

**THE STATE ELECTRICITY OMBUDSMAN**

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**APPEAL PETITION No. P/044/2021****(Present: A.S. Dasappan)****Dated: 11<sup>th</sup> October, 2021**

Appellant : Sri. N.M. Najeeb,  
Proprietor,  
Medora Hotel,  
Pavamani Road,  
Kozhikode Dist. 673003

Respondent : Assistant Executive Engineer,  
Electrical Sub Division, KSEB Ltd.,  
Nadakkavu, Kozhikode Dist.

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

The appellant is a proprietor of "Hotel Medora" in Kozhikode District and a High Tension (HT) consumer of Electrical Section, KSEB Ltd., Central with consumer number LCN 5/7402 under HT IV Commercial tariff. The appellant was given a demand note for Rs.15,93,939/- towards a total outstanding amount as on 30-11-2020 by the respondent and the appellant requested the respondent to exempt from remitting fixed charge. In order to avoid disconnection of the premises, the appellant filed a petition in Consumer Grievance Redressal Forum (CGRF), Northern Region, Kozhikode and the Forum registered as petition vide OP No. 120/2020-21 and the Forum issued order on 26-03-2021 dismissing the petition. Aggrieved by the decision of the Forum, the appellant filed this appeal petition before this Authority.

**Arguments of the appellant:**

The appellant is a proprietor of a Four-Star Hotel, Hotel Medora, Pavamani Road, Kozhikode, under Electrical Section, Central, having HT IV commercial connection bearing Code No. 136602003830 LCN 5/7402. The appellant is running hotel, restaurant, lodging and catering business in the building. More than 60 persons are working in the hotel. KSEBL is charging Rs. 33,000/- per month as fixed line charges. The appellant has been paying electricity charges regularly.

Owing to the Covid-19 outbreak, the hotel remained closed from March 2020 to 31<sup>st</sup> October 2020. During the period, restaurant, hotel, lodging and catering businesses were not running. The KSEBL demanded Rs.15,93,939/- towards a total outstanding amount as on 30<sup>th</sup> November 2020 even though no electricity was consumed for the period. The appellant apprehends that the metering system is defective and the reading recorded is absolutely wrong. The appellant had requested repeatedly to replace the meter, but KSEBL did not turn to his request. The appellant had also made a request before KSEBL for exempting from remitting the fixed charges. The authorities rejected request and even threaten that the electricity connection will be disconnected on 31-12-2020. Hotel was re-opened in November 2020 and the business is only just picking up now. The disconnection will cause irreparable loss to his business and also will have severe after effect as more than 60 families are depending upon the income from this hotel. Hence, the appellant requested this Authority to direct KSEBL to replace the defective metering system and restrained from disconnecting the electricity connection and also from recovering the illegal electricity bills amounting to Rs. 15,93,939/-.

The request of the appellant is :

- (1) To replace the defective meter
- (2) To restrain from disconnecting the electricity connection of the appellant.
- (3) To set aside the arbitrary and exorbitant electricity bill issued to the appellant demanding an amount of Rs. 15,93,939/-.

- (4) To declare that the appellant is only liable to pay the fixed line charges Rs.33,000/- per month from March 2020 to October 2020.
- (5) Without prejudice to prayer No. 4, the appellant is also entitled to get the fixed line charges waived from the period from March 2020 to October 2020, considering the lock down issued by the Government.

**Arguments of the respondent:**

No such charge viz. fixed line charge of Rs.33,000/- has ever been imposed on the appellant and the contention of the appellant in this regard is false and misleading. The minimum required amount to be remitted by the appellant even during the period of disconnection is that the demand charge as prescribed by the KSERC from time to time for 75 kVA, which is 75% of contract demand of 100 kVA as per the agreement with the appellant. As per the prevailing tariff order dated 08.07.2019, the minimum demand charge applicable to the appellant per month is Rs.33,000/- i.e.,  $75 \times 440$ . One of the contentions of the appellant is that the meter installed at the premises of the appellant firm is faulty. Before or after filing this petition, the appellant has never raised this compliant before KSEBL in line with Regulation 120 of Kerala Electricity Supply Code 2014. It may be noted that the appellant has also failed to produce a copy of an application submitted before the licensee in this regard as an exhibit even before the Ombudsman.

KSEBL being a Licensee has nothing to do with the day-to-day affairs of the appellant's firm. KSEBL can act upon only within the ambit of Indian Electricity Act 2003, directives of KSERC issued from time to time, as well as the conditions of agreement entered into with the appellant. KSEBL which has also been financially affected due to the pandemic Covid-19, is not in a position to take decision in the matter of evading minimum charge per month, which are beyond the purview of the power vested with KSEBL by virtue of the Indian Electricity Act 2003 and Kerala Electricity Supply Code 2014 as well. Being a Licensee, duty of KSEBL is to supply electricity to the consumers and it is functioning in strict adherence to the Indian Electricity Act 2003. Hence, the contentions raised by the appellant are beyond the purview of KSEBL.

Above all, the appellant has been allowed a rebate (Rs.24,750/-) of 25% of fixed charge for the period from 03/2020 to 05/2020 vide bill dated 03.07.2020.

As per General Condition (6) for HT and EHT tariff under Part B of the Tariff Order dated 08.07.2019, the monthly minimum charge payable shall be the minimum guarantee amount as per Minimum Guarantee Agreement if any, or the billing demand (the recorded maximum demand for the month in kVA or 75% of the contract demand as per the agreement, whichever is higher as per Condition(2), whichever is higher.

In view of the above mentioned condition, the appellant is bound to pay the minimum demand charges to KSEBL even when supply stands disconnected.

In line with the Board Order dated 31.05.2020, the appellant is eligible only for deferment of payment of 75% of fixed charge for the period from 03/2020 to 05/2020 till 15.12.2020. The appellant had to pay the current charge for the period after 05/2020 as usual. Since the appellant had failed to remit the said arrear, KSEBL has all the right to realize the arrear in conformity with Section 56 of the Indian Electricity Act 2003.

As per Regulation 116(4) Kerala Electricity Supply Code 2014 “A consumer may request the licensee to inspect and test the meter installed in his premises, if he doubts its accuracy, by applying to the Licensee in the format given in Annexure-15 to the Kerala Electricity Supply Code 2014, along with the requisite testing fee”.

But the appellant has never submitted any application before KSEBL in this regard till date. Therefore, the contention of the appellant with regard to the alleged defective metering system would not sustain. If the appellant wants to test and replace meter, the above regulation may be satisfied.

Hence, it is prayed that in view of the facts mentioned above, the KSEBL may be allowed to realize the arrear of Rs. 23,45,458/- as on 05.07.2021 due to KSEBL under Section 56 of the Indian Electricity Act 2003 and P/044/2021. The request of appellant may be dismissed as it deserves no merit.

**Analysis and findings:**

An online hearing of the case was conducted on 20-10-2021 with prior intimation to both the appellant and the respondent. Adv. Sri. Jose Kuriakose attended the hearing for the appellant and Sri. E. Manoj, Assistant Executive Engineer, Electrical Subdivision, KSEB Ltd., Nadakkavu attended from the respondent's side. On examining the appeal petition, the arguments filed by the appellant, the statement of facts of the respondent, perusing the documents attached and considering all the facts and circumstances of the case, this Authority comes to the following findings and conclusions leading to the decision thereof.

The appeal petition pertains to the consolidated electricity bill issued for the consumption in the premises of the appellant for a particular period. The appellant wants to get more concession in fixed charge and in electricity bills in the "Lockdown" period following the spread of "Covid-19". The respondent revealed in the hearing that whatever be declared by the KSERC and KSEB Ltd. were already allowed to the appellant. Moreover, the arrear amount is the accumulation of regular monthly bills and hence, the appellant is liable to remit the bill amount. The appellant suspects the energy meter is faulty. The appellant is a HT consumer having a Contract Demand of 100 kVA. The monthly billing pattern for the demand charge is 75% of Contract Demand or Maximum Demand recorded in each month, whichever is higher. As such in this case, 75 kVA is the billing demand if the recorded maximum demand in each month is below 75 kVA. The appellant wants to exempt from paying the fixed charge for the period from the month of March 2020 to October 2020.

The appellant argued that the premises meter is faulty and the respondent did not change the meter even after repeated requests. The main requirements of the appellant are to replace the defective meter, to set aside the bill amount of Rs.15,93,939/-, to allow the appellant to remit the fixed charge only for the period from March 2020 to October 2020 and without prejudice to it, entitled to get the waiving of fixed charge from March 2020 to October 2020.

The respondent stated that the minimum fixed charge to be remitted by the appellant, as per prevailing tariff order is Rs.33,000/- per month (Rs.440 x 75 kVA).

The appellant had not requested the respondent to replace the meter, suspecting defectiveness and the appellant could not produce any document for such a request. The appellant was given the benefit in fixed charge for Rs.24,750/-, being the 25% of the fixed charge for the period from 03/2020 to 05/2020 vide bill dated 03-07-2020. The total arrear amount as on 05-07-2021 is Rs.23,45,458/-.

The CGRF, Northern Region in its order dated 26-03-2021 in OP No.120/2020-21, analyzed the consumption in the premises during the lockdown period also. The disputed bill amount is the accumulation of electricity bill amounts after the month of 05/2020 and up to 11/2020. The appellant had not placed any request for the reduction of Contract Demand till the disputed bill is received. Moreover, the appellant has not produced any document showing that the appellant had requested the Licensee to change the meter suspecting its defectiveness. The argument of the appellant that no electricity was consumed in the disputed period is not sustainable. The respondent had issued bill in each month recording the energy consumption in the premises from 05/2020 onwards, but the appellant had not raised such an argument in any of the month. The appellant had not requested the Licensee to reduce the Contract Demand prior or after 05/2020. The electricity bill under dispute is the accumulation of electricity charge since the monthly amount was not remitted by the appellant.

It is pertinent to note that the appellant was given the concession in demand charge for Rs.24,750/- on 03-07-2020. The arrear bill amount issued to the appellant is not a reassessed amount related to the energy consumption or any amount escaped from the notice of the respondent, but it is the usual monthly electricity bill for the energy consumed. As such, a consumer is liable to remit the electricity bill amount then and there itself.

If the appellant suspects any defectiveness of the meter, it is free to approach the Licensee vide Regulation 120 of Kerala Electricity Supply Code 2014 and further action can be initiated by the Licensee vide Regulation 115, 116 and 117 of Kerala Electricity Supply Code 2014.

**Decision: -**

From the analysis done and the findings and conclusions arrived at, which are detailed above, this Authority take the following decision:

As ordered by KSEB Ltd., the rebate @25% on fixed charge for the months of March, April and May 2020 amounting to Rs.24,750/- had already been allowed to the appellant on 03-07-2020. Since the rebate on fixed charge granted by KSEB Ltd. had already been given to the appellant and there is no orders or direction from KSEB Ltd. or from other empowered bodies to extend any benefit, the request of the appellant waiving of fixed charge from March 2020 to October 2020 and the request for exempting the energy charge for the said period stands rejected.

Having concluded and decided as above, it is ordered accordingly. The Appeal Petition filed by the appellant stands dismissed as it is found having no merits. The order of CGRF, Northern Region, Kozhikode in OP No.120/2020-21 dated 26-03-2021 is upheld. No order on costs.

**ELECTRICITY OMBUDSMAN**

P/044/2021/\_\_\_\_\_ dated \_\_\_\_\_.

**Delivered to:**

1. Sri. N.M. Najeeb, Proprietor, Medora Hotel, Pavamani Road, Kozhikode Dist. 673003
2. Assistant Executive Engineer, Electrical Sub Division, KSEB Ltd., Nadakkavu, Kozhikode Dist.

**Copy to:**

1. The Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, Vellayambalam, Thiruvananthapuram-10.
2. The Secretary, KSE Board Limited, Vydhyuthi Bhavanam, Pattom, Thiruvananthapuram-4.
3. The Chairperson, Consumer Grievance Redressal Forum, Vydhyuthi Bhavanam, KSE Board Ltd, Gandhi Road, Kozhikode