

**THE STATE ELECTRICITY OMBUDSMAN**

Charangattu Bhavan, Building No.34/895, Mamangalam-Anchumana  
Road,

Edappally, Kochi-682 024

www.keralaeo.org Ph: 0484 2346488, Mob: 91 9539913269

Email:ombudsman.electricity@gmail.com

---

APPEAL PETITION No. P/047/2018

(Present: A.S. Dasappan)

Dated: 28<sup>th</sup> September 2018

Appellant : Sri. Jabbar P.S.  
Pulvathu House,  
Chelamattom, Okkal P.O.,  
Perumbavoor, Ernakulam

Respondent : The Assistant Executive Engineer,  
Electrical Sub Division,  
KSE Board Ltd., Perumbavoor,  
Ernakulam

**ORDER****Background of the case:**

The appellant with Consumer number 1157380007304 is an industrial consumer under LT IVA tariff of Electrical Section, Okkal and the connected load is 74 kW and contract demand of 82 kVA. The consumption recorded for the month 05/2013 was of the order of 27740 units and the bill issued was for Rs 1,96,819.00 for the door locked period of 03/2013 and 04/2013. Aggrieved against the impugned bill, the appellant filed a complaint before the CGRF, Ernakulam. The Forum directed the respondent to issue the revised bill based on 9980 units/ month for three months. Not satisfied with the decision of CGRF, vide OP No. 145/2017-18 dated 30-06-2018, the appellant has submitted the appeal petition before this Authority.

**Arguments of the appellant:**

The appellant was challenging the demand issued for Rs 1,60,949.00 as it is not according to provisions of Electricity Act or Regulations of Supply Code, 2014. The appellant is timely remitting the monthly current charges as per the bills issued by the respondent. In the mean time, the consumption recorded for the month 05/2013 was of the order of 27740 units and the bill issued was for Rs 1,96,819.00. Hence the appellant approached the Assistant Engineer, Electrical Section, Okkal with a complaint. The Assistant Engineer inspected the premises on 19-06-2013 and agreed to replace the meter after

testing. But, later he directed to remit an amount of Rs 36,753/- for the time being. Accordingly the appellant remitted the amount in order to avoid disconnection,

From the consumption pattern of the unit, it can be seen that the consumption has never exceeded 2760 units per month during the period under dispute. Even after remitting the amount the respondent has not take any steps to replace the meter or to test the existing meter. Further the respondent has not conducted any verification in order to find out the reason for the abnormal consumption.

If a complaint raised against the accuracy of meter the licensee has to act as per Regulation 116(2) of Supply Code 2014, which states that if the meter is found defective, the licensee may test it at site, if feasible and if not feasible the meter shall be replaced with a correct meter and the defective meter shall be got tested in an accredited laboratory or in an approved laboratory. This has not taken place in this case. Instead, the licensee issued monthly bills without conducting any testing of the meter under question. Moreover, as per Regulation 125 (1) of Supply Code 2014, in the case of defective or damaged meter the consumer shall be billed on the basis of average consumption of the past 3 billing cycles immediately preceding the date of the meter being found or reported defective. But the licensee directed to remit a huge amount without any basis and compelled to remit the same in order to avoid the disconnection. Hence the action on the part of license cannot be justified and the arrear bill is liable to be quashed.

The respondent issued arrear notice dated 06/01/2018 after a lapse of more than five years. As per Regulation 136 (3) of Supply Code 2014, no such sum due from any consumer, on account of default in payment shall be recoverable after a period of 2 years from the date when such sum became first due unless such sum has been shown continuously as recoverable arrear of charges for electricity supplied. Hence the demand is not sustainable either on law or on facts and liable to be quashed.

In door lock cases the "meter reading register" generated by the system does not show the actual consumption. In such cases the software itself recalculates the consumption equally for the relevant period. Accordingly the abnormal consumption 27740 units recorded for the month 05/2013 has been equally divided for 04/2013 and 05/2013 as 13,870. From the above it can be presumed that the consumption recorded in the meter was not accurate. Moreover, in the cases of electronic meters there are instances of jumping of digits were reported which cannot be detected at a later stage on testing or calibrating the meter. Hence the action on the part of respondent in issuing huge arrear even after the lapses of 5 years cannot be justified on any ground.

The respondent cannot act in contravention of the regulations and the provisions of the Act. Here in this case the respondent is in gross violation of the regulations of Supply Code 2014. The appellant requests to set aside the demand issued for Rs.1,60,949/- and to refund the excess amount already remitted by the appellant.

**Arguments of the respondent:**

The appellant with Consumer number 1157380007304 is an industrial consumer under LT IVA tariff of Electrical Section, Okkal. This is a three phase service connection having connected load of 74 kW and contract demand of 82.222 kVA. The disputed bill is a regular bill including short assessed units. Regular bill was issued to the consumer up to 04/2013 correctly. But there are mistakes in taking and recording meter readings of the premises after 01/03/2013. During 05/2013 the premises was door locked and bill was issued for 2245 unit. The mistake was noticed only during 06/2013 and decided to correct the bills as per the actual reading as on 01/06/2013. By taking the actual reading and accordingly a bill amounting to Rs. 1,96,819/- was issued to the consumer on 05/06/2013 for realizing the actual amount payable by the petitioner for the energy consumed by him. But the consumer remitted Rs. 35,870/- during 06/2013 and raised an objection against the balance amount. The Assistant Engineer, Electrical Section Okkal has issued a disconnection notice to the consumer on 06/01/2018 showing the arrear electricity charges amounting to Rs. 1,60,949/-.

Energy meter readings of the consumer during the disputed period is as given below

Month	Initial reading	Final reading	Remarks
01-03-13	5933	5944	
06-03-13	7181	7286	
01-04-13	7286	7286	
01-04-13	6049	6049	Door locked
01-05-13	6049	7430	
01-06-13	7430	7597	

Aggrieved by this the consumer has filed a complaint before the Consumer Grievance Redressal Forum, Central Region. The Consumer Grievance Redressal Forum, Central Region observed that the meter reader entered the reading wrongly from 03/2013 to 05/2013. The Forum found that the previous reading on 06/03/2013 was 5933 and reading taken on 05/06/2013 was 7430. The difference in units are  $7430-5933=1497$ .

The energy consumption from 04/13 to 06/13  
 = 1497 x 20 (Multiplication factor) = 29940 units

i.e. Energy consumption per month = 29940 units/3 = 9980 units.

Hence the Forum ordered to issue the revised bill based on 9980 units/month. As per the Regulation 134(1) of Electricity Supply Code, 2014 if the licensee establishes either by review or otherwise, that it has undercharged the consumer, the licensee may recover the amount so undercharged from the consumer by issuing a bill and in such cases at least thirty days shall be given to the consumer for making payment of the bill.

As per the regulation 136(1) the licensee shall be entitled to recover arrears of charges or any other amount due from the consumer along with interest at the rates applicable for belated payments from the date on which such payments became due.

The consumer filed an appeal before State Electricity Ombudsman against this order of Consumer Grievance Redressal Forum. Regulation 134(1) & 136(1) of Electricity Supply Code 2014 allow the licensee to recover the amount short assessed from the consumer.

### **Analysis and Findings:**

The hearing of the case was conducted on 18-09-2018 in my office at Edappally and Sri. Anil Ravi, advocate appeared for the appellant, and Smt. Beevi Backer, Asst. Executive Engineer, Electrical Sub Division, Perumbavoor, represented for the respondent. On examining the Appeal Petition, the counter statement of the Respondent, perusing the documents attached and the arguments in the hearing and considering all the facts and circumstances of the case, this Authority comes to the following findings and conclusions leading to the decisions thereof.

The point to be decided in this case is as to whether the energy meter provided to the appellant was faulty or not during the period and if so the consumption of 27740 units is actually consumed by the appellant for two months?

The appellant was served an exorbitant bill amounting to Rs.1,96,819/- on 05/06/2013 for the consumption of 27740 units for the months of 03/2013 and 04/2013. The appellant approached the Assistant Engineer, Electrical Section, Okkal with a complaint, but the Assistant Engineer failed to conduct a detailed verification to ascertain the reason for the abnormal consumption.

On a verification of the consumption pattern from 07-05-2008, it can be seen that the monthly consumption has never exceeded 3880 units. The records reveal that there were wrong readings in several times. As per the statement furnished by the respondent, the initial reading as on 01-03-2013 was 5933 units and final reading on that date was 5944 units. The initial and final reading details given for 06-03-2013 were 7181 units and 7286 units respectively. Hence the consumption for 5 days was 1237 units. Again the initial and final readings as on 01-04-2013 were 7286 units and 6049 units which show a minus consumption of 1237 units. The reading as on 01-05-2013 was 7430 units and total consumption calculated on the basis of the wrong initial reading of 6049 on 01-05-2013. It is the difference of  $7430 - 6049 = 1381$  and the consumption  $1381 \times 20 = 27620$  units.

As per the records produced by the respondent, the final readings as on 06-03-2013 and 01-05-2013 are 5944 units and 6049 respectively. There was also a final reading shown as on 01-04-2013 as 7286 units. As per the bill details, the final reading as on 01-06-2013 is 7430 units. The reading details given in the bills, details given in the statement and the reading furnished in the "meter reading register" varies and not tallied.

Here in this case, the appellant's contention is that excess consumption recorded was due to wrong meter readings and thereby wrong entries in the records. Against this, there is no material to show that the respondent had conducted any detailed checking of the installations in the appellant's premises to identify which was the reason for the exorbitant consumption recorded during the disputed period of two months only.

The appellant states that entire claim is already time barred as per the Electricity Act Sec. 56 (2) since it is older than two years. In short, the word 'due' in Section 56(2) means the amount due and payable after a valid bill has been served on the consumer. In this case the bill was issued on 05-06-2013 and hence the amount of the impugned bill is not to be recoverable and hence barred under Section 56(2) of the said Indian Electricity Act, 2003.

The main contention of the Appellant is based on section 56 (2) of Electricity Act, 2003, and clause 136(3) of the Kerala Electricity Supply Code, 2014, which reads "no such sum due from any consumer, on account of default in payment shall be recoverable after a period of 2 years from the date when such sum became first due unless such sum has been shown continuously as recoverable arrear of charges for electricity supplied." Supply Code 2014 came in effect on 01-04-2014 and hence this provision is not applicable in the case of the appellant since his case occurred prior to 01-04-2014. But a similar provision existed clause 18 (8) of the Kerala Electricity Supply Code, 2005 which reads

"The licensee shall not recover any arrears after a period of two years from the date when such sum become first due, unless such sum has been shown continuously in the bill as recoverable as arrears of the charges of electricity supplied" Here the disputed bill pertains to the energy consumed for the months of 03/2013 and 04/2013 and served on the appellant on 05/06/2013. This is a spot bill and filed a complaint against it, before the Licensee, in time. The Assistant Engineer inspected the premises on 19-06-2013 and as directed by him, the appellant remitted an amount of Rs. 36,753/-.

The Clause 24 (2) of the Supply Code, 2005, states "On a complaint by any consumer regarding the correctness of the bill, the Licensee shall immediately carry out a review and issue a revised bill and appropriately adjust the bill amount, if the review establishes that the bill is incorrect. If in the review it was found the consumer was overcharged, the amount overcharged along with interest at twice the bank rate may be adjusted in subsequent bill".

The Licensee's attitude and negligence towards the complaints lodged by the consumer in this case, by not taking any action or giving a suitable reply, is deplorable.

It is also noted that there is serious lapses on the part of the Licensee in not taking proper action in time, on the complaints received from the Appellant. The monthly spot bills were served on the consumer regularly but the Licensee also had failed to show the arrear amount in the subsequent spot bills which reveals lack of proper auditing and supervision on their side. The Licensee should have prepared the Defaulters list and issued notice of arrears as per Law or should have specifically instructed the spot billers to include the arrears as an item in the spot bills, wherever required. This did not happen in the present case. Without following the procedure, the respondent has issued an arrear notice for Rs. 160949/- on 06-01-2018 only. Considering all the above facts I do agree with the arguments of the Appellant that the bill dated 06-01-2018 was not payable by the consumer as it being time barred.

It is strange to note that the Licensee has taken more than 5 years to claim the old monthly bill from a consumer. It is also noted that the respondent has not taken any action against the party to recover the electricity charges, including issuing notice for disconnection of supply, for the default of bills for the last so many years. Moreover, on verifying the notice now issued, dated 06-01-2018, it is seen that no interest is levied for the belated period as the same is payable by the consumer, if he has defaulted payment of monthly bills.

The appellant's contention is that he has not consumed the electricity of 27740 units calculated by the respondent on 01-05-2013 for two months. In this background, the demand issued to the appellant without conclusively

proving the real cause for exorbitant reading in the meter and even without complying with the statutory formalities is not sustainable before law and liable to be quashed. The respondent's lapse or omission should not cause a burden on the Consumer. Hence it is decided that no assessment is needed in the present case for the reasons stated above. The demand cum disconnection notice dated 06-01-2018 for Rs.160949/- is not sustainable and is found as not payable by the consumer and is to be set aside.

**Decision:**

From the analysis done above and the conclusions arrived at, I take the following decision. The respondent has failed to take timely action as specified in the provisions in Electricity Act 2003 and Kerala Electricity Supply Code by which it was required to show the arrear amount in the subsequent spot bills continuously and the respondent also had failed to take the correct meter readings of the consumer.

Accordingly, I decide to quash the arrear amount for Rs. 1.60.949/-.

Having concluded and decided as above, it is ordered accordingly. The Appeal Petition filed by the appellant is found having merits and is allowed. The order of CGRF, Ernakulam in Petition OP No. 145/2017-18 dated 30-06-2018 is set aside. No order on Costs.

**ELECETRICITY OMBUDSMAN**

P/047/2018/ \_\_\_\_\_ /Dated: \_\_\_\_\_

Delivered to:

1. Sri. Jabbar P.S., Pulvathu House, Chelamattom, Okkal P.O., Perumbavoor, Ernakulam
2. The Assistant Executive Engineer, Electrical Sub Division, KSE Board Ltd., Perumbavoor, Ernakulam

Copy to:

1. The Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, Vellayambalam, Thiruvananthapuram-10.
2. The Secretary, KSE Board Limited, Vydhyuthibhavanam, Pattom, Thiruvananthapuram-4.
3. The Chairperson, CGRF-CR, 220 kV, KSE Board Limited, Substation Compound, HMT Colony P.O., Kalamassery, PIN: 683 503.