

**Before Maharashtra State Electricity Distribution Co. Limited  
Consumer Grievances Redressal Forum, Pune Zone, 925,  
Kasabapeth Building, IInd flr. Pune-11**

**Case No.10 of 2008**

**Date: 10/09/2008**

**In the matter of Mr.Shripad K.Deshmukh**

**- Complainant**

**V/S**

**M.S.E.D.C.L. Shivajinagar Division**

**- Opponent**

**Corum**

Chair Person

Mr. A.V.Bhalerao

Member/Secretary,

Mr. D.K.Mane,

Member,

Mr. T.D. Pore

- 1 The brief facts giving rise to the present case are that Shri.Shripad Deshmukh proprietor of Automet Computer Services (Consumer for short) obtained connection for the supply of electricity under Con. No. 170012907926. He made payment of the electricity bill Rs.1310/- by cross cheque dt. 29/11/06, however, the said cheque was not presented by Maharashtra State Electricity Distribution Co. Ltd. (Opponent for short) to the bank for encashment as its name as payee was not correctly spelled out and assuming that the cheque would be dishonored, the bills from May-07 onwards were issued with the remark on its receipt " Pay by DD/Cash /No cheques ". As the said remark" Pay by DD/Cash /No cheques " was written on the receipt attached to the bill, the consumer had/has to make payment either in cash or by D.D. The consumer was thereby deprived of the facility to make payment of the bill by cheque. When the consumers received the bill in the month of May-07 with the endorsement

" Pay by DD/Cash /No cheques " he made a complaint dt. 15/07/07 requesting the opponent to delete the said remark from the bills to be issued in future, contending that though the cheque was once dishonored the cheque amount which was shown as arrears in the bill for the next month was paid by him and the same was received by the opponent, and therefore the opponent has no authority to deprive him of the facility of making payment of the bill by cheque . The consumer by the said letter asked the opponent to inform him the basis on which an endorsement " Pay by DD/Cash /No cheques " was written on the receipt attached to the bill. The opponent by its letter dt. 28/11/07 informed the consumer that the cheque No. 082256 dt. 29/11/06 issued by him was dishonored as it was not correctly written in the name of opponent as MSEDCL and therefore in view of the direction contended in circular No. 26 dt. 19/09/06 the remark was written on the receipt attached to the bill. The opponent by its letter dt. 26/05/08 informed the consumer that as the cheque issued by him for the payment of the bill was dishonored, further that the endorsement on all the bills which were raised thereafter was made by the computer system and there was no intention to cause any inconvenience and the concerned section had been informed to delete the said remark from the bill and after the said remark was removed it would be possible to him to make payment of the bill amount by cheque. The consumer before he had received the letter dt. 26/05/08 from the opponent made grievance to Internal Grievance Redressal Cell (IGRC). The IGRC when found that the consumer had already been informed by letter

dt. 26/05/08 that the concerned section was already informed to delete the endorsement from the receipt attached to the bill and after said remark was deleted, the consumer could make payment of the bill amount by cheque, it did not pass any further order in that respect. So far as quashing the circular No.26 dt. 19/09/06 issued by Chief General Manager (F&A) Mahavitaran it expressed its inability on the ground that to do so was not within its competence.

- 2 The consumer has made this representation for quashing the circular No. 26 dt.19/09/06 issued by C.G.M.(F&A) Mahavitaran which gives directions to take steps in case the cheque issued for the payment of electricity bill is dishonored.
- 3 The opponent filed its written statement through its Executive Engineer Shivajinagar the sum and substance of which is that the consumer was deprived of the facility of making payment of the bill amount by cheque rightly on the ground that the cheque issued by the consumer for the payment of electricity bill was dishonored in view of the direction contained in circular No. 26 dt.19/09/06. The facility of making payment of the amount of electricity bill by cheque was taken away in case of the consumer as he became a defaulter due to dishonor of the cheque issued by him. The said facility was not taken away arbitrarily but it was because of the fault on the part of the consumer.
- 4 On the date of hearing the consumer argued the case and submitted that the Cir.26 /dt. 19/09/06 be quashed as it is harsh which takes away the

facility of making payment by cheque. The consumer also challenged the impugned circular, on many other grounds such as that it is not in regional language Marathi, that it was drawn , without giving opportunity to the consumers to present there cases, that it is against prevailant recognized mode of making payment.

5 On behalf of the opponent it is submitted that the impugned circular is perfectly legal and it does not take away arbitrarily the consumer's right to make payment by cheque. The said circular can not be vitiated merely because it is not in regional language or before issuing it the consumers were not heard.

6 On rival contentions raised following points arise for consideration.

**POINT NO.1:-** Is the consumer entitled to make payment of the amount of the electricity bill by cheque after he had regularly made payments of the sufficient Nos. of the next bills.

**POINT NO.2:-** Is the circular No.26 dt. 19/09/06 issued by CGM(F&A) Mahavitaran is illegal .

7 Point No.1 is answered in the affirmative and point No.2 in the negative for the reasons given below.

8 **Point No. 1:** The grievance made by the consumer that the opponent assuming the cheque would be dishonored as its name as payee was not correctly written, without presenting the cheque to the bank, deprived him of the facility of making payment by cheque appears to be incorrect. The consumer has produced the zerox copy of dishonored cheque . On the

said cheque there is an endorsement of the bank to which the said cheque was presented for encashment which shows that the opponent had presented the said cheque to its bank for encashment and did not merely assume that cheque would be dishonored as its name as payee was not correctly written. It is an established fact that the consumer made mistake in correctly writing the name of the opponent due to which the cheque was dishonored. Once the cheque was dishonored the opponent did not receive charges of electricity and the consumer became a defaulter under such circumstances the opponent has remedy to issue a 15 days notice in writing and to cut off the supply of the electricity, if the amount was not paid within the notice period as laid down in Sect.56 of Electricity Act-2003, however, the opponent instead of taking a drastic step, under clause No.2 of Cir.26 dt.19/09/06 directed the consumer to make payment of the bill in cash or by way of demand draft for a limited period to be decided by billing section. The condition imposed by clause 2 is reasonable and the same is necessary to bring the discipline among the consumers. In the present case the cheque issued by the consumer dt. 29/11/06 for the payment of the electricity bill was dishonored, the said fact has not been now disputed by the consumer. He admits that because of the mistake made by him in writing in the name of payee the cheque was dishonored by the bank to which it was presented by the opponent. After the cheque was dishonored the amount of the bill which remained unpaid was carried forward as arrears in the bill of Nov-06 which is apparent from consumer's personal ledger produced by the opponent.

From the same CPL it is seen that by the receipts dt. 11/12/06, 28/02/07 and 26/03/07 the consumer made payments of amount of Rs. 1310/- ,5308/- 2520/- respectively. The said payments according to the consumer were made by issuing a cheques and though cheques were encashed by the opponent, the remark pay by DD/Cash/No cheques was first made on the bill that was issued for the month of May-07 and there after the remark continued till date . The opponent should not have accepted the payments by cheque dt. 11/12/06, 28/02/07 and 26/03/07 but as there were no endorsement on the bills raised the opponent accepted the said payment though they were made by cheques. After the endorsement appeared on the bills the cashier was under obligation to insist payment in cash or by DD only. The consumer went on making payments of the bills in cash he never made any attempt to make payments by cheque. The consumer only made an application dt. 15/07/07 and made request to delete the endorsement "pay by DD/Cash/No cheques". By the time the consumer made an application dt. 15/07/07 he had already cleared the arrears for which cheque was dishonored. The opponent ought to have taken immediate steps to delete the endorsement by which payments of the bill was insisted by cheque or cash only. However because of administrative delay the late was caused to inform the concerned section to delete the said remark . Any how the intimation has been given to delete the said remark to the concerned section by letter dt. 20/05/08. It is expected that the opponent shall soon restore the facility to the consumer of making payment of the bill by

cheque especially when the consumer has cleared the arrears for which the cheque was dishonored.

**9-Point No.2:-** As already mentioned above the opponent instead of taking a drastic step of issuing 15 days notice to clear the arrears and if the arrears were not cleared within the notice period to cut off the supply of electricity, simply has proposed an action under clause No.2 of Cir. 26 dt.19/06/09 to insist the payment of the bill in cash or by D.D. instead of cheque .By clause 2 of Cir.No.26 dt.19/09/06 to insist the payment of the bill in cash or by D.D. instead of cheque is a reasonable restriction which has been imposed upon the consumers who has become a defaulter because of dishonor of the cheque issued by him. If such restriction is not imposed in spite of the cheque being dishonored the huge amount of arrears would mount forcing the opponent to indulge in unnecessary litigation. The forum does not find any illegality in issuing circular No.26 dt. 19/09/06 which prescribes the steps to be taken against the consumer whose cheque has been dishonored . There is absolutely no need of giving opportunity to the consumers before bringing circular No.26 dt. 19/09/06 in practice . The consumer can not insist upon payment by cheque even after the cheque issued by him has been once dishonored. The restriction imposed by the circular No.26 dt. 19/09/06 is not for unlimited period. It is restricted only to the period to be decided by incharge billing section. The forum is of the opinion that instead of leaving the period of restriction at discretion of the incharge billing section, the said period be specifically

mentioned in the clause No.2 of the said circular. In the result the forum passes following order.

**ORDER**

- a. The opponent is directed to delete the remark "Pay by DD/Cash/No cheque" written on the receipt attached to the consumers bill, forthwith.
- b- The circular No.26 dt.19/09/06 issued by C.G.M(F&M) Mahavitaran is legal and valid, however the forum proposes to the opponent to modify clause 2 of Cir.26 dt.19/09/06 which should read as follow.
- Once the cheque is dishonored, the consumer shall be asked to make the payments of the next bills in cash/or by way of DD only and in charge of billing section shall restore the facility of making payment of the bill by cheque on the consumer making an application in writing only after he has made payments of the next 5 consecutive bills in cash and giving an undertaking that the cheques issued by him in future shall not be dishonored due to any fault on his part.

Sign:

Mr. D.K.Mane,  
Member/Secretary

Mr. T.D.Pore,  
Member

Mr. A.V. Bhalerao  
Chair Person

Date: 10/09/2008



