BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

## **REPRESENTATION 36, 37 & 39 OF 2024**

#### In the matter of billing and recovery of PD arrears

Rep. No.	Name of the Appellant	Consumer No.	
36 / 2024	Shri Uttamsingh Sajjansingh Rathod	250011010853	
37 / 2024	Shri Kore D. G.	250380019708	
39 / 2024	Shir Kore Dayappa Gurupadappa	250380019694	]Appellan

V/s

Maharashtra State Electricity Distribution Company Limited, Ichalkaranji ... .... Respondent (MSEDCL)

Appearances:

Appellant : 1. Mukund Mali, Representative 2. Rajendra Ghankute, Representative

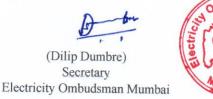
Respondent: P. T. Rathi, Executive Engineer, Ichalkaranji

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

Date of hearing: 15<sup>th</sup> February 2024 Date of Order : 5<sup>th</sup> March 2024

#### ORDER

These three Representations were filed on 21<sup>st</sup> November 2023 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the individual Orders dated 25<sup>th</sup> / 26<sup>th</sup> September 2023 in Case No. 33, 41 & 42/2023 respectively





passed by the Consumer Grievance Redressal Forum, MSEDCL, Kolhapur (the Forum). The Forum, by its orders rejected the grievance applications.

2. Aggrieved by the above orders of the Forum, the Appellants have filed these three representations independently which are clubbed together for a common order as the subject matter is similar in nature. The e-hearing was held on 15<sup>th</sup> February 2024 through video conferencing. Parties were heard at length. The Respondent filed its individual replies dated 23<sup>rd</sup> January 2024. For easy understanding, the Respondents' submissions and arguments are stated first as below: [*The Electricity Ombudsman's observations and comments are recorded under 'Notes' in brackets where needed.*]

 The Appellant (Uttamsingh Sajjansingh Rathod) was a residential consumer in Rep. No. 36/2023 and the Appellants (D.G. Kore) were power-loom consumers in Rep. 37 & 39 of 2023 respectively. The consumer's name, numbers, addresses, sanctioned loads, dates of supply, dates of permanent disconnection, arrears amount etc., are tabulated in Table 1 as below:

Rep. No.	Name of the Appellant	Consumer No.	Address	Sanction load	Date of Supply	Purpose	Date of PD	Outstanding Dues (Rs.)
36 / 2024	Shri Uttamsingh Sajjansingh Rathod	250011010853	Gut No.20/1, Rui Phata, Behind Petrol Pump. Hathkanagle	0.72 KW	27.08.2017	Residential	23.03.2019	86,290
37 / 2024	Shri Kore D. G.	250380019708	9, Industrial Estate, Hathknanagale	6 HP	28.11.1988	Power-loom	23.11.2021	33,580
39 / 2024	Shir Kore Dayappa Gurupadappa	250380019694	9, Industrial Estate, Hathknanagale	10 HP	28.11.1988	Power-loom	23.11.2021	49,360

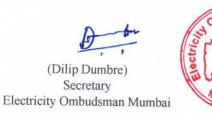
Table 1:

2) The grievance of the Appellants is re-classified as under:

PART I: Appellants Claim: "Outstanding Dues" were not correct:

**Respondent's Submissions**: Bills were correct, based on actual reading and consumed units.

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**PART II: Appellants Claim:** The Outstanding Dues are time barred as per Section 56(2) of the Electricity Act, 2003 (the Act), and balance recovery if any should be done only by filing Civil Suits.

**Respondent's Submissions**: The Section 56(2) of the Act is for <u>live</u> consumers and not applicable for <u>PD</u> consumers. Outstanding dues can be recovered from another live connection of the same consumer or his legal successor, and /or a group of power loom consumers having other connections.

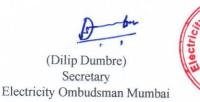
**PART I:** The billing details of the Appellant are as under:

- A. Rep. No. 36 (Uttamsingh Sajjansingh Rathod) (No. 250011010853):
- (i) The Appellant was a residential consumer (No. 250011010853) of the Respondent from 27.08.2017 and his supply was permanently disconnected on 23.03.2019 for non-payment of outstanding dues. The Appellant was billed as shown below:

Month	Previous Reading (KWH)	Current Reading (KWH)	Cons. (Units/mth)	Status	Remarks
Sep-17 to	1	1	50	Reading not	Billed with avg. of 50 units per
Dec -18	1	1	50	available/Lock	month for 16 months.
Jan-19	1	7111	7110	Normal	Accumulated consumption of 17 months with bifurcated avg. cons. of 418 Units /month
Feb-19	7111	8459	1348	Normal	
Mar-19	8459	8615	156	Normal	Permanently disconnected on 23.03.2019 for arrears of Rs.86,290/-
Apr-19	8615	8615	0	P.D.	
May-19				P.D.	
Note :Suppl	y was release	ed on 27.08.2			

Table	2:
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(ii) The meter was locked, and the reading could not be taken. Hence, the Appellant was billed on average basis for only 50 units per month from the





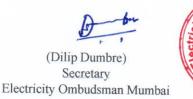
date of supply i.e. Sep.17 to Dec.2018. He was billed for accumulated consumption of 7110 units in Jan. 2019, by splitting the consumption for 17 months for giving slab benefit, with proper credit of average billing. The average came to 418 units per month which indicates that the consumer had been grossly underbilled earlier for 16 months with an average of only 50 units per month.

(iii) The Appellant paid only the following amount (Rs.4070/-) from the date of supply till the permanent disconnection on 23.03.2019, whereas the actual pending dues are Rs.86,290/-.

#### Table 3:

Date of Payment	05.01.2018	13.02.2018	14.03.2018	04.08.2018	21.11.2018	Total
Amount (Rs.)	1140	310	320	1280	1020	4070

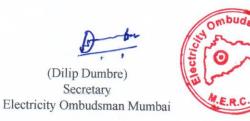
- (iv) The intention of the Appellant was not good. The Appellant paid the last amount of Rs.1020/- on 21.11.2018. The Appellant claimed that the supply was disconnected on 21.11.2018 and service wire and meter removed. The Respondent denies that the supply was disconnected on 21.11.2018, as there was consumption on the meter up to March 2019. The Appellant was permanently disconnected by removing the meter and service wire only on 23.03.2019.
- (v) The Appellant registered a complaint with Internal Complaint Redressal System (ICRS) of high bill of Rs. 86,290/- on 27.03.2023. He was informed through ICRS that the bill was correct and based on actual meter reading. The outstanding dues of the Appellant are of actually consumed units.
- (vi) The Appellant has also used this power supply for Goat rearing as intimated by concern Line staff of the Respondent.
- (vii) The Appellant filed a grievance in the Forum on 26.04.2023. The Forum by its order dated 25.09.2023 rightly rejected the grievance.





# B. Rep. No. 37 & 39 (D. G. Kore, Owner) (Cons. No. 250380019708 & No. 250380019694:

- (i) There are six power loom consumers in one premises under LT Multiparty Power loom Group. Out of these, three were permanently disconnected. The remaining two Appellants were part of this LT Multiparty Power loom Group Scheme (Cons. No. 250380019708 & No. 250380019694: D.G. Kore: Owner) which connection details are tabulated in Table 1. At present, there is only one connection in the name of Shivsagar Tex., which was converted from power-loom to commercial in about Sep./Oct. 2021 when these connections (250380019708 & No. 250380019694) were live and subsequently, these two connections were made PD due to outstanding dues as per Table 1.
- (ii) The Consumers (No. 250380019708 & No. 250380019694) were billed as per actual reading up to Sep. 2020 and with fixed charges from Oct. 2020 to Sep. 2021 (fixed charges of Rs.150/- per month). There was average billing in March 2020 to May 2020 due to the Covid Pandemic. Thereafter, the Appellants were billed as per actual readings in June 2020 by giving proper credit of average billing. After that, the Appellants were billed as per actual reading. The Appellants paid the last bill on 21.03.2020. After that, the Appellants did not pay any bill till date. Therefore, the Appellants' power supply was permanently disconnected on 30.11.2021 after following the proper procedure of issuing disconnection notices. The outstanding dues of the Appellants are of actually consumed units.
- (iii) The Appellant claimed that he applied for permanent disconnection vide his letter dated 15.02.2021 addressed to Deputy Executive Engineer, B Zone, Ichalkaranji. However, no such letter was received (inward) by the Respondent's office. These letters were imaginary.

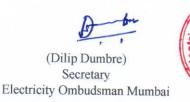


- (iv) The connections of the Appellant were permanently disconnected on 23.11.2021 for non-payment of outstanding dues of Rs. 33,580/- and 49,360/- of Cons. No. 250380019708 & No. 250380019694 respectively.
- (v) The Respondent issued a notice by its letter dated 21.04.2023 to Shri.Shivsagar Textiles (Cons. No. 250380128001: Owner D.G. Kore) Ward/ House No. 9/40, indicating that the Owner should pay the outstanding dues of Rs.33,580/- and 49,360/- of Cons. No. 250380019708 & No. 250380019694 respectively. It was also mentioned in the notice that the same will be added in the bill of Shivsagar Textiles (Cons. No. 250380128001). However, the Appellant did not pay the outstanding dues till date.
- (vi) The Appellant has taken an objection by his letter dated 13.05.2023, claiming that Shivsagar Textiles is a separate identity. This is a wrong statement. The Proprietor/Director, Shivsagar Textiles is D.G. Kore himself, who has made application in Oct./Nov. 2021 for change of tariff category of Shivsagar Textiles.

#### PART II: Appellants Claim: The Outstanding Dues are time barred:

 (i) The Respondent has referred to Regulation 12.5 of Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021(Supply Code & SOP Regulations 2021) in support of its claim of recovery. The Regulation 12.5 is reproduced as below:

> "12.5 Any charge for electricity or any sum other than a charge for electricity due to the Distribution Licensee which remains unpaid by a deceased Consumer or the erstwhile owner / occupier of any premises, as a case may be, shall be a charge on the premises transmitted to the legal representatives / successors-in-law or transferred to the new owner / occupier of the premises, as the case may be, and the same shall be recoverable by the Distribution Licensee as due from such

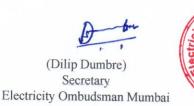




legal representatives or successors-in-law or new owner / occupier of the premises, as the case may be."

The Commission has rightly protected the Licensee's rights to recover legitimate outstanding dues of consumed power by defaulter consumers.

- (ii) The Respondent cited the Judgement of Hon'ble Supreme Court dated 19<sup>th</sup> May 2023 in Civil Appeal No 2109- 2110 of 2004 in Case of K C Ninan V/s Kerala State Electricity Board & Ors., in support of its submissions.
- (iii) The Respondent referred to the order of the Electricity Ombudsman (Mumbai) dated 09.08.2023 in Case of Samant Buildcon Co. Pvt. Ltd. V/s MSEDCL Bundgarden & Others in the matter of recovery of PD arrears. The Electricity Ombudsman observed that Section 56(2) of the Act is for live consumers and not applicable for PD consumers.
- (iv) The Respondent argued that the bills of these three Appellants were correct, and were based on actual reading and consumed units. The Appellants' status before approaching Consumer Grievance Redressal Mechanism is that of permanently disconnected consumers. The Section 56 deals with disconnection of supply in case of default of payment of <u>live</u> consumers. The Section 56(2) of the Act is basically for live consumers and not for PD consumers.
- (v) The Respondent also relied on the order of the Electricity Ombudsman (Mumbai) dated 31<sup>st</sup> May 2021 in Review Application No. 2 of 2021 in Rep. 9 of 2021 in the matter of Mussadik Bubere V/s. MSEDCL Bhiwandi.
- (vi) The Respondent is duty bound to recover these dues as per Regulation 12.5 of Supply Code & SOP Regulations 2021 which are statutory in nature. The Forum, by its individual orders dated 25th / 26th September 2023 has rejected the grievances in Case No. 33, 41 & 42/2023 respectively. The Forum has given reasoned and speaking orders. In view of the above, the Respondent prays that the representation of the Appellant be rejected.

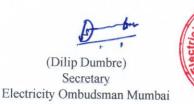




3. The Appellants' written submissions and arguments are as below.

# PART I:

- A. Rep. No. 36 (Uttamsingh Sajjansingh Rathod) (No. 250011010853):
- (i) The Appellant was a residential consumer (No. 250011010853) of the Respondent from 27.08.2017, with details as tabulated in Table 1.
- (ii) The Appellant paid the last bill of Rs. 1020/- on 21.11.2018. The Respondent disconnected the electric supply at that time. The meter and service wire were removed. [Note: Respondent denies this date]. However, the Respondent entered the PD Report on 23.03.2019 in its Online System. The Respondent issued a bill of Rs. 86290/- in the month of March 2019 which was wrong.
- (iii) The Appellant made a complaint of high electricity bill of Rs. 86290/- to the Executive Engineer on 27.03.2023, and requested to cancel this high bill, and also registered a complaint in ICRS immediately. The Appellant received a reply from ICRS that the bill was correct and based on actual meter reading.
- (iv) The Appellant filed a grievance in the Forum on 26.04.2023 (Case No. 33/2023). The Forum by its order dated 25.09.2023 rejected the grievance.
  - B. Rep. No. 37 & 39 (D. G. Kore (Owner) (Cons. No. 250380019708 & No. 250380019694):
  - The Appellants were Power loom consumers whose details are tabulated in Table 1.
  - (ii) There were 5 consumers of power loom in one premises. Out of these 5 consumers, 2 consumers had disconnected the power supply due to recession in business. However, they paid their outstanding dues and are not in arrears. There were three remaining consumers.
  - (iii) The power supply of the Appellants was permanently disconnected on 21.03.2020. [Note: There was consumption up to Sep. 2020 on both these connections]. The Appellants (No. 250380019708 & No. 250380019694)





were billed wrongly from Apr. 2020 to Sep. 2021. The Respondent reported Permanent Disconnection in its online web System on 30.11.2021.

- (iv) The Appellants applied for permanent disconnection vide his letter dated 15.02.2021. There was fictitious billing of outstanding dues of Rs. 33,580/and 49,360/- of these Consumer Nos.
- (v) The Respondent issued a notice by its letter dated 21.04.2023 to Shivsagar Tex. (Cons. No. 250380128001) for payment of the above outstanding dues of Rs. Rs. 33,580/- and 49,360/-. Shivsagar Tex. by his letter dated 13.05.2023, has denied any relation with these two consumers.

#### PART II: Appellants Claim: The Outstanding Dues are time barred:

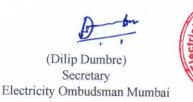
(i) The Appellants claimed that the outstanding dues in these three cases are not admissible. For the sake of argument, even if we assume (but not accepting) that these outstanding dues are correct, all these arrears are older than two years when the Appellants approached the Forum, as tabulated below:

Table	4:
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Rep. No.	Name of the Appellant	Consumer No.	Date of PD	Outstanding Dues (Rs.)	Date of Filing Grievance in the Forum
36 / 2024	Shri Uttamsingh Sajjansingh Rathod	250011010853	23.03.2019	86,290	26.04.2023
37 / 2024	Shri Kore D. G.	250380019708	21.03.2020 (as per Consumer)	33,580	31.05.2023
39 / 2024	Shir Kore Dayappa Gurupadappa	250380019694	21.03.2020 (as per Consumer)	49,360	31.05.2023

These arrears are time barred as per Section 56(2) of the Act.

(ii) The Appellant referred to the Judgement of Hon'ble Supreme Court dated 19<sup>th</sup> May 2023 in Civil Appeal No 2109- 2110 of 2004 in Case of K C Ninan V/s Kerala State Electricity Board & Ors., in support of its submissions. In these three cases,





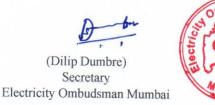
- The Appellants' premises were not sold to anybody, and hence the question of legal representatives / successors-in-law or new owner / occupier does not arise at all.
- > The Appellants have not changed, and remain the same as they were.
- Remedy for recovery of PD dues remains through Civil Suit, and no other methodology for recovery stands in the Court of Law.
- (iii) In view of the above, the Respondent be directed to cancel the outstanding dues as per Section 56(2) of the Act, and/or the Electricity Ombudsman (Mumbai) may direct the Respondent to file a civil suit for recovery, and it should not transfer the dues to other live connections which are not connected to the present representations.

4. During the course of the hearing on 20.11.2023, it was directed to the Appellants to submit specific details of the Judgement of Hon'ble Supreme Court dated 19<sup>th</sup> May 2023 in Civil Appeal No 2109- 2110 of 2004 in Case of K C Ninan V/s Kerala State Electricity Board & Ors.

The Appellants by their email dated 16.02.2024 reproduced the specific content as below: -

"164. In the state of Maharashtra, the terms and conditions under which the MSEB supplied electrical energy were provided in the MSEB Conditions of Supply. The MSEB Conditions of Supply were made effective from 1 January 1976. The MSEB Conditions of Supply laid down a detailed procedure in respect of the application for supply of electrical energy, payment of bills, procedure to be adopted in case of prejudicial use of electrical energy and the terms on which the supply of electrical energy is released to a consumer. Condition 23 of MSEB Conditions of Supply provides for assignment and transfer of agreement.

221. In terms of Regulation 10.5, any charge for electricity or any sum other than a charge for electricity due to the distribution licensee which remains unpaid





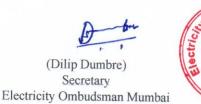
by a deceased consumer or the erstwhile occupier/owner of any premises shall be a charge on the premises transmitted to the legal representatives / successors-inlaw or transferred to the new owner / occupier of the premises, asthe case may be, and the same shall be recoverable by the Distribution Licensee as due from such legal representatives or successors-in-law or new owner / occupier of the premises. However, the proviso lays down that except in the case of a transfer of a connection to a legal heir, the liabilities which are transferred under Regulation 10.5 are restricted to a maximum period of six months of the unpaid charges for electricity supplied to the premises. Accordingly, the dues owed by M/s Sumit Re-Rolling Mills Pvt.Ltd, Nagpur are charged on the property purchased by the first respondent in a public auction."

#### **Analysis and Ruling**

5. Heard the parties and perused the documents on record. The details of the Appellants' connections are tabulated in Table 1.

#### 6. Billing of Rep. No. 36/2023 Uttamsingh Sajjansingh Rathod (No. 250011010853: -

The Appellant was billed on average basis with assumed consumption of 50 units per month for 16 months from Sep. 2017 up to Dec. 2018. After that, the actual reading was taken, and the Appellant was billed as per accumulated consumption by splitting the consumption for 17 months for giving slab benefit and by giving proper credit of average billing. Perusing the CPL of the consumer and Table 2, it is seen that the Appellant was billed as per actual consumption. The supply of the Appellant was permanently disconnected on 23.03.2019 for arrears of Rs.86,290/- as mentioned in Table 1. The Appellant denies this date, and claims that the supply was disconnected in Nov.2018. However, the CPL shows that the PD date was 23.03.2019. Irrespective of the date of disconnection, the meter reading of 8615 KWh at the time of PD cannot be denied. The arrears were determined based on this actual reading. As such the billing of the consumer is found in order.





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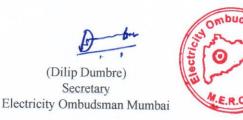
## 7. Billing of Rep.37&39/2023 D.G.Kore, Owner (No. 250380019708 & 250380019694:

The Appellants were power loom consumers as tabulated in Table 1. Perusing the Consumer Personal Ledger, the billing of the Appellants is tabulated as below:

<b>Rep: 37</b> /	2024		Shri K	Kore D. C	G.: Cons.	No. 25038	80019708				
Description	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20			
Current Reading (KWH)	233013	233013	233013	237539	238685	240525	241436	241436			
Previous Reading (KWH)	233013	233013	233013	233013	237539	238685	240525	241436			
Cons. (Units)	536	205 Average	205 Average	4526	1146	1840	911	0			
Month	1	1	1	3.77	1.03	1	1	1			
Rep: 39 /	2024		Shri K	Kore D. (	G.: Cons.	No. 25038	250380019694				
Description	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20			
Status	Live	Live	Live	Live	Live	Live	Live	Live			
Current Reading (KWH)	257532	257532	257532	263794	265526	267983	269862	269863			
Previous Reading (KWH)	257532	257532	257532	257532	263794	265526	267983	269862			
Cons. (Units)	715	270 Average	270 Average	6262	1732	2457	1879	1			
Months	1	1	1	3.77	1.03	1	1	1			

After Oct.2020, the Appellants were billed for minimum charges of Rs. 150/- per month from Nov. 2020 to the month of Nov. 2021. The billing of the Appellant is found in order as per the above CPL of the consumers.

8. **PD Arrears and Section 56 (2) of the Act:** Considering various submissions of the parties, the following issue is framed for determination of the case.



Issue: Whether the MSEDCL is within its legal right to recover the outstanding dues of a permanently disconnected consumer nos. 250011010853, 250380019708 & 250380019694 after more than two years?

The answer is in the AFFIRMATIVE.

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

#### "12. Change of Name

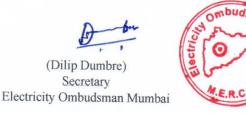
12.5: Any charge for electricity or any sum other than a charge for electricity due to the Distribution Licensee which remains unpaid by a deceased Consumer or the erstwhile owner / occupier of any premises, as a case may be, shall be a charge on the premises transmitted to the legal representatives / successors-in-law or transferred to the new owner / occupier of the premises, as the case may be, and the same shall be recoverable by the Distribution Licensee as due from such legal representatives or successors-in-law or new owner / occupier of the premises, as the case may be, and the same shall be recoverable by the Distribution Licensee as due from such legal representatives or successors-in-law or new owner / occupier of the premises, as the case may be a charge on successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge on successors-in-law or new owner / occupier of the premises, as the case may be a charge of the premises or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a charge or successors-in-law or new owner / occupier of the premises, as the case may be a

# 16. Billing

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

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



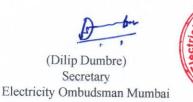
they are statutory in character under the Electricity Act, 2003 and as per the terms and conditions of supply, cannot be waived of in view of the provisions of the Act itself, more specifically Section 56 of the Electricity Act, 2003. The period of limitation under Section 56(2) is applicable to the sum due under Section 56 for <u>live</u> consumers and not <u>PD</u> consumers.

The Appellants have taken a plea [para 3 Part II (ii)] that they have not sold the premises to anybody; the original owners are still in place, therefore recovery of their PD dues cannot be done through disconnection. This argument is fallacious. The law allows recovery even from subsequent owners or heirs; there is no question or doubt that recovery of PD arrears can obviously be done if the owner remains the same. The consumer cannot avoid taking responsibility for his own arrears.

Hon'ble Supreme Court by its Judgement dated 19<sup>th</sup> May 2023 in Civil Appeal No 2109-2110 of 2004 in Case of K C Ninan V/s Kerala State Electricity Board & Ors. has concluded regarding the recovery of PD arrears as below:

#### "328. The conclusions are summarised below:

- a. The duty to supply electricity under Section 43 of the 2003 Act is not absolute, and is subject to the such charges and compliances stipulated by the Electric Utilities as part of the application for supply of electricity;
- b. The duty to supply electricity under Section 43 is with respect to the owner or occupier of the premises. The 2003 Act contemplates a synergy between the consumer and premises. Under Section 43, when electricity is supplied, the owner or occupier becomes a consumer only with respect to those particular premises for which electricity is sought and provided by the Electric Utilities;
- *c*. ......
- d. A condition of supply enacted under Section 49 of the 1948 Act requiring the new owner of the premises to clear the electricity arrears of the previous owner as a precondition to availing electricity supply will have a statutory character;
- e. The scope of the regulatory powers of the State Commission under Section 50 of the 2003 Act is wide enough to stipulate conditions for recovery of electricity arrears of previous owners from new or subsequent owners;





- The Electricity Supply Code providing for recoupment of electricity dues f. of a previous consumer from a new owner have a reasonable nexus with the objects of the 2003 Act;
- g. The rule making power contained under Section 181 read with Section 50 of the 2003 Act is wide enough to enable the regulatory commission to provide for a statutory charge in the absence of a provision in the plenary statute providing for creation of such a charge;
- h. The power to initiate recovery proceedings by filing a suit against the defaulting consumer is independent of the power to disconnect electrical supply as a means of recovery under Section 56 of the 2003 Act;

i. "

Considering all these aspects, the above Issue is answered in the Affirmative.

9. The recovery of PD arrears is the right of the Respondent. PD arrears based on consumed units cannot be waived. No doubt the Respondent can choose to file a Civil Suit for recovery of PD arrears if it chooses. But this does not restrict its right to recover such valid dues through transfer of dues. The Respondent is expected to undertake due diligence in such cases to ensure the legality of transfer of dues, and to confirm whether both the consumers are the same person.

10. The present three representations of the Appellants are rejected and disposed of accordingly.

11. The secretariat of this office is directed to refund Rs. 25,000/-, Rs.18,145/- & Rs.25,000/- in Rep. 36, 37 & 39 of 2024 respectively to the Respondent to adjust in their ensuing bills.

> Sd/ (Vandana Krishna) Electricity Ombudsman (Mumbai)

(Dilip Dumbre)

Secretary

