

**Maharashtra State Electricity Distribution Co. Ltd.'s
Consumer Grievance Redressal Forum
Nagpur Urban Zone, Nagpur**

Case No. CGRF(NUZ)/026/2008

Applicant : M/s. Vineer Carbons Pvt. Ltd.,
At Khairy, Taluka Kamptee,
Dist. NAGPUR. through Director,
Shri Rameshwarprasad Shukla.

Non-applicant : MSEDCL represented by
the Nodal Officer-
Executive Engineer,
Division No. I, NUZ,
Nagpur.

Quorum Present : 1) Shri S.D. Jahagirdar,
Chairman,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

2) Smt. Gouri Chandrayan,
Member,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

3) Shri S.J. Bhargawa
Executive Engineer &
Member Secretary,
Consumer Grievance Redressal
Forum, Nagpur Urban Zone,
Nagpur.

ORDER (Passed on 29.04.2008)

This grievance application is filed on 01.04.2008
under Regulation 6.4 of the Maharashtra Electricity
Regulatory Commission (Consumer Grievance Redressal

Forum & Electricity Ombudsman) Regulations, 2006 here-in-after referred-to-as the said Regulations.

The grievance of the applicant is in respect of wrong claim of recovery of arrears of energy charges after expiration of period of three years and also in respect of illegal disconnection of his power supply.

Before coming to this Forum, the applicant had approached the IGRC (in short, the Cell) under the said Regulations by filing his complaint on the same subject matter on 15.03.2008. The Cell informed the applicant by its letter, being letter no. 2326 dated 28.03.2008, that the applicant's complaint pertains to the energy bill issued against Flying Squad's inspection and that such complaints do not fall within the purview of the Cell. The Cell therefore, refused to entertain the applicant's grievance. The Cell, has also informed the applicant that he should have taken the subject matter of his complaint with the Sub-Division office first and then at Division office before coming to the Cell.

It is against this decision of the Cell that applicant has filed the present grievance application under the said Regulations.

The matter was heard on 29.04.2008.

The applicant contended that the energy bill containing arrear amount of Rs.1,51,103/- issued by the non-applicant for the past period of 28 months in February, 2008 is arbitrary and unlawful and the same is not acceptable to him. He also contended that the power disconnection notice dated 25.02.2008 served upon him was also illegal. He added that the disputed bill in question pertains to short billing done

in the past during the period from September 2005 to 17.01.2008 because of the mistake committed by the non-applicant in respect of wrong application of multifying factor of one. As per the non-applicant's claim, multifying factor of two ought to have been made applicable for the purpose of billing in place of MF One and that, no fault can be attributed to the applicant on this count. He further stated that costing of the factory products was calculated by him on the basis of energy bills issued every month during the aforesaid period of 28 months as such recovery of the arrear amount in question is unjust, improper and unlawful. Consequently, the power disconnection notice dated 25.02.2008 served on the applicant and consequent action of actual disconnection of power supply are both illegal. According to him, the applicant is not at all responsible for the mistakes committed by the non-applicant in the past. He prayed that the energy bill of Rs.1,51,103/- may be revoked.

The non-applicant has submitted his parawise report dated 25.04.2008 which is on record. A copy of this report is also received by the applicant and the applicant was given sufficient opportunity to offer his say on this report.

It has been stated in this report as well as in the oral submissions of the Executive Engineer representing the non-applicant Company that the Dy. E.E. Flying Squad NRC visited the applicant's factory on 17.01.2008 and he observed that multifying factor on one was wrongly fed instead of MF two and that differential assessment amount for the past period of 28 months should be recovered from the applicant since less amount was billed earlier to the applicant because of

wrong application of MF one in place of MF two. The applicant's meter and CT's were replaced in the month of July, 2005 and at that time, multifying factor of two was properly fed and billing also was done accordingly upto the month of August 2005. However, due to wrong punching, from the month of September 2005 onwards, multifying factor of one was inadvertently made applicable and fed accordingly for billing purposes. This has resulted in the short recovery of energy charges for the aforesaid period of 28 months. Though readings were taken regularly and bills issued, the change in multifying factor was not corrected by the company officials. The reading in the month of September, 2005 was 1,57,239 while on the date of Flying Squad's inspection i.e. on 17.01.2008 it was 1,90,872 units. Thus consumption of $190872 - 157239 = 33633$ units was charged less to the consumer during the period from September 2005 to January 2008. Since the applicant has already consumed electricity during the aforesaid period of 28 months, with the applicability of MF two, the applicant is bound to pay for the consumption charges amounting to Rs. 1,51,103 for which the bill in question came to be issued rightly in February 2008. According to him, there is nothing wrong in issuing this bill since the applicant has already consumed electricity accordingly as per metered consumption. The applicant did not make the payment of the bill in question and hence, a notice was issued on 25.02.2008 asking the applicant to make payment of Rs.1,51,103/- within 15 days failing which the applicant's power supply would be disconnected. The applicant neglected to pay this amount within the aforesaid period of 15

days and hence, his power supply was temporarily disconnected on 15.03.2008. It is his strong submission that the power disconnection notice and consequent disconnection of power supply were correct and proper. He, however, clarified that the applicant's power supply has already been restored on 05.04.2008. He further submitted that the applicant had requested to grant installments to him for payment of amount of Rs.1,51,103/-. Accordingly, three installments were allowed to him and the applicant has also paid the first installment of Rs.50,370/- by cheque dated 04.04.2008. The applicant has thus already accepted the recovery of less amount charged earlier and hence, the applicant cannot now agitate the present grievance before this Forum. He prayed that the grievance application may be rejected.

In this case, the point to be decided is whether the non-applicant can recover the energy arrear bill amount of Rs.1,51,103/- which is disputed by the applicant. Admittedly, this bill amount pertains to a period of 28 months from September 2005 to 17.01.2008. It is a matter of record that this bill came to be issued as an arrear bill because the non-applicant earlier charged the applicant for consumption considering multiplying factor of one when actually multiplying factor of two was applicable throughout this period. The non-applicant has also admitted the mistake of feeding MF one in place of MF two which, according to him, has happened inadvertently.

As laid down in Section 56 (2) of the Electricity Act, 2003, no sum due from any consumer under this Section

shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity. It is crystal clear that the arrear bill in question pertains to a period of 28 months from September 2005 to 17.01.2008 and such a bill has been raised for the first time by the non-applicant in February, 2008. Hence, showing this sum continuously as recoverable as arrear of charges of electricity supplied did not happen. What is permissible under section 56 (2) is recovery of energy charges upto a period of two years from the date when such sum became first due. Since the arrear amount of Rs.1,51,103/- has become due for recovery for the first time in February 2008, it follows that, in terms of Section 56 (2), recovery of energy arrear charges is permissible only for a period of two years preceeding February, 2008. In short, what is permissible for recovery is the arrear charges for the past period from February 2006 to January 2008 and the non-applicant's claim for recovery of the arrear amount prior to February 2006 becomes time-barred in terms of Section 56 (2).

In view of this legal position, the arrear bill of Rs.1,51,103/- deserved to be quashed and the same stands quashed. The non-applicant shall issue a revised bill to the applicant containing difference of energy charges for the period from February 2006 to January 2008 as stated above. The applicant has already paid first installment of Rs.50,370/- at the behest of the non-applicant against the bill amount of Rs.1,51,103/-. As such, while issuing the revised bill, the fact of

payment of this amount shall be kept in mind by the non-applicant.

As regards the applicant's prayer of restoration of his power supply made in his grievance application, it is a matter of record that the applicant's power supply is already restored on 05.04.2008 i.e. during the pendency of this grievance application. The applicant has also admitted that the power supply is already restored. Question of restoration of the applicant's power supply, therefore, does not arise now.

A point has been made by the applicant that the power disconnection notice dated 25.02.2008 issued by the non-applicant was illegal. In this respect, the applicant himself has admitted that this notice was duly received by him on 26.02.2008. As against this position, the applicant's power supply was disconnected temporarily on 15.03.2008 as stated by the non-applicant. Hence, it is clear that clear 15 days' notice was issued to the applicant for making payment of the arrear bill. Though it has been held by us that the entire arrear bill of Rs. 1,51,103/- is not recoverable, it is also held by us that the applicant is liable to pay proportionate differential amount of energy bills for the past period of 24 months. As such, the applicant could have paid the disputed bill amount in question under protest and continued his grievance. However, the applicant chose not to pay any amount. In view of this position, it cannot be said that the power disconnection notice dated 25.02.2008 was totally inapplicable. Even otherwise, as per the position as it stands today, the applicant's power supply is already restored and hence, no relief is now necessary.

In the light of above, the grievance application is partly allowed and it stands disposed of in terms of this order.

The Cell's order appealed against stands quashed.

The non-applicant shall carry out this order and report compliance to this Forum on or before 31.05.2008.

Sd/-	Sd/-	Sd/-
(S.J. Bhargawa)	(Smt. Gauri Chandrayan)	(S.D. Jahagirdar)
Member-Secretary	MEMBER	CHAIRMAN

**CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO LTD's
NAGPUR URBAN ZONE, NAGPUR.**

Member-Secretary
Consumer Grievance Redressal Forum,
Maharashtra State Electricity Distribution Co.Ltd.,
Nagpur Urban Zone, NAGPUR.