



Before Tamil Nadu Electricity Regulatory Commission, Chennai.

Order No. T.O.115 dated 11.02.2009

Present: Thiru S. Kabilan, Chairman.
Thiru B. Jeyaraman, Member.
Thiru R. Rajupandi. Member.

In the matter of: Interest on Security Deposit from consumers
for the Year 2008-09– Ordered.

As per sub-section (4) of Section 47 of Electricity Act 2003, the Distribution Licensee shall pay interest equivalent to the bank rate or more as may be specified by the Commission on the security in respect of electricity supplied to the consumers as well as for the meter provided to the consumers.

2) As per Regulation 5(5)(i) of the Tamil Nadu Electricity Supply Code, rate of interest on Security Deposit shall be on the basis of Commission's direction.

3) As per Regulation 5(5)(iii) of the Tamil Nadu Electricity Supply Code, the interest at Bank Rate or more as specified by the Commission shall be calculated and credited to the Security Deposit Accounts of the consumers at the beginning of every financial year and the credit available including the interest shall be informed to each consumer before the end of the year.

4) The prevailing Bank Rate as announced by the Reserve Bank of India is 6%.

5) The Commission directs that the TNEB shall pay interest at 6% on the Security Deposit from the consumers for the year 2008-09. The interest on Meter Caution Deposit shall also be 6% as per the Commission's order on Non- Tariff related miscellaneous charges.

6) The TNEB may review the adequacy of Security Deposit taking into account the interest allowed.

7) The credit including interest available in the accounts of the consumers as on 31.03.2009 may be intimated to the consumers by 30.06.2009, and the compliance furnished by 30.09.2009.

(By order of the Commission)

Assistant Secretary
Tamil Nadu Electricity Regulatory Commission

To

The Chairman,
Tamil Nadu Electricity Board,
Chennai - 600 002.