

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 96 of 2025

In the matter of change of tariff category and billing

Rajesh Shankardayal Kalwar Appellant
(C.No. 026770003961)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Panvel Rural Respondent
(MSEDCL)

Appearances

Appellant : Rajesh Shankardayal Kalwar

Respondent : 1. Umesh Chavan, Executive Engineer, Nodal Officer, Pen Circle
2. V. M. Shinde, Executive Engineer, Panvel (R) Dn.
3. Chandrakant Kendre, Dy. Executive Engineer, Karjat S/dn.

Coram: Vandana Krishna [IAS (Retd.)]

Date of hearing: 29th October 2025

Date of Order : 18th November 2025

ORDER

This Representation was registered on 26th September 2025 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the order dated 30th July 2025 in Case No. 34 of 2025 passed by the Consumer Grievance Redressal Forum, Kalyan (the Forum).


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The Forum, by its order dated 30.07.2025 rejected the grievance application. The Forum observed that as per the inspection dated 24.01.2023, the Respondent claimed that only one 3-phase meter (Consumer No. 026770003961) existed and was being used for residential purpose instead of Agricultural, and therefore proposed a tariff change under Section 126 of the Electricity Act, 2003. However, no assessment or procedure under Section 126 was ever initiated, and only the tariff category was changed arbitrarily. The Forum noted that a new single-phase residential connection (Consumer No. 026771434541) was released on 26.04.2023, and inferred that the Appellant was aware of alleged non-agricultural use. Further, one more 3-phase residential connection (Consumer No. 026778008547) was released on 28.04.2025 despite:

1. Two existing active connections at the same premises
2. Arrears pending on the first connection
3. The matter being sub-judice before the Forum since 18.03.2025

The Forum also observed that although the Appellant claimed agricultural usage, he allegedly failed to clarify certain aspects, including:

- (1) Construction and operation of a multistoried resort “Kalwars Millennial Park” with amenities on the premises,
- (2) Whether the Agricultural supply was used during construction,
- (3) The reason for obtaining a new residential connection immediately after the January 2023 inspection,
- (4) The reason for obtaining another residential connection in April 2025 despite the ongoing dispute,
- (5) Why additional connections were required if the primary use was agricultural, and
- (6) The delay of more than two years in approaching the Forum.

2. Aggrieved by the Forum’s order, the Appellant has filed the present Representation. A physical/e-hearing was conducted on 29th October 2025, wherein the Appellant appeared in person


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and the Respondent participated through video conference. Both parties were heard at length. The Respondent's submissions and arguments are as below. [*The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.*]

- (i) The Appellant runs a homestay / resort in Karjat, and has been classified as a Residential Consumer since 22.01.2023. Details of the electricity connection are shown in Table—1 below.

Table 1

Name of Consumer	Consumer No.	Address on Bill	Sanctioned load	Date of Supply	Tariff Category
Rajesh Shankardayal Kalwar	026770003961	45, Jayashree Niwas, Nana Mastar Nagar, Karjat, Tal Karjat, Dist Raigad, Pincode: 410201	1.49 KW	22.01.2013	Agricultural from date of supply to Dec. 2022 & Residential from Jan.2023 onwards.

The area of the Resort is about 1.5 acres.

Originally, the Appellant had taken the electricity connection for agriculture purpose, and was billed under the Agricultural Tariff category from 22.01.2013. The range of bills was around Rs. 1,500/- to 2,000/- p.m. However, currently the electricity supply has been used for a homestay/resort activity named “Kalwar Millennial Park.” Accordingly, **the tariff category of the Appellant was changed from Agricultural to Residential from January 2023.** The bills increased to about Rs. 3000/- p.m. At present, the Appellant is billed under residential tariff category.

Preliminary Submissions:

- (ii) The Tariff Category was changed from Agricultural to Residential in January 2023. The Appellant filed a grievance before the Forum only on 18.03.2025 i.e., after a lapse of more than two (2) years from the date of tariff change. The grievance is barred by limitations under Regulation 7.8 of the CGRF & EO Regulations, 2020, which provides:


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“The Forum shall not admit any Grievance unless it is filed within two (2) years from the date on which the cause of action has arisen.”

Submissions on Merits

- (iii) The Appellant was being billed under the Agricultural Tariff Category from the date of supply i.e., 22.01.2013 onwards. The Asst. Engineer, Dahivali-II (Karjat Subdivision) of the Respondent inspected the premises of the Appellant on 24.01.2023 and found that only one 3-phase meter (Consumer No. 026770003961) was installed. The connected load was found to be 64 LED lights, 4 focus lights, 4 air-conditioners, 1 bore-well pump of 3 HP, 1 computer, 1 washing machine, 1 mixer, electric swimming pool water filter appliances and other load typically used for resorts. This meter was being used for residential or **homestay commercial activities**, but the billing continued under the lower agricultural tariff. As per Consumer Personal Ledger (CPL), **no bill payments were made from January 2018 onwards. The outstanding dues increased to ₹10,613/- in April 2021.**

This inspection confirmed that this was unauthorized use of electricity as per Section 126 of the Electricity Act, 2003, and therefore the tariff category needed to be corrected. Without imposing any punitive assessment or action under Section 126 and to avoid further recovery, the Respondent changed the tariff category from Agricultural to Residential from January 2023 based on actual usage. The Appellant then paid an electricity bill of ₹29,640/- on 20.03.2023.

- (iv) The Appellant applied for a new single-phase residential electricity connection for his personal use, which was released on 26.04.2023 under Consumer No. 026771434541.
- (v) Meter reading personnel frequently face non-cooperation and restricted access due to dogs kept by the Appellant. Therefore, billing of the Appellant was done on average basis. The bills were revised appropriately, and fed to the system.
- (vi) It is an undisputed fact that the Appellant has constructed a multi-storied resort building **(ground plus four floors) with a swimming pool** and other commercial amenities on the said premises, under the name “Kalwar Millennial Park.” The property is widely known


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and available for booking on various travel websites such as Make My Trip, KarjatStay.com, Booking.com, Goibibo.com, Agoda.com, etc., with rental rates ranging approximately from ₹2,250 to ₹3,100 per day. The resort is promoted as a budget hotel and event destination for groups, couples, and those seeking scenic nature views along with a grand swimming pool.

- (vii) The Appellant has been irregular in paying electricity bills and has frequently been in arrears. Due to non-payment of bills, the electricity supply was disconnected only after issuing proper notice on the registered mobile number. The supply was disconnected (for one day) on 20.02.2025 and was restored upon part payment on 21.02.2025. The Respondent has retained proof of disconnection notice issued previously as per Section 56(1) of the Act, as SMS alerts were sent to the registered mobile number 9850177878 on 30.01.2025 at 14:18 hrs. and again on 03.02.2025 at 14:19 hrs., both of which were successfully delivered as shown in the SMS log report.
- (viii) The Appellant raised a grievance in Lokshahi Din on 12.02.2025 seeking restoration of the Agricultural tariff category. However, during a fresh inspection conducted on 26.02.2025, it was again observed that the premises continued to be used for commercial purposes. This confirms the ongoing misuse of the electricity supply and justifies the correctness of the revised tariff category.
- (ix) The Appellant filed a grievance before the Forum on 18.03.2025, seeking: Immediate change of tariff category from “Residential” back to “Agricultural”.
- Revision of all bills wrongly issued under the Residential category and correction of the billing cycle to yearly as per Agricultural norms.
 - Disciplinary action against officials responsible for changing the category without proper justification or due legal process.
 - Compensation for financial loss and mental harassment caused due to the alleged wrongful disconnection and tariff change, etc.


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- (x) The Forum, by its order dated 30.07.2025 rejected the grievance application on merit as well as being time-barred.
- (xi) The Appellant has referred to various judgments passed by the Supreme Court, Bombay High Court, orders passed by the Electricity Ombudsman, Mumbai and Nagpur and various Forums which are irrelevant to the present representation.
- (xii) In light of the above facts, legal provisions, and inspection findings, the Respondent prays that the present representation be rejected being time barred and devoid of merit.

3. The Appellant's submissions and arguments are stated in brief as follows.

- (i) The Appellant originally is a bona-fide Agricultural Consumer (No.26770003961) from 22.01.2013. This connection services agricultural land comprising over 250 fruit and flowering trees, including paddy cultivation during monsoon seasons. However, the Respondent has unilaterally, arbitrarily, illegally changed tariff category from Agricultural to Residential from Jan. 2023. The said connection details are tabulated in Table 1. *[Note: During the hearing the Appellant initially did not mention that he runs a full-fledged Homestay at the premises.]*
- (ii) This change of tariff category has resulted in inflated bills. This illegal reclassification has been carried out without issuance of any prior statutory notice, without providing any opportunity of hearing, violating the principles of natural justice and without adherence to due process, rendering the action arbitrary, unlawful and void.
- (iii) Agricultural consumers are entitled to subsidized tariffs and annual billing, which has been unlawfully withdrawn.
- (iv) Upon noticing the sudden hike in bills, the Appellant had raised his grievances as follows:


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Mode of Complaint	Date	Reference No.	Status
Mahavitrans Customer Care Email	4/1/2025	34724420	Not resolved/ wrongly Closed
Mahavitrans Customer Care Email	20/02/2025	35134751	Not resolved/ wrongly Closed

[Note: The first complaint was raised 2 years after the tariff was changed to residential.]

- (v) The grievances were incorrectly closed citing meter-reading issues, whereas the genuine issue remained unsolved for change of tariff category to agriculture. The Appellant thereafter filed a written complaint dated 25/02/2025 (through Speed Post) to the Respondent, however no response has been received. Additionally, verbal complaints were lodged with Junior Engineer, Dy. Executive Engineer and Executive Engineer. However, no action is taken by the concerned authorities.
- (vi) The Appellant resides at the premises with his 71-year-old mother, wife and two minor children. There is also a separate residential meter at the farmhouse. *[Note: This separate residential meter was obtained in April 2023, after the inspection in January 2023 which revealed the homestay use.]* Despite this, the Respondent disconnected supply twice without any lawful authority.
- (vii) The Appellant filed a grievance in the Forum on 18.03.2025 mainly for restoring tariff category to Agricultural and for recalculation of all bills under Agricultural tariff category retrospectively from Jan. 2023 onwards. The Forum by its order dated 30.07.2025 rejected the grievance application. It failed to understand the basic issue that the connection (No. 26770003961) is used for agriculture purposes.
- (viii) **Grounds of Appeal :**

- 1. Erroneous Finding on Limitation:** The Forum incorrectly held that the grievance is time-barred. The cause of action arose only on 04.01.2025, when the Appellant for the first time became aware of the wrongful tariff conversion upon receiving inflated bills. The grievance was therefore well within the prescribed two-year limitation. Even otherwise, delay is condonable when justified and in the interest of justice. *[Note: It is*


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confirmed from the CPL that the bills issued from January 2023 onward were in the higher Residential tariff category.].

2. **Defective Reliance on Unsigned Spot Verification Report (SVR):** The Forum relied upon the Spot Verification Report (SVR) dated 24.01.2023 which bears no signature of the Appellant which appears fabricated/backdated, signed a day before its stated preparation date (23.01.2023), contains no consumer acknowledgment, and is unsupported by affidavits. The Respondent's contradictory actions further reinforce manipulation. The Forum failed to investigate these serious irregularities.
3. **Non-Consideration of Written Arguments:** Detailed written submissions filed by the Appellant on 06.05.2025 were not considered. None of the points raised therein are reflected in the impugned order, making the decision non-speaking and arbitrary.
4. **Bias and Procedural Partiality:** The Forum displayed prima facie bias by guiding the Respondent on technical submissions while ignoring the Appellant's objections based on natural justice, thus compromising impartiality.
5. **Non-Supply of Respondent's Documents:** The Appellant was not provided copies of documents and reports produced by the Respondent, thereby denying the right to reply, inspection and challenge, a clear violation of audi alteram partem.
6. **Officials Not Summoned:** The authors of the disputed SVR (Site Visit Report) dated 24.01.2023 were not summoned nor required to file affidavits to prove the authenticity of their report. The Forum accepted the document blindly.
7. **Illegal and Coercive Disconnections Ignored:** Twice supply was disconnected without raising bills or issuing mandatory Section 56 notices, and even a separate paid-up residential meter was disconnected. These grave violations were not addressed by the Forum.
8. **Contradictory Conduct of Respondent Ignored:** While claiming tariff conversion to Residential on 24.01.2023, the Respondent **released another residential connection**


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(No. 026771434541) at the very same premises on 26.04.2023. This highlights manipulative conduct overlooked by the Forum.

9. **Tampered Record Relied Upon:** The Consumer Personal Ledger (CPL) and SMS logs relied upon were incomplete, generic, and non-consumer-specific, with no proof of service of mandatory written disconnection notice. Despite these defects, the Forum accepted them as valid evidence.
 10. **Non-Compliance with Section 126 Proceedings:** The Respondent admitted on 20.05.2025 that no proceedings under Section 126 were initiated despite SVR observations. If unauthorized use existed, statutory assessment was mandatory. This contradiction and non-compliance were ignored by the Forum, raising serious doubts about the SVR's very existence and legality.
 11. **Agricultural Use Established but Ignored:** Joint inspection dated 18.07.2025 confirms the connection is used for agricultural water pumps, supporting the Appellant's claim. This crucial evidence was not considered.
 12. The Appellant has referred to various judgments passed by the Supreme Court, Bombay High Court, orders passed by the Electricity Ombudsman, Mumbai and Nagpur and various Forums based on spot inspection reports without signatures of consumers, category change with notice, closing of consumers' complaints without resolution, etc.
- (ix) In view of the above, the Appellant prays that the Respondent be directed to
- a) Restore the tariff category of Consumer No. 026770003961 from Residential to Agricultural with retrospective effect from Jan. 2023.
 - b) Refund/adjust the excess amount recovered due to wrong tariff change.
 - c) Grant compensation for illegal disconnections, harassment, financial loss, cost of grievance and appeal, and mental agony. *[Note: The Appellant has not mentioned the periods of disconnection / no supply, and whether this was due to non-payment of bills.]*
 - d) Initiate action against officials responsible for the unlawful acts.


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- e) Monetary Loss Claimed: Approx. ₹50,000/- towards Loss of agricultural subsidy, Hiring water tankers to protect crops, Arranging alternate stay for family, Forced payment under pressure, Mental harassment and reputational injury and Cost of grievance and appeal

4. During the course of the hearing, the Respondent and Appellant were directed to submit a Joint Inspection Report. Accordingly, the Respondent by its email dated 06.11.2025 sent a Joint Inspection Report, the main points of which are as below:

There are currently 3 connections on the premises. The oldest one (currently under dispute) is currently used for borewell pumps, for watering the trees and gardens of the Kalwar Millennial Park (resort / homestay). This is the connection which, at the time of the original inspection on 24.01.2023, was used for the homestay, as there were no other connections at that point of time. The division / bifurcation of connections between agricultural and homestay has been done later.

Name of Consumer	Consumer No.	Date of Connection	Sanctioned Load (KW)	Contract Demand (kVA) recorded	Remarks	Details of Electric Gadgets
Rajesh Shankardayal Kalwar	026770003961 (disputed)	22.01.2013	1.5	4.5	The supply is used for borewell machines and water filtration plants. The tariff category was originally classified as Agricultural but was changed to Residential following an inspection on 24.01.2023.	2 borewell pumps for watering premises, trees and gardens of Resort.
Rajesh Shankardayal Kalwar	026771434541	26.04.2023	1.0	2.4	The supply is used for the servant quarters, kitchen premises, meter panel illumination, parking space lighting, as well as the water filtration motor and the building water supply motor.	Tube-3, Bulb-3, Fan-1, Motor-1 & misc. points
Rashmi Rajesh Kalwar	026778008547	28.04.2025	5.0	10.7	The supply is used for a building with 12 rooms and a hall, spread across G+3 floors, and is advertised as Kalwar's Millennial Park.	Approx Bulb-204, Fan-27, fridge-1, AC-8, Washing Machine-1, TV-2 & misc. points


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Analysis and Ruling

5. Heard the parties and perused the documents on record. The Appellant is a Residential Consumer (No. 026770003961) from 22.01.2013. The relevant details are summarized in Table 1.

6. The Respondent contended that the Appellant was originally billed under the Agricultural Tariff from 22.01.2013. However, during an inspection on 24.01.2023, it was found that the supply was being utilized for homestay /resort activities under the name “Kalwar Millennial Park,” with a substantial connected load including lighting, air-conditioners, and bore-well and swimming pool motors, thereby clearly indicating commercial usage. Consequently, the tariff category was correctly revised to Residential from January 2023, without any assessment being levied under Section 126 of the Electricity Act, 2003. A second inspection on 26.02.2025 reaffirmed the continued commercial use of electricity, negating any justification for reverting to the Agricultural Tariff. The Appellant has already secured a separate single-phase Residential connection on 26.04.2023, and a third Residential connection on 28.04.2025, further confirming that a resort / homestay was / is run on the premises.

7. The Appellant contended that he has been an Agricultural Consumer since 22.01.2013 (Consumer No. 026770003961), using the supply for agricultural land with over 250 fruit and flowering trees and paddy cultivation. The Respondent, without issuing any statutory notice or granting an opportunity of hearing, unilaterally changed the tariff category from Agricultural to Residential from January 2023, resulting in inflated bills. The Appellant complained about the sudden increase in bills and wrongful tariff change (on 04.01.2025 and 20.02.2025) but no corrective action was taken. The Appellant filed a grievance before the Forum on 18.03.2025 seeking restoration of the Agricultural tariff and revision of bills. However, the Forum rejected the grievance on 30.07.2025, failing to appreciate that the connection is used for agriculture. The Forum’s findings are erroneous as the cause of action arose only when the Appellant first became


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aware of the wrongful tariff conversion upon receiving inflated bills in January 2025; therefore, the grievance is within limitation. *[Note: Actually the 'inflated' bills started right from January 2023.]* The Forum relied upon a disputed and unsigned Spot Verification Report dated 24.01.2023, ignored detailed written submissions, failed to summon the concerned officials, and denied copies of documents submitted by the Respondent, violating natural justice. In view of the above, the Appellant prays for restoration of the Agricultural tariff retrospectively from January 2023, refund/adjustment of excess billing, compensation for illegal disconnections and harassment, and action against erring officials.

8. We find that currently there are 3 connections on the premises, as mentioned on page 9. It seems that after the inspection on 24.01.2023, when the Appellant realized that the homestay use was now on record, he immediately applied for and obtained a second residential connection in April 2023. He chose to be silent on this issue during the hearing. Once again, even while the Forum's case was pending, he obtained a third residential connection in April 2025. Apparently the intention was to divert the connected load of the homestay buildings etc. on to the new connections. However, at the time of the first inspection on 24.01.2023, it is clear that the only connection at that time (No. 026770003961) was used for the homestay / resort.

We hold that the cause of action (inspection followed by change of tariff category to Residential) occurred in January 2023, and not around January 2025 as claimed by the Appellant.

9. In view of the facts and submissions on record, the following issue is framed for consideration:

➤ **Issue:** Whether the Appellant (Consumer No. 026770003961) is entitled to be billed under the Agriculture – Others Tariff Category?


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- As per the inspection report dated 24.01.2023, the connected load in respect of Consumer No. 026770003961 was observed to comprise of 64 LED lights, 4 focus lights, 4 air-conditioners, 1 bore-well pump of 3 HP, 1 computer, 1 washing machine, 1 mixer, an electric swimming pool water filtration unit, and other miscellaneous electrical loads, and was being utilized for the operation of the resort known as “Kalwar Millennial Park.” Further, as per the inspection report dated 04.11.2025, the connected load on the said meter was found to be 2 HP (1.49 kW), which is being used for watering the premises, gardens, and trees of “Kalwar Millennial Park.”
- Under Section 2(51) of the Electricity Act, 2003, the term “premises” is defined as follows:

“Premises” includes any land, building or structure.”

The definition of premises is inclusive and broad in scope, extending beyond physical buildings to include land and other areas appurtenant thereto. The use of the word “includes” signifies that the definition is not restrictive and may encompass open areas, gardens, swimming pools, and other installations situated within the same compound or used for a common purpose.

Accordingly, in the present case, the area known as “Kalwar Millennial Park”, comprising buildings, open grounds, gardens, and other associated facilities within the same boundary, shall collectively be treated as a single premises for the purpose of determining the connected load, assessment of consumption, and compliance under the provisions of the Electricity Act, 2003 and the applicable Electricity Supply Code. It is further noted that a separate three-phase connection was subsequently applied for by Smt. Rashmi Rajesh Kalwar (wife of Shri Rajesh Kalwar), which was sanctioned by the Respondent under Consumer No. 026778008547, during the pendency of the case before the Consumer Grievance Redressal Forum (CGRF). The electrical load of the resort (building) was thereafter transferred and utilized under this new connection.


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In view of the above facts and the legal position, the connected load under Consumer No. 026770003961 cannot be treated as being used solely for agricultural purposes. The usage pattern and nature of connected load clearly indicate commercial/resort-related activities, which do not qualify under the Agriculture – Others Tariff Category.

➤ **The Issue is answered as NEGATIVE.**

10. It is also noted that the higher bills under the ‘Residential’ category started from January 2023, therefore there is no merit in the Appellant’s claim that the ‘inflated’ bills came to his notice only around January 2025. His complaint before the Forum was clearly time barred.

11. In view of the above the representation of the Appellant is rejected and disposed of.

12. The Respondent is advised to formulate a clear and consistent policy on the subject matter, as several similar cases have been observed within the jurisdiction of the Pen Circle as well as the Konkan Region.

13. The Secretariat of this office is hereby directed that a copy of this order be sent to the Managing Director, MSEDCL for their information and for taking such further action as may be necessary in the matter.

Sd/
(Vandana Krishna)
Electricity Ombudsman (M)


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