

**Before the Electricity Ombudsman**

(Appointed by the Joint Electricity Regulatory Commission  
for the State of Goa and UTs, under Section 42 (6) of the Electricity Act, 2003)  
Second Floor, HSIIDC Office Complex, Vanijya Nikunj, Udyog Vihar, Phase-V, Gurgaon (Haryana)  
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**Appeal/ Representation No. 18/2013**

**Representation/appeal received from Shri Rajeev Goyal, an electricity consumer of UT Chandigarh against CGRF order dated 07.03.2013 on the matter of billing dispute.**

Shri Rajeev Goyal,  
SCO 7-A, Sector- 7C  
Madhya Marg, Chandigarh.

**Appellant**

**V/s**

1. The Addl. Superintending Engineer  
Electy. 'OP', Division No. 1  
Sector 17 E, Elect. Dept.  
UT Chandigarh- 160017.

2. The SDO, Electy.  
'OP' Sub- Divon. No. 2,  
UT Chandigarh.  
Chandigarh

**Respondent**

**Hearing on Wednesday, the 7<sup>th</sup> August, 2013**

**Present:** Mr. R. K. Kaul, Electricity Ombudsman for JERC for Goa and UTS.

**On behalf of the Appellant:**

1. Shri Rajeev Goyal,  
Prop of M/s RLCR-7  
Super Market  
SR. No. 7-A, Sector- 7C  
Madhya Marg, Chandigarh.

2. Shri Yogesh  
602/ Sector-9  
Panchkula

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**On behalf of the Respondent:**

1. Shri Subhash Chand Saini  
Addl. Superintending Engineer  
Electy. 'OP', Division No. 1  
Sector 17 E, Elect. Dept.  
UT Chandigarh- 160017.
2. Shri Balbir Singh  
SDO, Electy. Department  
'OP' Sub- Diovn. No. 2,  
UT Chandigarh.
3. Shri Raj Kumar  
Revenue Accountant  
Sub- Division No. 2  
Chandigarh

**Date 14.08.2013**

**ORDER**

1. The appeal/ representation cited above received in the Office of Electricity Ombudsman for the State of Goa and UTs was admitted on 17<sup>th</sup> June, 2013. A copy of the same as received was forwarded to the Respondent on the same very day with the direction to submit their remarks/ counterstatement on each of the points relating to the matter of this representation supported by copies of relevant documents, latest by 12<sup>th</sup> July, 2013, with a copy also to the Appellant. The point wise reply of the Respondent has been received in the Office of Ombudsman on 12<sup>th</sup> July, 2013.

**Brief Facts of the Case**

2. Shri Rajeev Goyal, S. C.O, 7-A, Sector-7, Madhya Marg, Chandigarh has an electric connection in his shop bearing A/c No. 0749/8007A1U. He was sanctioned a load of 50.40 KW on 29.03.2010 and thereafter he received his first electricity bill for an amount of Rs. 18,935/- from 09.04.2010 to 22.07.2010. He paid the billed amount well in time and in the said bill, the C.T Meter Multiplier was shown as (01) and also in all electricity bills received for the period 2010 to 2012.
3. The Appellant (Shri Rajeev Goyal) continued paying the electricity bills for the period 2010 to 2012 without the application of C.T multiplying factor of (20), for gross negligence on the part of licensee, resulting into huge departmental revenue loss.

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4. The said connection was checked by the Enforcement cell of the department on 19.04.2011 as per ECR no. 36/668 and connected load of 25.916 KW was reported to be in excess of sanctioned load. The accuracy of the meter was also checked and found to be ok. A penalty of Rs. 19,500/- was got deposited from him by the Department..
5. The said connection was also checked by enforcement wing of Electricity Department on 21.12.2012 vide ECR No. 6/660. The remarks of the Enforcement wing stated

*"As per latest bill CT/meter. Multiplier is (1) whereas it should be 20 because meter capacity is -/5A and C. T ratio is 100/5. The same should be set right and account of the consumer be overhauled"*

Accordingly a notice for deposit of Rs. 16,18,655/- was issued by the S.D.O concerned vide memo No, 7292 dated 28.12.2012.

6. The Appellant (Shri Rajeev Goyal) filed a complaint dated 07.01.2013 regarding imposition of sundry charges/ supplementary bill amounting to Rs. 16,18,655/- to the Consumer Grievance Redressal Forum (CGRF), Chandigarh.
7. The CGRF, Chandigarh vide its order dated 07.03.2013 directed to restrict the recovery of sundry charges/ supplementary bill, after application of multiplying factor of 20, to the consumption of the complainant for the period of 2 years only prior to date of checking of premises of the complainant i.e. 21.12.2012, as the amount was never shown recoverable previously, by the Department as arrears of charges for electricity supplied.
8. The amount so calculated by the S. D. O concerned for period of two years, prior to Dec, 2012, the date of Enforcement raid, worked out to be Rs. 13,45,931/-
9. Keeping into view the complainant's request, the Forum also directed the Department to recover the above said amount in 12 equal bi- monthly installments along with regular electricity bills to be issued for his running consumption for period of each subsequent period of two months. The recovery was to be made without any late payment surcharge.
10. Aggrieved with the decision of the CGRF, Chandigarh, the Appellant (Shri Rajeev Goyal) filed this appeal/ representation dated 24.05.2013, before the Electricity Ombudsman for JERC for the State of Goa and UTs with the following prayer.

**Prayer**

- a) To allow the appeal
- b) To set aside the order's of CGRF (dated 07.03.2013)
- c) To reject the claims/sundry charges asked by the Respondent Department.



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#### **Settlement by Agreement**

11. Both the parties under this appeal/ representation, were informed on 26.07.2013 to appear before the Ombudsman for the hearing on 07.08.2013 at 11:00 AM in the conference room of UT State Guest House, Chandigarh. It was indicated to them to put forth and explain their position in person or by an authorised representative and produce documentary evidence relating to all the points on the matter of this representation. It was also informed through the notice that the Ombudsman's efforts, in the first instance, during the hearing would be to facilitate settlement through mediation and conciliation.
12. Both the parties appeared before the Ombudsman as scheduled and were heard. Efforts were made to reach an agreement between the parties through the process of conciliation and mediation. However, no settlement mutually agreeable could be reached. The hearing, therefore, continued to provide reasonable opportunity to both the parties to put forth their pleadings on the matter.

#### **Pleading by the parties and Responses to the Issues**

##### **The Appellant**

13. The Appellant reiterated the points as detailed in his representation (Point No. 1 to Point no. 6). It was stated that the Appellant never made a default in making payment of electricity dues of the Electricity Department since its installation i.e. 29.03.2010 till 21.12.2012.
14. The raid conducted by the Enforcement staff on 18.04.2011 found the excess load in the showroom of the Appellant as 76.316 KW instead of sanctioned load of 50.40 KW. A fine of Rs. 19,500/- on account of excess load was deposited by the Appellant. The meter was found to be OK.
15. It is not expected from a Business man, who is not a technical man, to know about the CT and its multiplying factors etc. etc.
16. The Electricity Department cannot claim the arrears for the period prior to 21.12.2012, on which the raid was conducted and incorporation of C.T multiplier of (20) instead of (01), was found missing.
17. The Appellant is not in a position to pay the sundry charges for two years prior to the date of enforcement raid on 21.12.2012.
18. The installments for payment of sundry charges/supplementary bill be increased in number from 12 bi-monthly installments, as ordered by CGRF, Chandigarh.

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**The Respondent**

19. Responding to the above, it is stated that the electricity bills of the Applicant were issued wrongly from the date of installation of the meter i.e. 29.02.2010 till 22.11.2012 as the consumption of the electricity meter installed at the premises of the appellant was to be multiplied by the multiplying factor (20).
20. The fact of Multiplying factor (20) was also verified as per checking by Enforcement Wing vide ECR No. 36/688 dated 18.04.2011 and also as per checking vide ECR No. 6/600 dated 21.12.2012.
21. At the time of sending master file to the computer cell, it was intimated that CT multiplying factor was to be used (20) but the computer cell faulted.
22. When the fact was brought to the notice of the Department as per checking report ECR No. 6/600 dated 21.12.2012, the supplementary bill amounting to Rs. 16,18,655/- was issued to the Appellant (after incorporating the multiplying factor of 20)
23. The CGRF, Chandigarh decided that as per provisions of Electricity Act, 2003, the amount can be recovered only for two years from the date of checking of the electricity connection i. e 21.12.2012.
24. During the course of proceeding before the CGRF, Chandigarh, the S.D.O worked out Rs. 13,45,931/- for two years as the supplementary bill.
25. The CGRF considering the hardship to the Appellant allowed the amount of Rs. 13,45,931/- to be paid in twelve equal bi-monthly installments.
26. The Respondent (Licensee) requested to decrease the number of installments/ period of recovery from the Appellant, as the Department was suffering huge recurring revenue loss.

**Findings**

27. On the basis of the papers submitted by the parties and on the basis of pleading by the parties, the following emerges:
  - a) The Respondent (the licensee) never bothered about the revenue receipt against the electrical connection bearing account no. 0749/8007A1U after sanctioning of load of 50.40 KW on dated 29.03.2010, to the consumer of electricity.
  - b) The checking by the Enforcement Wing on dated 18.04.2011 and 21.12.2012 have proved that meter was in the OK condition for the entire period of 2010-2012

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- c) There has been a calculation error on the part of licensee while calculating electricity bill of the consumer
- d) At the belated stage when the Enforcement Wing raid on 21.12.2012 confirmed that C.T multiplying factor of (01) was being used instead of multiplying factor (20), the licensee raised a bill of Rs. 16,18,655/- for the entire period from the date of installation of connection to the date of Enforcement Wing's raid on the premises
- e) As per Section 56(2) of Electricity Act, 2003

*“ Notwithstanding anything containing in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplies and the licensee shall not cut off the supply of the electricity ”*

The consumer cannot be charged the arrears of electricity charges for the period more than 2 years from the date of checking / when such sum became first due

#### **Directions to the Licensee**

28. In this particular case, because of gross negligence on the part of Respondent (the licensee) the Electricity Department continued suffering huge revenue loss for a period of more than 2½ years because of non- incorporation of C.T multiplying factor (20) instead of (01) being used. There is every likelihood that there must be so many other similar cases prevailing in the Electricity Department leading to huge revenue loss to the Department. It also appears that the Department has not incorporated the return containing revenue receipt verses sanctioned load in the Department. Generally this type of return is submitted in all the distribution companies where the different level of officers are personally monitoring the revenue return against the sanctioned loads, which help in eliminating the huge losses to the Department. It is therefore directed that :

- a) The Chief Engineer should investigate this particular case and identify the officials responsible for such huge loss to the Electricity Department and take appropriate action, as per rules.
- b) To introduce the monthly return containing the revenue collection against the sanctioned load, if not already existing, and ensure the submission/checking of the same.
- c) To investigate all possible similar nature cases where the Department may be getting disproportionate revenue against the consumption of electricity (sanctioned loads), resulting into revenue losses to the Department.

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ORDER

29. Based on the above, the representation/ appeal of the Appellant is disposed off with the following orders:

- 1) The CGRF order dated 07.03.2013 requiring the Appellant to pay the supplementary electricity bill for the period of two years prior to the checking of the electric connection on 21.12.2012, when it was noticed that the Multiplying Factor of (01) was being used instead of (20), while working out the electricity bill and amounting to Rs. 13,45,931/- is upheld
- 2) The payment of supplementary electricity bill is to be made in 12 equal monthly installments instead of 12 equal bi-monthly installments as ordered by CGRF order dated 07.03.2013, along with the payment of regular electricity bills, as the Electricity Department has already suffered a lot of revenue loss on account of very less billing for the period 2010 to 2012

Dated the 14<sup>th</sup> of August, 2013



(R. K. Kaul)  
Electricity Ombudsman for JERC  
for the State of Goa and UTS  
Mob: 9871588333

Ref. No. 1/27/2013-EO

Forwarded to:

1. Shri Rajeev Goyal,  
Prop of M/s RLCR-7  
Super Market  
SR. No. 7-A, Sector- 7C  
Madhya Marg, Chandigarh
2. Shri Subhash Chand Saini  
Addl. Superintending Engineer  
Electy. 'OP', Division No. 1  
Sector 17 E, Elect. Dept.  
UT Chandigarh- 160017.

The Respondent shall comply with the award/ order within 15 days of its receipt. Non- compliance shall constitute violation of JERC Regulations and may attract remedial action under Sections 142 and 146 read with Section 149 of the Electricity Act, 2003.

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Copy to:

1. The Secretary, Joint Electricity Regulatory Commission for the State of Goa and UTs.
2. The Finance Secretary, 4<sup>th</sup> floor, UT Secretariat, Sector-9, Chandigarh-160009
3. The Chairman, CGRF, Chandigarh

Copy also to:

1. Shri Balbir Singh, SDO, Electy. Department, 'OP' Sub- Diovn. No. 2, UT Chandigarh.
2. Shri Raj Kumar , Revenue Accountant, Sub- Division No. 2, Chandigarh.
3. Shri Yogesh, 602/ Sector-9, Panchkula

