

## BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

### REPRESENTATION NO. 119 OF 2025

In the matter of refund of expenditure done under infrastructure development scheme for  
release of new connections.

Abhijit Ganapati Patil ..... Appellant  
(Developer)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Vita (MSEDCL). ..... Respondent

#### Appearances:

- Appellant : 1) Abhijit Ganapati Patil  
2) Sourabh Kulkarni, Representative
- Respondent : 1) Trupti Dipankar, Executive Engineer (Adm), Sangli Circle  
2) Vinayak Edate, Executive Engineer Vita Dn.  
3) Nisar Shikalgar, Jr. Law Officer, Sangli Circle


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

Date of hearing: 29<sup>th</sup> January 2026

Date of Order : 26<sup>th</sup> February 2026

### ORDER

This Representation was filed on 18<sup>th</sup> December 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 16<sup>th</sup> October 2025 in Case No. 04 of 2025-26 passed by the Consumer Grievance Redressal Forum, Sangli (the Forum). The Forum by its order partly allowed the grievance application of the Appellant. The operative part of the order originally (in Marathi) is as below:

  
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*The Appellant is required to complete the prescribed formalities, including submission of the online application, KYC documents, and other requisite documentation under MSEDCL's infrastructure expenditure refund process.*

*Upon due compliance with all such formalities by the Appellant, the Respondent is obligated to release the refund in accordance with the New Electricity Connection Refund Scheme. Having failed to disburse the said amount within the stipulated period, the Respondent is liable to pay interest on the outstanding amount at the prevailing rate applicable to nationalized banks.*


2. Aggrieved by the order of the Forum, the Appellant has filed this Representation. An e-hearing was held on 29<sup>th</sup> January 2026 through video conference where both the parties were heard at length. The Respondent's submissions and arguments are stated as below: *[The Electricity Ombudsman's observations are recorded under 'Notes'.]*

- (i) The Appellant is a Developer who constructed a Ground + 6 Floors residential complex in the year 2023. The particulars of the project, including address, total load and details of new connections, are set out in Table-1 herein below. The Appellant applied for new electricity connections in August 2023 under the Non-Dedicated Distribution Facility – Consumer Contribution Refundable Scheme (Non-DDF CC & RF Scheme) of the Maharashtra State Electricity Distribution Company Limited. The estimated amount, date of sanction, major materials provided and other relevant particulars are also summarized in Table-1.

Table 1:


Appellant	Consumer No.	Address	Total load	Date of Application	Date of Supply	Estimated Amt. & Sanctioned date	No. of Connection	Major material	Online Application	Refund Amount approved
Abhijit Ganapati Patil	281721530751 & others	Gut no. 14-18, Keshav Park, Palus, Sangli.	40 KW	Aug. 2023	04.11.2023	Rs.3,88,860/- dt.05.09.2023 under Non DDF CC & RF Scheme as per appellant request	24 Residential, 8 Commercial, 3 New Bulk Load Connectons	1 x 63 KVA	11.06.2025	Rs. 3,60,923/- on 08.01.2026

Note: There is no condition mentioned in the estimate for refund despite referring the circular dt.19.03.2019.

  
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- (ii) The Appellant installed the distribution transformer and allied infrastructure at his own cost in accordance with the sanctioned estimate. A copy of the approved estimate is on record. The work was completed as per the sanctioned estimate, charging permission from the Electrical Inspector was obtained, and the installation was duly charged. Thereafter, a work completion report was submitted in the normal course.
- (iii) The Appellant was informed to apply for refund of infrastructure cost under the applicable scheme. An online application was submitted on 11/06/2025; however, it was incomplete and not accompanied by the requisite supporting documents. No hard copy was submitted to the Sub-Divisional Office. As per the guidelines issued by the Head Office, refund applications under the New Connection Refund Scheme are required to be submitted through the designated online module along with complete documentation. In the absence of compliance, the proposal could not be processed.
- (iv) The Appellant filed a grievance before the Forum on 08/09/2025 seeking refund of Rs. 3,88,860/-and compensation. During the hearing, the Respondent submitted that the refund would be processed upon submission of complete documentation. The Forum partly allowed the grievance and directed that upon compliance with prescribed formalities; the refund be released in accordance with company rules.
- (v) By letter dated 18/09/2025, the Respondent informed the Appellant regarding the incomplete application, specifically pointing out that the following required documents had not been uploaded. *[Note: The Respondent has not given any reasons for this delay of more than 3 months in replying. Even this reply may not have been issued, had the Appellant not approached the Forum.]*
- a) Load & Technical Estimate Sanction Letter
  - b) Receipt of payment of demand note
  - c) Handing Over & Taking Over (HOTO) Certificate
  - d) Stamped Undertaking for execution of work in new consumer/ Connection (NC) Scheme.
  - e) Receipt of payment of additional demand note if any.


  
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- (vi) Pursuant thereto, the Appellant submitted a complete application on 03/11/2025 as per guidelines of the Respondent. The Sub-Divisional Office further forwarded this proposal to the higher office for necessary approval.
- (vii) For processing the refund, correspondence was already initiated with the IT Department on 20/08/2025 through the Deputy Manager (Revenue), Divisional Office, Vita. Authorization for verification was granted on 05/01/2026, and **final approval was accorded on 08/01/2026 for payment of Rs. 3,60,923/- in terms of the Forum's order. The amount is being adjusted against the consumer's ensuing electricity bills.** Relevant emails and system-generated approvals are on record.
- (viii) The refund has thus been sanctioned after due compliance by the Appellant. The time taken was only for procedural verification and administrative approval, and there was no deliberate or intentional delay. Consequently, the Standards of Performance are not attracted in the present case.
- (ix) The Respondent referred the Corporate Office Circular No CE(Dist)/M-I/NC/NC-Refund dated 02.06.2023 of Refund of expenditure on Infrastructure Development for release of New Connections under New Consumer/Connection (NC)-Refund Scheme. The important abstract of this circular is quoted as above:

*“With reference to the above subject, guidelines on Infrastructure Development to release New Connections have been issued vide circulars at ref. (1) to (3). The provision has been provided in the circulars that the Developer/ Builder/ Owner/ Applicant can opt for developing the Infrastructure for expediting the development. After the completion of infrastructure and handing over of the same to MSEDCL, the Developer/ Builder/ Owner/ Applicant will be reimbursed amount equivalent to 100% of the cost of the material i.e. cost of material up to service point as per prevailing cost data of MSEDCL with valid GST invoice. Further, it has been provided that such refund shall be provided in five installments. ....*

*The competent authority has vide Office Note at ref. (4) has accorded approval to following methodology for refund of expenditure to Developer/Builder/Owner/Applicants:-*

  
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1. *The refunds for individual consumer shall be effected as in Non DDF CC&RF scheme through incoming monthly energy bills up to 50% of monthly bill amount.*
2. *The refunds for group premises (multiple consumers in contiguous premises eg. housing societies, commercial establishments like malls, IT parks, etc.) shall be effected in 05 (five) equal installments over a period of 05 years through NEFT/DD/cheque. [Note: There are no orders of the Commission which allow refund over 5 years.]*
3. *The individual consumers which are permanently disconnected before the credit of refund amount would be credited the balance refundable amount upon request through NEFT/DD/cheque after adjustment of pending dues/arrears, if any.*

(x) The Respondent, MSEDCL, is a Public Sector Undertaking of the Government of Maharashtra. The methodology governing refund under the New Connection Refund Scheme is formulated and standardized by the Corporate Office and is entirely system-generated, designed to operate in the larger public interest and in accordance with prescribed financial and cash-flow controls. Once the Appellant opted for the said Refund Scheme, he became bound by the terms, conditions, and procedural framework governing it. *[Note: The Respondent has not clarified whether these terms and conditions, specifically refund over 5 years, were clearly explained to the Appellant while sanctioning his scheme.]* The scheme functions through an automated, stage-wise process, and no deviation or alteration is permissible at the local office level, the entire refund mechanism being centrally controlled and system-driven.

(xi) Since the refund process has been completed in accordance with the applicable procedure, the present representation does not survive. In view of the above, the representation of the Appellant be rejected.

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


- (i) The Appellant is a Developer who constructed a Ground + 6 Floors residential complex in the year 2023. The project particulars, including address, total load and details of new connections, are set out in Table-1. The Appellant applied for new electricity

  
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connections in August 2023 Non-DDF CC & RF Scheme of MSEDCL. The sanctioned estimate, and related particulars are on record.

- (ii) Pursuant to the sanctioned estimate, the Appellant installed the distribution transformer and allied infrastructure entirely at his own cost. The entire expenditure was incurred upfront solely for the purpose of obtaining electricity supply to the project.
- (iii) The work was completed as per the sanctioned estimate. Charging permission from the Electrical Inspector was duly obtained, and the installation was energized thereafter. A work completion report was also submitted in accordance with standard procedure.
- (iv) The Appellant was informed to apply for refund of infrastructure cost under the applicable scheme. An online application was submitted on 11/06/2025. Any alleged deficiency in uploading documents was procedural in nature and cannot defeat the substantive right of refund, particularly when the infrastructure stood completed, energized and accepted by the Respondent.
- (v) The Appellant approached the Forum on 08/09/2025 seeking refund of Rs. 3,88,860/- along with compensation for delay. The Forum partly allowed the grievance and directed that upon compliance with prescribed formalities, the refund be released as per company rules.
- (vi) In compliance with the Forum's directions, the Appellant submitted a complete application on 03/11/2025. Thereafter, the matter was processed internally by the Respondent and forwarded to the higher office for approval.
- (vii) Authorization for verification was granted only on 05/01/2026 and final approval on 08/01/2026 for payment of Rs. 3, 88,860/-.
- (viii) The substantial delay in processing the refund is attributable entirely to internal administrative procedures of the Respondent. The Appellant had already incurred the infrastructure expenditure in 2023 and had complied with all substantive requirements. Refund under the CC & RF Scheme is not a discretionary benefit but a policy entitlement.
- (ix) **The Respondent cannot rely upon procedural or system-related formalities to justify prolonged retention of the Appellant's funds. The delay of refund process is unreasonable and contrary to the object of the refund scheme.**


  
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- (x) The Appellant therefore submits that he is entitled not only to refund of the sanctioned amount but also to appropriate interest for the delayed period, in accordance with the principles laid down by the Forum and applicable regulations.
- (xi) The Appellant has also installed a Solar Rooftop Generation system, as a result of which the electricity bills pertaining to the common connections have substantially reduced. In view thereof, the total refund amount may kindly be remitted directly to the Appellant's bank account, the details of which have already been duly verified through completion of KYC formalities.
- (xii) In view of the foregoing submissions, the Appellant prays that this Hon'ble Authority may be pleased to:
- Direct the Respondent to forthwith pay the refunded amount of Rs. 3,88,860/- along with interest for the period of delay;
  - Award compensation of Rs. 10,000/- towards hardship and inconvenience caused to the Appellant; and
  - Issue appropriate directions for initiating action against the concerned officials responsible for the inordinate delay in processing the refund.

### **Analysis and Ruling**

4. Heard the parties and perused the documents on record. The Appellant is a Developer who constructed a Ground + 6 Floors residential complex in the year 2023 and, for electrification of the said project, applied in August 2023 for new electricity connections under the Non-Dedicated Distribution Facility – Consumer Contribution Refundable Scheme of MSEDCL. The details of the sanctioned estimate, total load and infrastructure particulars are set out in Table-1 (on record). Pursuant to the sanctioned estimate, the Appellant installed the distribution transformer and allied infrastructure at his own cost; the work was completed in accordance with the sanctioned estimate, charging permission from the Electrical Inspector was duly obtained, the installation was energized, and a work completion report was submitted in due course.


  
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5. The Appellant initially submitted an online application on 11/06/2025 seeking refund of the infrastructure expenditure; however, according to the Respondent, the said application was incomplete and was not accompanied by the requisite supporting documents, nor was any hard copy submitted at the Sub-Divisional Office. It is not clear if these conditions, including submission of a hard copy, are clearly mentioned on the portal or not. By letter dated 18/09/2025, the Respondent informed the Appellant of the deficiencies, namely non-uploading of (a) the Load & Technical Estimate Sanction Letter, (b) receipt of payment of demand note, (c) Handing Over & Taking Over (HOTO) Certificate, (d) stamped undertaking under the NC Scheme, and (e) receipt of payment of additional demand note, if any. Thereafter, the Appellant submitted a complete application on 03/11/2025, whereupon the proposal was forwarded by the Sub-Divisional Office to the higher authorities for approval, and final approval was accorded on 08/01/2026 for payment of Rs. 3,82,860/-, the refund to be adjusted against the consumer's ensuing electricity bills in terms of the applicable circular.

6. The Respondent relies upon Corporate Office Circular No. CE(Dist)/M-I/NC/NC-Refund dated 02.06.2023 issued by MSEDCL governing refund of infrastructure expenditure, which provides that refund for group premises shall be paid in five equal installments over five years through NEFT/DD/cheque, and for individual consumers through adjustment in monthly bills up to 50% of the bill amount. Once again it is not clear why the Respondent decided to adjust the amount in the monthly bills, instead of paying it in 5 instalments, if it was following this circular. It is contended by the Respondent that the refund mechanism is centrally controlled and system-generated, with no scope for deviation at the local level, and that any delay occurred solely due to non-submission of complete documents by the Appellant; since the refund has now been sanctioned and is being effected as per the prescribed rules, the present representation does not survive.

7. The Appellant contended that that the alleged deficiencies in the initial application were merely procedural and cannot defeat his substantive right to refund, and that the delay from completion of infrastructure till sanction of refund is attributable to internal administrative processing of the Respondent. The Appellant therefore claims interest on the delayed refund,

  
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compensation and direct remittance of the refund amount to his bank account, particularly in view of reduced electricity bills due to installation of rooftop solar generation.

8. It is undisputed that the Appellant opted for the Non-DDF CC & RF Scheme and executed the infrastructure at his own cost pursuant to the sanctioned estimate, and that refund under the scheme is governed by the Corporate Office Circular dated 02.06.2023 issued by MSEDCL. The scheme prescribes a defined methodology requiring submission of complete documentation through the designated online module; the record shows that the initial application dated 11/06/2025 was incomplete, and deficiencies were communicated only on 18/09/2025 i.e. after more than 3 months, and that too only after the Forum's directives. The complete application was submitted on 03/11/2025 and final approval was granted on 08/01/2026. We find that the Respondent treated the online applications for refund casually instead of promptly and seriously. The reply regarding required documents should have been sent immediately. In fact, the portal itself should be very clear as to which documents are required. Further, we find no justification in extending the refund period to 5 years, especially considering that the amount of Rs.3.6 lakhs is not so large an amount as to warrant instalments over 5 years, or adjustments over monthly bills.

In view of the above considerations, it would be fair to not only refund the amount in one lumpsum instalment, but also to pay interest from the date of the complete online application, i.e. from 03.11.2025 to the date of actual payment or one month from the date of this order, whichever is later.

9. The Forum has passed a reasoned and speaking order; however, the same is modified to the following extent. The Respondent is directed to

- (a) Release the entire refundable amount in one lump sum, in consultation with the Corporate Office, within a period of one month from the date of this order, through NEFT/DD/cheque mode, along with interest at the bank rate from 03.11.2025 to the date of payment.


  
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- (b) The Respondent shall submit compliance within two months from the date of issuance of this order.
- (c) All other prayers of the Appellant stand rejected.

10. The Representation is disposed of accordingly.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman (Mumbai)

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

