

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 36 OF 2026

In the Matter of theft of energy as per Section 135 of the Electricity Act, 2003

Jagannath Anant PalweAppellant
(C. No. 338960620446)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Akulj Dn..Respondent
(MSEDCL)

Appearances:

Appellant : 1. Bapusaheb Jagannath Palve
2. Javid Babulal Momin, Representative

Respondent : 1. Sampat Gawade, Executive Engineer (Admin), Solapur Circle
2. Vikrant Vilas Sapate, Addl. Ex. Engineer, Flying Squad, Pune


Coram: Vandana Krishna [IAS (Retd.)]

Date of hearing: 25th May 2026

Date of Order: 23rd June 2026

ORDER

This Representation was filed on 2nd April 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 23rd March 2026 in Case No. 08 of 2025-26 passed by the Consumer Grievance Redressal Forum, MSEDCL, Solapur Circle (the Forum). The Forum rejected the grievance of the Appellant. The Appellant deposited the statutory amount of Rs. 25,000/- in accordance with


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Regulation 19.22(h) on 04.04.2026. Hence, the Representation came to be registered on the 07.04.2026.

2. The Appellant has filed the present Representation challenging the order passed by the Forum. A physical/ e-hearing was conducted on 25.05.2026 through a hybrid mode. The Appellant appeared in person, while the Respondent participated through video conference. Both the parties were heard at length. The Respondent's submissions and arguments are stated as below. *[The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.]*

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


- (i) The Appellant has been a consumer (Cons. No. 338960620446) since 20.01.2005 and **operates a stone crusher** unit under the name Anand Stone Crusher. The particulars of the electricity connection, the date of the Flying Squad inspection, and the theft assessment are tabulated below:

Table 1:

Name	Consumer No.	Address	Sanct. Load / Contract Demand	Date of Supply	Date of Flying Squad Inspection	Theft Assessment	Date of FIR
Jagannath Anant Palwe	338960620446	Mandave, Tal. Malshiras	193 HP/ 180 kVA	20.01.2005	20.02.2025 at about 20.30 hrs.	₹1,48,25,890/- of 8,69,187 units for the period from Feb. 2023 to Feb. 2025 (dated 16.03.2025).	16.04.2025

I. Maintainability of "Grievance":

- (ii) The Respondent issued an assessment bill of ₹1,48,25,890/- towards alleged theft of electricity, involving 8,69,187 units for the period February 2023 to February 2025 under the provision of Section 135 of the Electricity Act, 2003. The Appellant has challenged the said theft assessment in the present Representation. The Respondent contended that, in view of Regulation 7.9 of CGRF & EO Regulations, 2020, the Forum and the Electricity Ombudsman have no jurisdiction to entertain


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disputes arising out of proceedings under Section 135 of the Act. Since the present Representation directly challenges the action taken and the assessment made under Section 135 of the Electricity Act, 2003, it is not maintainable before this Authority and hence be dismissed, being not maintainable at the initial stage.


II. Reply on Merit:

- (iii) The Flying Squad of Pune Zone inspected the Appellant's premises on 20.02.2025 at about 20:30 hrs, and found the factory operating at full load. During inspection, the seals of the PT terminal piercing points were found missing. It was noticed that the Appellant could manually loosen and tighten the PT piercing screws to control the voltage inputs to the meter. To verify the modus operandi, simulations were conducted in the presence of the Appellant, who demonstrated the manipulation. The results of the current and voltage measurements are shown in Table 2.

Table 2:

Meter Voltage Completely Controlled by the Appellant through Manual Loosening and Tightening of PT Piercing Screws, Enabling Deliberate Suppression of Energy Registration and Pilferage of Electrical Energy												
Current & Voltage Measurement	First Simulation			Second Simulation			Third Simulation			Forth Simulation		
	R Phase	Y Phase	B Phase	R Phase	Y Phase	B Phase	R Phase	Y Phase	B Phase	R Phase	Y Phase	B Phase
Current measured at incoming Supply (A)	225	210	160	225	210	160	225	210	160	225	210	160
Current on Meter Display (A)	0	0	0	225	0	0	0	210	0	0	0	160
Voltage measured at incoming supply (V)	231	228	228	231	228	228	231	228	228	231	228	228
Voltage on Meter Display (V)	0	0	0	231	0	0	0	228	0	0	0	228


- (iv) The simulations established that, by manipulating the PT piercing screws, the Appellant could selectively disconnect and reconnect the PT circuits, thereby suppressing voltage inputs to the meter while the actual power supply remained uninterrupted. In most instances, the PT voltage screws of all three phases were loosened while the factory continued to operate at full load. Although the incoming current in all three phases remained constant, the meter recorded current only in


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the phases where voltage was restored, resulting in deliberate under-recording of energy consumption.

- (v) The meter was found to be otherwise operational. MRI data downloaded and analyzed through the Meter Data Acquisition System (MDAS) confirmed multiple "PT-Voltage Missing" tamper events. A Spot Panchnama and video recording were conducted, the supply was disconnected, and the existing meter (No. X1800652) was taken into custody to preserve evidence. The meter was thereafter replaced on 01.03.2025 with Meter No. MHD09954. Based on the MDAS analysis, the Respondent issued a theft assessment bill dated 16.03.2025 for ₹1,48,25,890/- towards 8,69,187 units for the period from February 2023 to February 2025. The Appellant subsequently deposited ₹44,60,000/- (30.13% of the assessed amount) in three instalments on 08.07.2025, 18.07.2025, and 30.07.2025.
- (vi) Based on the above findings and in compliance with Section 135(2) of the Act, a panchnama was duly prepared by MSEDCL. The Appellant, however, failed to pay the assessed amount towards pilferage and compounding charges. First Information Report (FIR) was accordingly registered on 16.04.2025 as part of the action initiated for recovery of the balance assessment amount.
- (vii) He also agreed to pay the balance amount in six instalments by executing an undertaking on Rs.100/- stamp paper (dated 11.07.2025) which was submitted to MSEDCL on 30.07.2025.
- (viii) The Appellant filed a grievance before the Forum on 19.11.2025, which was rejected by a reasoned and speaking order dated 23.03.2026. The Forum duly considered all the issues raised and rightly dismissed the grievance. The Forum held that:
- The case squarely falls under Section 135 of the Electricity Act, 2003, relating to theft of electricity;
 - Matters pertaining to theft and reconnection under Section 135 are beyond the jurisdiction of the Forum as per Regulation 7.9 (b) of the CGRF & EO Regulations, 2020.



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- (ix) The Respondent stated that the present appeal is an attempt to mislead the Hon'ble Electricity Ombudsman. The Respondent has acted strictly in accordance with the applicable regulations and initiated the proceedings after complying with all statutory and legal requirements.
- (x) The present representation before this Hon'ble Ombudsman thus arises from proceedings involving offences under Section 135 of the Electricity Act, 2003, which are criminal in nature and involve assessment under the same provision. As such, these matters fall outside the purview of grievance redressal, in terms of Regulation 7.9 (b) of the CGRF & EO Regulations, 2020. Hence, the representation is not maintainable and devoid of merit.
- (xi) In view of the above facts and circumstances, the Respondent prays that the present representation be rejected as not maintainable.


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

- (i) The Appellant has been a consumer (No. 338960620446) since 20.01.2005 with a sanctioned load of 193 HP for operating a stone crusher unit in the name of *Anand Stone Crusher*. The details of electric connection are tabulated in Table 1. Electricity bills were regularly paid and no dispute had arisen until the year 2024.
- (ii) On 20.02.2025, the Flying Squad, Pune inspected his premises. He contended that the inspecting officers initially did not detect any defect in the meter. However, after switching off the main supply, they instructed him to tighten the terminal screws of the meter with a screwdriver to check whether they were loose. The Appellant stated that each phase already had two tightly fitted screws and, therefore, there was no defect in the meter. He further alleged that the officers recorded a video of him tightening the screws. Thereafter, they obtained his signature on a blank sheet of paper, subsequently prepared a panchnama without explaining its contents, and left the premises without providing him a copy thereof. Based on the Flying Squad's report dated 27.02.2025, the Respondent issued a supplementary assessment dated 16.03.2025 for ₹1,48,25,890/- under Section 135 of the Electricity Act, 2003.


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- (iii) The Appellant contended that the inspection report is false, illegal and fabricated, and that he was trapped in a bogus inspection. He further stated that the meter was removed and tested in the Respondent's laboratory, where it was found to be neither defective nor tampered with. He also complained that no calculation or working of the assessment was supplied to him, nor was a copy of the panchnama furnished, thereby rendering the assessment arbitrary and doubtful.
- (iv) The Appellant further stated that the prescribed procedure was not followed by the Respondent. According to him, if any fraudulent abstraction of electricity had been detected, the supply ought to have been disconnected immediately. Further, although an FIR was required to be lodged within 72 hours, the Flying Squad filed the FIR only on 16.04.2025, nearly 57 days after the inspection. He pointed out that the FIR referred to "No Display" and "No Pulse Found" on the meter, whereas the inspection had allegedly related to tightening of terminal screws, thereby indicating inconsistency in the Respondent's case.
- (v) A meter may develop faults due to several reasons, including voltage fluctuations, software errors, defects in the battery or internal electronic components, faulty incoming wiring, ingress of dust, water or insects, or frequent fluctuations in supply, all of which may result in malfunctioning of the display without any consumer intervention.
- (vi) With regard to the assessment period, the Appellant stated that the Flying Squad wrongly assumed that no bills had been issued for 25 months from February 2025. He explained that all stone crushers in Mandwe were directed to cease operations by the Mandal Officer, Sadashivnagar and the Talathi, Mandwe, from 04.05.2022 for about ten months. Subsequently, by communication dated 21.09.2024, four stone crusher units, including his, were again directed to remain closed until January 2025. Thus, according to the Appellant, the stone crusher remained non-operational for nearly 20 months during the period from May 2022 to February 2025. He stated that during the closure period, only a cement (paver) block manufacturing activity was carried out in the same premises, consuming merely 4 to 5 HP of electricity under single-phase supply, whereas the stone crusher


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normally operated only between 10.00 a.m. and 6.00 p.m. Accordingly, he contended that the assessment for the entire 25-month period is wholly illegal and contrary to the actual consumption pattern.

- (vii) The Appellant further alleged that the Respondent's officers threatened disconnection of supply and demanded payment for restoration of electricity. Consequently, under protest, he paid ₹20,00,000/- on 08.07.2025, ₹23,00,000/- on 18.07.2025 and ₹1,60,000/- towards additional security deposit on 30.07.2025, aggregating to ₹44,60,000/-. He also agreed to pay the balance amount in six instalments by executing an undertaking on stamp paper.
- (viii) The Appellant approached the Forum on 27.10.2025. However, the grievance was registered only on 19.11.2025. Hearings were conducted on 23.01.2026 and 23.02.2026, and the Forum passed its order on 23.03.2026 rejecting the grievance. The Appellant contends that, despite seeking interim relief for immediate reconnection at the time of filing the grievance, the Forum failed to consider the interim application within the prescribed period of seven days. The Appellant further submits that the Forum failed to appreciate that no theft of electricity had occurred and that the Respondent had not followed the prescribed procedure for booking the alleged theft case.
- (ix) Accordingly, the Appellant prayed that the supplementary bills dated 16.03.2025 be quashed and set aside; the action of the Flying Squad, Pune be declared illegal; the amount of ₹44,60,000/- recovered from him be adjusted in his electricity account; and the electricity supply be restored immediately with a stay on further recovery of the impugned supplementary bills pending final adjudication.

Analysis and Ruling:

5. Heard the parties at length and perused the pleadings, documents placed on record. The Appellant is an LT Industrial Consumer (No. 338960620446) having a sanctioned load of 193 HP for operating a stone crusher and paver manufacturing unit. The Respondent conducted an inspection of the Appellant's premises on 20.02.2025, which culminated in booking a case under Section 135 of the Electricity Act, 2003 and issuance of a theft assessment bill dated


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16.03.2025 for ₹1,48,25,890/- towards 8,69,187 units for the period from February 2023 to February 2025.

6. The principal contention of the Appellant is that the inspection was false and fabricated; that the meter was not tampered with; that the prescribed procedure under the Electricity Act was not followed; that the FIR was lodged belatedly; that the assessment period is excessive since the stone crusher remained closed for a substantial period; and that the assessment and consequential disconnection are illegal. The Appellant has also challenged the validity of the panchnama, the inspection report and the supplementary assessment.

7. On the other hand, the Respondent contended that during inspection the PT terminal piercing seals were found missing and, by conducting simulations in the presence of the Appellant, it was established that the PT voltage inputs to the meter were deliberately interrupted by loosening the PT piercing screws, thereby suppressing the recording of energy consumption. The Respondent further relied upon the MRI data analysed through MDAS, which recorded repeated "PT-Voltage Missing" tamper events. Based upon these findings, proceedings under Section 135 of the Electricity Act, 2003 were initiated.

8. From the pleadings and documents on record, it is evident that the entire dispute arises out of the inspection dated 20.02.2025, the panchnama prepared during such inspection, the alleged tampering of the metering arrangement, the MDAS analysis, and the consequential assessment made under Section 135 of the Electricity Act, 2003. The relief sought by the Appellant is essentially to set aside the theft assessment and the action initiated by the Respondent under the said provision.

9. In order to examine the Appellant's contention regarding the operation of the stone crusher unit and the assessment period, the month-wise consumption recorded in the Consumer Personal Ledger (CPL) is reproduced in Table 3:



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Table 3:

Year/ Month	2022-23	2023-24	2024-25	2025-26		2026-27	
	Cons. (Units)	Cons. (Units)	Cons. (Units)	Cons. (Units)	Consumer Status	Cons. (Units)	Consumer Status
Apr	9000	8434	1082	16450	Live	0	PD
May	9101	10572	5643	0	TD	0	PD
Jun	5171	8480	2264	0	TD		
Jul	2974	4641	1528	0	TD		
Aug	4774	9500	1017	0	TD		
Sep	3978	18296	3982	8204	Live		
Oct	4514	1832	823	6478	Live		
Nov	2095	5386	1985	6478	TD		
Dec	9766	4334	3211	205	PD		
Jan	11637	7842	27	0	PD		
Feb	7981	2306	10616	0	PD		
Mar	10751	2627	0	0	PD		
Total	81742	84250	32178	37815		0	
Avg/Mth	6812	7021	2682	3782		0	
Note	<p>1. The Appellant's meter (No. X1800652) was taken into custody on 20.02.2025 during the inspection to preserve evidence. The supply remained disconnected, and a new meter (No. MHD09954) was installed on 01.03.2025.</p> <p>2. The Appellant was billed on an average consumption basis for 6,478 units in November 2025. In December 2025, the actual recorded consumption was 2,015 units.</p>						

10. The provisions of Section 135 of the Electricity Act, 2003 (Theft of Electricity), inter alia, stipulate that any person who dishonestly taps supply lines, tampers or uses a tampered meter, damages metering equipment, or uses electricity for unauthorized purposes, shall be punishable with imprisonment up to three years, or with fine, or with both. The Section 135 of the Act is produced below:

“Section 135. (Theft of Electricity): --- Whoever, dishonestly,

- (a) *taps, makes or causes to be made any connection with overhead, underground or under water lines or cables, or service wires, or service facilities of a licensee or supplier as the case may be; or*
- (b) *tampers a meter, installs or uses a tampered meter, current reversing transformer, loop connection or any other device or method which interferes with accurate or proper registration, calibration or metering of electric current or otherwise results in a manner whereby electricity is stolen or wasted; or*
- (c) *damages or destroys an electric meter, apparatus, equipment, or wire or causes or allows any of them to be so damaged or destroyed as to interfere with the proper or accurate metering of electricity,*


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- (d) uses electricity through a tampered meter; or
- (e) uses electricity for the purpose other than for which the usage of electricity was authorised, so as to abstract or consume or use electricity shall be punishable with imprisonment for a term which may extend to three years or with fine or with both:

11. In the present case, the Flying Squad conducted an inspection of the Appellant's premises on 20.02.2025 at about 20:30 hrs, during which a Panchnama was drawn and proceedings were initiated under Section 135 of the Electricity Act, 2003. Pursuant thereto, the Respondent issued a theft assessment bill dated 16.03.2025 for ₹1,48,25,890/- towards 8,69,187 units for the period from February 2023 to February 2025. The grievance raised by the Appellant directly challenges the said assessment and the consequential action taken under Section 135 of the Act. Prima facie, therefore, the dispute pertains to an alleged case of theft of electricity, which falls within the jurisdiction of the competent authority/Special Court under the Electricity Act, 2003. It is also a matter of record that the Appellant deposited ₹44,60,000/- towards the assessed amount but failed to pay the balance amount in the agreed instalments. Consequently, the electricity supply was temporarily disconnected in November 2025 and permanently disconnected in December 2025.


12. As per Regulation 7.9(b) of the CGRF & EO Regulations, 2020, the Forum is barred from adjudicating cases under Sections 126, 127, 135–139, 152, and 161 of the Act. The Regulation 7.9 of the CGRF & EO Regulations 2020 is reproduced below:

“7.9 The Forum shall reject the Grievance at any stage under the following circumstances:

- (a)
- (b) **In cases, which fall under Sections 126, 127, 135 to 139, 152, and 161 of the Act;**
- (c)
- (d)
- (e)

Provided that no Grievance shall be rejected unless the Complainant has been given an opportunity of being heard.” (Emphasis added).

13. The Forum has passed a well-reasoned and speaking order after considering the material available on record. I find no infirmity or illegality in the said order warranting interference by


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this Authority. Accordingly, the Representation is rejected. However, considering that the Appellant has already deposited (30% of the Total Assessment Amount) a substantial portion of the assessed amount and has expressed willingness to discharge the balance liability by stamp paper, this Authority deems it appropriate, in the interest of justice and without expressing any opinion on the merits of the assessment, to issue an advisory as follows.


14. It is observed from the record that the Appellant, by his letter dated 30.09.2025, requested the Respondent to permit payment of the outstanding assessed amount in at least 12 instalments. However, the Respondent did not accede to the said request. Considering that the Appellant has already deposited a substantial amount of ₹44,60,000/- towards the assessment and has expressed willingness to liquidate the balance dues through instalments, this Authority is of the view that granting a reasonable instalment facility would meet the ends of justice without affecting the validity of the assessment or the rights of the Respondent to recover the outstanding amount in accordance with law.

15. In view of the above, the parties are advised to settle the matter through mutual understanding, and the Appellant may pay the outstanding assessed amount in 16 equal monthly instalments. All other prayers made by the Appellant are rejected.

16. The representation is disposed of accordingly.

17. The secretariat of this office is directed to refund Rs.25000/- taken as deposit with the Respondent by adjusting in the Appellant's ensuing bill.

Sd/
(Vandana Krishna)
Electricity Ombudsman Mumbai


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Secretary
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