# Consumer Affairs and Customer Care

Made by :Ms. Kavita Kamboj Assistant Professor Department of Commerce SRCC CASES UNDER CONSUMER PROTECTION ACT, 1986 related to Electricity and Water Now it has changed to Consumer Protection Act, 2019 but the cases given under are according to judgement given under old act.

# ELECTRIC

Electricity is an essential requirement in all facets of our life. It has become a basic need. Continuous, reliable and quality supply to all consumers whether it is general public, big industrial unit or a rural agriculturist is must for the socioeconomic up liftment of the

nation and to maintain quality of life. This service sector has made significant contribution in the growth of our economy, industrialization and betterment in the life style. Availability of quality and sustained supply of electricity is crucial for sustained growth. Reform in the power sector is no doubt challenging but it is one of the priorities of the present government.

The State Electricity Board (SEBs) and Electricity Departments are responsible for generation, transmission, supply and distribution of electric power. They are in the service of consumers from around five decades. SEBs have established a monopoly over this service sector leading to corruption, inefficiency and exploitation of consumers. What the consumer expects from the public utility service provider is quality, efficient and hassle free service. There must be simple and transparent procedure for allotting connection, good quality power supply, rectification of fault/breakdown at the earliest, efficient prompt billing system, proper and transparent method of tariff fixation and speedy redressal of disputes.

The Consumer Protection Act, 1986 has provided an efficient and effective tool in the hands of the consumers to fight for their rights. It not only covers matters relating to goods but also applies to deficiencies in services. 'Electricity' being one of the services covered under the CPA, the consumer has power to file complaint against any kind of deficiency in service on the part of Electricity Board. The District Forums, State Commissions and National Commission - the three tier redressal mechanism under CPA has in a number of cases rescued the harassed electricity consumers. They have provided quick and cost effective justice to the consumers in case of undue delay in release of connection, excessive billing, defective meters, illegal disconnection, voltage fluctuation, tariff related grievances etc.

#### LETS NOW LOOK DEEP INTO SOME CASES DEALT UNDER CONSUMER PROTECTION ACT, 1986 RELATING TO ELECTRICITY

# <u>Shankar Sah vs. Electrical Executive</u> <u>Engineer</u>

# VI(2005) CPJ 178



#### FACTS:

The Appellant/Complainant Shankar Sah was the consumer of the electricity supplied by Bihar State Electricity Board, having connection for running his hotel 'Annapurna'. The complainant was irregular in payment of electricity bills and there were outstanding dues against him for which the Electricity Board disconnected electricity supply on more than one occasion. But the connection was restored on making partial payments of outstanding dues. On 23.7.2002 the connection was again disconnected as outstanding amount increased to Rs.33, 601.75/-. On complaint being filed before District Forum, it quashed the bill of Rs.33, 601.75/- together with previous bill of Rs.27, 536.18/- and directed the respondent Electricity Board to raise revised bills excluding delayed payment surcharge, etc.

Aggrieved by the order of the District Forum, Electricity Board

made an appeal to the State Commission, which was allowed. Against the order of the State Commission the complainant made a Revision Petition before the National Commission. The counsel of the complainant contended before the National Commission that as the demands raised by the Board were being disputed no liability on account of delayed payment surcharge could be levied on the petitioner and the State Commission erred in setting aside the order of the District Forum. According to the petitioner only an amount of Rs.1, 049.91/- was payable to the Electricity Board.

#### <u>ISSUE:</u>

The main issue raised by the complainant before the National Commission was whether there was deficiency on the part of the Electricity Board in disconnecting his electricity supply and sending him alleged bills and whether the State Commission erred in setting aside the order of the District Forum and in allowing delayed payment surcharge.

#### JUDGEMENT:

Upholding the order of the State Commission and rejecting the contentions of the petitioner, the National Commission held that from the calculations filed and also from the response of the respondent Board, it may be seen that the petitioner was irregular in making payments of the bills and electricity connection was restored on more than one occasion on making partial payments of the outstanding dues. Petitioner, thus, cannot escape liability for payment of delayed payment surcharge on the outstanding amount as calculated by the respondent Board. The National Commission further held that there was no illegality or jurisdictional error in the order passed by State Commission warranting interference in revisional jurisdiction under Section 21 (b) of Consumer Protection Act, 1986. Accordingly, revision petition was dismissed. No order as to cost.

## <u>Ashok Kumar v. SDO, Haryana Vidyut</u> <u>Parasaran Nigam Ltd. & Anr.</u>

IV (2003) CPJ 57 (NC)

#### FACTS:

The complainant, Ashok Kumar had purchased an agricultural land along with a tube-well therein from the original owner, Shanti Devi. The sanctioned load of the electricity was 15 H.P. however the motor installed there was 7.5 H.P. The complainant requested the Vidyut Parasaran Nigam to reduce the load but the Vidyut Nigam did not heed to his request. Feeling aggrieved with the inaction on the of the Vidyut Nigam, the complainant filed a complaint before District Forum

alleging deficiency in service.

The District Forum allowed the complaint and ordered in favour of the complainant. Against that order, the Vidyut Nigam filed an appeal before the State Commission, which set aside the order of the District Forum. Aggrieved by the dismissal, the complainant filed a revision petition before the National Commission.



The main issue in this case before the National Commission was whether there was deficiency in service by the Vidyut Nigam in not reducing the load of electricity supply.

#### JUDGEMENT:

The National Commission held that there was a delay of 450 days in filing the appeal for which no sufficient cause was forthcoming. Even on merits the petitioner had no case. The Commission held that undisputed facts of the case were that the electric connection was still in the name of the old landholder. Thus, it was evident that there was contract between the parties (Vidyut Nigam & Shanti Devi). Application of reduction of the load was made by Ashok Kumar who had no locus, as the electric connection did not stand in his name. In the absence of any agreement between the parties (Vidyut Nigam & Ashok Kumar), the complainant could not be called as a consumer.

Thus, upholding the order of the State Commission, the National Commission held that the order of the State Commission was as per law, which called for no interference in exercise of power conferred on them under Section 21 (b) of the Consumer Protection Act. No cost was awarded. Revision Petition dismissed.

## <u>Haryana State Electricity Board v.</u> <u>Bhagwat Prasad</u>

# I (2005) CPJ 104



#### FACTS:

The Respondent/Complainant Bhagwat Prasad was a consumer of Haryana State Electricity Board (H.S.E.B). He filed a complaint before the District Forum alleging deficiency in service on the part of HSEB and alleged that the Board has wrongfully collected Rs. 62, 874/- from him. But the Electricity Board contended that the complainant was involved in theft of electricity and the amount recovered from him was justified to that extent. On the question of no theft of electricity, President and Members of the District Forum were unanimous, but there was difference as to what should be done with the amount recovered wrongfully.

The President ordered that the amount recovered wrongfully be adjusted in future bills apart from the direction that the entire account of the consumer be overhauled.

But the other two Members of the District Forum did not agree with the Electricity Board retaining the amount for future adjustment and held that this amount should be refunded with interest at the rate at which Electricity Board charged surcharge on unpaid amount of electricity charges.

The HSEB filed an appeal before the State Commission, which affirmed the majority judgment passed by the District Forum except for deleting the amount of compensation. Again, the HSEB made a revision petition before the National Commission against the order of the State Commission.



The issue was if there was any ground for the National Commission to interfere with the majority view of the District Forum as affirmed by the State Commission on refund of the amount with interest.

#### JUDGEMENT:

The National Commission after going through the case in detail upheld the majority decision of the District Forum as affirmed by the State Commission and dismissed the Revision Petition. The National Commission held that the District Forum in its majority decision has rightly ordered that the amount should be refunded with interest at the rate at which the Electricity Board charged surcharge on unpaid amount. Thus, upholding the orders, the National Commission further held that there was absolutely no ground for them to interfere with the concurrent findings of the forum below under Section 21 (b) of the Consumer Protection Act, 1986.

# WATER

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Water is being used and abused indiscriminately in India. Conflicts and disputes, therefore, continue to arise over issues of water sharing, water allocation, liability, sanctions, usages, water markets and water pricing. Disputes are resolved either in the formal or the informal sectors. At the informal, local level, there are the Panchayats and the Naya Panchayats which help in solving some of the water related disputes. Other disputes are brought to the court. The water is one of the indespensable resources for the life on the land, and nevertheless the man wasted it without thinking it. The water is not only an essential part of our own physical nature and that of other alive beings, but also contributes to the general wellbeing in all human activities.

#### Delhi Jal Board Vs Uma Rani (19 May, 2014)

FACTS – In this case the facts are that the complainant is a registered consumer of the appellant having water connection No.2058 installed at her house bearing No.157, village post office Dhansa, New Delhi. The complainant is a alleged in her complain filed before the district court that the lineman of the appellant remove the cap and joined the two lines from the borewell located near her house which is situated at a greater height than the road passing near her house. It has been further stated by the complainant that the supplied water was blocked by putting the cap from flowing downward with the help of the said cap and when the lineman started removing that cap she objected for the same because that will stop the supply of water to her premises but it was agreed that a NRV (Non – Return Valve) shall be installed to serve the purpose but it was

Installed after one month, and during this period she could not get the water. The complainant further stated that there were many unauthorised water connections before her house which were a hindrance for the free flow of supply upto her house but no action was taken by the appellant on her complaint to disconnect the unauthorised connections and her son Mr.Keshav approached the appellant many a times in person as well as letters and sent E-mails to the appellant to solve her problem.

# Issue

The main issue in this case was of water pipeline connection which was cut by the appellant in order to stop the supply of water of the complainant party. As due to the cut major problem was faced by them. There was another main issue of having the unauthorised connections in their locality instead of cutting their connections appellant party is cutting their connection which was not a tolerable thing. Basically in this case the main issue is that the complainant party is not getting the regular water supply due to their cut in water pipeline by the Delhi Jal Board.

#### Judgement

keeping in view the submissions made by both the parties the district forum decided that the (1) to reconnect the water connection of the complainant which they found to be disconnected within 7 days after completion of the formalities by the complainant as well as after depositing the requisite reconnection charges. (2) it is further ordered that the appellant shall ensure that after reconnection the complainant get supply of the water during the specified time and shall also install the requisite equipments so that supply is not disturbed due to any reason. Legal Battle over Groundwater between Panchayat and a Soft drink maker : Interiguing Issues in Water and Democracy

Perumatty Grama Panchayat vs State Of Kerala The point that arises for consideration in this case in whether a Grama Panchayat can cancel the licence of a factory manufacturing nonalcoholic beverages on the ground of excessive exploitation of ground water. The brief **facts** of the case is:-

The petitioner is Perumatty Grama Panchayat. The 2nd respondent Company is running a factory at Moolathara in Perumatty Grama Panchayat. Its main products are soft drinks and bottled drinking water. The said factory was established after obtaining permission from the Panchayat. It started commercial production in March 2000 after obtaining licence from the petitioner Panchayat. The main raw material used in the manufacture of beverages is water. Substantial portion of the need for water is met by exploiting ground water through bore-wells. The people in the locality raised objection against the exploitation of ground water by the Company. Therefore, the Panchayat passed Ext.P1 resolution on 7.4.2003, deciding not to renew the licence of the factory.

In the above circumstances, Government hereby order that the Perumatty Grama Panchayat will constitute a team experts from the departments of Ground Water and Public Health and the State Pollution Control Board to conduct a detailed investigation into the allegations levelled against the Company and its products. The Panchayat will take a decision based on this independent investigation as to whether the licence granted to the Company should be renewed or cancelled. The Panchayat will get the enquiry conducted by these agencies and come to a just and fair conclusion based on this enquiry within three months from the date of receipt of this order. All enquiries and investigations should be conducted with notice to the appellant Company. Till the Panchayat takes a final decision on the cancellation of the licence issued to the Company, the stay granted by Government on 12.6.2003 against the order of cancellation of licence by the Panchayat will continue in operation.

# Judgement

The 2nd respondent shall be permitted only to draw that much quantity of water which is neccessary and that too, from open dug wells in a transparent manner, subject to inspection and monitoring by the Panchayat and the Ground Water Department.

The arrangement for drawing water and its monitoring should be done in a transparent manner with access to the Panchayat.

The Panchayat shall ensure that all other wells including the bore-wells of the 2nd respondent are closed down after one month.

# Vellore citizen welfare forum vs Union of India ( 28<sup>th</sup> AUGUST, 1996)

This petition - public interest - under <u>Article 32</u> of the Constitution of India has been filed by Vellore Citizens Welfare Forum and is directed against the pollution which is being caused by enormous discharge of untreated effluent by the tanneries and other industries in the State of Tamil Nadu . It is stated that the tanneries are discharging untreated effluent into

agricultural fields to, road-Sides, Water ways and open lands. The untreated effluent is finally discharged in river Palar which is the main source of water supply to the residents of the area. According to the petitioner the entire surface and sub-soil water of river Palar has been polluted resulting in non availability Potable water to the residents of the area. It is stated that the tanneries in the State of Tamil Nadu have caused environmental degradation in the area. According to the preliminary survey made by the Tamil Nadu Agricultural University Research Centre Vellore nearly 35,000 hectares of agricultural land in the Tanneries Belt, has become either partially or totally unfit for cultivation. It has been further stated in the petition that the tanneries use about 170 types of chemicals in the chrome tanning processes.

The said chemicals include sodium chloride, lime, sodium sulphate, chlorium sulphate, fat liquor Amonia and sulphuric acid besides dyes which are used in large quantities. Nearly 35 litres of water is used for processing one kilogram of finished leather, resulting in dangerously enormous quantities of toxic effluents being let out in the open by the tanning industry. These effluents have spoiled the chemical properties of the soil, and have contaminated ground water by percolation. According to the petitioner an independent survey conducted by Peace Members, a non governmental organisation, covering 13 villages of Dindigal and Peddiar Chatram Anchayat Unions, reveals that 350 wells out of total of 467 used for drinking and irrigation purposes have been polluted. Women and children have to walk miles to get drinking water.

### Judgement

Prohibition and restriction on the location of industries and the carrying on processes and operations in different areas.
 various standards will be set for improving the quality of the environment.

(3) The maximum allowable limits will be there for concerntration of various environment pollutants (including noise) for an area.
(4) The likely emission or discharge of environmental pollutants from an industry process or operation proposed to be prohibited or restricted.
(5) Net adverse environmental impact likely to be caused by an industry, process or operation proposed to be prohibited or restricted.

### THANK YOU