

**THE STATE ELECTRICITY OMBUDSMAN**

D.H. Road & Foreshore Road Junction, Near Gandhi Square,  
Ernakulam, Kerala-682 016

Ph: 0484 2346488, Mob: 8714356488

[www.keralaeo.org](http://www.keralaeo.org) Email: ombudsman.electricity@gmail.com

---

**APPEAL PETITION No. P/039/2022****(Present: A. Chandrakumaran Nair)****Dated: 29<sup>th</sup> July, 2022**

Appellant : Smt. Alice Kuruvila  
Manjali House,  
2/721, Dhoni,  
Palakkad Dist. 678 009

Respondent : Assistant Executive Engineer,  
Electrical Sub Division, KSEB Ltd.,  
Kalpathy, Palakkad Dist.

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

The appellant is the owner of an Industrial Unit at Dhoni, Palakkad with consumer number 1165327010575 under the Electrical Section, Olavakkode having LT IV tariff. The Licensee issued a demand notice to the appellant claiming an amount of Rs.6,990/- for 'One Time Settlement'. The appellant has requested for disconnection on 14-01-2015 but not done. There after the Licensee billed up to 04-05-2015 and the act of respondent is the violation of Section 145 (1 to 7) of the Kerala Electricity Supply Code 2014. The appellant approached the Consumer Grievance Redressal Forum (CGRF), Northern Region, Kozhikode to set aside the demand notice and to refund the CD amount with interest. The CGRF dismissed the petition in its order vide OP No. 46/2021-22 dated 14-03-2022 stating that the complaint raised quoting Electricity Act & Kerala Electricity Supply Code is irrelevant.

Aggrieved by the decision of the Forum, the appellant filed the appeal petition to this Authority.

**Arguments of the appellant:**

The demand made by the respondent is not recoverable as well, since it is hit by the period of limitation as prescribed in section 56(2) of the Electricity Act, 2003, and Sec 136 of the supply code 2014. The aforesaid provision reads as follows: "Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrears of charges for electricity supplied and the licensee shall not cut off the supply of the electricity."

On going through the calculation statement, it is seen that the demand pertains to the period 04-02-2015 to 03-03-2015 with regard to regular bills. Accordingly, the due date of the bills comes first due on 04-02-2015, presently more than 2 years have elapsed and therefore the prohibition as per Sec.56(2) already came to operation preventing the respondents from recovery of the same. Apart from that the appellant had requested disconnection of power connection on 14-01-2015, which was not done by the respondent.

The respondent kept on charging the fixed charges and kept on billing the appellant till 04-05-2015 without disconnecting the power connection.

The act of the respondent is in total violation of the Sec 145 (1-7) of the supply Code 2014, where in which it is stipulated that, within 10 days of receipt of the intimation to disconnect, to conduct a special reading, to disconnect, and issue a final bill including all arrears. It is also stipulated that the Licensee cannot raise any bill or have any right to recover any charges after that.

The C.D. deposited should have been refunded to the appellant with interest on 24-01-2015 which has not been done till date.

Thus, on going through the above facts and the legal contentions taken by the appellant, it is evident that the demand made by the respondent is not legally sustainable and hence, liable to be set aside.

**Arguments of the respondent:**

The averment of the appellant that the demands issued by the Respondents for the energy consumed by the appellant is "illegal demand" is per se wrong and hence denied. This licensee is issuing demand only for the energy consumed by the consumers and allied charges as approved by the State Electricity Regulatory Commission. This licensee is bounded by the rules and regulations framed by the Regulators and the bills are issued complying the tariff orders issued. Hence the bill issued by this licensee is legal and binding on its consumers. The document is the intimation regarding One Time Settlement Scheme announced by the KSEBL after obtaining necessary sanction from the Kerala State Electricity Regulatory Commission. The outstanding amount due to these Respondents are legally bound to be remitted by the appellant. The document is not the bill issued but an intimation to the consumer to avail the opportunity of the OTS (One Time Settlement) facility and to remit the arrear amount of Rs.6,990/- at reduced interest rates. The notice issued was not intended to intimate the consumer about the arrears and to file objections, if any, but to avail the facility of OTS and to escape from the complications of Revenue Recovery for which an indent was already submitted before the Revenue Authorities.

Instead of turning up to avail this benefit, the appellant sought clarifications on the bill vide letter dated 20.03.2021 and threatened the respondents that the appellant will not be responsible for the delay from the part of KSEB. Since the arrears of the Appellant is under Revenue Recovery, the arrears are certain and finite. The OTS Scheme was issued by the KSERC with a time-line fixed for the events. The last date of remittance was fixed as 31.03.2021. The intention of the appellant was to escape from the liability of remitting the arrears already in Revenue Recovery as is the practice of the "sister concern" referred by the appellant in the petition filed before the CGRF.

Even-though so, the respondent immediately forwarded a letter to the appellant showing the details of arrears, details of demands issued, details of remittances/adjustments made and the balance outstanding. This letter has

already been produced by the appellant. The calculation for arriving at the outstanding balance is enumerated below:

Regular bill dt.4.2.2015	Rs. 9,346.00
Regular bill dt.3.3.2015	Rs. 9,343.00
Surcharge dt.5.6.2015	Rs. 263.00
Surcharge dt. 7.12.2015	Rs. 373.00
Surcharge dt. 7.12.2015	Rs. 1,240.00
Ex-System CC dt.21.4.2016	Rs. 2,925.00
Surcharge dt. 21.4.2016	Rs. 261.00
Total	Rs.23,751.00
Security Deposit Interest 3.6.2015	Rs.4,975.00
Security Deposit Closure 7-12-2015	Rs.11,786.00
Total	(-) Rs.16,761.00

$$\underline{\text{Rs.23,751} \quad (-)\text{Rs.16,761} = \text{Rs.6,990}}$$

On receipt of the calculation statement, the appellant wrote to the respondent stating that the computation is wrong and that the demand is struck by Section 56(2) of Electricity Act 2003. Since the appellant is not interested to settle arrears and arguing on flimsy reasons and owing to the time-limit fixed by the commission, further communications regarding OTS were not made by these respondents.

Section 56(2) of the Act is applicable only to consumers and not for dismantled connections. When a connection is dismantled, the account of the consumer is closed and after adjusting the Security Deposit available at the credit of the consumer, notice is issued for the remittance of the outstanding amount. If the consumer fails to remit the amount, Revenue Recovery action is initiated as per Section 170 of Electricity Act 2003. Hence it is submitted that the outstanding arrear of a dismantled consumer is not hit by the provisions of Section 56(2).

The appellant had requested to disconnect the power connection vide letter dated 14.01.2015 is only partially true. The request of the appellant vide letter dated 14.01.2015 was to disconnect the power supply to their "connected load" and to sanction 1000 W Commercial connection for godown purpose. The appellant also requested for refund of CD. In response to this letter, the

respondent visited the site and found that all the machineries of the factory were intact and there is no difference in the connected load. Hence it was advised to remove the excess load than 1000W and furnish a test report so as to reduce the load to 1000 W. It was also informed that the Security Deposit will only be refunded/adjusted when the consumer submits for dismantling of the service connection.

Section 145 of the Supply Code deals with dismantling on the request of consumer and not for disconnection as stated by the appellant. The appellant is trying to mislead the Authority by quoting irrelevant rules. The Senior Law Officer KSEB also speaks about the dismantled connections and not about disconnection of electric connection.

The CD and CD interest has already been adjusted while closing the account after dismantling on 7.12.2015. Details of CD adjustment are as following:

SD 3.3.2005	40,000.00
SD 6.7.2010	8.00
SD 12.1.2011	29,092.00
Refund due to reassessment 5.6.2014	(-)57,314.00
Closure of Contract Demand and adjustment 7-12-2015	Rs.11,786.00
Balance	0

CD Interest adjusted on 3.6.2015 = Rs.14,975.00

The request of the appellant in this Appeal is to set aside the notice and all other proceedings pursuant thereto. Notice is an intimation to the appellant to clear the dues availing the facility of reduced interest in OTS in order to avoid RR action. Since the facility of OTS is no longer in existence, the appeal itself is infructuous and hence liable to be dismissed. Since there is no CD at the credit of the appellant remaining unadjusted, that prayer also is irrelevant and frivolous.

The appellant had deposited the Revenue Recovery amount before the Village Officer and the Village Officer in turn remitted the amount at Electrical Section, Olavakkode on 13.9.2021. The appellant is silent on this remittance.

It is prayed that since the appellant had remitted the arrears without any protest, the appeal itself is infructuous and hence may be dismissed.

In OP No. 46/2020-21 filed by the Appellant before the CGRF, Northern Region, Kozhikode, the Forum found that the Appellant misconceived the OTS intimation as demand to remit the arrears and filed the Petition. The Forum also found that the application submitted on 14.1.2015 by the Appellant was for reducing the Connected Load and not for disconnection. Hence Regulation 145 is not applicable. The Hon. Forum also found that the entire CD and CD interest has already been adjusted. Hence, the Forum vide its order dated 14.3.2022 dismissed the Petition before it.

The Appeal lacks merits either on law or on facts. The contentions raised by the appellants are false, frivolous and fabricated. Hence it is prayed that the appeal may be summarily dismissed with costs to this respondent and appellant may be directed to remit the arrears.

**Analysis and findings:**

The hearing of the case was conducted on 19-07-2022 in the office of the State Electricity Ombudsman, Near Gandhi Square/BTH, Ernakulam South. Sri. Jose Manjaly, was attended the hearing on behalf of the appellant and Sri. Selvaraj. V., Assistant Executive Engineer, Electrical Sub Division, KSEBL, Kalpathy was attended the hearing 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 appellant was paying the energy charges regularly and there were no arrears. When the appellant wants to close down the industrial unit, requested for the disconnection of the power supply and refund of the Deposit amount on 14-01-2015 and also requested for a commercial connection for 1000 W for using this building as a Godown. The appellant has sent reminders on 10-02-2015, 03-03-2015, 07-03-2015 and on 26-03-2015. The Licensee kept billing for the

months 01/2015, 02/2015, 03/2015, 04/2015 and the power supply disconnected and dismantled only on 07-12-2015.

As per Kerala State Electricity Supply Code 2014, Section 145 (1-7) "Dismantling on the request of the consumer", states as follow:

(1) In case a consumer desires his service to be dismantled and the service connection agreement to be terminated, he shall apply for the same in the format specified in Annexure - 20 to the Code.

(2) The licensee shall give a written acknowledgment of receipt of such request, on the spot.

(3) The licensee shall, within ten days from receipt of the request, carry out a special reading and prepare a final bill including all arrears up to the date of such billing.

(4) The licensee may disconnect the supply of electricity immediately after the special reading is taken.

(5) On payment of all dues by the consumer, the licensee shall issue a No Dues Certificate and a receipt for the payment with the words 'Final Bill' stamped on it.

(6) Thereafter, the licensee shall not have any right to recover any charge for any period prior to the date of final bill.

(7) The licensee shall not raise any bill after dismantling.

This is very clear about the procedure to be adopted for the disconnection and Licensee shall not raise any bill after the dismantling. Here the contention of the respondent that the appellant has requested for reconnection for a commercial tariff for 1000 W, which could not be given unless the wiring has been done accordingly for 1000 W connected load. This is not preventing the respondent to disconnect the industrial connection in compliance with the regulation and reconnection only after completing the formalities. It is very pertinent to note that the commercial connection as requested by the appellant is not connected till date. The same could have been done by then immediately on receiving the application for disconnection. The power supply would have been disconnected by 24-01-2015 and claim of appellant is genuine and then the Licensee has no right to issue demand charges after the month of 01/2015.

**Decision: -**

From the analysis of the arguments of appellant and respondent and the hearing, the decision is taken as follows:

- (1) The order of CGRF, Northern Region in OP No. 46/2021-22 dated 14-03-2022 is set aside.
- (2) The service connection of the appellant is treated as dismantled on 24-01-2015 and the respondent shall not realize any demand charges after the month of January 2015.
- (3) The Licensee has to refund CD amount to the appellant.

Having concluded and decided as above, it is ordered accordingly. No order on costs.

**ELECTRICITY OMBUDSMAN**

P/039/2022/\_\_\_\_\_ dated \_\_\_\_\_.

**Delivered to:**

1. Smt. Alice Kuruvila, Manjali House, 2/721, Dhoni, Palakkad Dist. 678 009
2. Assistant Executive Engineer, Electrical Sub Division, KSEB Ltd., Kalpathy, Palakkad 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