

**BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)**

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

REPRESENTATION NO. 42 OF 2024

In the matter of recovery of arrears of PD consumer

Lata Sahadev Ganekar (Occupier)..... Appellant  
(Sahadev Malu Ganekar: Original Consumer No.000025194811)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Thane 1(MSEDCL) .... Respondent

Appearances:

Appellant : Smt. Lata S. Ganekar

Respondent : Anand Rathod, Addl. Ex. Engineer, Gadkari Sub-Dn. Thane

**Coram: Vandana Krishna [I.A.S.(Retd.)]**

Date of hearing: 6<sup>th</sup> & 7<sup>th</sup> March 2024

Date of Order : 12<sup>th</sup> March 2024

**ORDER**

This Representation was filed on 31<sup>st</sup> January 2024 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 2<sup>nd</sup> November 2023 in Case No.108 of 2022-23 passed by the Consumer Grievance Redressal Forum, MSEDCL, Bhandup (the Forum). The Forum dismissed the grievance application.

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2. The Appellant has filed this Representation against the Forum's order dated 2<sup>nd</sup> Nov. 2023. The hearing was held on 6<sup>th</sup> & 7<sup>th</sup> March 2024 for the Respondent and Appellant respectively. Both the parties were heard at length. The Respondent filed its reply on 14<sup>th</sup> Feb. 2024. For easy understanding, the Respondent's submissions and arguments are stated first as below:

- (i) The Appellant's late husband, Sahadev Malu Ganekar was a Residential Consumer (No. 000025194811) from 16.03.2000 at Room No.1 Chawl No.20, Kamgar Hospital Road, Ramchandra Nagar 2, Thane (West). The said supply was permanently disconnected on 9.01.2010 for non-payment of outstanding dues of about Rs. 97,830/-. The Appellant paid Rs.20,000/- on 02.12.2016. However, he did not pay the balance amount of Rs.77,830/- and other payments as per the Amnesty Scheme.
- (ii) In Jan. 2022, this Consumer (No. 000025194811) was found in arrears of Rs. 2,57,620/- with principal amount of Rs. 77,830/- and interest of Rs. 1,79,790/-.
- (iii) The Corporate Office of MSEDCL has issued guidelines dated 06.07.2013 to its officers in which it is clearly stated that: -

*"Point No 4: In premises of any PD consumer in arrears, if there' is other live connection of same PD consumer or of his legal successor found, then entire PD arrears with interest & DPC should be diverted on such live connection.*

*Point No 6: If any PD consumer in arrears is having any live electricity connection in same or other subdivision, division, circle 'or zone, then the entire PD arrears with interest and DPC should be diverted on said live connection of same PD consumer."*

- (iv) A Special PD Recovery Drive was arranged as per directions of higher authorities in the first quarter of 2022. The consumer's premises were checked physically in Jan. 2022, and it was found that there were another 3 live consumers at Room No.1 Chawl No.20, Ramchandra Nagar 2, Thane. The premises had been partitioned and subdivided, and sold to relatives as tabulated below. However their address continued to be "Room No.1, Chawl No.20." [Note: During the hearing, the Appellant stated that these premises were sold to her parents.]



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Description	Name	Consumer No.	Address	Status	Amount (Rs.)
Main Resi.Consumer	Sahadev Malu Ganekar ( Lata Sahadev Ganekar Occupier)	000025194811	Chawl No.20, Ramchandra Nagar 2, Thane	PD on 09.01.2010	2,57,620
Residential Live Consumers at present	Mrs. Usha Dattaram Wagalekar	000010598079	Chawl No.20, Room No. 1, Ramchandra Nagar 2, Thane	New Service connection from 24.03.2011	85,870
	Dattaram M. Wagalekar	000028057580	Chawl No.20, Ramchandra Nagar 2, Thane(W)	New Service connection from 07.01.2010	85,880
	Dattaram Mahadeo Wagalekar	000010598010	Chawl No.20, Room No. 1, Ramchandra Nagar 2, Thane	New Service connection from 07.01.2010	85,870
<b>Note:</b>	1.Oustanding Dues of Rs. 2,57,620/- ( Rs.77,830/-Principal Amount + Rs. 1,79,790/- Interest) were transferred & distributed among the above three live consumers.				


(v) As per the inspection report of “PD consumers verification of Section Office” of the Respondent in Jan. 2022, the said PD arrears of Rs. 2,48,280/- of Sahadev Malu Ganekar (Con No. 000025194811) were transferred to:-

- Mrs. Usha Dattaram Wagalekar Con. No. 000010598079
- Mr. Dattaram M. Wagalekar Con. No. 000028057580 &
- Mr. Dattaram Mahadeo Wagalekar Con. No. 000010598010 respectively

The amount was transferred & distributed equally among the above three live consumers after approval from Head office.

(vi) The Respondent by its letter dated 15.02.2022 requested these consumers, Usha Dattaram Wagalekar and Dattaram M. Wagalekar to pay these outstanding dues of Rs.82,760/- each.

(vii) “The Vilasrao Deshmukh PD Amnesty Scheme” was applicable from Jan. 2022 to all categories of PD consumers, (except agriculture consumers). Consumers availing the scheme would be given 100 percent waiver of interest & delayed payment charges. For

  
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paying the arrears in one installment, high tension PD consumers and low-tension PD consumers were given an additional rebate of 5 % and 10 % respectively.

- (viii) After receipt of these bills, Sahadev Malu Ganekar (who later expired) requested to give him the benefit of the on-going “Vilasrao Deshmukh Amnesty Scheme,” and he was ready to pay the principal amount of arrears without interest. **Accordingly, the Respondent, Gadkari Sub-Dn. prepared a proposal and sent it to the Head office vide letter dated 11.03.2022 for reverting the amounts which were already transferred to the live consumers as shown in Table 1, but the competent authority has not approved this proposal till date.** [Note: The reasons for this delay have not been explained.]
- (ix) Afterwards, these live consumers refused to pay the transferred amount. In the meantime, the Appellant filed a grievance application in the Forum on 03.10.2022. The Forum, by its order dated 02.11.2023 dismissed the grievance application. The Forum by its order has already considered and addressed all issues and passed a reasoned order; therefore, it needs no interference.
- (x) The Respondent has unilaterally offered a 50% interest waiver as per powers delegated to field offices and requested to pay Rs. 1,67,725/- [principal amount of Rs. Rs.77,830/- and 50% of interest of Rs.1,79,790/- i.e. Rs.89, 895/-.
- (xi) Hence, the Respondent prays that the representation of the Appellant be rejected, and she be directed to pay the outstanding dues of Rs. 1,67,725/- immediately.

3. The Appellant’s written submissions and arguments are as below: -

- (i) The Appellant is the wife of late Sahadev Malu Ganekar. Her husband has expired and hence she is the owner of this premises at present.
- (ii) Sahadev Malu Ganekar has an electric connection in his name having consumer no. 000025194811 from 16.03.2000 at Chawl No.20, Ramchandra Nagar 2, Thane (West). He was billed for an excessive amount, so he had lodged a complaint of excess bill by his letter dated 16.08.2009 and requested to revise the bill; however, there was no response. After that, the said electric supply was

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permanently disconnected on 09.01.2010 by the Respondent. The arrears of the connection were about Rs.1,07,830/-.

- (iii) This property is basically a chawl, originally it was one room which was divided into seven rooms. Out of these seven rooms, three rooms were sold to her father, Shri Dattaram M. Wagalekar and mother, Mrs. Usha Dattaram Wagalekar at a reasonable cost. This transfer of property was in the interest of family commitments.
- (iv) The Appellant's parents applied for new connections for residential use, and their connections were sanctioned and released as shown in Table 1.
- (v) Sahadev Malu Ganekar, by his letter dated 19.08.2016 had requested the Respondent to revise the high bill, and he was ready to pay the outstanding dues as per the Amnesty Scheme in force. The Respondent by its letter dated 01.11.2016 informed him that there were outstanding dues of Rs. 1,14,291.06 and informed him details of the amnesty scheme of Abhay Yojana for PD consumers. Sahadev Malu Ganekar paid Rs. 20,000/- on 02.12.2016. However, he did not pay the remaining installments, as the excessive bill was not revised.
- (vi) The Respondent visited the premises of the Appellant in Jan. 2022 and issued the PD bill of outstanding dues of Rs. 2,57,620/- (Rs.77,830/-Principal Amount + Rs. 1,79,790/- Interest).
- (vii) The Appellant, by her letter dated 03.06.2022 has expressed her willingness to pay the principal amount of Rs. 77,830/- under the Late Vilasrao Deshmukh Amnesty Scheme. Accordingly, the Respondent, Gadkari Sub Dn. sent a proposal to their corporate office; however, the necessary approval was not received till date.
- (viii) The Appellant filed a grievance application in the Forum on 03.10.2022. The Forum by its order dated 02.11.2023 dismissed the grievance application. The Forum did not understand that the original bill was excessive and was not revised.
- (ix) The Appellant is a widow who has a limited source of income. The Appellant is ready to pay the principal amount as and when it is permitted. In the

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circumstances, the Appellant prays that she be allowed to pay Rs. 77,830/- towards Principal Amount, and the interest amount of Rs. 1,79,790/- be waived off.

### **Analysis and Ruling**

4. Heard the parties and perused the documents on record. The Appellant's husband, late Sahadev Malu Ganekar was a Residential Consumer (No. 000025194811) from 16.03.2000 at Room No.1 Chawl No.20, Ramchandra Nagar 2, Thane (West). The said supply was permanently disconnected on 9.01.2010 for non-payment of outstanding dues of about Rs.97,830/-. The Appellant has paid Rs. 20,000/- on 02.12.2016. However, he did not pay the balance amount of Rs. 77,830/- and other payments as per the Amnesty Scheme which was available at that time.

5. The Respondent inspected the premises of the Appellant in Jan. 2022 when it was found that this Consumer (No. 000025194811) was in arrears of Rs.2,57,620/- with principal amount of Rs. 77,830/- and accumulated interest of Rs. 1,79,790/-. The Appellant has sold a part of this premises to her parents, Usha & Dattaram Wagalekar who have taken new residential connections in 2010 and 2011. The Respondent transferred & distributed these outstanding dues (Rs. 85,870/-, 85,880/-, 85,870/-) to the three live consumers as shown in Table 1.

6. The Appellant contended that he was billed excessive in the year 2009/10 which resulted in accumulated arrears. The bills were not revised. However the Appellant has not shown how the bills were excessive. The Appellant has also contended that, vide her letter dated 03.06.2022 when the Vilasrao Deshmukh Amnesty Scheme was in force, she had expressed her willingness to pay the principal amount under this scheme. However, for unknown reasons, the Head Office did not grant approval. Considering the present circumstances, the Appellant is ready to pay the principal amount immediately.

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7. Considering various submissions of the parties, the following issue is framed for determination of the case.

- **Issue:** Whether the MSEDCL is within its legal rights to recover the outstanding dues of a permanently disconnected Consumer No.000025194811 after 14 years?

The answer is in the AFFIRMATIVE.

- The Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 came in force from 25.02.2021. The regulation relating to old outstanding dues of permanent connection (PD cases) is reproduced below:

*16. Billing .....*

*16.9.2. No sum due from any Consumer shall be recoverable after the period of Two (2) 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 as per Section 56 (2) of the Act **except for permanently disconnected Consumer.** ....  
**(Emphasis added)***

*16.9.3. In case of premises which are permanently disconnected or demolished for reconstruction, the liability of the arrears, if any, shall be passed on to the owners / occupier.”*

It is clear from the above provision that the Respondent is entitled to recover arrears even beyond 2 years, in the case of a PD consumer.

8. However, an important fact, which has not been denied by the Respondent, is that while the Vilasrao Deshmukh Amnesty Scheme was still in force, the Appellant had applied to get the benefit of this scheme. Though this scheme is no longer applicable, it is not the fault of the Appellant that she was, for no valid reasons, denied the benefit of this scheme. Considering

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the various developments of the case, we are of in the opinion that the Appellant deserves substantial benefit for reduction of the interest amount. Therefore, we direct that only 10% of the interest be recovered from her, in addition to the principal amount. The principal arrears be recovered in toto, however only 10 % of total interest of Rs. 1,79,790/- i.e., Rs. 17,979/- should be recovered.

9. The Forum's order is modified to the above extent.

10. We would also like to express our displeasure regarding the Respondent's action in this case. The main consumer, Sahadev Malu Ganekar (no.000025194811) was made PD on 09.01.2010 for non-payment of arrears of about Rs. 1.07 lakhs. In these circumstances, there was no reason to give three new connections in the same premises, two connections on 07.01.2010, just two days before the main connection was made PD, and the third connection on 24.03.2011.

Secondly, it is not clear why the three new connections were released for the same address i.e. Room No.1, Chawl No. 20 even though the Respondent itself states that it is their policy to give only one connection for one premise.

Thirdly, even though the Appellant had applied for benefit under the Vilasrao Deshmukh Amnesty Scheme, the Respondent neither granted her that benefit, nor bothered to reply to her. Henceforth, the Respondent should take care not to repeat such mistakes.

11. In view of the above, the Respondent is directed:

- a) to issue a Demand Notice on the original connection no.000025194811 of only Rs.95,809 (=77,830/- + 17,979/) which the Appellant has to pay in full immediately.
- b) to withdraw the transferred dues on to the other three live consumers as tabulated in Table 1 along with interest and delayed payment charges, after the above payment has been made.
- c) If the Appellant fails to pay the same, the Respondent has liberty to act as per the rules and regulations in force.

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- d) Compliance to be submitted within two months from the date of issue of this order.
- e) Other prayers of the Appellant are rejected.

12. The Representation is disposed of in terms of this order.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman (Mumbai)



(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

