BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 89 OF 2026

In the matter of Change of tariff category from Commercial to Public Services – Others & refund thereof.

Krishna Murari……. ……..…… … …… ……... Appellant
(Aarthi Scans & Labs) (Cons. No. 000070027011)

V/s.

Maharashtra State Electricity Distribution Co. Ltd., Bhandup Dn. ……... …...Respondent
(MSEDCL)

Appearances:

Appellant : 1. Sarang Pande, Representative
2. Ashok Thorat, Manager, Aarthi Scans & Labs, Mulund (W).

Respondent: 1. Appasaheb Khandekar, Executive Engineer, MSEDCL, Bhandup Dn.
2. Shirish Gangurde, Additional Executive Engineer (B & R) Sub. Dn.

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

Date of hearing: 4th November 2026

Date of Order: 13th November 2026

ORDER

This Representation was filed on 10th August 2026 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 15th June 2026 passed by the Consumer Grievance Redressal Forum, Thane Urban Circle (the Forum) in Case No. 142 of 2026. The Forum dismissed the grievance application of the Appellant. The operative part of the order is as below:

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1. *The Applicant's prayer for retrospective application of the LT-X Public Services tariff from 27th September 2024 to November 2025 is hereby dismissed.*
2. *The Applicant's prayer for a refund of tariff differences and corresponding interest for the aforementioned period is dismissed.*
3. *The prompt prospective reclassification executed by the Respondent in December 2025 is upheld as valid and lawful.*
4. *The Respondent is directed to supply a clear, detailed breakdown of the applicable tariff structures (including fixed, wheeling, and energy rates) to the consumer within 15 days of this order to address any gaps in billing transparency.*

2. Aggrieved with the order passed by the Forum, the Appellant has filed the present representation. An e-hearing was conducted on 4th November 2026 through video conferencing, wherein the Appellant and the Respondent were present. The parties were heard at length. The Appellant's submissions and arguments are stated below: *[The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.]*

(i) Shri Krishna Murari has been a Commercial Consumer (No. 000070027011), the particulars of the same including the date of application for change of tariff category are set out in Table 1 below:

Table 1: -

Name of Consumer	Consumer No.	Address	Sanct. Load / Contract Demand	Date of Supply	Date of Application for Public Sevices - Others Tariff	Public Services-Other Tariff was effected
Krishna Murari	000070027011	Shop No.1 A, CTS No. 750, Vasudeo Chambers, M.G. Link Road.	45 kW / 43 kVA	02.11.2010	29.10.2025	From Dec. 2025 onwards

(ii) Shri Krishna Murari and Smt. Meera Murari executed a Lease Agreement dated 27.09.2024 with Aarthi Scans Pvt. Ltd. in respect of premises admeasuring 1,200 sq. ft. carpet area on the ground floor and 700 sq.ft. on the upper floor, situated at Shop No. 1A & 1B, CTS No. 750, Vasudeo Chamber, Mulund-Goregaon Link Road, Mulund West, Mumbai – 400 078, for a lease period commencing from

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01.11.2024 and ending on 01.11.2033. *(Note: The said Lease Agreement was notarized but was not registered before the Sub-Registrar, Government of Maharashtra.)*

(iii) This representation was filed by the tenant, Aarthi Scans & Labs operated as Aarthi Scans Pvt. Ltd. which was established in 1985 and operates diagnostic centers at various locations, including Mumbai and Thane, and provides radiology imaging and pathology diagnostic services. They are permitted to use the above-mentioned leased premises for diagnostic centre, medical and para medical purposes including all other activities connected to running a Medical / health care institution like scanning and laboratories, OPD, etc.

(iv) Shri Krishna Murari applied on 29.10.2025 on MSEDCL online Web Self Service (WSS) portal for reclassification of the tariff from LT-II (Commercial) to LT-VII (Public Services–Others), submitting the relevant documents of Aarthi Scans & Labs, the tenant, in support of his claim that the premises is being used exclusively as a Health Diagnostic Centre since September 2024. *[Note: As per Lease Agreement dated 27.09.2024, possession date: 01.11.2024.]*

(v) MSEDCL inspected the premises immediately and thereafter approved the change of tariff category from LT-II to LT-VII with effect from December 2025. However, the benefit of the revised tariff was granted only prospectively and the excess amount already recovered under the Commercial tariff was neither refunded nor adjusted.

(vi) According to the Appellant, the subsequent change of tariff category itself establishes that the earlier classification was incorrect. The Appellant therefore claims that the correct tariff ought to have been applied from the date on which the premises became eligible for the Public Services–Others Tariff Category.

(vii) The Appellant filed a grievance application before the Forum on 03.02.2026 for retrospective change of Tariff Category and refund of the excess amount paid, as the Forum had principally rejected the grievance without properly appreciating that the diagnostic center had been continuously functioning since September 2024.

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(viii) The Appellant contends that, under Regulation 14 of the MERC Electricity Supply Code and Standards of Performance of Distribution Licensees Regulations, 2021, the Distribution Licensee is required to classify or reclassify consumers according to the purpose for which electricity is used. The Regulation 14 is reproduced as below:

"The Distribution Licensee may classify or reclassify a Consumer into various Commission-approved tariff categories based on the purpose of usage of supply by such Consumer."

Hence, the Appellant stated that MSEDCL was required to apply Public Services-Others Tariff Category from September 2024 onwards.

(ix) The Appellant further relies upon Section 62(6) of the Electricity Act, 2003, contending that any amount recovered in excess of the tariff determined by the Commission is required to be refunded along with applicable interest.

(x) The Appellant relied upon the judgment of the Hon'ble Bombay High Court in MSEDCL v. M/s. Jindal Polyfilms Ltd., Writ Petition No. 7152 of 2019, decided on 16.07.2024, wherein the Hon'ble Court upheld the orders of the Consumer Grievance Redressal Forum directing MSEDCL to refund the excess AEC and Additional FAC recovered from the consumer, along with applicable interest. The Hon'ble Court dismissed the petitions filed by MSEDCL and upheld the retrospective refund directed by the CGRF.

(xi) The Appellant relied upon the judgment dated 27.02.2020 of the Hon'ble Appellate Tribunal for Electricity (APTEL) in Appeal No. 363 of 2018 in Case of Dhariwal Infrastructure Limited v. MERC & MSEDCL, concerning the applicability of tariff for start-up power, wherein the Hon'ble Tribunal directed refund of the differential tariff amount to the Appellant along with applicable interest.

(xii) The Appellant also relied upon the order of the Hon'ble Maharashtra Electricity Regulatory Commission (MERC) in Pragati Agencies & 12 Others v. MSEDCL, Case No. 232 of 2023 & connected cases, concerning refund of excess wheeling and transmission charges collected from the consumers. The Hon'ble Commission

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allowed the retrospective refund of the excess charges along with applicable interest.

(xiii) The Appellant also referred to the order dated 11.09.2015 passed by the Hon'ble CGRF, NUZ, in Case No. 125 of 2015, Tanna Hospital Pvt. Ltd. v. MSEDCL, wherein the Forum directed MSEDCL to refund the excess amount recovered on account of tariff difference with effect from 10.08.2013.

(xiv) The Appellant further referred to the order dated 19.01.2026 passed by the Hon'ble CGRF, Satara Circle, in Case No. 01 of 2026, Sandip Ganpat Adsul v. MSEDCL, wherein the Forum directed MSEDCL to refund the excess amount recovered due to incorrect classification under the Commercial tariff instead of the Residential tariff, with effect from January 2025.

(xv) In support of its claim for retrospective application of the appropriate tariff category, the Appellant has placed on record the following documentary evidence to substantiate that the premises have been used for operating a Health Diagnostic Centre since September 2024:

(a) Lease Agreement dated 27.09.2024 executed by Shri Krishna Murari and Smt. Meera Murari in favour of Aarthi Scans Pvt. Ltd., in respect of premises admeasuring 1,200 sq. ft. carpet area, situated at Shop No. 1A, CTS No. 750, Vasudeo Chambers, Mulund-Goregaon Link Road, Mumbai – 400078, for the period from 01.11.2024 to 31.10.2027.

(b) Maharashtra Shop and Establishment Rules 2018 – Wherein nature of business is noted as Diagnostic Services & Date of Commencement of business as 16.08.2024 on the above-mentioned address.

(c) Combined Consent and Bio-Medical Waste Authorization (CCA) issued by the Maharashtra Pollution Control Board (MPCB) on 27.06.2025.

(d) Copy of bill payment receipt for pathology work in the name of Mrs. Geeta S. Yadav, dated 30.01.2026.

(xvi) The Appellant contended that the electricity bills are required to be raised in accordance with the tariff determined by the Hon'ble Commission under the applicable MYT Tariff Orders. The Respondent, being a Distribution Licensee, is

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bound to comply with the provisions of the Electricity Act, 2003, the Supply Code Regulations and the applicable Tariff Orders. However, the Respondent failed to apply the appropriate tariff category from the date of commencement of the eligible activity. The Appellant further submitted that the Respondent recovers its approved revenue through the Aggregate Revenue Requirement (ARR) determined by the Hon'ble Commission under the MYT framework. Therefore, retrospective correction of the tariff classification and consequential adjustment or refund of the excess amount recovered would not result in any financial prejudice or revenue loss to the Respondent.

(xvii) In view of the above, the Appellant prayed that the Respondent be directed to apply LT-VII (Public Services–Others) tariff with effect from the actual date of commencement of the Health Diagnostic Centre in September 2024, revise the electricity bills accordingly for the relevant period up to November 2025 and thereafter, and refund or adjust the excess amount recovered, along with applicable interest under Section 62(6) of the Electricity Act, 2003.

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

(i) The electricity connection bearing Consumer No. 000070027011 was released in the name of Shri Krishna Murari on 02.11.2010 for commercial use. The relevant consumer particulars are furnished in Table 1. Since the release of the connection, it has continued to remain registered in the name of Shri Krishna Murari, and the electricity bills were raised under the commercial tariff category based on the consumer details and records available with MSEDCL.

(ii) Shri Krishna Murari submitted an online application only on 27.10.2025, vide Application ID No. 71292930, seeking change of tariff category from LT-II Commercial to LT-VII (B) Public Services – Others. The screenshot of the application is reproduced below:

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Table 2:

Application ID	*Application Date*	*Actvity Type*	*Actvity Group*	*Actvity Name*	*Status of Application*
71292930	*29.10.2025*	*Public Services - Others*	*Group -Govt. Other*	*Blood Bank (Pvt.)*	*Submitted*

(iii) The Respondent acknowledged the documentary evidence submitted by Shri Krishna Murari in support of its claim for retrospective application of the appropriate tariff category, including the Lease Agreement dated 27.09.2024, Shop and Establishment Intimation dated 16.08.2024, Combined Consent and Bio-Medical Waste Authorization issued by MPCB on 27.06.2025, etc. The said documents were relied upon to establish the use of the premises for operating a Health Diagnostic Centre. Upon scrutiny and processing of the application and supporting documents, the tariff-change proposal was approved on 25.11.2025, as per the office records. Accordingly, the consumer's tariff category was changed to LT-X (Public Services) and the revised tariff was made applicable from December 2025.

(iv) The consumer had not submitted any application or request during the relevant earlier period for recording a change in the nature of activity or use of the premises or for revision of the applicable tariff category. The consumer had also not furnished the requisite documents and particulars establishing the alleged change in the nature of use of the premises. The applicable tariff category depends upon the actual nature and purpose of electricity consumption and the supporting documents required under the relevant tariff provisions. In the absence of such information and documents, MSEDCL had no basis to independently determine or presume a different tariff category merely from the consumer's name.

(v) The Appellant filed a grievance application before the Forum on 03.02.2026. The Forum, vide its reasoned and speaking order, rejected the Appellant’s claim for retrospective revision of the tariff category.

(vi) The Respondent stated that the judgments and orders relied upon by the Appellant are distinguishable on facts and legal issues and, therefore, are not applicable to the

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present case. The Respondent contended that the ratio of the cited judgments does not apply to the present matter and that reliance on such decisions is misplaced.

(vii) In view of the foregoing facts and submissions, it is prayed that the Representation filed by the Appellant be rejected.

4. Post hearing, the Respondent submitted revised submissions which are in brief as below:

(i) The consumer neither applied for tariff reclassification nor furnished the requisite documents when the alleged change in the use of the premises occurred. The consumer continued under the Commercial tariff category and applied for reclassification only on 29.10.2025 through the MSEDCL portal. Upon scrutiny, the proposal was approved on 25.11.2025, and the tariff was changed to LT-X (Public Services) with effect from December 2025, thereby implementing the revised tariff prospectively.

(ii) The Respondent contended that a subsequent change in the nature or purpose of use of electricity does not automatically entitle a consumer to retrospective reclassification of the tariff. Under the applicable provisions of the Electricity Supply Code and Standards of Performance Regulations, 2021, a consumer seeking change in tariff classification is required to approach the Distribution Licensee through the prescribed procedure and furnish the necessary supporting documents for verification.

(iii) The Respondent maintained that, in the absence of any application or supporting documents during the disputed period, MSEDCL could not have presumed a change in the nature of use of the premises or suo-motu revised the tariff category. Therefore, the consumer cannot claim retrospective benefit of a tariff category which was neither applied for nor verified by the Distribution Licensee during the relevant period. The Respondent accordingly justified the prospective implementation of the revised tariff and opposed the Appellant's claim for retrospective reclassification.

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Analysis and Ruling

5. Heard the parties and perused the documents placed on record. The electricity connection bearing Consumer No. 000070027011 stands in the name of Shri Krishna Murari since 02.11.2010 under LT-II (Commercial) tariff, with a sanctioned load of 45 kW/43 kVA. The consumer particulars and dates of tariff application and implementation are set out in Table 1.

6. The Appellant contended that the premises were leased to Aarthi Scans Pvt. Ltd. under a notarized Lease Agreement dated 27.09.2024 and have been used exclusively as a Health Diagnostic Centre since September 2024. Accordingly, Shri Krishna Murari applied to MSEDCL on 29.10.2025 for reclassification from LT-II (Commercial) to LT-VII (Public Services–Others), submitting relevant supporting documents. Although MSEDCL approved the revised tariff from December 2025 after inspection, it did not extend the benefit retrospectively or refund/adjust the excess amount recovered under the Commercial tariff. The Appellant therefore claimed that the appropriate tariff should have been applied from the actual commencement of the eligible activity. The Appellant further relied upon Regulation 14 of the MERC Supply Code Regulations, 2021, Section 62(6) of the Electricity Act, 2003, and various judgments/orders, including Jindal Polyfilms Ltd., Dhariwal Infrastructure Ltd., Pragati Agencies, Tanna Hospital Pvt. Ltd. and Sandip Ganpat Adsul, in support of retrospective tariff correction and refund with interest. The Appellant also submitted that such correction would not cause any financial prejudice to MSEDCL, whose revenue is determined under the ARR framework. Accordingly, the Appellant prayed for retrospective application of LT-VII tariff from September 2024, revision of bills and refund/adjustment of the excess amount recovered, along with applicable interest under Section 62(6) of the Electricity Act, 2003.

7. The Respondent stated that the electricity connection bearing Consumer No. 000070027011 was released in the name of Shri Krishna Murari on 02.11.2010 for commercial use and continued under LT-II (Commercial) tariff. The consumer applied online on 27.10.2025 (Application ID No. 71292930) for tariff reclassification, which was approved on

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25.11.2025, and LT-X (Public Services–Others) tariff was made applicable from December 2025. The Respondent submitted that no application or supporting documents evidencing the change in the nature of use had been furnished for the earlier period and, therefore, MSEDCL was not required to suo motu change the tariff category. It further contended that the Forum rightly rejected the claim for retrospective revision and that the judgments relied upon by the Appellant were distinguishable. Accordingly, MSEDCL justified prospective reclassification in accordance with the Supply Code Regulations, 2021, and prayed for rejection of the Representation.

8. The Commission introduced the "Public Services" tariff category vide Tariff Order dated 16.08.2012 in Case No. 19 of 2012, covering Educational Institutions, Hospitals, Dispensaries, etc. Subsequently, vide Tariff Order dated 26.06.2015 in Case No. 121 of 2014, the category was sub-divided into

A. LT X(A) – Public Services – Government Educational Institutions & Hospitals and
B. LT X (B) – Public Services – Others.

This classification, particularly in respect of healthcare facilities including Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks and Laboratories, was continued in the subsequent Tariff Orders in Case Nos. 48 of 2016, 195 of 2017, 322 of 2019, 226 of 2022 and 217 of 2024.

9. As per the Tariff Order dated 31.03.2023 in Case No. 226 of 2022, LT VII (B) – Public Services – Others was applicable to Low/Medium Voltage supply to, inter alia, healthcare facilities such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks and Laboratories, other than those owned or operated by the State/Central Government or Local Self-Government bodies. The relevant extract of the said Tariff Order is reproduced below

LT VII (B): LT - Public Services – Others

Applicability:

This tariff category is applicable for electricity supply at Low/Medium Voltage for:

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a) *Educational Institutions, such as Schools and Colleges;* ***Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks, Laboratories;*** *Libraries and public reading rooms - other than those of the State or Central Government or Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, etc.*

b) *Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions /Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients;*

c) *all offices of Government and Municipal/ Local Authorities/ Local Self-Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats; Police Stations and Police Chowkies; Post Offices; Armed Forces/Defence and Para Military establishments;*

d) *.... to m)*

10. The Consumer applied online only on 27.10.2025 for change of tariff category from LT-II Commercial to LT-VII (B) Public Services – Others, followed by submission of the hard copy and supporting documents. The Respondent inspected the premises immediately and, upon verification, changed the tariff category to LT-VII (B) with effect from December 2025.

11. The Respondent has stated that the premises were inspected only upon receipt of the application dated 27.10.2025, when the use as a diagnostic/scanning laboratory was verified for the first time. There was no prior intimation or record with the Respondent indicating such change in use. In these circumstances, the Respondent could not reasonably be expected to identify the change suo motu and apply the concessional tariff retrospectively. The consumer was required to intimate the change in purpose and apply for the appropriate tariff category. Accordingly, we find no merit in the Appellant's contention that the Respondent was required to reclassify the connection on its own.

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12. The Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014, came into force on 20.05.2014 and required the Distribution Licensee to develop a Web Self-Service (WSS) Portal to facilitate consumers in submitting applications for various services. In the present case, the consumer, Shri Krishna Murari, did not approach MSEDCL or submit an application through the prescribed WSS portal (Functioning from 2016 onwards) during the disputed period to inform it about the change in the nature of use of the premises from commercial to Public Services–Others. Consequently, MSEDCL had no opportunity to verify the change and revise the applicable tariff during that period. The consumer cannot seek retrospective reclassification on account of his own failure to intimate the Licensee and follow the prescribed procedure. Further, the Lease Agreement relied upon by the Appellant is merely notarized and not registered. In these circumstances, the claim for retrospective application of the revised tariff is not justified.

13. The Forum has rightly analyzed the case and hence no interference in the order of the Forum is needed. The ratio of various orders referred to by the representative of the Appellant are not applicable in the instant case. Other prayers of the Appellant are rejected.

14. The Forum's order is upheld, and the Representation is rejected and disposed of accordingly.

Sd/
(Vandana Krishna)
Electricity Ombudsman (Mumbai)

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