

THE STATE ELECTRICITY OMBUDSMAN

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**Review Petition No. RP/01/2026
(Present A. Chandrakumaran Nair)
Dated: 23/03/2026**

Review Appellant : Sri. P. R. Gireesan
Director, M/s. Woodys Hotel (P) LTD,
Wood Lands House, Warriam Road,
M.G Road, Ernakulam - 682011

Review Respondent : 1. The Special Officer (Revenue)
Vydyuthibhavanam,
KSEBL, Pattom,
Thiruvananthapuram dt.-695004

2. The Deputy Chief Engineer,
Electrical Circle, KSEBL,
Ernakulam, Ernakulam dt.

ORDER

Background of the Review Petition

The review appellant Shri. Gireesan is the Director of M/s. Woodys Hotel (P) Ltd, situated at MG Road, Ernakulam. The appellant is an HT consumer under the College Section, Ernakulam of the Licensee KSEBL with consumer number LCN/32/3539 under HT commercial tariff. As the power charges was defaulted since 11/2018, the power was disconnected on 10/2019 and dismantled on 10/2020. The total arrears including interest was worked out to Rs. 48,88,047/- as on 31/10/2022. The Licensee has initiated for the Revenue Recovery proceedings and hence the appellant remitted the full amount on 02/11/2022. The appellant has contented the calculation and requested for the refund of the excess amount recovered. The petition has been filed to CGRF vide OP/31/25-26 and the appeal to Kerala State Electricity Ombudsman vide petition no. P/57/2025. The Ombudsman had completed the procedures and released the order on 28/11/2025. The review appellant had filed the petition to review the order placed by the

Ombudsman. Though there is a delay in submitting the review petition, the same has been condoned as per the request.

Arguments of the review appellant

Based on our submissions, your analysis as well as your findings, we humbly request you to review and include / update the order statements to address and include suitably and as deemed fit, the following additional aspects, which were already included in our pleadings.

- Refund of all Disputed Electricity Duty amounts charged and recovered including the associated interest levied.
- Refund of SD Interest for all the years (w.e.f 2012) not credited in line with the regulations norms as stated in the order and not just from 2018.
- Removal of all arrear charges made and recovered prior to 2018 including its associated interest.
- Refund of all amounts recovered from us along with the interest charged and recovered from us, in contravention to section 56.(2) as reflected in your order.

All refund amounts so arrived at to be paid at 18% interest with effect from the date they were recovered from us unilaterally till date of payment of the same to us, since the amounts are unilaterally recovered and does not fall under regulation 134(2). It is not a case of overcharging and we have not paid such amounts against each bill, but a case of unilaterally appropriation without disclosure, against the lumpsum payments we made towards the genuine arrears we were having, and in an ad hoc manner, not compliant with regulation 133 of the supply code. Further if they had not made such improper recoveries, our principal arrear amounts would have been lower at that date, and we would not have suffered 18% interest on such principal amounts at this first stage itself.

Arguments of the review respondent

The petitioner's firm, M/s Woodys Hotels (p) Ltd, Ernakulam (LCN 32/3539) was a High Tension Consumer in the Electrical Section, College, under the jurisdiction of the Deputy Chief Engineer. Electrical Circle, Ernakulam. The service connection to the consumer was dismantled on 21.10.2020 due to the non- payment of current charge arrear dues. As per system Energize details, the petitioner possesses current charge arrear amounting to Rs 26,10,841/- without interest as on 26.02.2026 which is under dispute before the Honorable High Court of Kerala involved in WP(c) No. 30977/2010. As there were pending arrears in petitioner's account, KSEBL

initiated the legal procedures for Revenue Recovery action for realizing the undisputed amount. Eventually, the consumer remitted the undisputed amount amounting Rs 48,88,047/- (Principal with interest) on 02.11.2022 which excluded the disputed amount of Rs 26,10,839/- The consumer contented the calculation and filed petition to the CGRF as OP No. 32/25-26. The Hon'ble CGRF issued order directing SOR to convene a joint meeting to examine in detail the disputed calculation and determine the actual excess amount collected from the consumer. The excess interest amount collected is to be refunded. The joint meeting was held on 29.08.2025 and excess amount collected towards belated payments charge was calculated as Rs 1,61,691/- and the same was refunded by the Licensee on 25.09.2025. joint meeting was held on 29.08.2025, and excess amount collected towards belated payment charge was calculated as Rs 161691/- (PP amount 145553+ Interest-17931-TDS 1793). The said amount was refunded by the licensee on 25.09.2025. The Bank rate at the time of remittance was 4.25. Total refundable amount is arrived as Rs 1,61,191/-, which is refunded. the

As per regulation 134(2) in Kerala Electricity Supply Code 2014 states that *"If after payment of any bill. It is established that the licensee has overcharged the consumer, the excess amount shall be refunded to the consumer with interest at the bank rate as on the date of remittance of such excess amount."* At the time of dismantling, the arrear Outstanding were from 11/2018. No arrear exists before 2018.

Recoveries were effected only in respect of undisputed dues reflected in the consumer account and in accordance with statutory provisions. No violation of Section 56(2) of the Electricity Act 2003 has occurred.

A per the Regulation 56(2) in Kerala Electricity Supply Act 2003 states that *" 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 arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity"*.

Interest on the refund of excess billing is governed by Regulation 134(2) of the Kerala Electricity Supply Code, 2014, Which provides interest at the prevailing bank rate. The refundable amount was calculated strictly in accordance with the said Regulation and refunded accordingly. There is no statutory provision or direction permitting payment of interest at 18%. The Petitioner is not entitled to claim enhanced interest in review proceedings.

KSEBL is a Public Sector Undertaking and it functions as per rules and regulations as established by the statutes. Considering the fact that the contentions of the petitioner are challenging the Regulations of Kerala

Electricity Supply Code 2014 and the conditions of the Tariff Order dated 08.07.2019, a statutory remedy is available to the petitioner. Therefore present petition may be dismissed in limine without entering into the merit of the case. Considering the aforesaid facts, Representation No.01/2026 filed by P R Gireesan in respect of M/s Woodys Hotels (p) Ltd, Ernakulam (LCN-32/3539) MG Road Ernakulam, may be dismissed with costs.

Analysis and Findings

The hearing of this review petition was conducted on 17/03/2026 at 11:00 a.m. in the O/o State Electricity Ombudsman. The hearing was attended by the review appellant Sri. P. R. Gireesan and on behalf of the review respondent Smt. Soumya, Senior Superintendent, O/o the SOR, Vidyuthi Bhavanam, Pattom, Thiruvananthapuram joined over phone.

The review appellant was an HT consumer of the Licensee and power was availed for running a Hotel at MG Road Ernakulam. The appellant defaulted the payment and according to regulation 138 1(a) of the Supply Code 2014, the Licensee had disconnected and dismantled the service connection. The Licensee had charged fixed charges only for 180 day from the date of disconnection which is 21/10/2019. That is fixed charges were charged only up to 04/2020 as per the regulation 141 of the Electricity Supply Code 2014.

The total arrears is calculated as below

Total energy charges outstanding	-	30,55,639
Dismantling Charges	-	2,478
Total interest charges upto 31/10/2022	-	18,29,930
Total	-	<u>48,88,047</u>

The interest for the delayed payment is calculated as per the item no.12 of the Schedule (1) of the Supply Code

Schedule (1) item no.12- Rate of interest for delayed payment *12% per annum, based on actual number of days of delay from the due date, up to a period of 30 days and thereafter at the rate of 18% per annum for the entire period of default from the due date.*

The interest charged is 18% for the entire period of delay as the delay was beyond 30 days.

The appellant had made objections about the double charging of interest. The principal amount of Rs. 30,55,639/- include the interest of delayed payments till the next bill. Again the interest @ 18% is calculated from the due dates onwards. This is seen to be double interest charging and this not having any regulatory justification. The interest included in the bills for the

belated payments have to be reduced from the total amount. Then the interest is to be calculated from the due date of payment for each bills. The interest included in the bills are worked out to Rs. 3,97,198 and then the principal amount would be 30,55,639 - 3,97,198 = 26,59,441 /-. Then the interest up to 31/10/2022 is to be recalculated for arriving the total figure. Then the Licensee has to recalculate the amount and excess charged if any is to be refunded.

While calculating the arrears if any prior to 2018 cannot be charged unless it is shown as arrears in the regular bills as per Section 56(2) of the Electricity Act 2003.

56.(2) *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 arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.*

The amount charged by the Licensee @10% of the power charges and the appellant was making the payment with electricity duty @10 paise per unit as per the interim order of Hon'ble High Court of Kerala in the petition WP©/30977/2010. As the case is pending with the Hon'ble High Court the difference between the billed electricity duty and paid electricity duty is treated as the disputed amount. The security deposit of Rs. 5,33,270 has been refunded as the case in the Hon'ble Court is pending. Then the appellant is eligible to get the interest on the security deposit. Though the respondent mentioned that the interest of security deposit is adjusted in the monthly bills, but failed to produce the document to prove the same. On examining certain bills, it is noted that no security deposit is adjusted. The consumer is eligible to get the interest of SD as per the regulation 72 of the Electricity Supply Code 2014.

72. Interest on security deposit.-

(1) *The licensee shall pay to the consumer, interest on the security deposit furnished by him at the bank rate prevailing on the first of April of that year and it shall be payable annually with effect from date of such deposit.*

(2) *The interest accrued during the financial year shall be adjusted in the energy bill of the consumer during the first quarter of the ensuing financial year.*

(3) *If the adjustment of interest is delayed, interest at 12% per annum based on the actual number of days of delay from due date, upto a period of 30 days and thereafter at the rate of 18% per annum for the entire period of default from due date.*

According to the above regulation the appellant has to get the interest with 18% interest for the delayed interest payment as the delay in making the interest payment is beyond 30 days.

The refund of security deposit is explained in regulation 71 of the Supply Code 2014.

71. Refund of security deposit.-

(1) The security deposit shall be refunded to the consumer on termination of the agreement within thirty days after the settlement of all dues payable to the licensee.

(2) In the case of delay, interest at bank rate on the first of April of that year shall be payable to the consumer.

Here in this case, the decision of Hon'ble High Court of Kerala is pending in the decision of electricity duty applicable to the appellant. As such the security deposit could be released on clearing all dues after the final decision of the Court.

The appellant has contented that in the arrear calculation, the Licensee has calculated the electricity duty @ 10% instead of 10 paise per unit as per the interim order of High Court of Kerala. This is seen to be a violation of Court Order. Further the Licensee has calculated interest @ 18% of electricity duty. The difference of 10% of current charges and 10 paise per unit has to be kept as disputed amount and could not be recovered from the appellant till the case is settled. The excess amount collected as electricity duty with the interest charged @18% are to be refunded.

Decision

On verifying the documents submitted and hearing both the review petitioner and review respondent and also from the analysis as mentioned above, the following decision are hereby taken and accordingly the decision taken on appeal petition P/057/2025 is revised.

1. The Licensee has to revise the arrear calculation by eliminating the interest charged for the belated payments in the bills. The electricity duty as per the Court order which @10 paise per unit only has to be considered. The appellant is liable to pay the amount as per the revised calculation.
2. The excess amount calculated for years prior to 2018 if any is to be removed from the revised calculation as the Licensee is not eligible to claim any amount prior to 2018.
3. The appellant is eligible to get the interest of security deposit every year, and the same is to be refunded with the interest @18% as the payment delayed beyond 30 days.
4. The excess electricity duty charged if any violating the order of Hon'ble Court is to be refunded with the interest charged.

5. All the amount refundable other than that of security deposit interest is to be refunded with the interest (bank rate)
6. The above decisions are to be implemented within 45 days and compliance report is to be submitted.
7. No order on cost.

ELECTRICITY OMBUDSMAN

No. RP/01/2026/ _____ dated: 23/03/2026

Delivered to:

1. Sri. P. R. Gireesan, Director, Director, M/s. Woodys Hotel (P) LTD, Wood Lands House, Warriam Road,M.G Road, Ernakulam - 682011
2. The SOR, Vydhyuthibhavanam, KSEB Ltd., Pattom, Thiruvananthapuram -4
3. The Deputy Chief Engineer, Electrical Circle, KSE Board Ltd., Ernakulam, Ernakulam dt.

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.