

**BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)**

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

**REPRESENTATION NO. 77 OF 2025**

In the matter of defective meter and supplementary recovery

Sugandha Industries..... Appellant  
(C. No. 170101471384)

V/s.

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

**Appearances:**

Appellant : 1. D. V. Chormale, Manager  
2. Prakash Jamadhade, Representative

Respondent: 1. Atul Deokar, Executive Engineer, Bhosari Dn  
2. Ashok Jadhav, Addl. Executive Engineer

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

Date of hearing: 29<sup>th</sup> October 2025

Date of Order: 7<sup>th</sup> November 2025

**ORDER**

This Representation was filed on 6<sup>th</sup> August 2025 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 21<sup>st</sup> July 2025 passed by the Consumer Grievance Redressal Forum, MSEDCL, Pune (the Forum) in Case No. 75 of 2025. The Forum, by its order partly allowed the grievance

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



application of the Appellant. The operative part of the order is in Marathi, which has been translated into English as follows:

2. *The Respondent is hereby directed to cancel the supplementary bill amounting to ₹8,86,606.70.*
3. *The Respondent shall issue a revised supplementary bill by applying the average monthly consumption of 5,588 units for the period from August 2020 to August 2021 (13 months).*
4. *The Respondent is further directed to waive the interest and delayed payment charges accrued on the said supplementary bill, and to extend a payment facility in the form of six monthly installments.*

2. The Appellant has filed the present Representation challenging the order passed by the Forum. A physical/e-hearing was conducted on 29.08.2025, wherein the Appellant's representatives appeared in person and the Respondent participated through video conference. Neither the landlord Mangesh Jadhav, nor the tenant Ved Prakash Dubey attended in person. Both 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.]*

- (i) The Appellant is an industrial consumer (Consumer No. 170101471384) since 08.08.2010 with sanctioned load of 18 HP. The relevant particulars including initial assessment and subsequent bill revisions are tabulated as below:

Table 1:

| Name of Consumer                                                                                                                             | Consumer No. | Address on Bill                                                         | Sanct. Load | Date of Supply | Purpose    | Assessment & Period                                                                        | Date of Temp. Disconn. | Date of Perm. Disconn. | Bill Revision as per Forum's order                                                              | Waival of Bill Rs.                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------|-------------|----------------|------------|--------------------------------------------------------------------------------------------|------------------------|------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Sugandha Industries                                                                                                                          | 170101471384 | Prop Janabai Madhukar Shelar, G/No 1556, Shelarwasti, Chikhalli, Haveli | 18 HP       | 08.08.2010     | Industrial | Assessment of Rs. 8,86,606/- for 1,06,680 units for the period from Aug. 2020 to Aug. 2021 | Aug. 2023              | 26.02.2024             | Revised Assessment of Rs.6,05,391/- for 72,644 units for the period from Aug. 2020 to Aug. 2021 | Rs. 3,42,069/- (1. Rs. 2,81,215 (=886606-605391) & 2. Interest & DPC waived of Rs. 62,344/- with misc recovery of Rs. 1490/- of recorded 92 units) |
| <b>Remarks :</b> Initially, Late Smt. Janabai Shelar was Owner. Tenant is Ved Prakash Dubey. At present, Owner is Mangesh Jadhav at present. |              |                                                                         |             |                |            |                                                                                            |                        |                        |                                                                                                 |                                                                                                                                                    |

- (ii) The original owner of the premises was Late Smt. Janabai Shelar, and the electricity connection was sanctioned under the consumer name/title "Sugandha Industries." The

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



said premises was thereafter let out on rent and was being utilized by Archana Enterprises, Proprietor: Shri Vedprakash Dubey.

- (iii) The Office of Regional Director, Pune Region telephonically and vide letter dated 04.11.2022 issued directions to the Executive Engineer, Bhosari Division to inspect burnt three-phase meters and assess unrecorded consumption. M/s. Sugandha Industries, operating through the above connection, was one of the identified consumers.
- (iv) During the inspection on 04.11.2022, it was observed that after the meter burning and before its replacement, the monthly recorded consumption was abnormally low (~10 units/month) compared to the usage before and after replacement.
- The burnt meter was replaced on 13.09.2021 by the Respondent, Akurdi Sub-Division.
  - Based on the actual consumption for the next three months of Oct-2021 to Dec-2021, an average consumption of 8220 units/month was assessed. Accordingly, a provisional demand of Rs. 8,86,606/- for 1,06,680 units for Aug-2020 to Aug-2021 was issued through communication dated 01.11.2022.

The consumption pattern and the assessment summary is tabulated in Table 2 as below:

Table 2:

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



| Consumption Pattern of Sugandha Enterprises<br>(Cons. No. 170101471384) |                                                                                                                                      |         |         |         |         |         |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Year                                                                    | 2018-19                                                                                                                              | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Apr                                                                     | 0                                                                                                                                    | 2646    | 246     | 10      | 6138    | 6647    |
| May                                                                     | 0                                                                                                                                    | 3450    | 246     | 10      | 8802    | 5848    |
| June                                                                    | 66                                                                                                                                   | 2967    | 4668    | 10      | 8257    | 6717    |
| July                                                                    | 2905                                                                                                                                 | 3600    | 3034    | 10      | 9743    | 7713    |
| Aug                                                                     | 2715                                                                                                                                 | 3660    | 0       | 100     | 5207    | 0       |
| Sept                                                                    | 3261                                                                                                                                 | 4336    | 0       | 11447   | 9552    | 0       |
| Oct                                                                     | 2234                                                                                                                                 | 3150    | 0       | 8050    | 7411    | 0       |
| Nov                                                                     | 2911                                                                                                                                 | 2869    | 0       | 8965    | 11583   | 0       |
| Dec                                                                     | 5022                                                                                                                                 | 3135    | 10      | 6935    | 7498    | 0       |
| Jan                                                                     | 6123                                                                                                                                 | 1706    | 10      | 9815    | 9196    | 0       |
| Feb                                                                     | 4617                                                                                                                                 | 2530    | 10      | 7862    | 10715   | 0       |
| Mar                                                                     | 5053                                                                                                                                 | 1442    | 10      | 7415    | 9048    | 0       |
| Remarks                                                                 | 1. The meter of Sugandha Enterprises was burnt in August 2020. The burnt meter was replaced on 13.09.2021.                           |         |         |         |         |         |
|                                                                         | 2. The Supply of Sugandha Enterprises was temporarily disconnected in Aug. 2023 as per CPL & permanantly disconnected on 26.02.2024. |         |         |         |         |         |

- (v) The Respondent referred Regulation 15.3.3 of Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 (Supply Code and Standards of Performance Regulations, 2021) which is reproduced as below:

*15.3. Lost / Burnt Meters*

*15.3.3: Provided further that the estimated electricity charges for the period for which meter was not available due to loss of meter may be billed to the Consumer in the ensuing bill after supply is restored. Where, upon a complaint by the Consumer or inspection by the Authorised Representative, the meter is found to be burnt, it shall be replaced and supply restored to the Consumer.*

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



*Provided that the Distribution Licensee may recover the price of the new meter from the Consumer wherever the cause of burnt meter is attributable to Consumer:*

*Provided further that the estimated electricity charges for the period for which meter was not available due to burning of meter may be billed to the Consumer in the ensuing bill after supply is restored.*

- (vi) As per Regulation 15.3.3, the assessment of under billing was carried out as per the consumption pattern established after meter replacement, for the period during which the meter was unavailable due to burning of meter. The Respondent submitted that the **delay in replacement of the burnt meter occurred due to shortage of meters during the Covid-19 pandemic**. In support of the assessment, MSEDCL produced the inspection report dated 24.04.2023 of the installation, wherein the actual connected load was found to be around 40 kW.

- **Inspection dated 24.04.2023 found 40 kW connected load against the sanctioned load of 18 HP (13.43 KW), well above the slab of 0-20 kW Tariff Category of lower billing rate under which supply was originally taken.**
- **Usage at higher tariff slab (20-50 kW) and concealed load was an act of violation of the rules contributing directly to burning of the original meter.**
- Thus, the Appellant has not approached with clean hands.

- (vii) The Respondent has submitted that the said industrial shed was later sold to Shri Mangesh Ramchandra Jadhav, who subsequently executed a Leave & License Agreement with Archana Enterprises (Proprietor: Shri Vedprakash Dubey) for the period 01.01.2023 to 25.09.2023. The particulars of the said agreement are presented in Table 3 as below:

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



Table 3:

| Particulars                 | Licensor                  | Licensee                                     | Address                            | Period                   |
|-----------------------------|---------------------------|----------------------------------------------|------------------------------------|--------------------------|
| Leave and License Agreement | Mangesh Ramchandra Jadhav | Archana Enterprises, Prop.: Vedprakash Dubey | Gat No. 1556, Shelarwadi, Chikhali | 01.01.2023 to 25.09.2023 |

- (viii) After that, the Appellant did not pay the outstanding dues, and arrears accumulated to **Rs.10,67,720/-**. The supply of the Appellant was temporarily disconnected in Aug. 2023 for nonpayment of outstanding dues, & permanently disconnected on 26.02.2024. **Accordingly, Shri Vedprakash Dubey is liable to pay the outstanding dues of Rs.10,67,720/- to MSEDCL. Instead of complying with this statutory liability, Vedprakash Dubey (Archana Enterprises) has shifted its operations to the premises of Krishna Enterprises and is continuing to use their electricity connection, thereby evading payment of legitimate dues.**
- (ix) One Brijesh Dubey, Prop. Krishna Enterprises was following up with the MSEDCL Authority for revision of the bill of Sugandha Industries.
- (x) The Appellant filed a grievance application in the Forum on 02.04.2025. The Forum, by its order partly allowed the grievance application of the Appellant. It reduced the applied average from 8220 to 5588 units per month.
- (xi) Pursuant to the Forum's directions, assessment was reduced from Rs.8.86 lakh to Rs. 6,05,391/- for 72,644 units for the same period. Credit of Rs. 3,42,069/- was extended. The details of the calculations are as below:

- Rs. 2,81,215/- ((= Rs. 8,86,606 - Rs. 6,05,391): Reduction in assessment difference
- Rs. 62,344/- — Waiver of Interest & DPC
- Rs. 1,490/- — Misc. recovery of 92 recorded units

Thus the Appellant has already been granted considerable relief.

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



- (xii) The Appellant has consumed electricity, a valuable and essential public utility service. In terms of the provisions of the Electricity Act, 2003 and MERC Regulations, the Appellant is legally and contractually bound to make payment for the energy consumed. The Appellant continued unauthorized high load, thus is not entitled to equity relief.
- (xiii) The indirect compensation on account of alleged loss of business is not admissible under the CGRF & EO Regulations, 2020.
- (xiv) As argued by the Appellant, there is no need to test the old meter, as a burnt meter cannot give any test result.
- (xv) As MSEDCL is a Public Undertaking, any loss of consumed units directly translates into loss of revenue ultimately borne by its entire consumer base.
- (xvi) In view of the above, the Respondent prays that Hon'ble Ombudsman may be pleased to:

- (a) Uphold the Forum's Order in its entirety, as it already grants reasonable relief.
- (b) Reject the Appellant's representation seeking further waiver/compensation.

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

- (i) The Appellant is an industrial consumer (Consumer No. 170101471384) since 08.08.2010. The relevant particulars are tabulated in Table-1. The activity of the Appellant is manufacturing of product based on polymer technology. The Appellant was regular in payment of electricity bills.
- (ii) Due to the Covid-19 pandemic and statewide lockdowns in Maharashtra from March 2020 onward (first and second waves during 2020–2021), the Appellant's operations were severely impacted. Only limited trial runs were conducted during June–July 2020, and the unit remained non-operational from August 2020 to August 2021 due to unavailability of labour and severe financial distress. The meter was found burnt during this period. *[Note: The actual consumption during June and July 2020 before the meter*

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



*was burnt, is 4668 and 3034 units, as per the record. Had the meter been already burnt during this period, the consumption would have been recorded as zero.]*

- (iii) The Respondent replaced the burnt meter on 13.09.2021. The Appellant resumed operations at full capacity from September 2021 to recover losses suffered during the pandemic.
- (iv) The Respondent issued an assessment bill of Rs. 8,86,606/- for 1,06,680 units for the period August 2020 to August 2021, without establishing the exact date of meter burning. As per Standards of Performance, the Respondent was required to replace the burnt meter within 18 hours in urban areas, which was not complied by them.
- (v) The Appellant relied on Regulation 15.6.4 of the Supply Code and Standards of Performance Regulations, 2021, which requires the Distribution Licensee to provide at least two working days' advance written notice regarding the date, time, and place of meter testing. The relevant portion of Regulation 15.6.4 is reproduced as below:

*15.6.4 Before testing a Consumer's meter, the Distribution Licensee shall give advance notice through written communication by hand delivery or post or courier or any digital means of communication of atleast Two (2) working days, intimating the date, time and place of testing so that the Consumer or his authorised representative may be present at the testing:*

No such notice was issued, nor was any test result furnished by the Respondent.

- (vi) The Appellant further relied upon Regulation 16.4.1 of the Supply Code and Standards of Performance Regulations, 2021, which **limits billing in cases of defective/stuck/stopped/burnt meters to a maximum of three months prior to the dispute, based on previous year's consumption, or the average of previous three billing cycles, whichever is higher.** The Regulation 16.4.1 is reproduced below: -

*Billing in the Event of Defective/ stuck/stopped/burnt Meters*

*16.4.1. Subject to the provisions of Part XII and Part XIV of the Act, in case of a defective meter, the amount of the Consumer's bill shall be adjusted, for a maximum period of three months prior to the month in which the dispute has arisen, in*

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



*accordance with the results of the test taken subject to furnishing the test report of the meter along with the assessed bill:*

*Provided that, in case of broken or damaged meter seal, the meter shall be tested for defectiveness or tampering. In case of defective meter, the assessment shall be carried out as per clause 16.4.1 above and, in case of tampering as per Section 126 or Section 135 of the Act, depending on the circumstances of each case:*

*Provided further that, in case the meter is stuck, burnt, lost or has stopped recording, the Consumer will be billed for the period for which the meter is stuck or has stopped recording or for the period for which meter was not available due to burning or loss of meter, up to a maximum period of Three (3) months, based on **the consumption during the corresponding period in the previous year when readings were taken or the average consumption of the previous Three (3) billing cycles for which the meter has been read by the Distribution Licensee, whichever is higher:***

The Respondent has violated this regulatory mandate; therefore, the benefit of such regulatory protection must be extended to the Appellant.

- (vii) The Appellant pursued the matter through written complaints dated 01.04.2024 and 01.04.2025 to the Chief Engineer, Pune Zone; Superintending Engineer, Ganeshkhind Circle; and Executive Director, Pune Region. No appropriate decision or remedy was provided.
- (viii) The Appellant filed a grievance before the Forum on 02.04.2025 seeking reconnection, bill revision, and compensation for financial loss. The Forum, by order dated 21.07.2025, partly allowed the grievance. However, the Forum did not grant relief under Regulation 16.4.1, despite clear applicability.
- (ix) The Appellant placed on record purchase orders demonstrating material supply commitments, including PVC Rubber from Ajinkya Industries to Archana Enterprises

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



and ABS 120 HRM Black materials from Maga KLC Polymer Technologies Pvt. Ltd. to Archana Enterprises

- Purchase Orders of PVC Rubbers issued by Ajinkya Industries to Archana Enterprises

| Purchase Order No | Date       | Amount (Rs.) | Purchase Order No | Date        | Amount (Rs.) |
|-------------------|------------|--------------|-------------------|-------------|--------------|
| AI/23-24/11       | 18.11.2023 | 650000       | AI/23-24/19       | 29.12.2023  | 97500        |
| AI/23-24/12       | 18.11.2023 | 260000       | AI/23-24/22       | 06.01.2024  | 200000       |
| AI/23-24/14       | 29.11.2023 | 650000       | AI/23-24/23       | 6.01.2024   | 550000       |
| AI/23-24/15       | 29.11.2023 | 650000       | AI/23-24/24       | 16.01.2024  | 400000       |
| AI/23-24/18       | 20.12.2023 | 400000       | AI/23-24/25       | 16.01.2024  | 650000       |
|                   |            |              |                   | Gross Total | 45,07,500    |

- Purchase Orders of ABS 120 HRM Black materials issued by Maga KLC Polymer Technologies Pvt. Ltd. to Archana Enterprises

| Sr. No. | Amount (Rs.) | Date       | Sr. No. | Amount (Rs.) | Date       |
|---------|--------------|------------|---------|--------------|------------|
| 1       | 135700       | 21.01.2023 | 5       | 129800       | 04.07.2023 |
| 2       | 135700       | 04.02.2023 | 6       | 129800       | 13.07.2023 |
| 3       | 67850        | 06.03.2025 | 7       | 64900        | 21.10.2023 |
| 4       | 135700       | 28.04.2023 | 8       | 129800       | 16.08.2023 |
|         |              |            | Total   | 4,54,300     |            |

- (x) The Appellant has claimed actual financial loss of Rs. 49.62 lakhs (Rs. 45.08 lakhs + Rs. 4.54 lakhs). Further, due to disruption of the manufacturing process, the molds and dyes allegedly became unusable, causing an additional loss of Rs. 20.38 lakhs. The overall loss, including failure to meet production and supply commitments, is claimed at approximately Rs. 70 lakhs.
- (xi) The Appellant has submitted that there is no business or legal relationship between Shri Vedprakash Dubey (M/s. Sugandha Industries) and Shri Brijesh Dubey (M/s. Krishna Enterprises).

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



(xii) In view of the above, the Appellant prays that the Respondent be directed to

- a) Revise the impugned bill strictly in accordance with Regulation 16.4.1 of the Supply Code & Standards of Performance Regulations, 2021, **restricting the assessment period to a maximum of three months only;**
- b) Award compensation of Rs. 70 lakhs towards the alleged financial loss suffered due to interruption and non-restoration of supply; and
- c) Initiate disciplinary action against Respondent's erring employees responsible for delay and non-compliance.

### Analysis and Ruling

4. Heard the parties and perused the documents on record. The Appellant is an industrial consumer (Consumer No. 170101471384) since 08.08.2010. The relevant particulars are tabulated in Table-1. The activity of the Appellant is manufacturing of product based on polymer technology.

5. The Respondent contended that pursuant to directions of the Regional Director, Pune dated 04.11.2022, inspection of burnt meters revealed abnormally low recorded consumption (~10 units/month) until the burnt meter was replaced on 13.09.2021. Based on actual post-replacement consumption (Oct-Dec 2021: avg. 8220 units/month), an assessment of Rs. 8,86,606/- was raised for unrecorded units during Aug-2020 to Aug-2021. Meter Replacement delay was due to meter shortages during Covid-19. Subsequent inspection (24.04.2023) established a connected load of 40 kW against the sanctioned 13.43 kW, clearly indicating unauthorized excess load contributing to meter burning. The Appellant failed to clear arrears of Rs. 10,67,720/-, resulting in temporary disconnection in Aug-2023 and permanent disconnection on 26.02.2024, while shifting operations to another premises to evade statutory dues. After the Forum's order, the average consumption was reduced to 5588 units and the assessment was reduced to Rs. 6,05,391/- with a credit of Rs. 3,42,069/-. Having consumed electricity, the Appellant is legally bound to pay for energy consumed in accordance with the Electricity Act, 2003 and MERC Regulations.

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



6. The Appellant contended that due to Covid-19 lockdowns during 2020–2021, the industrial unit remained largely non-operational from August 2020 to August 2021, resulting in negligible consumption. The meter was discovered burnt during this period. The Respondent replaced the burnt meter only on 13.09.2021. The Appellant thereafter resumed full operations to recover substantial pandemic-related losses. The Respondent issued an assessment of Rs.8,86,606/- for 1,06,680 units (Aug-2020 to Aug-2021) without establishing the date of meter burning and despite failing to replace the meter within the mandated 18 hours in urban areas as per Standards of Performance. Regulation 16.4.1 mandates that billing in case of defective/burnt meters shall be limited to a **maximum of three months** based on the previous year's corresponding consumption or the average of the previous three cycles. The Respondent has violated this statutory mandate; therefore, benefit must accrue to the Appellant. The Appellant filed a grievance before the Forum on 02.04.2025, seeking reconnection, bill revision, and compensation. Although partly allowed on 21.07.2025, the Forum failed to extend mandatory protection under Regulation 16.4.1. Purchase orders placed on record prove genuine business commitments requiring continuous electricity supply, and disruption resulted in serious commercial impact. The Appellant has suffered financial losses estimated at about Rs.70 lakhs, including production disruption, unusable molds and dyes, and loss of business commitments. The Appellant denies any business or legal connection with the premises or activities of Krishna Enterprises. The Appellant, therefore, seeks directions to the Respondent to revise the impugned bill strictly as per Regulation 16.4.1, restricting assessment to three months only and to award compensation of Rs. 70 lakhs for losses due to prolonged outage and non-restoration.

7. In view of the pleadings and submissions of both parties, the following issues arise for consideration in this case:

**Issue 1: Whether the Appellant is eligible for the benefit under Regulation 16.4.1 of the Supply Code and Standards of Performance Regulations, 2021?**

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



We have examined the consumption pattern of the Appellant as per Table 2. This includes consumption before, during and after the pandemic / lockdown. The unit seems to have been shut down only in April and May 2020. The Consumer Personal Ledger (CPL) data of the selected period is reflected in Table 4 as below:

Table 4:

| <b>Normal Consumption Pattern of the Appellant before Covid 19<br/>Pandemic &amp; after Meter Replacement</b> |                                                                                                                                                                                                                                                                                  |              |                                                         |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------------------------------------------|
| <b>Month</b>                                                                                                  | <b>Old Meter (No. 10013314) before Covid 19 pandemic (Cons. in Units)</b>                                                                                                                                                                                                        | <b>Month</b> | <b>New Meter (No. 08768945) after meter replacement</b> |
| Apr-19                                                                                                        | 2646                                                                                                                                                                                                                                                                             | Sep-21       | 11447                                                   |
| May-19                                                                                                        | 3450                                                                                                                                                                                                                                                                             | Oct-21       | 8050                                                    |
| Jun-19                                                                                                        | 2967                                                                                                                                                                                                                                                                             | Nov-21       | 8965                                                    |
| Jul-19                                                                                                        | 3600                                                                                                                                                                                                                                                                             | Dec-21       | 6935                                                    |
| Aug-19                                                                                                        | 3660                                                                                                                                                                                                                                                                             | Jan-22       | 9815                                                    |
| Sep-19                                                                                                        | 4336                                                                                                                                                                                                                                                                             | Feb-22       | 7862                                                    |
| Oct-19                                                                                                        | 3150                                                                                                                                                                                                                                                                             | Mar-22       | 7415                                                    |
| Nov-19                                                                                                        | 2869                                                                                                                                                                                                                                                                             | Apr-22       | 6138                                                    |
| Dec-19                                                                                                        | 3135                                                                                                                                                                                                                                                                             | May-22       | 8802                                                    |
| Jan-20                                                                                                        | 1706                                                                                                                                                                                                                                                                             | Jun-22       | 8257                                                    |
| Feb-20                                                                                                        | 2530                                                                                                                                                                                                                                                                             | Jul-22       | 9743                                                    |
| Mar-20                                                                                                        | 1442                                                                                                                                                                                                                                                                             | Aug-22       | 5207                                                    |
| Total Cons.                                                                                                   | 35491                                                                                                                                                                                                                                                                            | Total Cons.  | 98636                                                   |
| Avg./ Month                                                                                                   | 2958                                                                                                                                                                                                                                                                             | Avg./ Month  | 8220                                                    |
| <b>Note:</b>                                                                                                  | <b>1. Combined Average : <math>(2958 + 8220)/2 = 5589</math> units per month say 5588 units per month taken by the Forum.</b><br><b>2. Consumption from Apr.'20 to July '20 was not considered due to Covid 19 pandemic &amp; meter is not working from Aug.' 20 to Aug.'21.</b> |              |                                                         |

It is observed that before the meter was burnt, the Appellant's industrial unit recorded active consumption of **4668 units in June 2020** and **3034 units in July 2020**. The Government of

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



Maharashtra had permitted industrial units to operate from June/July 2020 onward with prescribed safety measures in place. Therefore, the Appellant's claim that the unit was completely non-operational from August 2020 to August 2021 is not acceptable. Further, the Appellant did not lodge any complaint regarding the meter being stopped, faulty, or burnt during the disputed period. The Forum has also rightly noted the consumption trends, indicating ongoing industrial activity. Additionally, while the sanctioned load of the Appellant was **18 HP**, the actual connected load was found to be approximately **40 kW without any intimation to the Respondent, apparently for taking benefit of the lower Tariff slab of 0 to 20 KW. It is likely that the meter got burnt precisely because of this overload. This aspect cannot be ignored.** Considering the above facts, the benefit of Regulation 16.4.1 (related to billing relief in case of defective/stopped meter) **cannot be extended** in this particular case. The Appellant has not approached this authority with full candor.

Accordingly, **Issue No. 1 is answered in the Negative.**

**Issue 2: Whether the Appellant is eligible for compensation of ₹70 lakhs towards the alleged loss of business, machinery repairs, and related claims?**

**Finding:** Issue No. 2 is answered in the **Negative.**

The Appellant has sought compensation of ₹70 lakhs alleging loss of business and damage to machinery. However, under the Supply Code and Standards of Performance Regulations, 2021, compensation is strictly limited to the amounts specified in **Annexure-II**, applicable only in cases of a proven violation of the Distribution Licensee's mandated performance standards. The relevant extract is reproduced herein for ready reference: –

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



| Annexure - II: Level of Compensation Payable to Consumer for failure to meet Standards of Performance                                                                                                                                                                                                            |                                      |                                                                       |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------|------------------|
| Supply Activity/Event                                                                                                                                                                                                                                                                                            | Standard                             | Compensation Payable                                                  | Automatic/Manual |
| <b>4. Reconnection</b>                                                                                                                                                                                                                                                                                           |                                      |                                                                       |                  |
| Reconnection of a Consumer who has been disconnected for less than six (6) months, from the time of payment of either all amounts to the satisfaction of the Distribution Licensee or, in case of a dispute, such amount under protest in accordance with the proviso to subsection (1) of Section 56 of the Act | Eight (8) hours (Urban Areas)        | Rs 50 per hour or part thereof of delay subject to maximum of Rs 250. | Automatic        |
|                                                                                                                                                                                                                                                                                                                  | Twenty Four (24) hours (Rural Areas) |                                                                       | Automatic        |

**Related MERC Regulations Restricting Indirect / Consequential / Punitive Losses:**

- (a) Regulation 18.4 of the Supply Code and Standards of Performance Regulations, 2021 stipulates as follows:

*18.4 The Distribution Licensee shall not be liable for any claims against it attributable to direct, indirect, consequential, incidental, punitive, or exemplary damages, loss of profits or opportunity, whether arising in contract, tort, warranty, strict liability or any legal principle which may become available, as a result of any curtailment of supply under the circumstances or conditions mentioned in this Regulation 18.*

**Regulation 18.4** of the aforesaid Regulations explicitly restricts the liability of the Distribution Licensee by providing that it shall **not** be responsible for any direct, **indirect**, consequential, incidental, punitive, or exemplary damages.

- (b) **Regulation 20.4 of the CGRF & EO Regulations, 2020** clearly prohibits awarding of indirect or consequential damages. The said Regulation stipulates:

*20.4 The order passed by the Electricity Ombudsman shall set out –*

- (a) *issue-wise decisions;*  
(b) *reasons for passing the order; and*

  
 (Dilip Dumbre)  
 Secretary  
 Electricity Ombudsman Mumbai



(c) to (d) .....

(e) *directions to pay such amount as may be awarded by it as compensation to the Complainant for any loss or damage suffered by the consumer:*

***Provided, however, that in no case shall any Complainant be entitled to indirect, consequential, incidental, punitive, or exemplary damages, loss of profits or opportunity.***

(f) .....

In light of the above-quoted provisions, the Appellant is **not entitled to claim indirect or consequential compensation for business losses beyond Rs.250/-**.

8. The Forum's conclusion upholding the Respondent's action is correct. The Representation of the Appellant is principally rejected; however, in order to provide some relief to the Appellant, the order is modified to the extent below:

- (a) The Respondent is directed to waive the interest and delayed payment charges (DPC) on the electricity bill outstanding amount from the date of permanent disconnection (26.02.2024) up to the date of this order.
- (b) The Appellant shall be allowed to pay the revised bill amount in 12 equal monthly instalments, without any interest or delayed payment charges. In the event of default in payment of any installment, proportionate interest shall accrue on the defaulted amount, and the Respondent shall be at liberty to proceed in accordance with the law.
- (c) The electricity supply of the Appellant shall be restored upon payment of the first installment, subject to completion of all applicable statutory formalities.
- (d) The Respondent shall submit compliance of this order within two months from the date of this order.
- (e) All other prayers made by the Appellant stand rejected.

9. The Representation is disposed of accordingly.

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai



10. The Secretariat of this office is directed to refund the amount of Rs.25,000/- (Rupees Twenty-Five Thousand only) deposited by the Appellant, to the Respondent, for adjustment against the Appellant's electricity bill.

Sd/  
(Vandana Krishna)  
Electricity Ombudsman (Mumbai)

  
(Dilip Dumbre)  
Secretary  
Electricity Ombudsman Mumbai

