

BEFORE THE ELECTRICITY OMBUDSMAN, JHARKHAND-RANCHI

(2nd floor, Sainik Market, Main Road, Ranchi – 834001)

Present - Nalin Kumar
Electricity Ombudsman

Dated – Ranchi, the 16th day of April' 2026

Appeal No. EOJ/07 of 2024

Vikas Vidyalaya, a School affiliated with CBSE, situated at school complex, Neori, P.O. & P.S. – Neori, District – Ranchi, through its Principal Preetinder Singh Kalra, Son of Late Mahinder Singh Kalra, R/O- Principal's Residence, Vikas Vidyalaya, Neori Vikas, P.O – Neori, P.S. – O.P. B.I.T. Mesra (Thana Sadar), District Ranchi – 835217.

..... Appellant

Versus

1. Jharkhand Vidyut Vitran Nigam Limited, through its Managing Director, having its Registered office at Engineering Building, H.E.C. Dhurwa, P.O. - Dhurwa, P.S. Jagannathpur, District Ranchi - 834004.

2. The Electrical Superintending Engineer, Electric Supply Circle, Ranchi, Jharkhand Vidyut Vitran Nigam Limited, having its office, at Kusai Colony, P.O. & P.S. – Doranda, District – Ranchi.

3. Electrical Executive Engineer (C & R), Electric Supply Circle, Ranchi, Jharkhand Vidyut Vitran Nigam Limited, having its office, at Kusai Colony, P.O. & P.S. – Doranda, District – Ranchi.

..... Respondent(s)

For the Appellant : Mr. D.K.Pathak, Adv.
: Ms. Shivani Jaluka, Adv.
: Mr. Bajrang Kumar, Adv.
For Respondent(s) : Mr. Utpal Kant, Adv.

(Arising out of Judgement passed in Case No. 05 of 2023 dated 3/6/2024
by the Learned VUSNF, Ranchi)

J U D G E M E N T

1. The instant memo of appeal has been preferred by the Complainant/Appellant against Judgement/Order dated 3.6.2024 passed in case No. 05 of 2023 by learned VUSNF, Ranchi, whereby and whereunder the complaint filed by the complainant/appellant has been partly allowed to the extent of directing the respondent to revise the bill for the month of July'2020 on average basis taking into account the reading of KVA shown prior and post of July'2020 and serve the same on the complainant for its payment/adjustment. In view of admission made by the complainant, relief sought with regard to bill of Feb.'2022 has been refused. The Forum below further directed the respondent JUVNL to serve the revised bill of Rs. 18,06,585/- (From the earlier bill of May'23 dated 14.6.23 of Rs. 29,48,352/-) within 10 days and the same shall be paid by the complainant within 20 days thereafter.

Complainant/Appellant's Case

2) The appellant's case as evident from the record is as follows:

- i) Complainant/Appellant is a private co-educational residential school having consumer No. 7041/R1A with a contract demand of 100 KVA. It has been paying it's electric bills in a timely manner.
- ii) During COVID - 2019 pandemic period, when the school was mostly closed, as against the normal billing range of Rs. 26000-27000, the bill for the month of July'2020 came as Rs. 71,400/- (INR Seventy One Thousand Four Hundred only). The complainant paid the same alongwith others total Rs. 1,44,064/- (INR One Lakh Forty Four Thousand and Sixty Four only) in July'2020 itself but under protest.
- iii) After repeated representations against the bill of July'2020 dated 10.8.2020 in Dec.'2020 an inspection was done by the respondent authorities and after finding the metering unit to be defective, recommendation was made to replace it with a new one.
- iv) On 11 March'2022 an exorbitant bill of Rs. 13,65,700/- (INR Thirteen Lakhs Sixty Five Thousand Seven Hundred only) was raised for the month of Feb.'2022, which was paid by the complainant on 21.4.2022, under protest. The respondent's clarification on the said bill was accepted by the complainant.
- v) On 26 May'2023 a joint inspection was carried out by the respondents in presence of the representatives of the complainant's school and it was found that there is 51.76% shortfall of recording of unit consumed. Instruction was given to replace the existing meter and get it installed at the main gate. On 2nd June'2023, bill for Rs. 72,652/- (INR Seventy Two Thousand Six Hundred and Fifty Two only) for the month of May'23 was received.

vi) However to the utter shock of the complainant/appellant a rectified bill of May'2023 dated 19 June'23 showing an arrear of Rs. 29,48,342/- (INR Twenty Nine Lakhs Forty Eight Thousand Three Hundred and Forty Two only) was received out of which the complainant paid Rs. 71,270/- (INR Seventy One Thousand Two Hundred and Seventy only), under protest.

vii) Subsequently, bill dated 8 July'2023 of Rs. 94174/- (INR Ninety Four Thousand One Hundred and Seventy Four only) alongwith arrears of Rs. 29,49,724/- (INR Twenty Nine Lakhs Forty Nine Thousand Seven Hundred and Twenty Four only) was received. Later, rectified bill dated 25 July'2023 for June'2023 of Rs. 1,62,303.87/- (INR One Lakh Sixty Two Thousand Three Hundred and Three and Paise Eighty Seven only) alongwith arrears of Rs. 29,49,724/- (INR Twenty Nine Lakhs Forty Nine Thousand Seven Hundred and Twenty Four only) and showing delayed payment surcharge of Rs. 38,103.97/- (INR Thirty Eight Thousand One Hundred and Three and Paise Ninety Seven only) was received.

viii) On 12 July'2023, Notice under Section 56 of the Electricity Act, 2003 for payment of outstanding dues of Rs. 29,49,724/- (INR Twenty Nine Lakhs Forty Nine Thousand Seven Hundred and Twenty Four only) was received, against which the complainant vide letter dated 13 July'23 requested the respondent to clarify and rectify the bill. Complainant paid Rs. 1,62,304/- (INR One Lakh Sixty Two Thousand Three Hundred and Four only) against the bill dated 25 July'2023 under protest. The subsequent bills for the month of August and September'2023 were also issued showing the aforesaid arrear amount but the complainant/appellant continued to pay the current bills, making request to revise/clarify the arrear bill. Vide letter dated

11 September'2023 another notice under Sec. 56 of the Electricity Act, 2003 for the payment of outstanding amount of Rs. 29,36,864/- (INR Twenty Nine Lakhs Thirty Six Thousand Eight Hundred and Sixty Four only) was received.

ix) As mentioned above in the foregoing paragraphs, a complaint Case No. 05 of 2023 was filed for the reliefs above mentioned by the complainant/appellant.

Respondent JBVNL Case:

3) The respondent case as mentioned in the counter affidavit filed on their behalf is as follows:

i) In light of the Judgement passed by the learned VUSNF, Ranchi in Case No. 05 of 2023 the maximum demand charge for July'2020 was assessed on the basis of average consumption of past three months. The chart showing calculation of the above shows that maximum demand charge for the month of July'2020 has been revised to the extent of 75% of the contract demand. The difference between the amount already paid and the revised amount has been taken for adjustment, to be made in HT energy bill for the month of June'2024.

ii) In compliance of the Judgement of the learned Forum below, in course of which the outstanding dues of amount Rs. 29,49,724/- (INR Twenty Nine Lakhs Forty Nine Thousand Seven Hundred and Twenty Four only) was recalculated and after subtracting a sum of Rs. 11,14,935/- (INR Eleven Lakhs Fourteen Thousand Nine Hundred and Thirty Five only) the due amount got reduced to Rs. 18,06,585/- (INR Eighteen Lakhs Six

Thousand Five Hundred and Eighty Five only). While adjusting/reducing the said amount the delayed payment surcharge amounting to Rs. 1,45,190.70/- (INR One Lakh Forty Five Thousand One Hundred and Ninety and Paisa Seventy only) has also been adjusted.

iii) Pursuant to inspection report, the metering unit of the consumer was replaced on 31.12.2020 resulting into enhancement of the multiplying factor for the purpose of billing from 400 to 1200. However, due to mistake, the multiplying factor for the purpose of billing during the months of January 2021 to December'21 could not be changed and therefore for the month of January'2022 the bill for the arrears of difference amounts of Rs. 11,14,995/- (INR Eleven Lakhs Fourteen Thousand Nine Hundred and Ninety Five only) was raised. The respondent clarified this issue regarding bill dated 11 Feb.'2022 which the complainant accepted.

iv) A joint inspection was carried out in the premises of the consumer on 26.5.2023 wherein based on the MRI test conducted, it was found that there is a shortfall of 51.76% in the recording of the metering unit and accordingly it was recommended to change the meter and install it on the main gate as per JBVNL norms.

v) The Respondent JUVNL has already complied with the order passed by the learned forum below, in letter and spirit and this appeal has been filed just to delay the payment of arrears by the appellant which he duty bound to pay in terms of Clause 3.3.1 of the Supply Code Regulations, 2015.

Submissions on behalf of the appellant:

4) Heard Mr. D.K.Pathak, Adv. assisted by Ms. Shivani Jaluka, Adv. at length, on behalf of the appellant. Learned counsel has confined his prayer only on two issues, broadly accepting the finding of the learned Forum below. It is prayed in view of the settled law that the consumer cannot be punished for the fault of the Licensee; the appellant deserves full remission of delayed payment surcharge along with interest, which is still a component of the remaining arrear amount. It is highlighted that admittedly the respondent due to their own mistake could not raise the correct bill for the period of Jan.'2021 to Dec.'2021 as they continued to raise bill during this period on the basis of unrevised multiplying factor of 400 instead of 1200. Similarly, a plain reading of the impugned order categorically mentioned that, from MRI report it appears that the period during which meter was shown recording OK, has also been taken into calculation and charged. According on the direction of learned Forum below respondent JUVNL revisited the arrear bill under challenge of Rs. 29,48,392/- (INR Twenty Nine Lakhs Forty Eight Thousand Three Hundred and Ninety Two only) and after recalculation revised it to Rs. 18,06,585.99/- (INR Eighteen Lakhs Six Thousand Five Hundred and Eighty Five and Paise Ninety Nine only). It is submitted that there is no doubt that it is the respondent who are at fault and therefore the appellant cannot be made to pay a single paise as DPS since Dec.'2020.

Additionally, learned counsel also highlighted the provision contained in Clause 10.7.4 of the Supply Code Regulations, 2015 and prayed for a direction to the respondent to refund/adjust extra amount paid by the

appellant to the licensee alongwith interest at the rate equivalent to the DPS as per tariff from the date of payment till the date of refund/adjustment.

Submissions on behalf of the Respondents:

5) Mr. Utpal Kant learned counsel for JUVNL took the court to the counter affidavits and supplementary counter affidavits filed on behalf of the respondents and submits that the impugned order/award passed by the learned court below has been complied with by the respondents and there is no cause of action left to the appellant. Learned counsel highlighted the Provision contained in Clause 10.7.2 and 10.7.3 and emphasized that the appellant having failed to pay the revised bill within 21 days of its raising is liable to pay delayed payment surcharge. He prays for dismissal of the appeal.

Subsequent Developments:

6) During pendency of this appeal, further notice dated 13 Jan.'26 under Sec. 56 of the Electricity Act, 2003 has been sent to the appellant raising a demand of Rs. 10,58,267/- (INR Ten Lakhs Fifty Eight Thousand Two Hundred and Sixty Seven only) for nonpayment of outstanding dues till Nov.'2025. The said notice was brought on record by way of filing an Interlocutory Application and by order dated 5.2.2026, disconnection of electrical connection of the appellant was stayed till further order.

Discussions:

7) The question as to who was at fault in not raising the revised bills in terms of the changed multiplying factor from 400 to 1200 for the entire year

of Jan.'21 to Dec.'21 is not in dispute as the respondent himself in the counter affidavit has admitted that it was its mistake. Similarly the impugned order, passed by learned Forum below, which has not been challenged by JUVNL, categorically mentions that after finding certain discrepancy in the calculations made on the basis of MRI Report, the respondents were directed to revisit and recalculate the amount of arrears, which got substantially reduced from 29,48,392/- (INR Twenty Nine Lakhs Forty Eight Thousand Three Hundred and Ninety Two only) to Rs. 18,06,585.99 (INR Eighteen Lakhs Six Thousand Five Hundred and Eighty Five and Paisa Ninety Nine only). Though, the respondent has disclosed that the amount of Rs. 11,41,756/- (INR Eleven Lakhs Forty One Thousand Seven Hundred and Fifty Six only) which has been reduced includes DPS of Rs. 1,45,190.70/- (INR One Lakh Forty Five Thousand One Hundred and Ninety and Paisa Seventy only) and the difference amount has been credited in the HT energy bill of the consumer for June'2024; the affidavit is not clear, despite several askings on the point as to whether the revised (reduced) arrear bill of Rs. 18,06,585.99/- (INR Eighteen Lakhs Six Thousand Five Hundred and Eighty Five and Paisa Ninety Nine only) includes DPS or not.

8) The law on the point that the consumer cannot be penalised for the fault of the licensee and cannot be compelled to pay the DPS is well settled, particularly when he himself is not at fault. Reference in this regard can be made on the Judgement passed by Jharkhand High Court reported in **2015 SCC Online JHAR 1981 M/S A.M.I. Enterprises Pvt. Ltd. vs. JBVNL & Ors.** wherein placing reliance on another case law **Tata Steel Ltd. vs. JSEB reported in 2008(1) JCR 580 (JHR)** it has been held that “when the respondent Nigam has issued the bill belatedly, the question of application

of DPS does not arise as allowing the same would amount to permitting the Respondent Nigam to take the benefits of its own wrongs”.

Reliance can also be placed on Case Law **M/S Usha Martin Ltd. vs. JUVNL & Ors. passed in LPA 305 of 2015 on 31.8.2024** wherein the Division Bench of Jharkhand High Court, in similar facts, has held that “No DPS ought to have been levied at all”.

9) **Clause 10.7.3 and 10.7.4** of the **Electricity Supply Code Regulations 2015** reads as follows:

10.7.3 If the complaint is found to be correct by the Distribution Licensee, a revised bill shall be issued within 5 working days of dispatch of intimation of the same to the consumer. The consumer shall make the payment within 15 days from receipt of the revised bill. The consumer shall not be charged any late payment surcharge if the payment is made by the revised due date.

10.7.4 If the consumer has paid any excess amount, it shall be refunded to the consumer within 15 days or, if consumer opts, be adjusted within two subsequent bills. The Distribution Licensee shall pay to the consumer interest charges at the rate equivalent to the delay payment surcharge as per tariff on the excess amount outstanding on account of such wrong billing from the date of payment till the date of refund or adjustment in subsequent bills.

10) Above mentioned **Regulation 10.7.3** categorically mentions that if the complainant’s stand is found to be correct, the consumer shall not be charged any late payment surcharge. Clause 10.7.4 above quoted mandates that if the consumer has paid any excess amount, it shall be refunded to the

consumer within 15 days or, if the consumer opts, be adjusted within two subsequent bills. The provision further commands the Distribution Licensee to pay the consumer interest charges at the rate equivalent to delay payment surcharge as per the Tariff on the excess amount outstanding on account of such wrong billing from the date of billing till the date of refund or adjustment in the subsequent bills.

11) In view of the discussion above made this Forum directs the Respondent JBVNL to recalculate the bills of the Complainant/Appellant since Dec.'2020 without any delay payment surcharge and adjust all the surplus payments made by the consumer since then, additionally the customer be given an interest as per the mandate of **Clause 10.7.4 of JSERC Supply Code Regulations, 2015** on the surplus amount paid. After getting the recalculation done as directed above, adjust the surplus amount paid by the consumer, if any; or raise a fresh bill as per the calculation, within the statutory prescribed period mentioned in Clause 10.7.4 above referred. The appeal stood allowed to that extent and accordingly, the Order/Award passed by learned VUSNF, Ranchi in Case No. 05 of 2023 dated 3.6.2024 stood modified.

Let a copy of this Order/Award be served on both the parties.

Sd/-
Electricity Ombudsman