# 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/2008/245

Appeal against Order dated 03.10.2007 passed by CGRF-NDPL in CG.No. 01366//08/07/MDT.

# In the matter of:

Shri Shreepal Mittal Prop. M/s Anand Motors Appellant

Versus

M/s North Delhi Power Ltd.

- Respondent

## Present:-

**Appellant** 

Shri Y.P. Bhasin, Advocate was attended on behalf of

the Appellant

Respondent

Shri H.C. Verma, HOG (Commercial),

Shri Gagan Sharma, Sr. Associate (R&C) and

Shri Vivek AM (Legal) all attended on behalf of NDPL

**Dates of Hearing**: 22.02.2008

**Date of Order** 

: 11.03.2008

#### ORDER NO. OMBUDSMAN/2008/245

The Appellant, Shri Shreepal Mittal has filed this appeal against the 1. order of the CGRF dated 3.10.2007, in case No. 01366/08/07/MDT stating that the CGRF has wrongly allowed recovery of the supplementary demand raised by the Respondent in April 2007, for

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electricity charges of Rs.4,18,676/- for the period 20.01.2003 to 02.08.2003.

- 2. The brief facts of the case are as under:
  - (i) The Appellant, a tenant of Anand Motors, has been using the landlord's electricity connection K.No. 31100872004 for the manufacture of tarpoil.
  - (ii) The Appellant filed a complaint dated 30.07.2007 before the CGRF against the electricity bill of June 2007, and for the claim of arrears amounting to Rs. 4,47,300.65.
  - (iii) The Respondent, in August 2007 issued a disconnection notice to the Appellant as there was an outstanding amount of Rs.4,47,300.65 towards old electricity dues.
  - (iv) At the hearing before the CGRF the Respondent submitted as under:
    - (a) that on the basis of the Appellant's declaration of his using 60 HP (44.760 KW) load under the Voluntary Declaration Scheme of 1995-96, the meter and service lines of the Appellant were augmented in accordance with the additional declared load of 60 HP.

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- (b) that for the period 30.01.2003 to 02.08.2003, the Appellant's actual electricity consumption was 90863 units for which he was liable to pay Rs.5,63,857.34. The Appellant was, however, charged only Rs.1,45,180.94, for this period.
- (c) that the fixed charges for the period 02.08.2003 to 20.01.2007 should have been levied on the basis of the declared load of 44.760 KW, but were actually levied on the sanctioned load of 14.250 KW, thereby resulting in a debit of Rs.84,364.71 payable by the Appellant.
- (d) To substantiate their contentions the Respondent filed a statement of the K.No. summary of the meter and copies of the following documents:
  - Declaration by the consumer stating the use of 60 HP load (44.760 KW) instead of sanctioned load of 20 HP (14.250 KW).
  - Internal communication dated 24.6.96 indicating that the consumer had deposited the development charges, consumption deposit charges etc. on the basis of the declared load of 60 HP.



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- The ledger book record confirming that the consumer was charged on the average monthly consumption of 2832 units for the period February to August 2003.
- J.E. calculation sheet.
- 3. The CGRF, after considering the records and contentions of the parties, vide their order dated 03.10.2007 provided relief to the Appellant by disallowing the supplementary demand raised on account of difference of fixed charges levied, and those already recovered on the basis of MDI recorded, depending upon the load in use. The CGRF, however, upheld the validity of the supplementary demand raised by the Respondent for short charging for electricity consumption of 90,863 units from 30.01.2003 to 02.08.2003. The CGRF waived off the LPSC upto the billing month of July 2007 as the Appellant had made payments against the current demands and no LPSC was held to be leviable on the supplementary demand. The CGRF allowed the Appellant to clear this revised amount in four equal monthly installments.

The Appellant, not satisfied with the order of the CGRF dated 03.10.2007, has filed this appeal dated 11.01.2008.

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- 4. After perusal of the appeal, the records of CGRF and the comments of the Respondent, the hearing in the case was fixed for 22.02.2008. The Appellant was present through his Advocate Shri Y.P. Bhasin. The Respondent was present through Shri H.C. Verma, HOG (Comm. Mgmt,) Shri Gagan Sharma, Sr. Associate (R&C) and Shri Vivek, Assistant Manager (Legal).
- 5. The main contention of the Appellant is that the supplementary demand for the period 30.01.2003 to 02.08.2003, is barred under section 56 (2) of the Electricity Act, 2003, and is therefore not recoverable. Moreover, as the Respondent had recorded the actual meter readings in their records, there was no justification for raising bills on 'average' basis. The Appellant does not dispute the meter readings, or the consumption of electricity during this period.

The Respondent submitted that the Appellant did not protest when the provisional bills were raised for the period from February 2003 to August 2003 on 'average' basis. Moreover, the Appellant was aware that a supplementary demand on the basis of actual readings would follow, as these bills were not reading based. The bills for this period reflect the meter readings showing the actual consumption. He was, therefore, liable to pay the supplementary demand for the actual



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consumption of electricity by him which is based on meter readings. The Respondent, however, admitted that there was an error in feeding the data, and there was a delay in generating of bills and in raising the supplementary demand after a lapse of more than two years. The Respondent cited the case of Ajmer Vidyut Vitran Nigam Limited, Chittorgarh, Rajasthan vs. M/s Sisodia Marble & Granites Pvt. Ltd. & others (Appeal No. 202 & 203 of 2006) in support of their contention.

- 6. The main issue for decision is whether the supplementary demand for the period February 2003 to August 2003 raised by the Respondent, after almost four years is barred under the provisions of Section 56(2) of the Electricity Act, 2003.
- 7. It is evident from the statement of account filed by the Respondent that despite recording the monthly meter readings, provisional bills were sent to the Appellant for a consumption of 2832 units per month from 30.01.2003 to 02.08.2003. The Respondent while admitting their lapse for delay in raising the supplementary demand after a period of almost four years, have relied on the aforesaid case of Ajmer Vidyut Vitran Nigam Limited, Chittorgarh, Rajasthan vs. M/s Sisodia Marble & Granites Pvt. Ltd. & others (Appeal No. 202 & 203

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of 2006) for the recovery of the arrears. In this case the Hon'ble Appellate Tribunal for Electricity has ruled that the amount becomes payable only after the bill is raised and the limitation period starts running from that date. The Respondent argued that otherwise also it would be fair and equitable that the consumer should pay for the electricity consumed by him.

8. After hearing the arguments of both the parties and on perusal of the records it is seen that the Appellant was aware that the bills raised for the period 30.01.2003 to 20.08.2003 were provisional and not reading based. He at no stage requested for reading based bills for this period. He has also not disputed the actual meter readings shown in the bills or the actual consumption shown in the supplementary demand for this period. The Appellant's main plea is that the supplementary demand cannot be recovered being barred under Section 56(2) of the Electricity Act 2003. The supplementary demand was raised by the Respondent in the bill for March 2007, for consumption of electricity during the period 30.01.2003 02.08.2003. In view of the judgment of the Hon'ble Appellate Tribunal for Electricity in Ajmer Vidyut Vitran Nigam Limited Vs. M/s Sisodia Marbles and Granites Pvt. Ltd. and others (Appeal

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No.202 and 203 of 2006), the period of limitation in this case would start from the date when the supplementary demand was first raised for consumption based on meter readings. The CGRF has therefore rightly held that the Appellant is liable to pay the supplementary demand for consumption of 90,863 units of electricity between 30.01.2003 to 02.08.2003. Relief has already been granted by the CGRF on fixed charges and LPSC charged in the supplementary demand bill. Relief has also been given to the Appellant through allowing payment of the revised supplementary demand in four (4) equal monthly installments. I do not therefore find any reason to interfere with the order of the CGRF. The appeal is accordingly disposed off.

1115 march 2008

(SUMAN SWARUP) OMBUDSMAN