice 2 times.

5. During the course of hearing today the Respondent informed that Commission that the petitioner is not a seasonal consumer and that security deposit is calculated on the basis of consumption during last 6 months as per provisions of the Regulations.

6. Commission heard the petitioner and the respondent. Considering the facts and circumstances of the case the Commission is of the opinion that the Respondent has gone by the provisions of the Electricity Supply Code. Commission advises the petitioner to approach the Supply Code Review Panel set up for this purpose, if the petitioner wants to submit any proposal for the amendment in the M.P. Supply Code 2004. Commission further invites the attention of the petitioner that they can avail the benefit of revised provisions of MPERC (Security Deposit) Regulation where in bank guarantee can also be provided by the consumers in case of security deposit exceeds Rs. 10 Lacs.

With the direction aforesaid, the Commission decides to close the case.

Ordered accordingly.

Sd/-  
(R.Natarajan)  
Member (Econ.)

Sd/-  
(D.Roybardhan)  
Member (Engg.)

Sd/-  
(P.K.Mehrotra)  
Chairman