



Maharashtra State Electricity Distribution Co. Ltd.

Office of the Chief Engineer (Commercial)

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No. P-COM/Theft Rewards/ No 29621

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COMMERCIAL CIRCULAR NO. 145

Sub: Theft of electricity under Section 135 of Electricity Act, 2003 - Monetary Rewards to outsider informants/MSEDCL employees.

The Transmission & Distribution Losses inter-alia includes an inbuilt component of "Commercial Losses" which adversely affects the revenue income of the Company. Even though a vigorous drive has been initiated to restrict/ minimize T & D losses, the outcome needs to be further boosted. For controlling the Technical losses infrastructure improvement / strengthening on a massive scale over a period of five years has been planned. On similar principles, efforts need to be made to minimize the commercial losses, which can be achieved by restricting the theft of electricity.

The Vigilance Department as well as the O & M Staff is taking steps, including surprise checks of the consumer installation to reduce the incidences of theft of electricity, however there is still a scope to improve on this aspect, which is unnecessarily resulting in loss of legitimate revenue income of the Company. The special squads at Division level to detect the theft of energy of the Industrial & Commercial consumers are already in force. Yet one of the reasons for not achieving the required success could be that, we are so far not able to achieve, active and voluntary support of the general public in our drive of controlling the theft of electricity.

The consumers and the general public therefore need to be encouraged to inform theft of electricity which they notice in the vicinity. Therefore, it has been decided that if a consumer or a person including employees of the Company (other than his jurisdiction/working area) provides reliable & conclusive information about theft of electricity covered under Section 135, which results in recoveries of revenue to the Company, then such consumer/person/employee of the Company should be encouraged & motivated by giving a Monetary Reward, provided the information given by the informant leads to the detection of theft of electricity and the consumer pays the money against theft of electricity.

At present, as per the circular no. 28 dated 08.02.2006 in respect of cash reward for outside informants/ MSEDCL's employees, the initial amount paid to the informant is maximum upto Rs. 1000/- & the total cash reward of not exceeding 5% of the assessed bill amount is given to the informants.

Now, the Competent Authority has approved following policy for motivation of informants by giving a monetary reward for theft cases under Section 135 of the Electricity Act 2003.

1. The Monetary Rewards shall be 10% of the assessed bill given to the outsider informants as well as employees of MSEDCL providing information of theft other than the area under his jurisdiction.
2. In order to motivate the informants an immediate reward shall be given to the informant which shall be 10% of amount calculated for the Final Reward. This Reward shall be given immediately but only after issue of theft assessment bill.
3. The Final Reward shall be paid to the informant by deducting the amount of immediate reward, only after payment of the assessed bill and Compounding amount. Total reward shall not be exceeded 10% of assessed bill.
4. Immediate reward will be granted & released by the billing authorities. These authorities shall release this rewards only after due verification & confirmation (which is to be recorded) that the information provided by such a informant has resulted in the detection of the theft of electricity & payment thereof.
5. The Director (V&S), Chief Engineers, Superintending Engineers & Executive Engineers are the Competent Authorities to decide, to grant & to release the final Monetary Reward depending upon the amount of the final Monetary Reward as given below,
 - a) Executive Engineer - Up to ₹ 50,000/- for L.T. cases.
 - b) Superintending Engineer - Up to ₹ 1, 00,000/- for L.T. cases.
 - c) Chief Engineer- Above ₹ 1, 00,000/- for L.T. & H.T. cases.
 - d) Director (V&S) – Full power.
6. The identity of the person providing such information about theft of electricity, which results in loss of revenue to the Company, shall be kept confidential.
7. In order to keep the identity of informant confidential, the Monetary Rewards (Initial & Final) are to be paid either by cash upto Rs. 20,000/- & through cheque above Rs. 20,000/- or online transfer (i.e. RTGS/ NEFT as applicable) to the account of informant. The necessary information for same may be collected from the informant.

All Chief Engineers/Superintending Engineers/Executive Engineers should ensure that the above scheme shall be given wide publicity in local news paper/local cable network, etc. so as to encourage more & more persons to come forward and support the drive undertaken by the company to detect theft of electricity. Webpage to "report the energy theft" is also available on our website.

If the informant is MSEDCL employee he must give information directly only to the Director (V&S) by phone or by filling up online details through the link available on webpage.

This Circular supersedes all previous related circulars.


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