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Office of Electricity Ombudsman

(A Statutory Body of Govt. of NCT of Delhi under the Electricity Act, 2003)

B-53, Paschimi Marg, Vasant Vihar, New Delhi – 110 057

(Phone No.: 32506011, Fax No.26141205)

Appeal No. F. ELECT/Ombudsman/2007/230

Appeal against Order dated 14.11.2007 passed by CGRF–BRPL in case No. CG/150/2007.

In the matter of:

M/s Krishna Continental Ltd. - Appellants

Versus

M/s BSES Rajdhani Power Ltd. - Respondent

Present:-

Appellant Shri Rajbir Singh, Director of the Company and
Shri Rao Ranjit, Advocate of the Company

Respondent Shri S.K. Kansal, Business Manager
Shri R.S. Yadav, Section Officer,
Shri Ashok Ahuja, DFO (Accounts) and
Shri R.K. Sahni, attended on behalf of BRPL

Dates of Hearing : 11.02.2008, 28.02.2008, 18.03.2008, 10.04.2008,
01.05.2008, 22.05.2008 and 11.06.2008

Date of Order : 31.07.2008

ORDER NO. OMBUDSMAN/2008/230

1. The Appellant, M/s Krishna Continental Ltd. has filed this appeal through its Director ,Sh. Rajbir Singh against the orders of CGRF-BRPL dated 14.11.2007 in case No. CG/150/2007 as the relief sought was not allowed by the Forum in respect of the Demand Note of Rs.85,66,551/- raised in February 2007, towards the

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outstanding dues against the temporary connection of 3HP, granted to M/s Bhanot Properties for construction purpose.

2. The background of the case as per records produced and submissions made by both the parties is as under:-

- i) The Appellant applied for, and the Respondent granted a temporary connection for a load of 3 HP for construction of a hotel on 30.11.1993 vide K. No. 7030011473 (old)/ new K. No. 2520 G123 0564 in the name of M/s Bhanot Properties Ltd. at 31-32 Community Centre, Saket, New Delhi, after the construction of the hotel was completed in 1993. The Appellant continued to have and to use the temporary connection for running the hotel upto 20.09.1999.
- ii) A team of the Enforcement department of the Respondent conducted an inspection on 04.03.1995, followed by another inspection on 05.04.1995, and found a connected load of 316.771KW and 196.125 KW respectively. During both the inspections, shunt capacitors were not found installed, and D.G. sets of 250 KW and 350 KW respectively were found installed, without permission of MCD/DESU.
- iii) The electricity of the Appellant was finally disconnected on 20.09.1999 on account of non-payment of electricity dues amounting to Rs.59,07,619.44.
- iv) However in April 2001 a special bill for the temporary connection was prepared by the AFO (Div.) Mehrauli,

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reflecting dues of only Rs.10,07,966.29 containing a principal amount of Rs.2,18,299.36 and an LPSC amount of Rs.7,89,666.93, under the LPSC waiver scheme announced in April 2001. The records of calculation of the dues is not available with the Respondent. The Respondent waived off the LPSC amount of Rs.7,89,666.93 and allowed the consumer to make the payment of Rs.2,18,299.36 as principal, and deferred the issue of raising the bill on MLHT (Mixed Load High Tension) basis, based on inspections carried out in 1995. MLHT tariff is applicable where the connected load is more than 100 KW.

- v) On 04.10.2001, the bill on MLHT basis was raised for a sum of Rs.1,10,79, 636.04 and the Appellant was asked to make the payment by 20.10.2001.
- vi) Feeling aggrieved by the excessive amount of the MLHT bill dated 04.10.2001 for a sum of Rs.1,10,79,636.04 the Appellant approached the PLA-II for amicable settlement. As per the Appellant, the proceedings before the PLA-II were spread over 45 hearings between 06.10.2001 to 16.06.2006, but on none of the occasions the senior officials of DVB / BRPL were interested to settle the dispute. The Appellant has therefore, claimed that the bill is barred by the period of limitation, and also the levy of MLHT tariff for the period from 04.09.1994 to 20.09.1999 is without service of any notice to the Appellant, and is legally untenable. His contention is that

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the application of MLHT tariff on the total connected load on a small size service cable of 3½ x 50 sq. mm is incorrect.

- vii) Thereafter, the Appellant filed a complaint before the CGRF-BRPL on 24.05.2007. The CGRF vide its interim order dated 10.08.2007 directed the Appellant to deposit a sum of Rs.42.50 lakhs for grant of the LT connection for a load of 200 KW. The Appellant accordingly deposited a sum of Rs.42.50 lakhs and the LT connection was given by the Respondent on 08.02.2008.
- viii) Taking into consideration the objections raised by the Appellant towards assessment of the defective periods for his temporary connection, the Forum in its order directed that the bill may be revised on the basis of recovering only 50% of the assessment amount for the defective periods from 09.08.1996 to 21.11.1996 and 18.08.1998 to 23.03.1999. However, the rest of the charges for assessment of the other defective periods i.e. 30.11.1993 to 10.01.1994, 04.09.1994 to 06.10.1994 and 26.06.1998 to 04.07.1998 will be payable by the Appellant as per details submitted by the Respondent. The Forum also directed that since there was no dispute with regard to the bills issued on actual readings recorded by the meters, the same are payable by the Appellant. No LPSC will be charged while revising the bill and all payments made by the Appellant during the period will be accounted for. No relief in respect of the MLHT bill was given.

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Not satisfied with the orders of the CGRF, the Appellant has filed this appeal.

3. After scrutiny of the contents of the appeal, the CGRF order and the replies submitted by both the parties, the case was fixed for hearing on 11.02.2008.

On 11.02.2008, the Appellant, Shri Rajbir Singh was present in person along with Shri Rao Ranjit, Advocate. The Respondent was present through Shri S.K. Kansal, Business Manager and Shri R. S. Yadav, S.O.

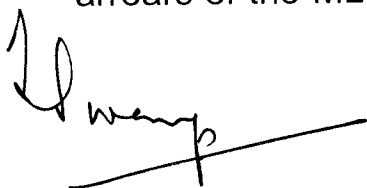
Both the parties were heard at length. The Appellant gave the detailed background and stated that a temporary connection for a load of 3 HP was sanctioned in 1993 in the name of M/s. Bhanot Properties for construction purpose. The DDA had approved the construction plan for the hotel having ground plus three floors on a 512 sq. meter plot area near PVR, Saket, New Delhi. The Appellant Company had purchased 95% equity of M/s Bhanot Properties in 2003. The supply was lying disconnected since 20.09.1999 and the earlier owner had made a payment of Rs.51,96,649/- between 1993 to 1999 for electricity consumed during the period. Attempts to get a permanent connection did not meet with success due to delay in finalization of dues for the temporary connection, and non finalization of the load requirement by the Respondent. The Respondent raised a bill of

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Rs.10,07,966.99 against the disconnected temporary connection in April 2001, which was settled by making a payment of Rs.2,18,300/- and the LPSC amount of Rs.7,89,666/- was waived off.

On 04.10.2001, the Respondent raised a bill of Rs.1,10,79,636/- on MLHT basis, based on the two 1995 inspections. This MLHT bill was under dispute till 16.06.2006 before the PLA and the case was closed as unsettled. The Appellant stated that the bill was raised belatedly in October 2001, and even after that, the Respondent did not taken any action for its recovery. The bill is therefore, not payable being time barred.

The Appellant was directed to produce details of bills received and payments made, alongwith the application made to the Respondent for grant of a permanent connection, details of purchase of property, sanction of building plans of the hotel, composition of the two companies giving the names of owners, and details of court cases and copies of court orders. The Respondent was asked to produce all files / records relating to the grant of the temporary connection and its extension, processing of case for permanent connection, including copies of enforcement inspections conducted in 1995 and court orders, if any. The Respondent was also asked to submit a statement of the sequence of events, the K.No. file, the statement of account, giving the break up of the arrears of the MLHT bill, raised on the Appellant in 2001. Both the



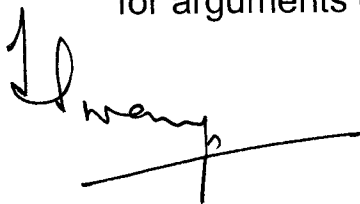
parties were asked to file all relevant documents by 21.02.2008 and the case was fixed for hearing on 28.02.2008.

4. On 28.02.2008, the Appellant was present through his advocate Shri Rao Ranjit. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O and Shri Ashok Ahuja, DFO.

Documents filed by both the parties were taken on record. Since the dispute was pending since 1995, both the parties were advised to give a summary of the sequence of events, supported by available records, and file copies of the orders of different courts where the matter was agitated. The case was fixed for arguments on 18.03.2008 and parties were asked to file all documents in support of their respective contentions by 10.03.2008.

5. On 18.03.2008, the Appellant was present in person through Shri Rajbir Singh. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O., Shri Ashok Ahuja, DFO (A/c) and Shri R. K. Sahni.

Both parties were heard on facts. The additional documents submitted were taken on record. The Appellant seeks time for arguments as his counsel was not present and the case was fixed for arguments on 10.04.2008.



6. On 10.04.2008, the Appellant was present in person. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O and Shri Ashok Ahuja, DFO (A/c).

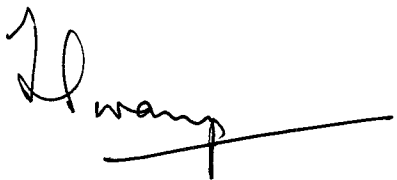
The Appellant pleads for adjournment due to the announcement of a Scheme for waiver of old dues of the DVB period, by Delhi Government. The adjournment was granted and the case was fixed for 01.05.2008.

7. On 01.05.2008, the Appellant was present in person. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O and Shri Ashok Ahuja, DFO (A/c).

The Appellant again requested for an adjournment due to non-availability of the Delhi Governments Notification, which was awaited. One more opportunity was granted and the case was fixed for hearing on 22.05.2008. The Respondent did not object to the adjournment. The case was taken up again on 11.06.2008.

8. On 11.06.2008, the Appellant was present in person. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O and Shri Ashok Ahuja, DFO (A/c).

The Appellant sought time for completing his final submissions after studying the latest notification of Delhi

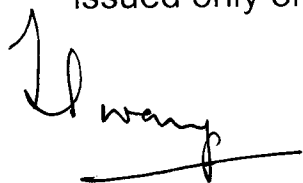


Government dated 16.05.2008 regarding waiver of old DVB dues. The case was fixed for final hearing on 16.06.2008.

8. On 16.06.2008, the Appellant was present in person. The Respondent was present through Shri S. K. Kansal, Business Manager, Shri R. S. Yadav, S.O, Shri Ashok Ahuja DFO (A/c) and Sh. R. K. Saini.

Both parties were heard and they argued their cases at length. The Appellant pleaded that normally as per law of limitation, bills for 1994-95 could not be raised now, and filed several court judgments to support his arguments. However, the Appellant on merit, pleaded that he had been charged for consumption based on meter readings and had applied for a regular permanent connection as far back as in August 1994. He had signed the agreement in March 1996 for sanction of a 244 KW load with a 196 KW connected load, and 48 KW spare capacity load. The Appellant stated that he was willing for the application of MLHT tariff from August 1994, and his connection be deemed to have been sanctioned from this date. Delay in raising the MLHT bill by the Respondent had in fact resulted in delay in grant of a permanent connection.

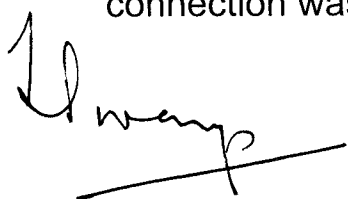
9. The Respondent confirmed that a letter after prolonged correspondence for sanction of a 190.925 KW load, was first issued only on 18.08.2000 by the Commercial Officer -1 and the bill



based on MLHT tariff was first raised only on 04.10.2001. As per available records, the issue of grant of a permanent connection remained undecided as the assessment of the required load remained in dispute with the consumer, including before the civil court. The Respondent admitted that there had been undue delay in this case due to both the parties not taking prompt action and even several of the relevant files were not traceable. The Respondent further stated that the Notification of the Delhi Govt. for waiver of old DVB dues was applicable only in cases which were not under litigation before any Forum. Since the Appellant had been agitating against the MLHT bill before the PLA, CGRF and before the Ombudsman, as such the waiver policy announced by Delhi Govt on 16.05.2008 was not applicable to the Appellant.

10. Based on the documents / submissions made by both the parties, it is observed as under:

- (i) M/s. Bahnot Properties and Industries purchased a 512 sq. meter plot from DDA in November 1989, and the plan for construction of a hotel was sanctioned by the DDA in October 1990.
- (ii) In July 1991, the Respondent sanctioned a temporary connection in the name of M/s. Bahnot Properties vide K. No. 703/000295/NL for a load of 3 HP for construction purpose.
- (iii) In September 1993, after completion of the hotel building, an occupation certificate was issued by the DDA and the temporary connection was disconnected in November 1993.



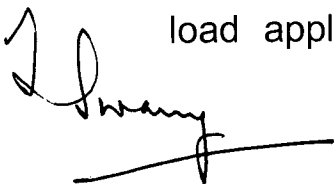
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- (iv) On 30.11.1993, the Respondent again sanctioned another temporary connection vide K. No. 7030011473 in the name of M/s. Bahnot Properties for a load of 3 HP for construction purpose i.e. after issuance of the occupancy certificate in September 1993 by the DDA. During hearing, the Respondent officials could not explain, how a temporary connection was sanctioned after completion of construction of the hotel, and after issuance of a completion certificate. No records / files pertaining to sanction of this temporary connection were produced by the Respondent on the plea that the old record was untraceable. It appears that, the Respondent officials flouted all the rules / regulations to facilitate the registered consumer to run the hotel on a temporary connection of 3 HP.
- (v) The Appellant had first applied for a permanent connection in August 1994 for a load of 95 kw. The Respondent did not consider his application for a permanent load on the plea that the applied load was far less than the requirement and was not as per load norms for a 512 sq. meter plot. The Appellant had not included the air-conditioning load in the load application when applying for 95 kw. Thereafter, the Appellant got orders from the Civil Judge directing the Respondent to allow a connection for 95 kw load in fifteen days and till then disconnection of the temporary connection was stayed. The Respondent officials inspected the premises in March 1995 and recorded a connected load of 316 kw along with a 250 kw generator set. The Appellant disputed this inspection and got



orders from the court for re-inspection for assessing the actual load requirement.

(vi) Another inspection was carried out in April 1995 when a connected load of 196 kw was detected excluding the 48 kw spare capacity A.C. load. Later on, the Appellant made an application for sanction of 244 kw load with actual connected load of 196 kw and signed an agreement with the Respondent on 12.03.1996. The Respondent officials could not produce any record to show why this application for permanent connection was not processed further. The Civil Suit staying the disconnection of the temporary connection was dismissed in 1997 in default, but the Respondent officials allowed the Appellant to continue the use of the temporary connection for running the hotel up to 20.09.1999. The temporary connection was reportedly disconnected for non payment of dues on 20.09.1999, but the relevant records were not produced. The Respondent officials could neither explain also why the temporary connection was not disconnected on dismissal of the Civil Suit in 1997, nor why a bill was not raised based on the two inspections in 1995.

(vii) Regarding the bulk supply connection (for load of more than 100 kw) to the Appellant, CO-I vide letter dated 18.08.2000 advised the Appellant to submit certain documents, alongwith a no dues certificate, in respect of the existing temporary connection, to facilitate further action in the matter. As per the Appellant, his load application was kept pending for want of "a no dues



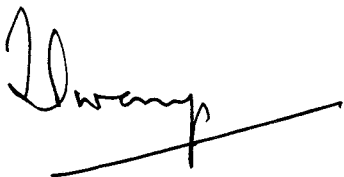
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certificate” of the disconnected temporary connection as a bill on MLHT tariff basis based on the inspections in 1995 was not raised till then. This speaks of the callous attitude of the Respondent officials as a result of which huge dues of the DVB remained unrecovered.

(viii) Even, in April 2001, the Respondent raised a special bill for Rs.10,07,966/- for the disconnected temporary connection, after excluding the MLHT basis bill based on the 1995 inspections, and the Appellant was allowed to avail of the benefit of waiver of LPSC charges of Rs.7,89,666/- on payment of the principal amount of Rs.2,18,300/- under a scheme announced by the Delhi Government / DVB. It appears that this bill was raised only for allowing the Appellant to avail of the benefit of waiver of a large amount of LPSC. The bill for pending dues of Rs.59,07,619.44 at the time of disconnection, for the temporary connection or the bill on MLHT basis from 1995 onwards, were not raised for years together, without any reason.

(ix) The present appeal is with regard to the bill on MLHT basis for the period 30.11.1993 to 20.09.1999 raised on 04.10.2001 for Rs.1,10,79,636/- which was revised to Rs.85,66,551/- in February 2007.

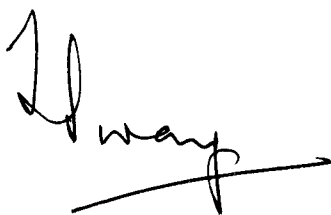
(x) The CGRF in its interim order directed the Appellant to deposit a sum of Rs.42.5 lakhs and the Respondent was directed to install a permanent connection on receipt of the above payment. As per the CGRF's order, the MLHT bill for the period 30.11.1993 to 20.09.1999 was revised from Rs. 1,10,79,636/- to



Rs.99,59,683/- Rs.57,01,683/- was shown as payable after adjusting the payment of Rs.42.5 lakhs paid, and some relief in assessment done for defective meter periods, for the temporary connection.

- (xi) Had the application of the Appellant for a permanent connection for a 244 kw load been processed timely and the MLHT bill based on inspections in 1995 been raised in 1995-96, this awkward situation / dispute would not have arisen. It is pertinent to mention that against the temporary connection of 3HP the consumer had been provided by a large sized double service line of copper cable, which was capable of drawing a load of more than 100 kw. The recorded energy consumption for which the Appellant had paid the bills indicates that the monthly consumption between Nov. 1993 and Sept. 1999 was far more than what could have been consumed with a 3 HP load and had no relationship at all with the sanctioned temporary load. The maximum consumption recorded on the temporary connection of 3 HP was 30350 units for a period of 38 days in April to May 1997. This consumption corresponds to a average monthly load of 145 kw and the connected load would be higher than this average load.

- (xii) During hearing, the Appellant offered to make payment on MLHT basis for a 196 KW connected load. The Respondent confirmed that a letter after pro-longed correspondence for sanction of a 190.925 KW load was first issued in August 2000,



and the bill based on MLHT tariff, was first raised on 04.10.2001.

CONCLUSION

11. From the above observations and after perusal of the documents filed and submissions made by both the parties during the hearings, it is clear that glaring irregularities were committed by the Respondent in collusion with the Appellant for giving undue benefit to the Appellant. The main irregularities noticed are as under:

- (a) Sanction of a 3 HP temporary connection in November 1993 for construction of a hotel, the construction of which was already completed in September 2003 and DDA had issued completion / occupancy certificate.

In July 1991, the Respondent sanctioned a temporary connection in the name of M/s. Bahnot properties vide K. No. 703/000295/NL for a load of 3 HP for construction purpose. After completion of the hotel building in September 2003, an occupancy certificate was issued by DDA on 09.09.1993 and the temporary connection was disconnected on 19.11.1993.

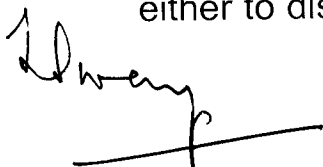
On 30.11.1993, the Respondent again sanctioned another temporary connection in the name of M/s. Bahnot Properties vide K. No. 7030011473 for a load of 3 HP for construction

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purpose i.e. after issuance of the occupancy certificate in September 1993. No temporary connection for construction could have been given after issue of the occupancy / completion certificate. Again this temporary connection which is normally sanctioned initially for a period of six months was allowed to continue up to 20.09.1999 even after the court case filed by the Appellant was dismissed in 1997. No records / files pertaining to sanction of this temporary connection were produced. Obviously, the Respondent officials disregarded all the rules / regulations to facilitate the Appellant to run the hotel on a temporary connection overdrawing huge amounts of power for almost six years. The site was visited on several occasions by senior officers of the Respondent including a Superintending Engineer to take readings. It must have been evident to them that construction was completed and the 3 HP connection had continued despite this. No action to disconnect the supply, and to cancel the temporary connection was taken.

(b) No action taken for raising MLHT bill from 1995 to 2001

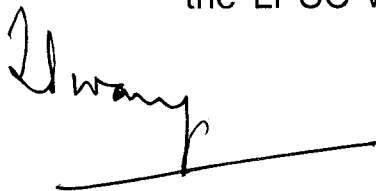
The Enforcement team inspected the hotel premises and found a connected load of 316 kw in March 1995, and 196 kw in April 1995 respectively. No action was taken to disconnect the supply or to raise the MLHT bill for years together and finally the bill for Rs.1,10,79,636/- on MLHT basis was raised only in October 2001. The purpose of the enforcement inspections was defeated, since no follow up action was taken, either to disconnect the supply or to raise bills on MLHT basis.



Regular bills for electricity consumed were also not raised nor payments insisted upon.

(c) **Undue benefit allowed under LPSC waiver scheme in April 2001**

The 3 HP temporary connection was disconnected reportedly on account of non payment of dues on 20.09.1999. The final bill of pending dues was neither raised after disconnection nor any effort made to recover the huge outstanding amount of Rs.59,07,619.44. In April 2001, AFO(D) Mehrauli of the Respondent raised a special bill of amount due against the 3 HP temporary connection, indicating a principal amount of Rs.2,18,300/- and an LPSC amount of Rs.7,89,666/- of which the LPSC was waived off. The report of the Business Manager revealed that as per the ledger, outstanding dues as on 20.09.1999 were Rs.59,07,619.44. The Business Manager has stated that the arrears shown in the special bill in April 2001 and the calculated demand, does not tally with the arrears reflected in the statement of account. Records regarding calculation details of the special bill are not available with him. It appears the special bill in April 2001 was prepared by AFO(D) MLI, for giving undue benefit of LPSC waiver to the Appellant, as no efforts were made to reconcile the actual payable dues as per records of the ledger. Even the MLHT demand based on the 1995 enforcement inspections was not raised in April 2001. The Appellant was not entitled to the LPSC waiver of Rs.7,89,666/- in 2001 as per the special

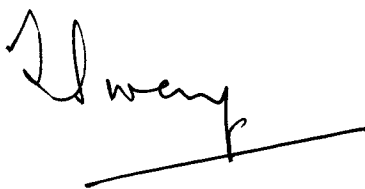


bill, as the principal amount payable was not Rs.10,07,966.29 but Rs.59,07,619.44 as per the ledger accounts. The LPSC could be waived as per the scheme announced, only after the entire principal was paid.

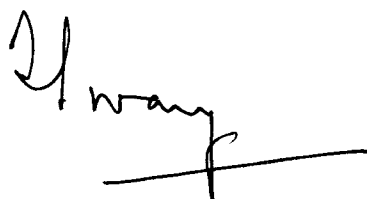
(d) Undue delay in not raising of MLHT bill for years together after Enforcement Inspections of 1995.

Based on Enforcement Inspections of March 1995 and April 1995 when a connected load of 316 KW and 196 KW respectively were found, against the 3 HP sanctioned load, the bill on MLHT basis could have been raised within a reasonable period of 3 to 4 months. The bill for Rs.1,10,79,636/- on MLHT basis was raised in October 2001, after benefit of the LPSC waiver had been allowed to the Appellant in April 2001. The reasons for delay in raising the MLHT bill upto October 2001 remained unexplained. Regular bills for electricity consumed against the 3 HP connection also were neither raised nor payments insisted upon.

- e) The Business Manager informed that no records are available to show how for the second time a temporary connection was sanctioned? Why the temporary connection was not disconnected or MLHT bills not raised for years together? Why the temporary connection was allowed to continue even when the court case was dismissed in 1997? Why a special bill in April 2001 for a small amount was raised, when huge dues were shown against the Appellant in the ledger?



- (f) Lastly, after the supply of the hotel was disconnected on 20.09.1999, how the hotel having 54 rooms alongwith lobby, kitchen, attached toilets, lifts etc. was running up to February 2008, without supply of electricity by the Respondent? The Business Manager stated that the hotel was running on DG sets. As per the erstwhile DVB's order dated 04.09.1998, the policy regarding grant of permission for installation and operation of DG sets was laid down. The DG sets were permitted to be run as stand-by source of supply to the registered consumers. There is no record to show that the Respondent has ever inspected the hotel premises to find out whether the Appellant is unauthorizedly using the supply or DG sets were used with the required permission? How such a large hotel could be run for 24 hours from 1999 to 2008 on DG sets alone is not known. Moreover, DG sets also need frequent repairs and the electricity produced is also costly.
- g) During the 1995 enforcement inspections, it was found that instead of a small size service cable for 3 HP load, a double circuit higher size copper cable was existing at site. No action was taken on this irregularity and the Appellant was allowed to draw huge quantities of electricity again against the 3 HP sanctioned connection upto September 1999. The Appellant's meter burnt down on at least seven occasions in six years, due to over loading. The reading records indicate that the consumer has drawn from 22,000 to 30,000 units per month, as and when the meter recorded correctly before burning.

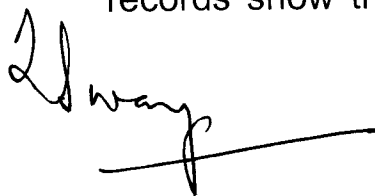


- h) Complete records regarding this consumer could not be produced and are reported to be not traceable.
- i) The payment record submitted by the Business Manager reveals that the consumer had made "on account" adhoc rounded figure payments between 1993 and 1999 for electricity consumption instead of the actual bills, that too not regularly. On certain occasions the Appellant had not made any payment at all for 16 months together, but no action was taken by the Respondent for recovery. The Respondent had also not taken any action on the bounced cheques for Rs.7,64,222/- and Rs.2,50,000/-.

The whole case is a saga of irregularities evidently committed with malafide intentions. The case requires a thorough probe by the CEO.

12. In conclusion, , on the limited issue of the appeal against the revised demand of Rs.85,66,551/- raised in February 2007, there is no force in the arguments of the Appellant that the MLHT bill is time barred. The bill of Rs.1,10,79,636/- was first raised on 4.10.2001, and remained before the PLA II for almost 5 years for arriving at an amicable settlement, which could not be arrived at upto 16.06.2006. Thereafter the Appellant challenged the bill before the CGRF on 24.05.2007.

The Appellant's contention that he could not draw a MLHT tariff load on the small 3 KW load cable is also not acceptable. The records show that he had drawn loads far in excess of 100 KW,



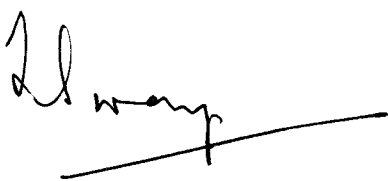
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almost all through the period November 1993 to September 1999. Moreover, a double circuit higher size cable was found existing at site during inspections which facilitated him in drawing the higher loads.

The Appellant's plea that no notice for levy of MLHT tariff was issued to him is contrary to the records and is also not acceptable. The two inspection reports of 1995 clearly state that MLHT tariff was leviable as connected loads of 316 KW and 196 KW were found. These reports were given to the Appellant and bear his signature. Similarly the special bill raised in April 2001 also mentioned that the MLHT basis bill would be raised later.

The CGRF in its order has directed that only 50% of the assessment bill for the 2 meter defective periods viz 09.08.1996 to 21.11.1996 and 18.08.1998 to 23.03.1999 be recovered. Recovery of 50% of the assessed bill is not as per the law. This direction of the CGRF is therefore set aside.

Further the statement before the PLA-II by the Respondent, that the temporary connection of 3 KW for construction purposes be exempted from levy of misuse charges as construction is also a commercial activity, appears to be fallacious. The temporary connection of 3 KW given in Nov. 1993 could not have been given in the first place since the building was complete. Secondly it was used for running the hotel and not for construction. The temporary



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connection sanctioned for 6 months could also not have been extended for 6 years after the building was complete. **The CEO is advised to review this matter and raise a separate bill if required, for misuse of the connection.**

The Appellant has challenged the bill of Rs.85,66,551.61 raised by the Respondent in February 2007. Earlier MLHT bill for Rs.1,10,79,636/- was raised in October 2001 which the Appellant had contested before the PLA. The Business Manager submitted before the CGRF that the amount of Rs.85,66,551.61 shown in the February 2007 bill is wrong. The net bill of MLHT tariff amounting to Rs.1,10,79,636/- is payable by the Appellant. The details furnished by Shri Ashok Ahuja, Deputy F.O. and as mentioned in the CGRF order indicate that the total demand for the period 30.11.1993 to 20.09.1999 plus six months MG charges against the sanctioned load (temporary), amounts to Rs.1,53,29,264.14. After adjusting the payments of Rs.44,52,350.21 made prior to disconnection, the net payable amount is computed to be Rs.1,08,76,913.93. The Appellant further deposited Rs.2,18,000/- as per the special bill and a sum of Rs.42,50,000/- as per the interim order of the CGRF, and the net payable amount thereafter becomes Rs.64,08,913.93.

The Appellant is therefore liable to pay the net worked out demand of Rs.64,08,913.93 in four equal monthly



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installments, the first installment should commence from August 2008

A permanent connection of 200 KW has been granted to him w.e.f 08.02.2008, subject to payment of balance dues which will have to be paid without further delay.

The CEO should also conduct an enquiry into supply of electricity, if any, to the Appellant between September 1999 to 2008 and recover dues for any such electricity even if supplied unauthorizedly.

Responsibility for the irregularities committed in this case be also fixed and stringent action taken against the officials found to be responsible.

31st July 2008


(SUMAN SWARUP)
OMBUDSMAN