



Consumer Grievance Redressal Forum, Kalyan Zone  
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301  
Ph: – 2210707 & 2328283 Ext: - 122

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**IN THE MATTER OF GRIEVANCE NO. K/E/286/315 OF 09-10 OF M/S  
KIRAN DEVELOPMENT CORPORATION, VASAI REGISTERED WITH  
CONSUMER GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN  
ABOUT EXCESSIVE ENERGY BILL.**

M/s. Kiran Development Corporation  
Survey No. 77, Hissa No. 1  
Plot No. 3, Sativali  
Vasai (East), Dist : Thane

(Here in after  
referred to  
as Consumer)

**Versus**

Maharashtra State Electricity Distribution  
Company Limited through its  
Dy. Ex. Engr, Vasai Sub/Dn.

(Here in after  
referred to  
as Licensee)

- 1) Consumer Grievance Redressal Forum has been established under regulation of "Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2006" to redress the grievances of consumers. This regulation has been made by the Maharashtra Electricity Regulatory Commission (MERC) vide powers conformed on it by section 181 read with sub-section 5 to 7 of section 42 of the Electricity Act, 2003. (36 of 2003).

- 2) The consumer is a single phase L.T. consumer having connected load of 1.0 KW of the Licensee. The Consumer is billed as per Commercial tariff. The consumer registered grievance with the Forum on 28/07/2009 regarding excessive energy bill. The details are as follows: -  
Name of the consumer : M/s. Kiran Development Corporation  
Address: - As above  
Consumer No : 002170786192  
Reason for Dispute : - Regarding Excessive Energy Bill
- 3). The batch of papers containing above grievance was sent by Forum vide letter No. EE/CGRF/Kalyan/692 dt. 28/07/2009 to the Nodal Officer of the Licensee, and the Licensee through Nodal Officer MSEDCL Vasai Circle filed reply vide letter No. DYEE/VSI/6428, dt. 20/08/08.
- 4) The forum heard both the parties on 03/11/2009 @ 15.00 Hrs. in the meeting hall of the Forum's office. Shri Harshad Sheth, representative of the consumer & Shri S. R. Bhoje, UDC representative of the licensee, attended hearing. Minutes of the hearing including the submissions made by the parties are recorded and the same are kept in the record. Submissions made by the parties in respect of grievance since already recorded will be referred to avoid repetition.
- 5). The C. R. submits that temporary single phase connection was released on 22/02/06. Thereafter on 23/03/06 a single phase temporary connection diverted to three phase commercial supply. The consumer received provisional bill of Rs. 1,51,150 on 28/04/09 is utterly incorrect and far from record . Consumer therefore approached the licensee to explain the reason for change of category but no response was received from licensee. The C.R. further contained that as per MERC Regulation 2005 Section 15.2 the licensee is required to give details of any unusual

amount demanded to the consumer. Also he states that as per Section 56 (2) of Electricity Act 2003 the licensee can recover arrears for past two years from the date of presentation of bill to the consumer. CR claimed that the licensee has given assessment on 28/04/09 for alleged arrears from the date of connection i.e. from March 06. The consumer claimed that licensee cannot demand the arrears of temporary supply after three and half year since temporary supply cannot be continued for more than one year. CR further claimed that as per MERC's recent order in case No. 116 of 2000, dt. 17/08/09, the Commission has given clear cut directives that the consumer engaged in construction activity nature of their connection is by no means temporary and hence it is inappropriate to classify construction activity under temporary connection.

- 6) In contra the LR submits that single phase connection was given to this consumer for commercial purpose on 22/03/06, then it was converted to three phase connection for construction purpose on 23/03/07. But due to oversight the billing continued on commercial tariff where it was to be billed under construction tariff. During the inspection carried out by Jr. Engr. Sativali Section somewhere in April 09, it was found that the consumer is using electricity supply for construction work. As per Jr.Engr's inspection report, the bills were revised from the date of connection and supplementary bill for an amount of Rs. 1,51,150 issued to the consumer on 28/04/09 and as such the bill was correctly issued.
- 7) On perusal of the record and hearing both the parties following points crop up for the consideration of the Forum.

Points	Answer
a) Whether as per MERC Order Case No. 1 of 99 dt. 16/06/2000 the licensee can claim bill for temporary connection after a period of one year ?	NO
b) Whether as per Electricity Act Section 56 (2), the licensee can claim arrears of bill for a period after two years ?	NO
c) What Order ?	As per order below

### Reasons

- 8) At the out set the CR submitted that the arrears bill in question issued by the licensee for the amount of Rs. 1,51,150 is devoid of substance in as much as, as per the MERC order Case No. 1 of 99, the licensee cannot claim bill after one year for a temporary connection, and that this connection should be treated as a permanent connection. He further submitted that as per Electricity Act, Section 56 (2), no sum due from any consumer after the period of two years is recoverable. According to LR due to oversight tariff is continued even after one year and that till today no any other activity in premises is going except construction, therefore, the charged bill is correct.
- 9) We have gone through the MERC order and the provisions of Electricity Act referred to above. On perusal the MERC Order dt. 16/06/2000, clearly indicates that temporary connection remains temporary for a period of one year and there after it should be considered as permanent connection and that tariff to be charged on a temporary basis. So also Section 56 (2) of Indian Electricity Act clearly depicts arrears of energy bill is recoverable for a period of two years from the date when such a bill become first due.

In the case in hand, the bill was issued on 28/04/09 i.e. the bill inclusive arrears for more than two years, is apparently in contravention to the provision referred supra.

- 10) On going through the provisions of Indian Electricity Act & MERC Order, in the light of the record produced by licensee and the submissions made at length, licensee will have to be directed to charge temporary connection bill to the concerned consumer. Further licensee will have to be directed to recover bill for a period of two years as arrears, consequently the bill in question will have to be quashed and set aside and the revised fresh bill will have to be issued by the licensee to the consumer.
- 11) As per MERC Regulation 2006, Section 5.1 Forum has to decide the grievance within a period of two months from the date of receipt of grievance. This grievance was received to this Forum on 28/07/09. However, Hon. Member of the Forum Mrs. V. V. Kelkar retired on 08/10/09 and the Hon. Chairperson resigned on 03/09/09. Present Chairperson took charge on 20/10/09. Due to insufficient strength of the Forum and the reasons given above, the instant reference could not be decided within the stipulated period.
- 12) In view of the observations made above points are answered in the negative and the grievance application will have to be partly allowed and hence the Forum unanimously passes following order.

### **ORDER**

- 1) Grievance application is partly allowed.
- 2) Bill issued by the licensee for Rs. 1,51,150 is hereby quashed and set aside.

- 3) Licensee to charge the bill as per construction purpose tariff.
- 4) Licensee to recover arrears of bill for a period of two years from the date it was due, revising the bill mentioned as above.
- 5) The Compliance should be reported to the forum within 60 days from the date of decision.
- 6) The Consumer can file representation against this decision with the Ombudsman at the following address.

*“Office of the Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606/608, Keshav Building, Bandra Kurla Complex, Mumbai 51”*

Representation can be filed within 60 days from the date of this order.

- 6). Consumer, as per section 142 of the Electricity Act, 2003, can approach Maharashtra Electricity Regulatory Commission at the following address:-

*“Maharashtra Electricity Regulatory Commission, 13th floor, World Trade Center, Cuffe Parade, Colaba, Mumbai 05”*

for non-compliance, part compliance or delay in compliance of this decision issued under “Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2003”

Date : 09/11/2009

(R.V.Shivdas)  
Member Secretary  
CGRF Kalyan

(S.N. Saundankar)  
Chairperson  
CGRF Kalyan