CONSUMER GRIEVANCE REDRESSAL FORUM M.S.E.D.C.L., PUNE ZONE, PUNE

Case No. 42/2018	Date of Grievance	:	18.07.2018
	Hearing Date	:	20.08.2018
			04.09.2018
	Date of Order	:	10.12.2018

In the matter of recovery of supplementary bill issued .

The South Indian Bank Ltd., Appellant M/s. Lacy of Superb Royal Travels, 9, Moledina Road, Shop No.38, Aurora Towers, Pune -411001. (Consumer No. 170014182945)

VS

The Executive Engineer, Respondent M.S.E.D.C.L. Bundgarden Division Pune.

Present during the hearing:-

A] - On behalf of CGRF, Pune Zone, Pune.

- 1) Shri. A.P.Bhavathankar, Chairman, CGRF, PZ, Pune
- 2) Mr. Anil Joshi, Member, CGRF, PZ. Pune.
- B] On behalf of Appellant
 - 1) Shri. Gypson George, Manager
 - 2) Shri.D.G.Manegu, Legal
- C] On behalf of Respondent
 - 1) Shri. Satish S.Kulkarni, AEE, Wadia Sub/Dn.
 - 2) Shri. S.S.Sandbhor, A.A. Wadia Sub/dn.

Consumer No. 170014182945, B.U.No.4601, VS Ex.Engineer, Bundgarden Dn. MSEDCL.

The present complaint is on account of recovery of supplementary bill issued on 28.2.2018 for amounting to **Rs.10,29,970/-** difference of

180 months from Jan. 2003 to Dec.- 2017. Above named consumercomplainant received the supplementary bill for the previous period issued by the Respondent Utility Office on 28.02.2018 claiming the difference of arrears for the past period of 180 months i.e. from Jan. 2003 to Dec. 2017. The consumer attached the copy of bill and demand notice. According to the consumer recovery of the bill issued by Respondent Utility Officials claiming huge amount of Rs.10,29,970/- is wrong, exorbitant and not after following the proper Rules and Regulations. Therefore initially the consumer gave an application to the concerned Executive Engineer, informing about the objection/s raised against recovery of the said bill dated 28.2.2018. The Consumer alleged that the said recovery bill claimed for the period of 180 months from Jan. 2003 to Dec. 2017 is totally illegal and no proper notice was served on the consumer and/or no opportunity was given to the consumer to make his submission before final decision by the Utility about the previous period recovery. The bill is raised by the Respondent Utility on 7.03.2018 without any clarification but, the recovery was made under the threat of disconnection on previous day. The Consumer alleged that the said recovery notice under Section 56, with 15 days period was not properly issued prior to disconnection. Because of the abrupt and illegal disconnection, the consumer had suffered heavy losses since all the transactions relating to the bank's business were hampered, more particularly on the backdrop of ensuing annual closing exercise of the Bank, due to cutting off of the electricity by utility with total disregard to the facts that the aggrieved consumer was willing to pay partial amount of Rs. 2,00,000/- under protest, subject to proper adjudication against the recovery made by MSEDCL, but the Respondent Utility did not give any proper attention to the request and proposal of the aggrieved consumer at the material time. The aggrieved consumer, therefore, filed initial complaint to the concerned Executive Engineer, and finally approached to IGRC by making the application under Form - X. The Consumer also attached copy of demand notice and copy of Demand Draft for Rs.2,00,000/- drawn in favour of the Respondent Utility to establish its intentions to make part payment of the bill raised by the utility bearing No. 671111 dated 13.08.2018. Further, the Consumer also requested the Respondent Utility not to disconnect the supply and raised the dispute challenging the past period recovery by the utility. After receiving the said complaint, IGRC registered the Case No.14 of 2018 and gave opportunity to the consumer and the Respondent Utility official as per procedure. The Respondent Utility filed its reply to the complaint of consumer and stated that inspection of consumer's premises was carried out by the AE, Bundgarden on 1.1.2018 and found that wrong load was mentioned in the consumer bill as 0.3 KW having meter No. 90001182 installed in Dec. 2002 having capacity of 3 Ph, 50x5 Amp. But actual load of the consumer, as per record, was shown wrongly 0.3 KW. Inspection of MD was done and the relevant ratio for actual use by the consumer was found to be 27.76 KVA. Therefore, the difference of bill had been claimed since Dec-2003 for fixed charges as per different tariffs applicable at the relevant times which was calculated by the utility leading to unpaid dues for electricity consumption by the consumer amounting to Rs.10,29,970/-. The Respondent Utility further stated that the details / particulars of the Supplementary Bill raised were already informed to the consumer by their letter No. 711 dtd.13.4.2018. According to the Respondent Utility the supplementary bill prepared and generated against the consumer is proper after calculation of VR and CPL and verification of documents. Therefore, the consumer is liable to pay the said difference as claimed by the Utility on the basis Inspection report dated 01.01.2018. The Respondent Utility also filed a copy of inspection report, details of MD and calculation of tariff available from time to time at the relevant periods. The Consumer was fixed in the category of LT II to Commercial below 22 KVA, but actual consumption of MD was found to be 27.76 KVA. Therefore the load was calculated as 30 KW and accordingly the difference of tariff and actual load was calculated for amounting Rs.10,29,970/- is proper and consumer is bound to said bill. Thereafter IGRC gave findings in the judgment that due to typographical error which was found corrected and inspection report and issued the supplementary bill for 180 months as per tariff difference available time to time. Consumer was also offered to pay the said bill in installments. The said judgment is pronounced on 02.05.2018 by IGRC.

Being aggrieved by the said order and judgment, the consumer filed the present Appeal in Form No. A to CGRF, Pune on 18.07.2018. Consumer contested that the bill issued by the Utility was exorbitant as also without following due and proper procedures. The Consumer prayed for setting aside the said bill and placed his grievance as claimed earlier before the IGRC. The consumer also attached a copy of the lease deed executed by the landlords M/s. Superb Royal Travels, in favour of the South Indian Bank, an authority letter, copy of the bill, copy of the complaint filed with the IGRC on 13.03.2018, a copy of IGRC order dt. 19.5.2018. The consumer also further relied on Order of MERC in Representation No. 69/2009 and the judgment of Madras High Court in support of his claim and enclosed copy of the same in support thereof.

I have perused the consumer complaint and records attached to the complaint by the consumer carefully. Thereafter this office registered the grievance and issued notice to Respondent Utility calling for reply vide letter No. 42 of 2018/234 dtd.18.07.2018. Thereafter Respondent Utility filed copy of CPL for the period 2003 to Dec.-2017, copy of verification report on 1.1.2018, copy of reply, and objected the claim of the consumer mentioned. The Respondent submitted that as assured before the IGRC, it had already provided bifurcation and clarification on the said bill to the consumer. The Respondent Utility submitted that the error of mentioning 0.3 KVA on the bill instead of 30 KW was a human error and, therefore, the Respondent Utility is entitled to recover the difference for the period of past ten years as per the Rules and Regulations mentioning under the statue. After filing the said dispute, as the notice of threat of disconnection was already given to the consumer for recovery of payment of bill issued and the consumer claimed interim relief for not to disconnect the supply. Therefore the matter was initially heard by the Forum and after perusing documents of consumer and IGRC order 02.05.2018 and other relevant documents, Interim order was passed in favour of the consumer 20th Aug. 2018 directing it, among others, not to disconnect supply of the consumer till further orders. Thereafter the hearing of the said case was fixed by this Forum.

After examining the rival contentions of the consumer and the Respondent Utility, the following points arose for my consideration to which I have recorded my findings along with the reason given below:

- 1. Whether recovery of the bill of difference of tariff wrongly mentioned arrears from Jan. 2003 to Dec. 2017 amounting to Rs.10,29,970/- by utility is legal valid and proper?
- 2. Whether consumer entitled for any relief?
- 3. What Order?

Reasoning :-

(1) I have given an opportunity to the consumer and his representative, for pleading their case and also the Respondent Utility Officer who attended the hearing and a submission made by the both was heard. It appears that since the date of connection, the category of the consumer falls under LT-II to Commercial but the load which was wrongly printed in the bill, which was mentioned as 0.3 KW in the context of inspection made by utility official. It is revealed that on 1.1.2018 the actual load connected and used by the consumer was MD 27.76 KW and the category of bill is claimed up to 20 KW and the actual use of consumer was found more than 20 KW. The load was corrected in the bill to 30 KW. The contention of Respondent Utility Official that the said mistake has caused due to wrong printing on the bill and it was computerized human error which continued for 7 years. The fact was noticed at the time of inspection by the Respondent Utility Officials carried out at the place of consumer and the bill was accordingly generated. The clarification of bill, as explained by Respondent Utility Official supporting by documents is verified by the technical member. According to utility the difference is calculated only for the fixed charges up to 20 KW. Where the MD was huge in excess 27.76 KVA the difference from 2002 Dec. was claimed by applying fixed charges applicable to the relevant periods as per tariff. The action of the Respondent Utility is verified by us. It appears that the application of new tariff or change of category was not The contention of consumer was that the applicable in this case.

consolidated bill for 180 months cannot be claimed by the Respondent Utility official, but at the most six months' arrears from the date of inspection can be claimed for the earlier period. This contention of consumer is not supported with present existence Rules and Regulations for recovery of bill. I have perused provision of section 56 (2) where the utility officials can recover the bill for the period of preceding twenty four (24) months earlier from the date of detection. To be on the safer side, the Respondent Utility officials were directed to test the meter by applying MRI data and the accordingly MRI data and the calculation of actual MD was worked out by the Respondent Utility Officials. They have submitted a copy of MRI data, inspection of premises which was carried out at the time of MRI data is collected as per the instructions of this Forum. The direction was given to the utility official to provisionally calculate the actual MD for twenty four (24) months and corresponding fixed charges to be recovered in equal six installments along with the current bills. Accordingly, the utility had worked out preceding 24 months' calculation from the date of detection and had given the provisional bill of actual MD appears in report of MRI data and monthly installment of Rs.43,597/- was workout, of which the consumer had started paying the said installments regularly along with the current bills to avoid disconnection. Thereafter said data was verified by this Forum minutely as also the calculated difference for 24 month was Rs.1,30,790/which was requested by the consumer, giving directions to the consumer to pay the same in three monthly installments. Therefore, the submission of the consumer and the Respondent Utility Official was heard by this Forum. Accordingly, the previous period of recovery cannot be exceeding twenty four months as it is supported by various orders of MERC and Hon'ble Ombudsman in the existing set of facts of circumstances. The retrospective recovery prior to the date of inspection I am inclined to twenty four (24) months and accordingly direct the consumer as well as Respondent Utility Actual consumption of MD during the available period was officials. assessed and, therefore, the contentions of the consumer seem to be legal, valid and proper that aggregate recovery of bill for 180 months from Jan. 2003 to Dec.2017 cannot be allowed and therefore I am inclined to give the relief to the consumer by restricting the recovery for preceding twenty four

months only. For the remaining amount beyond the period of preceding twenty four months, the Respondent Utility Officials are at liberty to approach to the South Indian Bank subject to period of limitations.

I came across various judgments of the Hon'ble Ombudsman and order of MERC. As the statutory provisions of Section 56 of the Act continue, recovery in this case beyond the period of preceding twenty four months was not possible since the error was detected at the time of inspection on 1.1.2018 and therefore it is bonafide mistake of printing which was not fixed by the utility official at appropriate time. As the consumer cannot suffer due to long outstanding continuous mistake of wrong printing in the bill which was generated to the consumer periodically up to Dec.2017. In view of the ratio in representation 60 of 2009 by the Hon'ble Ombudsman observed in Paragraph No.12, 13 and 14 which is in favour of the consumer, I am inclined to give the relief as per direction of Hon'ble Ombudsman in this circumstance.

The opportunity was given to both parties i.e. utility and consumer for submission of their relevant documents and if any say is required during the hearing and the hearing was taken twice. Accordingly, the time limit of 60 days prescribed for disposal of the grievance could not be adhered to.

I am also inclined to allow the complaint of the consumer partly and proceed to pass the following order:

ORDER

- Consumer Complaint No.42 of 2018 is allowed partly and the bill issued to the consumer for 180 months from January, 2003 to December, 2017 for Rs.10,29,970/- stands set aside.
- 2. The Respondent Utility is directed to reassess the bill for 24 months' period earlier from the date of detection of error as per tariff applicable to actual connecting load used by the consumer up to 20 KVA and remaining up to 30 KVA, the difference shall be calculated for 24 months only. The consumer shall not be charged any interest, DPC and penalty.

- 3. The consumer is permitted to pay the said reassessed bill in six monthly installments, and the earlier installment already paid shall be given set off. No disconnection shall be taken place if the consumer pays the revised past arrears bill regularly for all the six installments of repayment.
- 4. No order as to the cost.
- 5. The Licensee to report compliance within one month from the date of this order.

The order is issued under the seal of Consumer Grievance Redressal Forum M.S.E.D.C. Ltd., Pune Urban Zone, Pune on 10th December -2018.

Note:

1) If Consumer is not satisfied with the decision, he may file representative within 60 days from date of receipt of this order to the Electricity Ombudsman in attached "Form B".

Address of the Ombudsman

The Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606, Keshav Building, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

 If utility is not satisfied with order, it may file representation before the Hon. High Court within 60 days from receipt of the order.

I agree / disagree

Sd/-ANIL JOSHI MEMBER CGRF:PZ:PUNE Sd/-A.P.BHAVTHANKAR CHAIRPERSON CGRF: PZ:PUNE