

**JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
RANCHI**

Case No. **04** of **2011**

Shri **Mukhtiar Singh**, Chairperson
Shri **T. Munikrishnaiah**, Member (Tech)

Dated: **16th March 2011**

ORDER

IN THE MATTER OF

M/s Jharkhand Small Industries Association Petitioner
Versus
Jharkhand State Electricity Board Respondent

For the Petitioner : Shri N.K. Pasari, Advocate
Shri Anjay Pacheriwala

For the Respondent : Shri Rajesh Shankar, Advocate
Shri Abhay Prakash, Advocate with
Shri S.C. Thakur, SE (Electrical), JSEB

1. The petitioner-M/s Jharkhand Small Industries Association (JSIA) has filed the petition under consideration for a direction to the respondent-licensee-JSEB to pay interest @ 6% instead of @ 3.5% on the security deposit.

2. The respondent-licensee-JSEB appeared and filed Counter Affidavit.

3. Heard the two sides.

4. Section 47 of the Electricity Act, 2003 speaks about the requirement of security. It says any person who requires supply of electricity in pursuance of Section 43, has to provide reasonable security as may be determined by Regulations. The JSERC (Electricity Supply Code) Regulations, 2005 speaks about the security deposit. Clause 10.6 of

the said Regulations says that the distribution licensee shall pay interest on the amount of security deposited by the consumer at a rate prevalent to Bank rate of the Reserve Bank of India. From the aforesaid Regulations, it is abundantly clear that the respondent-licensee-JSEB is left with no other option but to pay the interest on the amount of security deposit at a rate prevalent to Bank rate of the Reserve Bank of India. From this follows that the respondent-licensee-JSEB is duty bound to ascertain about the Bank rate and make payment to the consumers accordingly.

5. With the above observations, the petition of the petitioner-JSIA is disposed of.

6. Let a copy of this order be sent to both the parties.

Sd/-
(T. Munikrishnaiah)
Member (E)

Sd/-
(Mukhtiar Singh)
Chairperson