

## BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

(Appointed by the Maharashtra Electricity Regulatory Commission  
under Section 42(6) of the Electricity Act, 2003)

### REPRESENTATION NO. 19 OF 2026

In the matter of underbilling due to non-availability of Y phase current to the meter

Infinity Medical Centre. .... Appellant  
(Cons. No. 202-000-313)

V/s.

Brihanmumbai Electric Supply & Transport Undertaking..... Respondent  
High Value Consumers (HVC) Department (BEST Undertaking)

Appearances:

Appellant: 1. Dr. Hemant Telkar, Director  
2. Vinod Shetty, Representative

Respondent: 1. Bains Gurucharan Singh, Divnl Engineer, HVC Department  
2. Shafiq M.S. Ansari, Assistant Engineer


**Coram: Vandana Krishna [IAS (Retd.)]**

Date of hearing: 18<sup>th</sup> March 2026 &  
27<sup>th</sup> March 2026

Date of Order : 2<sup>nd</sup> April 2026

### ORDER

This Representation was filed on 26<sup>th</sup> February 2026 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the Order dated 22<sup>nd</sup> December 2025 passed by the Consumer Grievance Redressal Forum, BEST Undertaking (the Forum) in Case No. HVC-529-2025. The Forum has partly allowed the grievance application of the Appellant. The operative part of the order is (re-worded) as under:

  
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*The Respondent is directed to recompute the assessment on account of slowness of the meter for the period of 52 days, from 23.11.2015 to 13.01.2016, and to furnish auditable calculations to the Complainant within 30 days. Any excess amount so determined shall be adjusted/refunded in the ensuing billing cycle.*

2. The Appellant has filed the present representation challenging the order of the Forum. The matter was first heard on 18.03.2026, as per the scheduled hearing, when the Respondent appeared in person; however, the Appellant remained absent due to a medical emergency at his medical centre. The Respondent was heard at length. Thereafter, a second hearing was held on 27.03.2026 to give an opportunity to the Appellant, wherein both the Appellant and the Respondent were present in person and were heard at length. The submissions and arguments of the Respondent are stated as under: *[The Electricity Ombudsman's observations and comments are recorded under 'Notes'.]*


- (i) The Appellant is a LT consumer. The particulars of the consumer and the details of the three amendment/assessment /supplementary bills are set out in Table 1.


Table 1:

Appellant	Consumer No.	Address	Sanct. Load	Date of Inspection	First Assessment Details	Second Assessment Details	Third Assessment Details
Infinity Medical Centre	202-000-313	Ground Floor, City Tower, Dr. S.S. Rao Road, Opp. Lalbaug Peninsula, Mumbai	149 KW	23.11.2015	Rs. 14,47,803/- (89,113 units) debited in Oct. 2023 bill for 31.07.2015 to 13.01.2016 due to meter slowness.	Rs. 5,89,051/- (36,913 units) debited in Feb/March 2024 bill for 09.11.2015 to 13.01.2016 as per MRI report (Y-phase CT missing).	Rs. 3,28,898/- (21,841 units) debited in Jan/Feb 2026 bill for 23.11.2015 to 13.01.2016 as per Forum's order

The Appellant is engaged in operating a diagnostic centre equipped with CT, MRI, X-ray, USG, PET-CT, SPECT, and PRRT therapy facilities.

- (ii) The Respondent inspected the premises of the Appellant on 23.11.2015. The old meter bearing No. T111667 was tested on the same day and was found to be under-recording energy consumption by 31.99%. During testing, it was observed that the CT/PT of the compact resin cast bank had found a flashover at the Y-phase terminal block, as a result

  
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of which the Y-phase voltage was not extended to the meter. The current and voltage measurements recorded during the testing are detailed in Table 2 below.

Table 2:


Current & Voltage Measurement	R Phase	Y Phase	B Phase
Current measured at incoming Supply (A)	106.9	103.2	103.4
Current on Meter Display (A)	106.9	103.2	103.4
Voltage measured at incoming supply (V)	231	235	234
Voltage on Meter Display (V)	231.4	0.6	235.5

- (iii) It was clearly observed that a current of 103.2 A was flowing in the Y-phase; however, the corresponding Y-phase voltage was found to be absent. The consumer's representative, Shri Sanjay Sonavane, was informed on-site regarding the under-recording of the meter, the applicable assessment procedure, and the proposed replacement of the meter. Thereafter, the defective CT-operated meter was replaced with a new meter bearing No. T112618, along with a new CT/PT resin cast bank, on 13.01.2016. *[Note: Had the meter been replaced immediately, instead of with a delay of almost 2 months, the supplementary bill due to 33 % under-recording could have been avoided.]*
- (iv) Accordingly, the amended assessment for the period from 31.07.2015 to 13.01.2016 was worked out to Rs. 14,47,803.01 (89,113 units) by applying the correction factor for meter slowness. The said amount was debited in the bill for October 2023.
- (v) Aggrieved by the said amendment, the Appellant submitted a letter dated 20.12.2023 raising a "Dispute regarding unjustified demand for debit adjustment amount of Rs.14,47,803.01." The Appellant also referred to an earlier recovery of Rs. 8,20,531.86 for the period from 01.11.2014 to 01.02.2015, which had already been paid.
- (vi) In response, the Respondent, vide letter dated 03.01.2024, explained the chronology of meter replacement as under:

  
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1. The old Meter No. T090880 was tested on 17.01.2015 and found to be 65.21% slow. It was replaced on 01.02.2015 by Meter No. T111667. The corresponding amendment for the faulty meter, amounting to Rs. 8,20,531.86 for the period from 01.11.2014 to 01.02.2015, was recovered in instalments and duly paid.
  2. During the pendency of the said instalment recovery, the second Meter No. T111667 was also observed to be under-recording consumption. It was tested on 23.11.2015 and it was found that the Y-phase CT secondary current was not extended, resulting in 31.99% under-recording of consumption.
- (vii) Subsequently, a meeting was held on 10.01.2024 in the chamber of DE (HVC) of the Respondent, wherein the details along with relevant documents were explained to the Appellant. The Appellant thereafter, vide letter dated 12.01.2024, reiterated the dispute regarding the amendment bill of Rs. 14,47,803/- (89,113 units) debited in October 2023. A detailed reply was issued on 23.01.2024 justifying the amendment and enclosing a copy of the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005, with specific reference to Clause 15.4.1.
- (viii) In view of the consumer's grievance, the case was reviewed. On examination of the meter event log and MRI data of the meter, as placed on record, it was observed that the Y-phase voltage was missing from 09.11.2015 till the date of meter replacement on 13.01.2016. *[Note: Apparently, the first bill of Rs.14.47 lakhs was calculated wrongly and excessively, without examining the MRI data. The Appellant recorded his grievance regarding the same during the hearing.]*
- (ix) Accordingly, a revised credit/debit adjustment was worked out for a period of two months, in accordance with the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees, including Power Quality) Regulations, 2021, with specific reference to Clause 16.4.1. This resulted in a net debit of Rs. 5,89,051.05, along with a corresponding credit of the earlier amendment amount of Rs. 14,47,803.01 to the consumer. The Appellant has subsequently paid the said debit amount of Rs. 5,89,051.05.
- (x) Not being satisfied, the Appellant filed a grievance application before the Forum on 30.10.2025, disputing the demand on the following grounds:

  
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- (a) The bills of the Appellant ought to be reconciled on the basis of the meter testing results for a maximum period of three months or from the date of last testing, whichever is earlier, as per the test report.
- (b) Billing in respect of a defective meter should be carried out in accordance with Clause 16.4.1 of the MERC (SOP) Regulations, 2021, i.e., billing in the event of a defective/stuck/stopped/burnt meter shall be restricted to a maximum period of three months prior to the month in which the dispute has arisen.
- (c) The demand is time-barred in view of the provisions of Section 56(2) of the Electricity Act, 2003.
- (xi) The Forum, vide order dated 22.12.2025, directed the Respondent to recompute the billing in accordance with Clause 16.4.1 of the MERC (SOP) Regulations, 2021 for a period of 52 days, i.e., from 23.11.2015 to 13.01.2016, and to refund the excess amount.
- (xii) In compliance with the said order, the Respondent has revised the calculation in terms of Regulation 16.4.1 of the MERC (SOP) Regulations, 2021 for the aforesaid period of 52 days. The principal assessment amount was revised to Rs. 3,28,898.38. No interest or penalty has been levied. Further, an amount of Rs. 10,480.26 towards refund of Delayed Payment Charges and Interest on Arrears has been worked out. Accordingly, amounts of Rs. 5,89,051.05 and Rs. 10,480.26 have been credited to the Appellant's account, while an amount of Rs. 3,28,898.38 has been debited. A copy of the calculation sheet is placed on record.
- (xiii) Aggrieved by the order of the Forum, the Appellant has filed the present representation on 26.02.2026. The Respondent's submissions in response to the issues raised in the Appellant's Representation are as under:
- (a) The Appellant has contended that Meter No. T111667 was found to be "OK" during testing at the laboratory. However, it is pertinent to note that due to a Flashover of CT bank, the Y-phase voltage was not extended to the meter, which resulted in under-recording of consumption by 1/3<sup>rd</sup>.
- (b) For high-load consumers, electricity cannot be passed directly through the meter due to safety and technical constraints. Therefore, CTs and PTs are used to step down the current and voltage. Any defect in these devices leads to incorrect signals

  
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to the meter and under-recording of consumption. In the present case, a faulty CT bank resulted in the meter not receiving Y phase voltage, as confirmed by site inspection and event logs.

- (xiv) Further, analysis of the consumption pattern for the period 2015–2016 indicates a noticeable reduction in recorded consumption from Nov. 2015 to Jan. 2016 as stated in Table 3 below:

Table 3:

Month	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Cons. (Units)	44520	46020	48180	45240	44220	41700	40140	35280	31200	29940	35520	43860

[Note: The reduction in consumption during Nov.2015 to January 2016 is not consistently to the extent of 33%, but approximately in the range of 12% to 33%.]


**Regarding limitation under Section 56(2) of the Electricity Act, 2003:**

- (xv) The Respondent relied upon a judgment dated 18.02.2020 of the Hon’ble Supreme Court, in *Assistant Engineer (DI), Ajmer Vidyut Vitran Nigam Ltd. v. Rahamatullah Khan* (2019) 6 SCC 401. The Judgment has held that:

*“9. Applying the aforesaid ratio to the facts of the present case, the licensee company raised an additional demand on 18.03.2014 for the period July, 2009 to September 2011. The licensee company discovered the mistake of billing under the wrong Tariff Code on 18.03.2014. The limitation period of two years under Section 56(2) had by then already expired.*

*Section 56(2) did not preclude the licensee company from raising an additional or supplementary demand after the expiry of the limitation period under Section 56(2) in the case of a mistake or bona fide error. It did not however, empower the licensee company to take recourse to the coercive measure of disconnection of electricity supply, for recovery of the additional demand. ....”*

- (xvi) The Respondent relied on the judgment of the Hon’ble Supreme Court dated 05.10.2021 in Civil Appeal No. 7235 of 2009 (M/s Prem Cottex vs. Uttar Haryana Bijli Vitran Nigam), to argue that since the Appellant consumed electricity, he is liable to pay the assessed amount, treating the present case as one of escaped billing. The Respondent further contends that Section 56(2) of the Electricity Act, 2003 does not apply as the Appellant continued to consume electricity. It has been further held that

  
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what is barred under Section 56(2) is only the disconnection of electricity supply after the stipulated period, and not the recovery of dues lawfully payable.


In the above Judgment, the assessment period for escaped billing is applied for about three years. In the instant case, the Respondent has issued a supplementary bill for the period from 09.11.2015 to 13.01.2016 as per event reported in MRI report.

- (xvii) The Appellant has also contended that billing in the case of a defective meter should be carried out in accordance with Clause 16.4.1 of the MERC (SOP) Regulations, 2021, limiting the assessment to a period of three months. In the present case, the billing has in fact been restricted to 52 days, strictly in compliance with the said provision.

#### **ADDITIONAL SUBMISSION**

- (xxv) The Respondent by email dated 20.03.2026 has submitted an additional submission. The same is produced as below;

- (a) **First Occurrence:** Meter No. T090880, installed on 12.07.2013, was found 65.21% slow during testing on 17.01.2015 due to CT flashover caused by water leakage and was replaced on 01.02.2015 by Meter No. T111667. An assessment of ₹8,20,531.86/- for the period 01.11.2014 to 01.02.2015 was raised and subsequently paid by the consumer in instalments upon request.
- (b) **Second Occurrence:** Thereafter, due to a drop in consumption, Meter No. T111667 was tested on 23.11.2015 and found 31.99% slow owing to missing Y-phase voltage caused by CT flashover. It was replaced on 13.01.2016 by Meter No. T112618.
- (c) **Third Occurrence:** This meter was found defective (no display/MRI) on 04.05.2016 and replaced on 27.05.2016 by Meter No. T112291, which worked satisfactorily. It was later replaced by Meter No. T170084 on 15.06.2019 under load extension and is presently in service.
- (d) The diagnostic centre is equipped with sensitive machinery such as CT, MRI, X-ray, USG, PET-CT, SPECT and PRRT therapy systems, which require proper load balancing, adequate voltage stabilization, an automatic power factor correction panel, harmonic control, and a well-ventilated meter room with a cooling fan. Under normal operating conditions, with a load current of around 100 A, the

  
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neutral current should be minimal; however, during testing on 23.11.2015, the neutral current was found to be 22.2 A, which is abnormal. The Appellant is, therefore, advised to maintain and operate the electrical installations in accordance with the prescribed standards of performance.

(e) Further, the circumstances indicate that the flashover was prima facie attributable to the Appellant's installation conditions; hence, the Appellant has not approached this authority with clean hands.

(xxvi) In view of the above, the Respondent prays that the present Representation filed by the Appellant be dismissed.


3. The Appellant's submissions and arguments are stated as below.

(i) The Appellant is a commercial consumer (Consumer No. 202-000-313) operating a diagnostic centre equipped with CT, MRI, X-ray, USG, PET-CT, SPECT and PRRT therapy facilities, headed by Dr. Hemant Telkar, CEO. The consumer details are set out in Table 1. The Appellant has been regular and prompt in the payment of monthly electricity bills.

(ii) The Respondent carried out an inspection on 23.11.2015, which was unilateral. The observations recorded therein merely indicate non-display of Y-phase voltage on the meter; however, no conclusive evidence has been placed on record to establish that such non-display resulted in under-recording of consumption to the extent alleged. The old meter (No. T111667) was replaced by a new meter (No. T112618) only on 13.01.2016, i.e., after a delay of about three weeks, despite the Appellant being a high-value consumer.

(iii) **The Appellant's meter was tested in 2019 and 2020; however, at no point did the Respondent inform the Appellant that any debit assessment was pending.**

(iv) **After a lapse of 8 years and 284 days, the Appellant received a letter dated 11.10.2023 raising a debit assessment of Rs. 14,47,803/- for the period from 31.07.2015 to 13.01.2016 on account of alleged meter slowness.**

  
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- (v) The Appellant has disputed the said debit adjustment as unjustified through letters dated 20.12.2023, 12.01.2024, 28.03.2024, 25.06.2024, and 01.01.2025. The explanations furnished by the Respondent vide letters dated 03.01.2024, 23.01.2024, 19.03.2024, 10.04.2024, and 04.07.2024 are incorrect and unsatisfactory.
- (vi) The Appellant filed an application under the Right to Information Act on 05.05.2024. The Public Information Officer informed that Meter No. T111667 was found “OK” as per the test results. In view of this, it is not understood on what basis the Respondent has subsequently treated the meter as faulty.
- (vii) The Appellant referred Regulation 15.6 of the MERC Supply Code & SoP Regulations, 2021 which states as below:

**Testing of Defective Meter**

*15.6.1. The Distribution Licensee shall have the right to test any meter and related apparatus at any time if there is a reasonable doubt about accuracy of the meter.*

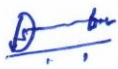
*15.6.2. The Consumer may, upon payment of such testing charges as may be approved by the Commission under Schedule of Charges can request the Distribution Licensee to test the accuracy of the meter by applying to the Distribution Licensee:*

*Provided that the Distribution Licensee may get the meter tested at its own laboratory or any other facility as may be approved by the Commission:*

*Provided further that if a Consumer disputes the results of testing carried out by the Distribution Licensee, the meter shall be tested at a National Accreditation Board for Testing and Calibration Laboratory (NABL) accredited laboratory chosen by the Consumer at the cost of the Consumer:*

*Provided further that in case of testing on the Consumer's request, if the meter is found to be beyond the limits of accuracy prescribed in the Central Electricity Authority (Installation & Operation of Meters) Regulations, 2006 as amended from time to time, the Distribution Licensee shall refund the test fee along with interest for the period the fees has been held by the Distribution Licensee, at a rate equivalent to the Bank Rate of the Reserve Bank of India to the Consumer by adjustment in the subsequent bill:*

*Provided further that the bills of the consumers shall be reconciled based on the meter testing results for a maximum period of three (3) months or from the date of last testing, whichever is shorter, on the basis of the test report.*

  
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*[Note: The proviso reads as follows: "Provided further that the bills of the consumers shall be reconciled based on the meter testing results for a maximum period of six (6) months or from the date of last testing, whichever is shorter, on the basis of the test report." Thus, the applicable period is six months and not three months, as per the Supply Code and SoP Regulations, 2021.]*

- (viii) The Appellant has also relied upon Regulation 16.4.1 of the Supply Code and SoP Regulations, 2021 in support of his submissions and has contended that the Respondent failed to produce the test report along with the assessment.
- (ix) The Appellant referred the Section 56(2) of the Electricity Act, 2003 (the Act), contending that any electricity dues are not recoverable after two years from the date they first became due, unless such dues were continuously shown as arrears. In view of the above statutory provision, the Appellant contends that any demand pertaining to a period beyond two years is not legally recoverable by the distribution licensee.
- (x) The Appellant paid debit bill assessment of Rs. 5,89,051.05 on 25.06.2024 under protest.
- (xi) Being aggrieved by the arbitrary assessment, the Appellant filed a grievance before the Forum on 30.10.2025. The Forum partly allowed the grievance and directed the Respondent to recompute the assessment for meter slowness for 52 days, i.e., from 23.11.2015 to 13.01.2016, and to furnish auditable calculations within 30 days, with any excess amount to be adjusted/refunded in the subsequent billing cycle. However, **the Forum failed to appreciate that the assessment is time-barred under Section 56(2) of the Electricity Act, 2003.**
- (xii) In view of the above, the Appellant prays that the Respondent be directed to refund the amount of Rs. 5,89,051.05, along with applicable interest, which was paid under protest.

### **Analysis and Ruling**

4. Heard the parties and perused the documents on record. The Appellant is engaged in operating a diagnostic centre. The date of inspection, details of the missing Y phase voltage,

  
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and retrospective recoveries, amendments with corresponding recovery periods are summarized in Table 1.


5. The Respondent inspected the Appellant’s installation on 23.11.2015 and observed that the “Y Phase Voltage” was missing on the meter display. It was noted that the said phase voltage was not extended to the meter terminal due to flashover in the CT/PT metering unit. Accordingly, the meter was tested and it was found that it was under-recording energy consumption by 31.99%. The MRI data further confirmed that the “Y Phase Voltage” was not extended to the meter during the relevant period. The relevant extract of the meter event log is reproduced below:


Table 4:

Analysis of Meter Event Log						
<b>Meter No.: 000172667</b> <b>Departmental Meter No.: T111667</b>	<b>Meter Read : 04.12.2015:11.32.25</b>					
Time of Event	Voltages (V)			CT secondary Currents (A)		
	A	B	C	A	B	C
09/11/2015: 16:37:55	234.9	0.6	237.2	2.23	1.76	1.87
.....	...	...	....	.....	.....	....
02/12/2025: 15.26:07	228.7	0.6	233.4	2.59	2.10	2.24
.....	...	...	....	.....	.....	....

The Respondent retrieved the meter data on 04.12.2015 at 11:32:25 and was aware that the “Y Phase Voltage” was not extended to the meter from 09.11.2015 at 16:37:55. The under-recording of approximately one-third of consumption was attributable to the said condition and not due to any inherent defect in the meter. Therefore, the assessment ought to have been confined to the period from 09.11.2015 till the date of meter replacement. However, a simple issue was unnecessarily made complicated by the Respondent. It is notable that the delay in meter replacement / rectification of under-recording unnecessarily led to the burden of Rs.5.89 lakh assessment to the consumer.

6. The initial dispute pertains to a supplementary assessment initially raised in October 2023 for Rs.14,47,803.01 for the period 31.07.2015 to 13.01.2016 on account of alleged meter

  
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slowness. Later the Respondent admitted that this amount was incorrect and inflated, and revised it to Rs. 5.89 lakh, indicating a complete lack of competence and reliability regarding its first calculations and demand. The Respondent contends that the meter was slow due to a faulty CT bank resulting in under-recording of consumption, which was later revised in stages and ultimately restricted to Rs.3,28,898.38 in compliance with the order of the Forum.

7. So far as the issue of 'defective' meter is concerned, the Judgment dated 18.12.2018 of the Hon'ble Bombay High Court, Bench at Aurangabad, in W.P. No. 8613 of 2017 is squarely applicable to the present case. The relevant extract of the said Judgment is reproduced below:

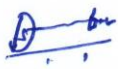
*“33 it is therefore, obvious in the present case that there was nothing intrinsically wrong with the meter. As under-recording of electricity consumed was associated with the act of the electrician in wrongly attaching the wires to the R, Y & B phases. I am, therefore, of the view that such a wrong attachment of wiring by the electrician would not amount to a defect in the meter. Consequentially, due to the under recording of the meter, the Appellant has consumed such energy as was normally required to be consumed and the Petitioner has lost the revenue for such under recording.*

*34. Clause 3.4.4 of the Regulations, 2005 enables the Petitioner to recover the charges for the electricity actually supplied, which would include a fixed charge as per the prescribed rates. The Appellant, therefore, has to pay full charges for the electricity actually consumed.*

*35. In the Municipal Corporation case (supra), this court has sustained the supplementary bill raised by the Electricity Company and this Court has upheld the recovery of the amount mentioned in the supplementary bill.”*

8. This Judgment was applicable in the instant case. Y Phase Voltage (middle phase) was not extended to the meter due to flashover of CT PT units for the period from 09/11/2015: 16:37:55 to 13.01.2026.

9. Coming to the core of the grievance, the Appellant has challenged the legality of the assessment on the grounds that the demand is **time-barred under Section 56(2) of the Electricity Act, 2003**, and suffers from lack of transparency and deficiency in service.

  
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10. The following Issues are framed for consideration:

- Issue I: Whether the supplementary assessment raised after a lapse of more than eight years is legally sustainable in view of Section 56(2) of the Electricity Act, 2003;
- Issue II: Whether there is deficiency in service on the part of the Respondent;
- Issue III: Whether the Appellant is entitled to refund of the amount paid under protest.

It is undisputed that the alleged under-recording pertains to the period 2015–2016, whereas the first supplementary demand was raised only in October 2023, after more than eight years.

The Section 56 (2) of the Electricity Act, 2003 is reproduced below:


*“(2) Notwithstanding anything contained in any other law for the time being in force, 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 supplied and the licensee shall not cut off the supply of the electricity.”*

Section 56(2) of the Electricity Act, 2003 mandates that no sum shall be recoverable after two years from the date it becomes first due, unless such amount is shown continuously as recoverable in the bills. In the present case, the Respondent has failed to demonstrate that the alleged arrears were ever reflected as recoverable in the intervening bills. On the contrary, the record indicates that:

- Regular bills were issued without any arrears;
- The meter was tested in 2019 without raising any discrepancy;
- The demand was raised for the first time in October 2023.

This Section 56 (2) of the Act has been interpreted by the Larger Bench Judgment dated 12.03.2019 of the Bombay High Court in W.P. No. 10764 of 2011 with Other Writ Petitions. The Court has allowed 24 months’ recovery retrospectively in cases of mistake or oversight. **The two years period is more than sufficient to take corrective action. However, the Respondent failed to do so.**

The Respondent has relied upon the judgments of the Hon’ble Supreme Court in *Assistant Engineer (D1), Ajmer Vidyut Vitran Nigam Ltd. v. Rahamatullah Khan and M/s Prem*

  
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*Cottex v. Uttar Haryana Bijli Vitran Nigam Ltd.* to contend that recovery is permissible even after two years. However, the said judgments do not come to the aid of the Respondent in the facts of the present case. The protection under Section 56(2) cannot be diluted where the licensee has failed to raise the demand within a reasonable time and has not shown the dues as continuously recoverable. The inordinate delay of more than eight years, without any disclosure to the consumer, defeats the very purpose of the statutory provision.


The conduct of the Respondent establishes deficiency in service, inter alia, due to:

- Delay in raising the demand;
- Non-disclosure of alleged arrears in bills;
- Hugely inflated and wrong first demand of Rs.14.47 lakhs, leading to unnecessary harassment of the consumer;
- Delay in replacing the meter;
- Failure to furnish relevant reports at the material time.

Further, failure to periodically analyze MRI data resulted in delayed detection of the issue. Given that there had been 3 instances of meter slowness / no display during 2015 and 2016, the Respondent should have been particularly careful in checking the meter's accuracy in subsequent years from 2016 onwards. The Appellant has been a regular bill-paying consumer, and such belated demands cause undue financial burden, harassment and uncertainty, which is contrary to principles of fairness and transparency. Though the Forum restricted the assessment to 52 days, it failed to consider the bar of limitation under Section 56(2), which goes to the root of the matter. The Issues I, II & III are answered accordingly.

Table 5:

<b>Issue</b>	<b>Particulars</b>	<b>Answer</b>
Issue I	Whether the supplementary assessment raised after a lapse of more than eight years is legally sustainable in view of Section 56(2) of the Electricity Act, 2003;	Negative
Issue II	Whether there is deficiency in service on the part of the Respondent;	Affirmative
Issue III	Whether the Appellant is entitled to refund of the amount paid under protest.	Affirmative

  
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11. The Representation filed by the Appellant is allowed. The order of the Forum dated 22.12.2025 is set aside. The supplementary/debit assessment of Rs.3,28,898.38 (and earlier related assessments) raised by the Respondent is hereby set aside. The Respondent is directed to

- (i) Refund the amount of Rs. 5,89,051.05, paid by the Appellant under protest, along with applicable interest as per RBI rate as per relevant regulations. The refund shall be effected within 60 days from the date of this Order.
- (ii) Compliance to be submitted within two months from the date of issue of this order.
- (iii) Other prayers of the Appellant are rejected.

12. The Representation is disposed of accordingly.

13. While parting with this order, the Appellant is advised to maintain and operate the electrical installations in his premises in strict compliance with prescribed standards and safety norms, particularly in respect of load management, voltage stabilization, and installation of APFC panel, harmonic control and allied safeguards required for sensitive medical equipment. The neutral current of 22.2 A recorded on 23.11.2015, against a load of around 100 A, being abnormal, shall be duly addressed to prevent recurrence.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman (Mumbai)

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

