

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Petition No. 2107 of 2022.

In the Matter of:

**Petition under Sections 2 (21)(b), 55 (1) and Section 177 (c) of the
Electricity Act, 2003 for the LT Power capacitors are string devices
used to correct PF and they consume the smallest amount of energy.**

Petitioner : Mr. Jayeshkumar N. Shah

Represented by : Nobody was present

V/s.

Respondent : Dakshin Gujarat Vij Company Limited

Represented By : Ld. Adv. Mr. Aneesh Bajaj and Mr. B. D. Patel.

CORAM:

Pankaj Joshi, Chairman

Hiren Shah, Member

Date: 07/02/2026.

ORDER

1. This Petition No. 2107 of 2022 is filed by the Petitioner Mr. Jayeshkumar N. Shah (Palejwala), being an individual, praying for grant of the following reliefs:

(a) Since the present petition deals with larger public interest, the fees under Notification No. 5/2005 be waived.

(b) A technical investigation team (TIT) may be formed by the Commission and let the TIT study the consumption due to capacitor

banks by various make of meters. The TIT should submit its factual report to the Commission within 3 months.

(c) On the basis of the final TIT report affected consumers of all the licensees may be given justice.

2. The facts as stated in the petition are as under:

2.1. It is stated that many consumers were served huge consumption bills during the Covid 19 lockdown period on the pretext that such consumers did not switch off the power factor correction capacitor banks when the production activity was ceased and due to that there was huge consumption of energy recorded in the meters. In light of this fact, question arises as to whether Capacitor itself an electrical load or energy storage device? or were the meters technically correct, which recorded consumption due to capacitors.

2.2. Since this Petition deals with larger public interest, it does not mention the names of the specific consumers who were served with such illogical bills. Many of such consumers may have approached the respective CGRFs or the Ombudsman but the bills issued by the licensees may not have been overturned but upheld because the meters showed sizeable consumption due to capacitor banks. Even MRI data report may have shown kWh consumption.

2.3. It is stated that the Capacitors are passive electrical components to store electric energy. In the past, they were referred to as condensers. A capacitor is made from electrical conductors that are separated by an insulator. The insulating layer is called a dielectric. Although all

capacitors share the same basic principle components, the material choice and configuration can vary widely. They are common elements in electrical circuits. A few examples are to allow only AC current and block DC current, or to smooth a power supply output.

2.4. It is stated that a capacitor is able to store energy in an electrostatic field that is generated by a potential difference across the conductors. So when a conductor is subject to a voltage, one plate of the capacitor will collect positive charge while the other will be negatively charged. The ratio of this electric charge and the potential difference (voltage) is called the capacitance in farads. This is the main parameter to describe a capacitor. The capacitance is the largest when the distance between the conductors is small and the surface of the conductors large. Ideal capacitors are described solely within capacitance, but in the real world some limitations exist. For example, the conductors and lead wires cause parasitic inductance and resistance. The static electric field has a limit on the maximum strength, which is described by the breakdown voltage. The leaking current through the dielectric is called the leakage current.

2.5. It is stated that electric capacitance is the ability of a conducting body to accumulate charge. The capacitance value of a capacitor is obtained by using the formula, i.e., $C = Q/V$, where C is the capacitance, Q is the amount of charge stored on each electrode, and V is the voltage between the two electrodes.

2.6. It is stated that in real life circuits, the amount of charge on one plate equals the amount of charge on the other plate of a capacitor, but these two charges are of different signs. By examining this Formula it can be

deduced that a 1F capacitor holds 1C of charge when a voltage of 1V is applied across its two terminals. The unit of capacitance is a Farad [F]. An ideal capacitor has a fixed capacitance value. However, the capacitance of a real capacitor can change due to several reasons. In most cases, the dielectric used in the capacitor is not ideal and the dielectric constant can be affected by certain factors.

- 2.7. It is stated that the age of a capacitor also has an influence on its capacitance. Some capacitors are more stable over time, while others have a relatively short life due to ageing effects. For example, the electrolyte in an electrolytic capacitor may dry out over years, even when it's not used in a circuit. As time passes, the capacitance changes from the designed value and such a change could eventually lead to a circuit malfunction. For this reason, some capacitors have a defined estimated shelf life as well as an estimated life in a circuit.
- 2.8. It is also stated that the capacitors are not the LOAD but the power factor correction device. An electrical load is an electrical component or portion of a circuit that consumes active electric power. By this definition, the capacitors are not the load. The device which takes electrical energy is known as the electric load. In other words, the electrical load is a device that consumes electrical energy in the form of the current and transforms it into other forms like heat, light, work, etc. In the present case, the energy is not transformed into heat, light or work. Usually, the values of these capacitors are not given in farads but rather as a reactive power in volt-amperes reactive (var). The purpose is to counteract inductive loading from devices like electric motors and transmission lines to make the load appear to be mostly resistive.

Individual motor or lamp loads may have capacitors for power factor correction. Capacitor banks supply the reactive power needed in the power system during peak loads. And they don't consume any significant amount of real power. So, they are not considered as a load. And when it is not the 100% load, it cannot consume a sizable amount of energy. In light of these technical facts, the meters installed at consumers' premises may not be accurate to record consumption due to capacitive load.

- 2.9. It is stated that with more and more non-linear loads in industry, measuring reactive energy accurately becomes a key issue for energy distributors. Traditional measurement methods like the Power triangle and the Time delay comply with international standards but show limitations in the presence of harmonics or line frequency variation. And that causes misleading results.
- 2.10. It is submitted that the Power factor penalty or bonus rates, in the case of HT consumers, as levied by most utilities, are to contain reactive power drawn from the grid. The maximum demand can also be reduced at the plant level by using capacitor banks and maintaining the optimum power factor. In all industrial electrical distribution systems, the major loads are resistive and inductive. Resistive loads are incandescent lighting and resistance heating. In case of pure resistive loads, the voltage (V), current (I), resistance (R) relations are linearly related, i.e. $V = I \times R$ and Power (kW) = $V \times I$. Typical inductive loads are A.C. Motors, induction furnaces, transformers and ballast-type lighting. Inductive loads require two kinds of power: a) active (or working) power to perform the work and b) reactive power to create and maintain electro-

magnetic fields. Active power is measured in kW (Kilo Watts). Reactive power is measured in kVAR (Kilo Volt-Amperes Reactive). The vector sum of the active power and reactive power make up the total (or apparent) power used. This is the power generated by the SEBs for the user to perform a given amount of work. Total Power is measured in kVA (Kilo Volts-Amperes). The active power (shaft power required or true power required) in kW and the reactive power required (kVAR) are 90° apart vectorially in a pure inductive circuit i.e., reactive power kVAR lagging the active kW. The vector sum of the two is called the apparent power or kVA, as illustrated above and the KVA reflects the actual electrical load on the distribution system. The ratio of kW to kVA is called the power factor, which is always less than or equal to unity. Theoretically, when electric utilities supply power, if all loads have unity power factor, maximum power can be transferred for the same distribution system capacity. However, as the loads are inductive in nature, with the power factor ranging from 0.2 to 0.9, the electrical distribution network is stressed for capacity at low power factors. The solution to improve the power factor is to add power factor correction capacitors to the plant power distribution system. They act as reactive power generators, and provide the needed reactive power to accomplish kW of work. This reduces the amount of reactive power, and thus total power, generated by the utilities.

- 2.11. It is stated that the advantages of PF improvement by capacitor addition
- a) Reactive component of the network is reduced and so also the total current in the system from the source end.
 - b) $I^2 R$ power losses are reduced in the system because of reduction in current.
 - c) Voltage level

at the load end is increased. d) kVA loading on the source generators as also on the transformers and lines upto the capacitors reduces giving capacity relief. A high power factor can help in utilising the full capacity of the electrical system. Capacitors consume 0.2 to 6.0 Watt per kVAR, which is negligible in comparison to benefits. If this is true, then why did many meters record huge consumption due to switched on capacitor banks during the lockdown period.

2.12. It is further stated that the Power which is really utilised and consumed for useful works in AC circuits is known as Active Power. Motors are considered as load because they utilise power and consume power to do useful work. Capacitors are not the load. They do not consume power, however a negligible power may be consumed e.g. 0.5W/kVAR. Except a very few, many of the softwares used by various meter manufacturers compute negative current count or say capacitive current count as the main current which in turn is recorded as kWh. For example, let us assume that when actual load current or active current flows from the meter to the load current is 100 A, line voltage is 415 V and power factor is 0.9, in that case the meter would count $(\sqrt{3} \times V_L \times I_L \times PF)/1000$ to find kWh. The result would be 64.69 kWh. Now let assume that there is no connected load but the capacitor bank is on. In that case the load current would be negligible but reactive current would be more. Let us assume that 20 kVAR capacitor bank is on, it would draw approximately 27 A. In this condition, the meter would consider the reactive current as the active one and would calculate the kWh. So capacitive energy is recorded in the meter as active energy and that is the problem. In many make of meters, this problem may persist except a few like Siemens.

3. The matter was kept for hearing on 10.11.2022 and the Commission passed Daily Order dated 15.11.2022 recording that neither the Petitioner nor any representative on behalf of the Petitioner was present but the Petitioner sent an email dated 10.11.2022 about his inability to remain present for the hearing and requested the Commission to decide the matter in his absence. It is further recorded in the aforesaid Daily Order that the representative appearing on behalf of the Respondent DGVCL submitted regarding non-receipt of Petition and requesting the Commission to direct the Petitioner to make available the copy of the Petition to the Respondent. Accordingly, the Petitioner was directed to serve copy of the Petition to the Respondent DGVCL before 15.11.2022 since it is the responsibility of the Petitioner to serve the copy of the Petition to the Respondent. The Respondent DGVCL was directed to file reply, if any, to the Petition within three weeks' time from receipt of same, with copy to the Petitioner and the Petitioner was also directed to file its rejoinder reply, if any, within weeks' time after receipt of reply from the Respondent DGVCL.
4. Thereafter, the matter was listed for hearing on 02.01.2025 and the Commission passed Daily Order dated 19.03.2025 recording that neither the Petitioner / any representative nor the Respondent/ any representative were present during the hearing. It was noted that the Petitioner was directed to provide copy of the Petition to Respondent DGVCL and the Petitioner provided soft copy of the Petition to Respondent through e-mail dated 16.11.2022. It was also noted that the Respondent DGVCL vide email dated 12.07.2023 requested the Petitioner to provide complete set of documents along with the Petition. Further, the staff of the Commission was also directed to provide the

copy of Petition to the Respondent DGVCL along with the Daily Order dated 19.03.2025 and the Respondent DGVCL was directed to file its reply in the matter within two weeks with a copy to the Petitioner and that the Petitioner was directed to file its rejoinder, if any, within a week's time, after receipt of reply from the Respondent DGVCL and the matter was reserved for Order thereafter.

5. The Respondent DGVCL vide affidavit dated 18.08.2025 filed its reply in the matter stating as under:
 - 5.1. It is submitted that the Petitioner has filed the present Petition, seeking formation of Technical Investigation Team (TIT) to investigate the consumption due to capacitor bank by various make of meters.
 - 5.2. It is submitted that DGVCL is filing a preliminary reply on the maintainability of the Petition and not filing a detailed reply at the present stage. The contents of the Petition are not admitted and the same are specifically denied. DGVCL reserves its right to file a detailed reply in the matter, if required.
 - 5.3. It is submitted that in the title of the Petition, the Petitioner has sought to make "*All the licensees of Gujarat licensed by Honourable GERC*". The Petitioner has not specified the names of the licensee and it seeks to make as Respondent in the present Petition as per the copy received by DGVCL. The present reply is being filed by DGVCL in terms of the Daily Order dated 19.03.2025 of the Commission.
 - 5.4. However, it can be said that the cause title of the Petition filed by the Petitioner, is defective and the Petitioner ought to rectify the same,

amending the memo of parties, specifying the Distribution Licensees it seeks to make a party to the present Petition.

5.5. The Petition filed also does not specify the provisions under which the Petition has been filed. The Commission ought not to entertain such a Petition and the same is liable to be dismissed.

5.6. In terms of Regulation 23 of the GERC (Conduct of Business) Regulations, 2004, the Commission can initiate proceedings on account of two incidences, i.e., (a) suo moto or (b) on a Petition filed by any affected person. Regulation 23 of the GERC (Conduct of Business) Regulations, 2004, provides as under:

“23. The Commission may initiate any proceedings suo moto or on a Petition filed by any affected person.”

5.7. The Petitioner has not demonstrated that it is an affected person and in fact, the Petitioner does not even claim that it is an affected person. The Petitioner has also not attached any proof that the Petitioner is a consumer of any of the licensees in the State of Gujarat, to show that the Petitioner is an affected person or that it had been affected by any alleged high billing during the Covid 19 period. The Petitioner has sought to raise an issue that many consumers were charged high consumption bills during the Covid 19 lockdown period, but the Petitioner has not attached any such Bill. It is submitted that the Petitioner does not have any locus to file the present Petition.

5.8. There cannot be any Petition in public interest before the Commission. The Petitioner cannot before the Commission claim to espouse the cause of any other person or entities or even public at large. The Hon'ble

Tribunal in its Order dated 06.08.2024 in case of *Cellular Operator Association of India v. Chhattisgarh State Electricity Regulatory Commission* in Appeal No. 127 of 2024 *inter-alia* held as under:

“The contention that this appeal is in the nature of a public interest litigation is only to be noted be rejected. A public interest litigation is instituted, in larger public interest, by a person espousing the cause of others, mainly in cases where the persons whose cause is espoused cannot afford to avail their judicial remedies. Such proceedings, which relate to causes in public interest, can only be instituted before the High Court under Article 226 and the Supreme Court under Article 32 of the Constitution of India. As this Tribunal is a creation under the Electricity Act, exercise of its jurisdiction is confined to issues arising, and the orders passed by the Appropriate Commissions, under the Electricity Act.”

In that case, the Hon'ble Tribunal held that the said appeal is not a public interest litigation as in that case, the Appeal was by an association espousing the cause of its members. However, in the present case, the Petitioner is a person who is clearly not a consumer.

- 5.9. It is submitted that the Petitioner, in its Petition, has submitted that the present Petition is in larger public interest and it does not mention the names of the specific consumers who were issued allegedly illogical bills. It is not even the case of the Petitioner that it is the consumer who was allegedly the affected consumer. The Petitioner has not shown any authority allowing the Petitioner to file the Petition. It is submitted that in the absence of any details and proof, the Commission ought not to

entertain the present Petition. It is also submitted that the Commission ought not to hear Petition filed in the nature of Public interest litigation and has the power to hear and decide dispute between licensees and generating companies, in terms of Section 86 of the Electricity Act, 2003.

- 5.10. It is submitted that without prejudice to the above and in addition to the submissions made hereinabove, the present dispute, relating to invoices raised upon the Petitioner and other consumers, is essentially a dispute between the Distribution Licensee and consumers of the Distribution Licensee.
- 5.11. It is submitted that under Section 42(5) of the Electricity Act, 2003, Distribution Licensees ought to establish a forum for redressal of grievances of the Consumers. The Petitioner ought to approach the Consumer Grievance Redressal Forum (CGRF) for all their grievances. Section 42(6) of the Electricity Act, 2003 provides for the consumer to be able to approach the Ombudsman in the case of non-redressal of the grievances by the CGRF.
- 5.12. The present dispute ought to have been raised by the Petitioner before the CGRF' as the CGRF is the first-level authority to handle grievances related to billing disputes, metering issues, supply, complaints, and related technical disputes.
- 5.13. Further, even assuming but not admitting that the Petitioner is a consumer, the issue raised is a billing dispute. Even otherwise, it is not related to interpretation of law or policy, but is a factual/technical grievance about equipment usage and energy consumption. Hence, the

Petitioner should have first approached the CGRF under the consumer grievance redressal hierarchy.

5.14. The allegations made without any substantiation in the Petition appear to an intent to evade the bills. There is no illogical billing. While the Petitioner has not referred to any specific bill nor any person whose billing is being claimed to be illogical, it is submitted that the bills are based on meter consumption and based on actual readings. The allegations and speculations without any details cannot be checked.

5.15. The Petitioner has stated that during the Covid 19 lockdown period, many consumers were charged high consumption bills on the pretext that they did not switch off the power factor correction banks, when there was no production activity and on account of that, consumption of energy was recorded in the meters. It is reiterated that the Petitioner has not attached any such bills and has only made vague allegations with any documentary proof. The said statement of the Petitioner is specifically denied by DGVCL. The billing of the consumer is based on the consumption and meter reading of the consumer and not on any other basis. DGVCL does not make any speculation as to the reasons for higher consumption of any consumer.

5.16. It is stated that with regard to above, the Commission has notified the GERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2019. The CGRF in the following matters, has dealt with issues raised by consumers on high billing:

Case No	Compliant	Respondent	Order Date
33-2020-21	Guruchhaya Textile	DGVCL	07.08.2020

35-2020-21	Shilpaben Manishbhai Patel	DGVCL	20.08.2020
37-2020-21	Hitesh Filaments	DGVCL	28.08.2020
38-2020-21	Kamuben Prahadbhai Patel	DGVCL	20.08.2020
47-2020-21	Gopinath Tex	DGVCL	28.08.2020
70-2020-21	Girnar Fashion	DGVCL	30.09.2020

5.17. In the above stated matters, the meters of the consumers were lab tested and the CGRF has held that the billing was as per the meter readings and the meter readings corresponded with the actual billing. The CGRF rejected the complaints of the consumers.

5.18. It is stated that the Petitioner also refers to the decisions of CGRF and notes that the meter would record the consumption but is seeking to make an untenable and wishful allegation that the consumption is due to capacitor. There is no basis for such claim and therefore the Petitioner has in a misleading manner sought to claim that bills were raised *“on the pretext that such consumers did not switch off the power factor correction capacitor banks when the production activity was ceased and due to that there was huge consumption of energy recorded in the meters.”* There is no basis for such claim as it is not clear how the Petitioner has arrived at such assumption. The Petitioner has made an entire Petition seeking investigation by creating a fiction which has no basis in facts which cannot be permitted.

5.19. The Hon'ble Supreme Court in Maharashtra Electricity Regulatory Commission v. Reliance Energy Ltd., (2007) 8 SCC 381 has held that the CGRF is the appropriate authority to deal with consumer disputes as under:

“31. The basic question which arises for our consideration in this appeal is whether the individual consumer can approach the Commission under the Act or not.

32. For deciding this question, the relevant provision is Section 42(5) of the Act, which reads as under:

“42. Duties of distribution licensee and open access.-- (1)-(4)

(5) Every distribution licensee shall, within six months from the appointed date or date of grant of licence, whichever is earlier, establish a forum for redressal of grievances of the consumers in accordance with the guidelines as may be specified by the State Commission.”

33. As per the aforesaid provision, if any grievance is made by a consumer, then they have a remedy under Section 42(5) of the Act and according to sub-section (5) every distribution licensee has to appoint a forum for redressal of grievances of the consumers. In exercise of this power the State has already framed the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Ombudsman) Regulations, 2003 (hereinafter referred to as “the 2003 Regulations”) and created Consumer Grievance Redressal Forum and Ombudsman. Under these 2003 Regulations a proper forum for redressal of the grievances of individual consumers has been created by the Commission. Therefore, now by virtue of sub-section (5) of Section 42 of the Act, all the individual grievances of consumers have to be raised before this forum only. In the face of this statutory provision we fail to understand how could the Commission acquire

jurisdiction to decide the matter when a forum has been created under the Act for this purpose. The matter should have been left to the said forum. This question has already been considered and decided by a Division Bench of the Delhi High Court in Suresh Jindal v. BSES Rajdhani Power Ltd. [(2006) 132 DLT 339 (DB)] and Dheeraj Singh v. BSES Yamuna Power Ltd. [Ed.: (2006) 127 DLT 525 (DB)] and we approve of these decisions. It has been held in these decisions that the forum and ombudsman have power to grant interim orders. Thus a complete machinery has been provided in Sections 42(5) and 42(6) for redressal of grievances of individual consumers. Hence wherever a forum/ombudsman have been created the consumers can only resort to these bodies for redressal of their grievances. Therefore, not much is required to be discussed on this issue. As the aforesaid two decisions correctly lay down the law when an individual consumer has a grievance he can approach the forum created under sub-section (5) of Section 42 of the Act.

34. In this connection, we may also refer to Section 86 of the Act which lays down the functions of the State Commission. Sub-section (1)(f) of the said section lays down the adjudicatory function of the State Commission which does not encompass within its domain complaints of individual consumers. It only provides that the Commission can adjudicate upon the disputes between the licensees and generating companies and to refer any such dispute for arbitration. This does not include in it an Individual consumer. The proper forum for that is Section 42(5) and thereafter Section 42(6) read with the Regulations of 2003 as referred to hereinabove.

35. *Therefore, in the facts and circumstances of the present case, we are of the opinion that the views taken by the Commission as well as the appellate authority are unsustainable and they have erred in coming to the conclusion that the Commission has jurisdiction. Consequently, we set aside the order dated 18-10-2005 passed by the Commission and the orders dated 5-4-2006 and 2-6-2006 passed by the appellate authority and remit the matter to the proper forum created under Section 42(5) of the Act to decide the grievance of the respondent herein in accordance with law. We make it clear that we have not made any observation with regard to the merits of the demand raised by the appellant upon the respondent Company and it will be open for the proper forum to adjudicate the same. The payment, if any, made by the Company will not operate as an estoppel against the respondent Company. We hope that the forum will decide the matter expeditiously.”*

5.20. The Petitioner has approached the Commission, as the CGRF has rejected the Petition of several consumers and had *interalia* held that the billing was done on the basis of meter reading which is accurate. The Petitioner is attempting to evade the jurisdiction of the CGRF and has approached the Commission by way of Petition claiming to be in public interest, which is not maintainable. Further, the Petitioner under the guise of public interest and raising unsubstantiated allegations are attempting to evade the bills which attempt would have been rejected by CGRF.

5.21. It is submitted that DGVCL is not at this stage addressing issues of capacitor and the allegations and contentions are not admitted. DGVCL craves leave to file a detailed reply if so required.

5.22. It is submitted the Petitioner has no locus to file the present Petition. Therefore, the Petition is devoid of any merit and is liable to be dismissed.

6. The matter was lastly heard on 08.01.2026 by the present Coram of the Commission and the Commission passed the Daily Order dated 20.01.2026 recording that when the matter was called out, nobody appeared on behalf of the Petitioner. However, the Petitioner sent an email dated 04.01.2026 informing that he is unable to attend the hearing scheduled on 08.01.2026 in person as he has recently underwent Coronary Artery Bypass Graft (CABG) surgery, and the doctors have strictly advised against any travel or physical exertion at this stage for his recovery. He also stated that the present matter may be decided based on the technical facts as stated in the Petition.

6.1. Ld. Adv. Mr. Aneesh Bajaj, appearing on behalf of Respondent DGVCL, while reiterating the submissions as stated in para 5 above, also submitted that the Respondent in its preliminary reply has raised objection to the Petition about the cause title "*Mr. Jayeshkumar Natvarlal Shah Vs. All the Licensees of Gujarat licensed by the Commission*". The Petitioner has made all DISCOMs as parties to the present Petition but no specific name of DISCOM has been mentioned in the Cause title of Petition. Hence, the present Petition is not filed in proper format as required under GERC (Conduct of Business) Regulations, 2004.

6.2. He submitted that the present Petition is not maintainable on the following grounds:

- (a) There is a defective cause title.
- (b) The Petitioner has not shown that it is an affected person and the Petitioner has no locus standi to file the present Petition.
- (c) The Petition does not reveal any cause of action in as much as the Petitioner has not even claimed itself to be a consumer or referred to any bills which it is disputing.
- (d) In case the Petitioner is claiming status of consumer, the dispute involved is a billing dispute and therefore within the jurisdiction of CGRF.
- (e) The Petitioner is indulging in forum shopping as it has approached the Commission in view of CGRF having rejected Petitions by other consumers on high bills.
- (f) The Petitioner has also proceeded on assumptions and speculations which have no basis or substantiation.

6.3. He further submitted that the Petitioner has not demonstrated as to how it is an affected party. He further submitted that apart from preliminary objections, the petition also involves the billing disputes between the consumer and licensees which comes under the jurisdiction of the CGRF of concerned licensees. Further, the Petitioner has also not produced copy of electricity bill or any material on record of the Petition to establish as to under which Distribution Licensee's area it falls. In absence of such proof, the Petitioner has failed to demonstrate that it is an "affected party" or that it has, in fact, suffered any prejudice on account of the alleged over-billing during the COVID-19 lockdown period. Therefore, the Petitioner does not have any locus standi to file the present Petition and the Commission has no jurisdiction to entertain

the present Petition as it being involving billing dispute. He further submitted that the Respondent has not filed any submissions on the merits of the Petition, as the Respondent has challenged the Petition solely on the ground of maintainability. He, therefore, requested the Commission to pass an appropriate order in the matter.

7. The Commission in the aforesaid Daily order, directed both the parties to file their respective written submissions, if any, within one week from the date of the Order. However, the Petitioner has chosen not to file any written / further submission in the matter despite of liberty granted by the Commission vide Daily Order dated 20.01.2026. The Respondent vide its email dated 29.01.2026 filed its written submissions and reiterated its submissions as stated in above para 5 & 6.
8. We note that the Counsel appearing for the Respondent DGVCL concluded the argument in the matter. We also note that the present matter was listed for hearing by the Commission from time to time, however, despite being given sufficient opportunities, the Petitioner has not remained present during any of the hearing date citing personal difficulties. The Petitioner, rather, requested the Commission to decide the matter based on the technical facts as stated in the Petition.
9. We note that the Respondent DGVCL has contended that the Petition is not maintainable as it essentially raises consumer billing and metering disputes, which fall within the exclusive statutory jurisdiction of the Consumer Grievance Redressal Forum and the Ombudsman under Sections 42(5) and 42(6) of the Electricity Act, 2003. It was further contended that the Petitioner lacks *locus standi* and that proceedings in

the nature of public interest litigation are not maintainable before the Commission.

9.1. We note that the Respondent DGVCL has raised preliminary objections with respect to the maintainability of the Petition on the grounds of jurisdictions and *locus standi* of the Petitioner. Therefore, without going into the merits, the Commission deems it appropriate to frame following issues for consideration of the present case:

- (1) Whether the present Petition is maintainable before the Commission under the provisions of the Electricity Act, 2003 and the GERC (Conduct of Business) Regulations, 2004, and whether the Commission has jurisdiction to entertain the same, particularly, when the issues raised essentially pertain to consumer billing and metering disputes which fall within the statutory domain of the Consumer Grievance Redressal Forum and Ombudsman under Sections 42(5) and 42(6) of the Electricity Act, 2003.
- (2) Whether the Petitioner has *locus standi* to file the present Petition, having failed to demonstrate that he is an “*affected person*” or a “*consumer*”, and whether a Petition in the nature of public interest litigation, espousing grievances of unidentified consumers, is maintainable before the State Electricity Regulatory Commission.

9.2. The Commission has carefully examined the pleadings of both the parties on record, the preliminary reply and written submissions filed

by Respondent DGVCL and the relevant provisions of the Electricity Act, 2003 and Regulations framed thereunder:

- 9.3. Now we deal Issue No.1: Whether the present Petition is maintainable before the Commission under the provisions of the Electricity Act, 2003 and the GERC (Conduct of Business) Regulations, 2004, and whether the Commission has jurisdiction to entertain the same, particularly, when the issues raised essentially pertain to consumer billing and metering disputes which fall within the statutory domain of the Consumer Grievance Redressal Forum and Ombudsman under Sections 42(5) and 42(6) of the Electricity Act, 2003.
- 9.4. We note that although the Petitioner in the present Petition has raised a larger technical issue relating to capacitor consumption and metering, but a plain reading of the Petition reveals that the core grievance pertains to alleged high electricity bills issued to consumers during the COVID-19 lockdown period, allegedly on account of recording of energy consumption due to capacitor banks.
- 9.5. We note that the reliefs sought by the Petitioner includes constitution of a Technical Investigation Team (TIT) and grant of reliefs to “*affected consumers*”, without disclosing the identity of any such consumer, without producing electricity bill, meter test report, laboratory report, or any documentary evidence demonstrating an actual grievance suffered either by the Petitioner or by any identifiable consumer.
- 9.6. We note that the Electricity Act, 2003 provides a clear and structured statutory framework for redressal of consumer disputes. In this regard

it is relevant to refer the Section 42(5) of the Electricity Act, 2003 as under:

“Every distribution licensee shall, within six months from the appointed date or date of grant of licence, whichever is earlier, establish a forum for redressal of grievances of the consumers in accordance with the guidelines as may be specified by the State Commission.”

9.7. Further, the Section 42(6) of the Electricity Act, 2003 also provides as under:

“Any consumer, who is aggrieved by non-redressal of his grievances under sub-section (5), may make a representation for the redressal of his grievance to an authority to be known as Ombudsman to be appointed or designated by the State Commission.”

Thus, the Electricity Act, 2003 creates a complete mechanism for adjudication of consumer grievances relating to billing, metering, supply, and allied issues, vesting original jurisdiction with the Consumer Grievance Redressal Forum (CGRF) and appellate/supervisory jurisdiction with the Ombudsman. On the other hand, Section 86(1)(f) of the Electricity Act, 2003 provides for the adjudicatory jurisdiction of the State Commission stipulating that the Commission shall adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration.

9.8. Further, the adjudicatory jurisdiction of the Commission does not extend to disputes between a distribution licensee and individual consumers relating to metering, billing etc., particularly when a separate statutory forums have been created for that purpose under Section 42 of the Act.

9.9. We also pursued the judgment of the Hon'ble Supreme Court in *Maharashtra Electricity Regulatory Commission v. Reliance Energy Limited*, [(2007) 8 SCC 381], as relied by DGVCL. The Hon'ble Supreme Court, while interpreting the Sections 42(5), 42(6), and 86(1)(f) of the Electricity Act, 2003, has conclusively settled the law on this aspect. In paragraph 33 of the said judgment, the Hon'ble Supreme Court held as under:

"As per the aforesaid provision, if any grievance is made by a consumer, then they have a remedy under Section 42(5) of the Act... a proper forum for redressal of the grievances of individual consumers has been created by the Commission. Therefore, now by virtue of sub-section (5) of Section 42 of the Act, all the individual grievances of consumers have to be raised before this forum only. In the face of this statutory provision we fail to understand how could the Commission acquire jurisdiction to decide the matter when a forum has been created under the Act for this purpose."

In paragraph 34, the Hon'ble Supreme Court further clarified the scope of Section 86(1)(f) of the Electricity Act, 2003 as under:

"Section 86(1)(f) ... does not encompass within its domain complaints of individual consumers. It only provides that the Commission can adjudicate upon the disputes between the licensees and generating companies... The proper forum for that is Section 42(5) and thereafter Section 42(6)."

Thus, Hon'ble Supreme Court has held that the consumers must resort to the mechanism of dispute resolution provided under the Act and the State Commission cannot assume jurisdiction over such disputes.

9.10. We also note that the aforesaid legal position has been consistently followed and reiterated by the Hon'ble APTEL in its various judgments, wherein it has been held that consumer billing and metering disputes

squarely falls within the jurisdiction of the CGRF and Ombudsman and that the State Commission cannot be converted into a Consumer Grievance Redressal Forum. The Hon'ble APTEL has repeatedly observed that once the grievance redressal mechanism under Section 42 of the Electricity Act is operational, the jurisdiction of the State Commission to entertain individual consumer disputes stands excluded.

- 9.11. By applying the aforesaid statutory provisions and settled judicial principles to the present case, the Commission finds that the Petitioner, in substance, has raised issues relating to alleged incorrect billing and metering affecting consumers. Therefore, entertaining such a Petition would amount to permitting circumvention of the mandatory statutory redressal mechanism provided under Section 42 of the Electricity Act, 2003 and would defeat the legislative intent behind the creation of a specialized, decentralized consumer grievance redressal framework.
- 9.12. The Commission also observes that the power of the Commission to initiate *Suo Motu* proceedings or exercise regulatory oversight cannot be invoked through a non-maintainable petition seeking adjudication of consumers' disputes under the guise of a generalized technical or public interest issue.
- 9.13. In view of the above deliberation, the Commission holds that the present Petition is not maintainable. The Commission lacks jurisdiction to entertain the Petition as the grievances, if any, fall within the exclusive domain of the Consumer Grievance Redressal Forum under Sections 42(5) and the Ombudsman under Section 42(6) of the Electricity Act,

2003. Accordingly, the Petition is liable to be rejected on the ground of lack of jurisdiction.

9.14. Now we deal with Issue No. 2: Whether the Petitioner has *locus standi* to file the present Petition, having failed to demonstrate that he is an “*affected person*” or a “*consumer*”, and whether a Petition in the nature of public interest litigation, espousing grievances of unidentified consumers, is maintainable before the State Electricity Regulatory Commission.

9.15. Having already held under Issue No. 1 that the Commission lacks jurisdiction to entertain the present Petition as the subject matter essentially relates to consumer billing and metering grievances falling within the statutory domain of the Consumer Grievance Redressal Forum and the Ombudsman under the relevant provisions of the Electricity Act, 2003, the Commission proceeds to examine, as to whether the Petition is otherwise maintainable in its present form having regard to the *locus standi* of the Petitioner and the nature of the proceedings instituted.

9.16. As rightly pointed out by DGVCL, the Petitioner has expressly stated that the present Petition is filed “*in the larger interest of all the consumers of the State of Gujarat*”. The Petitioner has consciously refrained from disclosing the identity of any specific consumer who was allegedly affected by the alleged billing and has also not pleaded regarding any personal or legal injury on account of the alleged actions of the distribution licensees.

- 9.17. The Commission observes that proceedings before the Commission are governed by the GERC (Conduct of Business) Regulations, 2004. The Regulation 23 of these Regulations provides that the Commission may initiate proceedings either suo motu or on a petition filed by an “*affected person*”. Thus, the statutory scheme clearly contemplates that a person invoking the jurisdiction of the Commission by way of a petition must demonstrate that he is an affected person, i.e., a person who has suffered or is likely to suffer a legal injury as a consequence of the action complained of.
- 9.18. The requirement of *locus standi* before the Commission is therefore not a mere procedural formality but a substantive jurisdictional condition. A person who has not demonstrated any personal legal grievance or injury cannot seek adjudication before the Commission merely by asserting that the issue raised is of public importance. In the present case, as pointed out by the Respondent DGVCL, the Petitioner has not placed on record any material to demonstrate that he is a consumer of any distribution licensee in the State of Gujarat. No electricity bill, meter particulars, consumer number, or other documentary evidence has been produced to establish that the Petitioner has personally been affected by the alleged billing during the COVID-19 lockdown period. The Petitioner is also silent as to the distribution licensee under whose area the Petitioner is allegedly situated. In the absence of this material facts, the Commission is unable to accept that the Petitioner qualifies as an “*affected person*” within the meaning of Regulation 23 of the GERC (Conduct of Business) Regulations, 2004.

- 9.19. The Commission further notes that the Petitioner, in effect, sought relief for unidentified and unnamed consumers across the State and calls upon the Commission to undertake a generalised inquiry into alleged billing practices. Such a Petition, in substance, is in nature of a public interest litigation.
- 9.20. We note that the Commission is a statutory authority constituted under the Electricity Act, 2003. Its powers and functions are circumscribed by the provisions of the Electricity Act, 2003 and the Regulations framed thereunder. The Act does not contemplate or permit initiation of proceedings in the nature of Public Interest Litigation before the State Electricity Regulatory Commission. The Hon'ble Appellate Tribunal for Electricity has consistently held that Regulatory Commissions, being creatures of Statute, cannot entertain Public Interest Litigations or representative actions unless expressly authorised by the Statute. The jurisdiction of the Commission is confined to adjudication of the disputes between identifiable parties and to the discharge of regulatory functions expressly entrusted to it under the Electricity Act, 2003.
- 9.21. The Commission considers it necessary to clarify that once a finding has been recorded that the Commission lacks jurisdiction to entertain the Petition, the question of maintainability must necessarily be examined in that context. A petition which is non-maintainable for want of jurisdiction cannot be sustained merely on the basis of the manner in which reliefs are sought or on assertions of public interest.
- 9.22. In the present case, the lack of *locus standi* on the part of the Petitioner and the public interest character of the Petition reinforce and support the conclusion that the Petition is not maintainable in its present form.

10. We also make it clear that findings of the Commission on the aforesaid issues are on independent grounds and without embarking upon any examination of the technical aspects or factual correctness of the allegations raised. The Commission expressly clarifies that it is not entering into the question of sufficiency or insufficiency of data, evidences, or particulars as pleaded in the present Petition. The Petition is being rejected solely on threshold grounds, i.e., lack of jurisdiction and lack of *locus standi*, and not on the merits or otherwise of the allegations relating to capacitor banks, metering technology, or billing practices.
11. In view of the foregoing, the present Petition is dismissed as not maintainable. It is also clarified that the Commission has not examined the merits of the issues raised in the Petition and no opinion is expressed thereon.
12. Order accordingly.
13. With this Order, the present Petition stands disposed off.

Sd/-
[Hiren Shah]
Member

Sd/-
[Pankaj Joshi]
Chairman

Place: Gandhinagar.
Date: 07/02/2026.