### 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 Email: ombudsman.electricity@gmail.com

Appeal Petition No. P/017/2023 (Present A. Chandrakumaran Nair)
Dated: June-02-2023

Appellant : Sri. Pro: M.J Jacob, President

(TTCRMS)Co- Rubber Crumb Factory,

Thodupuzha, Idukki.

Respondents : The Special Officer (Revenue), KSE

Board Ltd., Vydhyuthibhavanam, Pattom, Thiruvananthapuram.

The Deputy Chief Engineer, Electrical Circle, KSE board Ltd., Thodupuzha,

Idukki.

#### ORDER

### Background of the case

The appellant is an HT consumer of licensee (KSEBL) with consumer number 1356180002963 with connected load of 420 kw. The appellant is the president of Thodupuzha Taluk Co-operative Rubber Marketing Society Ltd. The premises of TTCRMS has been leased out to Shri. Bobby Issac Mathew and presently operates by Sri. Baby Isacc Mathew. The appellant is a regular defaulter of monthly current charge. The rebate declared by the state Govt. during the Covid-19 period has been extended to the appellant. The arrears pending from the appellant is around Rs. 42, 80, 214/-. The power charge default is since 2015 onwards, billed amount was not fully paid and each bill there were outstanding and this attracted interest also. The appellant approached the CGRF and CGRF ordered vide order dated 25/02/2023, that the appellant is liable to pay the arrear bill and also granted 12 instalment facility to clear the payment. Aggrieved by the decision of CGRF, the appellant filed this appeal petition to the authority.

### **Arguments of the Appellant**

- 1. The petitioner is the President of Thodupuzha Taluk Co-operative Rubber Marketing Society Ltd. The Co-Rubber Crumb factory is owned by the above said society with the HT electric connection having Cons. No. 11/4191. The factory is presently run by Sri. Bobby Issac Mathew as lessee. The respondents have issued a bill dated 10-05-2022 for the payment of electricity arrears over the period 2020-22, the period of Covid pandemic for an amount of Rs.41,55,282/- out of which the interest portion itself is Rs. 10,32,946/-. The electricity arrears bill for the period of pandemic covid-19 includes the interest rate of 18% charging towards the arrear amount and also a belated payment amounting to Rs.3,06,346/-. Against the above said bill the petitioner has filed an O.P.No.28/2022- 23 before the Consumer Grievance Redressal Forum, Central Region, Ernakulam. The CGRF have disposed the above said petition with a direction to pay the arrear bill amount issued by KSEBL and allowed an installment facility of 12 monthly installments for making the payment. During the pendency of the original petition before the CGRF, the petitioner have remitted an amount of Rs.8,00,000/- as compelled by the 1st respondent. Even though the CGRF of partially allowed the petition the irregularity and error regarding the calculation of the bill dated 10-09-2022 has not been analyzed and rectified. Aggrieved by the above said order dated 16-09-2022 the petitioner herein is filing this appeal under regulation 21(3) and as per regulation 23 of Kerala State Electricity Ombudsman Regulation Act.
  - 2. From the beginning of covid pandemic in March 2020, due to lockdown and recession this industrial unit also fell into the lockdown and financial crisis. After the subsequent lockdown and financial recession in the market, this unit's power bill began to increase. During the pandemic lockdown period the KSEB demanded a minimum demand of Rs.75,000/- per month with a heavy interest of 18% per month and they accumulated arrears installments also demanded additional 15% interest. The consequent lockdowns and seasonal non-availability of raw materials and shortage of employees due to lockdown have taken this industrial unit into a great financial crisis. The Govt. of India and State Government have declared moratorium to micro and small industry. The micro and small industry have struggled to survive during the post covid recession hit economy and the industrial climate was not at all healthy to pay all dues within a short span of time. Even during the hard time this industrial unit have paid Rs.5,00,000/- during March and the regular bill of Rs.2,50,000/- during May. The above said arrears bill are arbitrary and unsustainable and the same is liable to be set aside.
  - 3. The petitioner have approach the 2<sup>nd</sup> respondent Special Officer, Revenue regarding the correction in the calculation of the arrears bill. The Special Officer Revenue have issued a detailed bill for an amount of Rs.41,55,282/-,

granting 6 installments w.e.f. 26-05-2022. The Special Officer Revenue have not taken any steps to recalculate the whole arrear amount and rectify the duplication happened in the process of calculation. The said bill have no intelligible differentia and also the calculation have no nexus with the object sought to be achieved.

The demand notice issued at various months shows the duplication of interest calculated at the monthly originating stage and on the total amount. Since it is a small industrial unit, struggling had to survive it is arbitrary and illegal to force the industrial unit to pay all arrears both legal and illegal within a short span of time, fully knowing that such an attempt may ring the death bell of small-scale industrial unit.

- 4. Moreover, without any logic the 2<sup>nd</sup> respondent have issued a demand notice dated 12<sup>th</sup> September 2022 as per chapter VI of Kerala Electricity supply Code, 2014 for an amount of Rs.31,57,417/-, while the O.P. was pending before the CGRF. There is no statutory base for the issue of the demand notice dated 12-09-2022 and the said bill was issued just before the order of the CGRF, challenging the process of law and procedure of CGRF. Out of the total amount demanded as per demand notice dated 10<sup>th</sup> May 2022 Rs.10,32,946/- amounting to the interest (4,44,845/-) and the belated charge. As per the above said bill the arrear amount comes to Rs.31,22,336/- and the petitioner have remitted Rs.8,00,000/- on 24-06-2022 to the arrear amount.
- 5. The Hon'ble Electricity ombudsman may be pleased to grant the following interim relief as per regulation 23(5) of Kerala State Electricity Ombudsman Regulations. Direct the 1<sup>st</sup> respondent, Deputy Chief Engineer KSEBL, Thodupuzha to maintain status quo regarding electricity supply to the petitioner Co-rubber Crumb Thodupuzha and not to dismantle the power supply to the petitioner till the disposal of this appeal to prevent the defeat of law and observe the rules of natural justice.

# Statement of facts submitted by the Dy. Chief Engineer

1. This case is filed by the petitioners against regular current charge bills and not because of any special bills, for getting unlawful benefits. The petitioner is an HT Consumer of KSEBL with a connected load of 420kW and LCN 11/4199 with consumer code 1356180002963. The HT supply is availed based on Agreement No. ECT HT 9/04-05/24-02-2005 between KSEBL and the President, M.J Jacob, Thodupuzha Taluk Co-operative Rubber Marketing Society Ltd. From the statement of facts of the petitioner it is understood that the President of the society had executed a lease agreement with Sri. Bobby Issac Mathew and the firm is now owned by Sri. Baby Issac Mathew.

As a consumer, M/s Co-Rubber Crump factory is a regular defaulter in remitting monthly current charges to the licensee.

- 2. The petitioner was allowed a rebate of 25% on fixed charge for the months from 3/2020 to 5/2020 and also deferred payment of balance fixed charges of these months up to 15.12. 2020 without levying interest during the deferred period concessions. In the wake of the B.O dated 30.12.2020, the appellant was allowed Rs. 52,360/- (Fifty-two thousand three hundred and sixty rupees only) as rebate vide bill dated 3.7.2020.
- 3. Further, as per B.O. (FTD) No.511/2021(KSEB/TRAC-D/Covid Pandemic-Tariff Concession/2021-22) dated 2.7.2021 provided a relief to the tune of 25% on demand charge applicable to industrial/commercial consumers for the month of 5/2021 and allowed three equal instalments without interest to remit the balance dues after allowing aforementioned relief up to 30.9.2021. The appellant firm had been allowed the said rebate of Rs. 23,545/- (Twentythree thousand five hundred and forty-five rupees only) vide bill dated 2.6.2021 itself, i.e. (25% of Rs. 94,180= Rs. 23,545). From the facts mentioned above, it is coherent that KSEBL has passed on all the benefits extended by Government of Kerala on the strength of section 108 of the Indian Electricity Act, 2003 to the appellant firm. Even after passing all possible benefits to the petitioner, the firm failed to remit even one instalment of their regular current charge dues. Later they approached the Hon'ble CGRF and filed OP No. 28/2022-23 on17/06/2022. The Hon'ble CGRF on 20/09/2022 after hearing both parties directed the petitioner to pay arrear bill amount issued by the licensee with direction to grant 12 months instalment for making payment.
- 4. Aggrieved by the order the petitioner approached Hon'ble Ombudsman and filed Petition P 80/2022 on 18/10/2022. The Hon'ble Ombudsman dismissed the petition in favour of KSEBL. Later again the firm approached the Hon'ble CGRF with OP No. 74/2022-23. The fora on 25/2/2023 after hearing both parties directed the petitioner to remit arrear bill amount issued and allowed 12 months instalments for making payment. Accordingly, KSEBL allowed 12 monthly instalments but instead of paying the instalment on the last date of the instalment due date the petitioner approached the Hon'ble Ombudsman with this petition.
- 5. In this connection the Hon'ble \_Ombudsman may please note that, in between the Anti Power Theft Squad of KSEBL conducted a surprise inspection in the premises of the appellant on 03-09-2022 and found that in-spite of approved Rubber processing unit, an M-sand / P-sand unit is functioning within the premises using the same electric connection, with a total connected load of 454.42kW. Thereby the appellant has connected and using an unauthorized additional load to the tune of 26.424kW (29kVA) over and above the

sanctioned load of 428kW by connecting additional electrical installations for M-sand / P-sand units without any mandatory approvals from KSEBL. Citing violation of clause 14(b) of the HT agreement, misuse of purpose for which he has availed this connection according to clause-22 of the agreement and Clause-2 of the scheduled to the agreement, the APTS Vazhathope unit has prepared a site mahazar. Further a provisional assessment for using 29kVA unauthorized connected load for the period of 12 months from September 2021 to August 2022 amounting to Rs.3,64,957/- (Rupees Three Lakh Sixtyfour Thousand Nine Hundred and Fifty-Seven Only) was served to the appellant on 01-11-2022. The appellant filed objection before the Assessing Officer on 08-11-2022 and a hearing was conducted on 29-11-2022. During hearing, the appellant could not provide any valid reason for the unauthorized addition of M-sand / P-sand unit within the same premises and connecting the same to the existing HT connection. Hence, the final assessment order was issued on 05-12-2022 upholding the provisional assessment. Apart from that, the appellant himself removed the unauthorized additional load and conveyed the same before the Assistant Engineer in writing. From above it is clear that the intentions of the petitioner were to continue his firm without remitting the current charges claimed as per the law of the land and is also trying to delay the payment by continuously approaching various statutory authorities.

- 6. The Petition P/17/2023 is filed by Sri. M J Jacob, President, Co Rubber Crumb Factory in the capacity as President of M/s Co-Rubber Crumb factory. The Co-Rubber Crump factory is an HT consumer of KSEBL with a connected load of 420kW and LC N 11/4199 with consumer code 1356180002963. The HT supply is availed based on Agreement No. ECT HT 9/04-05/24-02-2005 between KSEBL and the President, M.J Jacob, Thodupuzha Taluk Cooperative Rubber Marketing Society Ltd. KSEBL is totally unaware of the lease agreement between the President Sri. M J Mathew and Sri. Bobby Issac Mathew.
- 7. The following facts are furnished herewith as a prelude. As a consumer, M/s Co-Rubber Crump factory is a regular defaulter in remitting monthly current charges to the licensee with a pending arrears to the tune of Rs. 4280214/-. One of the allegations of the appellant is that the M/s. Co- Rubber Crumb Factory (LCN11/4191) was being billed for minimum demand charge during the lock down period. As per Regulation 2(58) of the Kerala Electricity Supply Code, 2014, minimum charge means the charge payable by the consumer for a billing period as approved by the Commission in the Tariff Order. According to General Condition 2 under Part B of the Tariff Order dated 8.7.2019, billing demand is the recorded maximum demand for the month in kVA or 75% of the contract demand as per the agreement, whichever is higher. Above all the minimum demand charge should be paid by the appellant firm even during the period of disconnection of power supply in view of the general condition 6

under Part B of Tariff Order 8.7.2019. According to the agreement, the contract demand of the appellant firm is 250 kVA and 75% of it is 188 kVA. Hence the minimum contract demand to be paid the appellant is Rs. 63,920/- (188x340). From the consumption details attached herewith, it is clear that the appellant firm had functioned during the covid induced situation too. Whereas the minimum contract demand of the appellant was Rs. 63,920/- (Sixty-three thousand nine hundred and twenty rupees only), the appellant has contended that KSEBL had required from the appellant firm a minimum demand charge of Rs.75,000/- which is purportedly to mislead the Hon'ble Ombudsman.

- 8. Another allegation of the appellant firm is that KSEBL has demanded 18% of current charge as interest on late payment. It is true that as per Regulation 131(2) & 136(1) of the Code 2014, if a consumer fails to remit the bill on or before the due date, the licensee is entitled to recover interest on the amount of the bill at the rate specified in the Schedule of Miscellaneous Charges as per schedule 1 to the Code, 2014. The rate of interest on late payment as per Sl. No. 12 of the Schedule 1 to The Code, 2014 is 12% per annum, based on actual number of days from the due date, up to a period of 30 days and thereafter 18% per annum for the entire period of default from the due date. In view of the above-mentioned regulation, the rate of interest charged on the appellant firm is correct and within the ambit of the relevant regulation of the Kerala Electricity Supply Code, 2014.
- 9. Moreover, KSEBL vide B.O. (FTD)No. (KSEB/TRAC-D/Covid Pandemic-Tariff Concession/2020-21) dated 30.5.2020 has allowed to the appellant firm. No other benefits can be extended to the appellant firm irrespective of section 65 and 108 of the Indian Electricity Act, 2003.
- 10. Even though the appellant firm used electricity during the covid period and several lenient measures were taken to enable the appellant firm to remit the arrears, it utterly failed remit the current charges regularly. In this predicament the appellant was also allowed instalment scheme vide schedule dated 15.2.2021, 13.10.2021 and 11.05.2022.

From above it is clear that the bill issued is legal and holds merits, hence it is humbly prayed that the Hon'ble Kerala State Electricity Ombudsman may dismiss the case against the opposite parties with cost, otherwise the opposite parties will put in to irreparable losses.

## Statement of facts submitted by the Special Officer Revenue

11. M/S Co-Rubber crumb factory is a HT consumer bearing consumer No. LCN-11/4191 under the jurisdiction of Electrical Circle, Thodupuzha. The allegation of the consumer that KSEB Ltd is charging heavy interest on the

consumer is not at all true to facts. It is true that as per Regulation 131 (2) & 136(1) of the Code 2014, if a consumer fails to remit the bill on or before the due date, the licensee is entitled to recover interest on the amount of the bill at the rate specified in the Schedule of Miscellaneous Charges as per schedule 1 to The Code, 2014. The rate of interest on late payment as per Sl. No.12 of the Schedule 1 to The Code, 2014 is 12% per annum, based on actual number of days from the due date, up to a period of 30 days and thereafter 18% per annum for the entire period of default from the due date. In view of the abovementioned regulation, the rate of interest charged on the petitioner firm is correct and within the ambit of the relevant regulation of the Kerala Electricity Supply Code, 2014.

Another allegation that KSEB ltd charged heavy interest rate during the corona hit period also far away from the real fact. KSEBL vide B.O. (FTD) No. (KSEB/TRAC-D/Covid Pandemic-Tariff Concession/2020-21) dated 30.5.2020 has allowed to HT/EHT consumers, a rebate of 25% on fixed charge applicable to industrial/ commercial consumers and private hospitals for the months from 3/2020 to 5/2020 and to defer the payment of balance fixed charges of these months up to 15.12.2020 without levying interest during the deferred period. In the wake of the B.O dated 30.12.2020, the petitioner was allowed 52,360/- (Fifty-two thousand three hundred and sixty rupees only) as rebate vide bill dated 3.7.2020.

Month	Billing demand (kVA)	l Rate	Demand Charge
3/2020	240	340	81,600
4/2020	188	340	63,920
5/2020	188	340	63,920
Total			2,09,440
25% of demand			52,360
charge			

12. Apart from the KSEBL VIDE B.O. (FTD) No. 511/2021 (KSEB/TRAC-D/Covid Pandemic – Tariff Concession/ 2021-22) dated 2.7.2021 has further provided a relief to the tune of 25% on demand charge applicable to industrial/commercial consumers for the month of 5/2021 and allowed three equal instalments without interest to remit the balance dues after allowing aforementioned relief up to 30.9.2021. The petitioner firm had been allowed the said rebate of 23,545/-(Twenty-three thousand five hundred and forty-five rupees only) vide bill dated 2.6.2021 itself, ie (25% of 94,180=23,545).

From the facts mentioned above, it is apparent that KSEBL has passed on all the benefits extended by Government of Kerala on the strength of section 108 of the Indian Electricity Act, 2003 to the petitioner firm.

No other benefits can be extended to the petitioner firm irrespective of section 65 and 108 of the Indian Electricity Act, 2003.

Even though the petitioner firm used electricity during the covid period and several lenient measures were taken to enable the petitioner firm to remit the arrears, it failed to remit the current charges regularly. In this situation the petitioner was also allowed instalment scheme vide schedule dated 15.2.2021,13.10.2021 and 1I.5.2022. However, the consumer failed to adhere to the instalment schedule and hence the same was cancelled. Now, as on 28.02.2023 the appellant has to pay a total current charge dues of 4023358/- (Forty lakh twenty-three thousand three hundred fifty-eight) as principal component alone.

- 13. Another allegation is that the petitioner was billed minimum demand charge during the lock down period. As per Regulation 2(58) of the Kerala Electricity Supply Code, 2014, minimum charge means the charge payable by the consumer for a billing period as approved by the Commission in the Tariff Order. According to General Condition 2 under Part B of the Tariff Order dated 8.7.2019, billing demand is the recorded maximum demand for the month in kVA or 75% of the contract demand as per the agreement, whichever is higher. Above all the minimum demand charge should be paid by the petitioner firm even during the period of disconnection of power supply in view of the general condition 6 under Part B of tariff order 8.7.2019. According to the agreement, the contract demand of the petitioner firm is 250 kVA and 75% of it is 188 kVA. Hence the minimum contract demand to be paid the petitioner is 63,920 (188x340). The petitioner firm had functioned during the covid induced situation too. Whereas the minimum contract demand of the petitioner was 63,920/- (Sixty-three thousand nine hundred and twenty rupees only).
- 14. It is respectfully submitted that the appellant's only aim is to delay the payment of current charge dues to the KSEBL. The allegation of the consumer that duplication happened while calculating the interest is not at all true to the facts. The charges for belated payment is calculated based on the collection received i.e., when the collection is received the same is posted against the oldest demand pending and the number of days of delay is calculated from the due date of that demand till collection received date and charges of belated payment is calculated as (Amount received less interest accounted if any) x days of delay /365 applicable rate. Rate- 12% per annum up to 30 days and 18% per annum if delay is over 30 days, it is charged for the entire period of default from the date. Charges for belated payment is not calculated for the interest component included in the monthly invoice i.e., interest on interest is not levied.
- 15. Even though KSEBL has extended all the benefits as ordered by the Government of Kerala (for the pandemic period) on the strength of the Electricity Act 2003 and after allowing instalment facility a number of times. The consumer failed to remit even the 1st one. The appellant filed OP No. 28/2022 on 17/06/2022 at Hon'ble CGRF.

Though they were allowed instalment scheme as ordered by the CGRF, instead of making payment they approached Hon'ble Ombudsman by filing P-80/2022 on 18/10/2022. Then they again approached the Hon'ble CGRF by filing OP No.74/2022-23.

16. In compliance of the order dated 25.02.2023 of the CGRF the consumer was again granted instalment facility, vide order No. (DF) No.432/2023(LAW1/4981/2022) dated TVPM 21.03. 2023. Unfortunately instead of remitting the 1st instalment the petitioner approached the Hon'ble Ombudsman with some ulterior motive. Now, making a mockery of statutory for a, they are raising unnecessary argument pointing the old instalment scheme, which stands cancelled while issuing the latest on 22-03-2023.

As the contentions of the petitioner are against the regulations of Kerala Electricity Supply Code, 2014 which has been issued on the strength of Section 50 of the Act, 2003, it cannot be challenged before the Hon'ble Forum and hence OP. No.017/2023 may be dismissed with cost and KSEBL may be allowed to take action against the petitioner in pursuant to Regulation 136(4) of the Code 2014.

## **Analysis and findings**

The hearing of the appeal petition was conducted on 30/05/20234 at 11;30 am in the office of the State Electricity Ombudsman, DH Road & Foreshore Road Junction, near Gandhi Square, Ernakulam south. The appellant is represented by Adv. Cyriac Mathew as nominee and from the Respondents side is attended by Shri. K.R. Rajeev, Dy. CE, Thodupuzha and Shri. Justin R. Senior Superintendent and Shri. Prasanth L.R. Superintendent of o/o SoR, Tvm.

The appellant is a HT consumer of the licensee with connected load 420 kw and have executed agreement with the license for availing the power. The premises is leased to an operator and presently Shri. Baby Isacc Mathew is the operator of this factory. The appellant is a regular defaulter of the current charges. As per the direction of the Govt. in connection with Covid 19 pandemic 25% rebate on the fixed charges for the month from 3/2020 to 5/2020 and also for the month of 5/2021 also has been extended to the appellant. The appellant has connected 26.42 kw (29 kVA) unauthorized additional load for the working of M- sand/ P- sand unit. This has been identified during the inspection of APTS on 3/09/2022. An assessment order has been issued for the same. Appellant have removed the unauthorized load and the same is conveyed of Asst. Engineer. The assessment is challenged by the appellant in Appellate authority.

The appellant was regularly using the electric power but not remitting the power charges. It is very pertinent to note that the appellant produced the

products with the power and has been sold out and recovered the cost of power, but not remitting the recovered money and again continuing with the same attitude. The consumption pattern and records shows that the factory was working during Covid-19 period also, which shows that there was production and products were sold out.

According to Section 45 of the Indian Electricity Act the Licensee is empowered to recover the energy charges.

Section 45 (1) "Subject to the provisions of this section, the prices to be charged by a distribution licensee for the supply of electricity by him in pursuance of section 43 shall be in accordance with such tariffs fixed from time to time and conditions of his licensee."

The section 56 (1) "Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days' notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid but no longer:

Provided that the supply of electricity shall not be cut off if such person deposits, under protest,

- (a) An amount equal to the sum claimed from him, or
- (b) The electricity charges due from him for each month calculated on the basis of average charge for electricity paid by him during the preceding six months, whichever is less, pending disposal of any dispute between him and the licensee."

The section 131 of the Kerala Electricity Supply Code 2014 describes about the payment of the bills.

- 131 (1) "The consumer shall pay to the licensee the full amount of the bill on or before the due date indicated therein, for which the licensee shall issue a receipt."
- 131(2) "If the consumer fails to remit the bill amount on or before the due date, the licensee is entitled to recover interest on the amount of the bill at the rates specified in the Schedule of Miscellaneous Charges as per schedule 1 of the Code"
- 131(3) "The consumer shall be permitted to remit the amount of the bill with interest as specified in the sub regulation (2) above within an extended period of fifteen days from the due date specified in the bill."
- 131(4) "If the consumer fails to remit the amount even within such extended period, the licensee may disconnect the supply in accordance with the procedure specified in Chapter V111 of the Code."

131(5) "Consumer may pay the amount of the bill in accordance with any mode of payment as specified in regulation 137."

131(6) "In the case of dishonour of the instrument of the payment of the consumer, the licensee may initiate action for disconnection for non-payment and for any other legal proceedings against the consumer in accordance with the provisions of the Negotiable Instruments Act, 1881 (Central Act 26 of 1881), and such other relevant laws."

The section 138 speaks about the Grounds for disconnection 138(1) The licensee shall not disconnect the supply of electricity to any consumer except (a) "If the consumer defaults in payment of dues payable to the licensee as per the bill or demand notice or any order issued by a competent authority, within the period stipulated therein."

The above sections are very clear that the consumer is liable to pay power charges in time, if delayed the charges are to be remitted with interest. The interest rate charged are as per the rate approved by the Kerala State Electricity Regulatory Commission /As per the schedule of the Supply Code 2014. According to the agreement signed between the appellant & Dy. Chief Engineer, it is mentioned that interest applicable for default in payment is 24% (Section 6(a) of the agreement). However, the licensee is not allowed to charge more than the approved rate. As such the interest charged by the licensee is in order. The statement of the respondents, states that the amount pending is Rs. 42,80,214/-. The appellant requested for 24 instalments to clear the payments during the hearing.

The respondent is of the view that the instalment facility earlier given were not adhered by the appellant. The appellant is already approached for additional load which is pending as the arrears is not cleared as per the Section 99(4). Section 99 (4) "The application for enhancement of load shall not be considered if the consumer is in arrears of payment of the dues payable to the licensee." The appellant is liable to pay the dues as per demand notice of the licensee.

## **Decision**

On verifying the documents submitted and hearing both the petitioner and respondent and also from the analysis as mentioned above, the following decision are hereby taken.

- 1. The appellant is liable to pay the amount as per the demand of Licensee.
- 2. The appellant has to remit a minimum amount of Rs. 15 Lakhs within 15 days and for the balance amount licensee shall grant 24 monthly instalments.
- 3. The enhancement of connected load shall be granted as per Section 99 of the Kerala Electricity Supply Code -2014.

4. No order on cost.

#### **ELECTRICITY OMBUDSMAN**

### No. P/017/2023/01171 dated: 02/06/2023

### Delivered to:

- 1. Sri. Pro: M.J Jacob, President, (TTCRMS)Co- Rubber Crumb Factory, Thodupuzha, Idukki.
- 2. The Special Officer (Revenue), KSE Board Ltd., Vydyuthibhavanam, Pattom, Thiruvananthapuram.
- 3. The Deputy Chief Engineer, Electrical Circle, KSE board Ltd., Thodupuzha, Idukki.

### Copy to:

- 1. The Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, Vellayambalam, Thiruvananthapuram-10.
- 2. The Secretary, KSE Board Limited, Vydhyuthibhavanam, Pattom, Thiruvananthapuram-4.
- 3. The Chairperson, Consumer Grievance Redressal Forum, 220 kV Substation Compound, HMT Colony P.O., Kalamassery, Pin- 683503