

**Before Maharashtra State Electricity Board's  
Consumer Grievance Redressal Forum,  
Nagpur Urban Zone, Nagpur.**

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**Case No. CGRF (NUZ)/001/2004.**

**Applicant** :- M/S. C.P.Foundry Works,  
P.O. Uppalwadi, Industrial Estate,  
Kamptee Road, Nagpur  
( Consumer No. 419991802411 ).

**Non-Applicant** :- Executive Engineer, MSEB.,  
Division No.2 , Civil Lines,  
Nagpur.

**Quorum Present** :- 1) Shri S.D. Jahagirdar, IAS (Retd.)  
Chairman,  
Consumer Grievance Redressal  
Forum, Nagpur Urban Zone,  
Nagpur.

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

**ORDER** (Passed on 20.01.2005.)

The present application is filed by the applicants before this Forum according to the Regulation No. 6.3 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulations, 2003 hereinafter referred-to-as the said Regulations on 2.12.2004 in the prescribed schedule "A".

Brief history of this case is as under :-

The grievance of the application is about the excess amount of Rs. 1,40,281.05 charged to him in his regular electricity consumption bill of April, 2002 by the non-applicant. The applicant made application, being application dated 17.05.2002, to the non-applicant raising this grievance contending that the amount of arrears of electricity bill in question is undue, unjust and illegal, that he may remit the amount of the electricity bill under protest in order to avoid disconnection of electric supply to his unit threatened by the non-applicant. It has also been mentioned in this application that he may make this payment in installments by approaching the MSEB's Chief Engineer, Nagpur Urban Zone, Nagpur.

The representative of MSEB's Testing Division Urban Zone, Nagpur tested the electric meter of the applicant's unit on 31.7.1999 and he found that the meter was running slow by 40.61% and that the R Phase of the meter was not recording any consumption. The zerox copy of this test report has been filed by the applicant and it is taken on record. The representative of the MSEB in his test report has passed remarks that

the meter may be replaced immediately. On the basis of this test report the non-applicant showed in the electricity bill of the applicant's unit for the month of April,2002 arrears of Rs. 1,40,281.05 to be recovered for the period from February, 1999 to May, 2001 i.e. for 28 months. The defective electric meter was replaced in June, 2001. Since huge arrears for 28 months were shown in one lump sum in the electricity consumption bill for the month of April, 2002, the applicant submitted an application, being application dated 17.5.2002 referred-to-above, before the non applicant challenging the action of the non-applicant. The applicant also met the Chief Engineer, Nagpur Urban Zone, Nagpur on 27.5.2002 and upon discussion with him submitted his application dated 27.5.2002 stating therein that he is ready to pay the arrears in three installments. This request of the applicant was granted by the Chief Engineer and accordingly the arrears came to be paid in three installments by the applicant. The grievance about the excess amount charged to the applicant was again raised by him before the Internal Grievance Redressal Unit of MSEB by his application dated 9.8.2004 which

was received by the Unit on 10.8.2004. It is contended in this application that

- a) the arrears of the electricity bill for 28 months have been charged to him after a lapse of 34 months in his regular bill for the month of April, 2002,
- b) the test report dated 31.7.1999 does not contain any testing parameters except one line that the meter is slow by 40.61% and
- c) the excess amount recovered be refunded to him with interest.

Since no reply was given by the Internal Grievance Redressal Unit to the applicant till 1.12.2004 as laid down in the Regulation No. 6.1 and Regulation No. 6.3 of the said Regulations, the present application came to be filed before this Forum on 2.12.2004.

The matter was heard on 31.12.2004 and 15.1.2005. The case of the applicant was presented and argued by one Shri. D.D. Dave as the nominated representative of the applicant. The non-applicant has presented his side before us.

The applicant vehemently contended that action of the non-applicant is patently illegal in as much as he

has charged arrears of electricity bill of 28 months after lapse of 34 months in the applicant's regular bill for the month of April, 2002. He referred to Section 26 of the Indian Electricity Act,1910 and stated that in terms of this legal provision, only preceeding 6 months' electricity charges can be recovered. He also contended that the test report dated 31.7.1999 does not contain any testing parameters except one line that the meter is slow by 40.61% and further that signature of one of the applicant's workers present in the unit was taken on this test report behind his back. It is his say that he had approached the non-applicant immediately after he received the electricity bill for the month of April, 2002 in which this excess amount of Rs. 140,281.05 was charged to him and presented his application, being application dated 17.5.2002 which is on record, challenging the non-applicant's action. In continuation of this application, he presented another application, being application dated 27.5.2002 to the Chief Engineer, MSEB, Nagpur Urban Zone, Nagpur requesting for grant of installments for payment of these arrears. He referred to the para-wise remarks dated 15.12.2004 submitted before us by the non-applicant and denied

that the applicant gave any consent, whatsoever, to the amount of arrears during the course of discussions between him and the Chief Engineer on 27.5.2002. The application dated 27.5.2002 filed by him before the Chief Engineer according to him, has to be read in continuation of his earlier application dated 17.5.2002 in which it is clearly stated that the excess amount charged to the applicant is undue and unjust and further that he may remit this amount under protest with a view to avoid disconnection of power supply to his unit.

The applicant's nominated representative produced a copy of an Order dated 3.6.2003 passed by Electrical Inspector of the Industries, Energy & Labour Department, Maharashtra State, Nagpur in a similar case before the Inspector. Relying on this Order, he contended that the facts of the case before the Electrical Inspector and the facts of the present case are similar to each other and that the Electrical Inspector has passed crystal clear order mentioning that only preceding six months' Electricity consumption charges are recoverable in such a case. The Electrical Inspector has ordered to refund to the applicant before him in case No.1/2003-2004 the excess amount charged to the applicant before

him. Shri Dave has stated before us that the excess amount charged to the applicant is not only undue and unjust but it is also illegal. In his written submission dated 12.1.2005 before us he has stated that the payment made by him of these arrears in three instalments was under protest and that it can not be concluded that the applicant had given any consent, whatsoever, to this excess amount charged to him.

The non-applicant has submitted his para-wise remarks in terms of Regulation NO. 6.8 of the said Regulations which are on record. He was also heard by us. It is contended by him that there is nothing wrong in the action taken by him. He stated before us that the applicant did give unconditional consent to the amount of arrears charged to him in writing on 27.5.2002 before the Chief Engineer, Nagpur Urban Zone, Nagpur and that after getting his consent, his request for grant of installments for payment of the arrears was granted by the Chief Engineer on 27.5.2002 and, therefore, the applicant can not now deny that he has not consented to payment of the arrears. According to him, since the arrears have been fully paid by the applicant in three

installments, there is no merit in the arguments now advanced by the applicant.

During the course of arguments, a point was raised about the monthly production of the finished goods in the applicant's unit in order to assess whether the monthly production figures are consistent vis-à-vis the units of Electricity consumption of the applicant's unit. The applicant in reply to this point has furnished alongwith his written submission dated 12.1.2005 a zerox copy of the statement indicating the electric units consumed by the applicant's unit and the finished production in MTs from the month of June,1998 to June,2001 and further from the month of May,2004 to the month of August,2004.

We have carefully gone through all the submissions made by the applicant as well as the non-applicant. The main grievance of the applicant is regarding the excess amount of Rs. 1,40,281.05 charged to him in his regular bill for the month of April,2002. It is pertinent to note that the electric meter of the applicant's Unit was tested on 31.7.1999 and the meter was found to be running slow by 40.61% while this faulty electric meter was replaced by the non-applicant



in the month of June,2001 i.e. after lapse of a period of 23 months. It is also interesting to note that arrears for the period of 28 months i.e. from February, 1999 to May,2001 were shown for the first time in the electricity bill for the month of April, 2002. This indicates that the contention of the applicant that recovery of the arrears for a period of 28 months was proposed after a lapse of 38 months is correct. The para-wise remarks submitted by the non-applicant also substantiates this version.

Now it is to be seen whether such an action on the part of the non-applicant is permissible under the legal provisions. Section 26 (6) of the Indian Electricity Act,1910 stipulates that where any difference or dispute arises as to whether any meter is or is not correct, the matter shall be decided upon the application of either party by an Electrical Inspector and where the meter has in the opinion of such Inspector, ceased to be correct, such Inspector shall estimate estimate the amount of energy supplied to the consumer, during such time not exceeding six months, as the meter shall not, in the opinion of such Inspector, have been correct. Hence as provided in Section 26 (6) of the Indian Electricity Act, 1910 which was in force prior to 10 th June, 2003 on

which date the Electricity Act,2003 (Act No. 36 of 2003) came into operation, the maximum period for which a bill could be raised in respect of a defective meter was six months and no more. Therefore, even if a meter has been defective for years, the revised charge can be for a period not exceeding six months. The reason for this is obvious. It is the duty and obligation of the Licensee to maintain and check the meter. If there is a default committed in this behalf by the Licensee and the defective meter is not replaced, then it is obvious that the consumer should not be unduly penalized at a later point of time and a large bill is raised. Moreover when the consumer disputed the claim regarding meter reading it was for the non-applicant to get the dispute decided by Electrical Inspector which alone was the course open to the non-applicant, which he did not do in the instant case. When the meter of the applicant's unit was found to be defective on 31.7.1999 upon inspection, the non-applicant who is the authorized representative of the Distribution Licensee should have replaced the defective meter by a new meter immediately after 31.7.1999. But in the instant case, the defective meter continued to be so till June, 2001 and the non-applicant

claimed huge arrears of Rs. 1,40,281.05 pertaining to the period of 28 months after lapse of 38 months. Such an action on the part of the non-applicant is certainly not at all permissible under section 26 (6) of the Indian Electricity Act, 1910. It is in this context that the applicant has cited and relied upon the order dated 3.6.2003 passed by the Electrical Inspector in case No. 1/2003-04 before him. Although this order can not be construed to be a ruling binding upon us, the fact remains that the applicant's reliance on this order is quite logical and it is in tune with the legal provisions.

It is a matter of record that the applicant submitted his application on 17.5.2002 to the non-applicant disputing therein the amount of arrears charged to him. In this application it is clearly stated that he may make payment of arrears in installments by approaching the Chief Engineer, Nagpur Urban Zone, Nagpur in order to avoid disconnection of power supply to his Unit and that the payment, if made by the applicant, would be under protest. For installments he had to approach the Chief Engineer which he did on 27.5.2002. Three installments were granted by the Chief Engineer on this date and consequently the payment of

arrears came to be made by the applicant. This sequence of events clearly goes to show that the application dated 27.5.2002 made by the applicant before the Chief Engineer was, no doubt, in continuation of his earlier application dated 17.5.2002. This shows that the applicant did continue to dispute the arrears charged to him and further that he did make the payment of arrears under protest and that the say of the non-applicant that the applicant gave his consent to the amount of arrears is, therefore, not at all acceptable.

There is no dispute from the side of the non-applicant that the defective meter continued to be defective till June,2001 when it was replaced by a new meter and that the arrears of the charges of electric supply pertain to the period of 28 months from February, 1999 and that these arrears were charged in the Electricity Consumption bill for the month of April,2002 for the first time. This is evident from the para-wise remarks dated 15.12.2004 submitted by the non-applicant before us.

A point was raised about the consistency of production of the applicant's unit vis-à-vis consumption of units of electricity by the applicant's unit. However,

we do not see any relevance in this point looking to the merits of the applicant's main grievance.

The applicant, by his application dated 9.8.2004, raised his grievance before the Internal Grievance Redressal Unit, Nagpur Urban Zone, Nagpur headed by the Executive Engineer (Admn.) in the office of the Chief Engineer, Nagpur Urban Zone, Nagpur. It was incumbent upon this Unit to have disposed off the applicant's grievance within a period of two months as provided in the Regulation No. 6.3 of the said Regulations. It is, however, observed with regret that no remedy was provided by this Unit within the prescribed period of two months. This two month's period ended on 10.10.2004. Therefore, the applicant's action of approaching this Forum was correct in terms of Regulation No. 6.3 of the said Regulations.

After taking into consideration merits and demerits of the submissions made by both the parties, we are of the view that the arrears of Rs. 1,40,281.05 charged to the applicant are unjust and illegal. The applicant is entitled to refund of excess amount charged to him beyond six month's period as per law. Interest on the excess amount recovered from the applicant shall

also be payable at the rate of 9% p.a. from the respective dates of actual payments till the date of refund.

**We, therefore, under the powers vested in us by Regulation NO.8.2 of the said Regulations, order that the non-applicant should immediately calculate the amount of refund payable to the applicant in terms of this Order and arrange to pay to him the amount so calculated along with interest within a maximum period of one month from the date of this Order. The non-applicant is also, hereby ordered by us to report compliance of this Order to this Forum before 28<sup>th</sup> February, 2005 without fail.**

**(Smt. Gauri Chandrayan)  
MEMBER**

**(S.D. Jahagirdar)  
CHAIRMAN**

**M.S.E.B.'S CONSUMER GRIEVANCE REDRESSAL  
FORUM, NAGPUR URBAN ZONE, NAGPUR.**