

THE STATE ELECTRICITY OMBUDSMAN

D.H. Road & Foreshore Road Junction, Near Gandhi Square,
Ernakulam, Kerala-682 016
Ph: 0484 2346488, Mob: 8714356488
Email: ombudsman.electricity@gmail.com

**Appeal Petition No. P/021/2026
(Present A. Chandrakumaran Nair)
Dated: 11-06-2026**

Appellant : Sri.K. Baiju,
Ambalakkara (H)
Thrikkannamangal P.O
Ambalakkara Regency
Pulamon, Kottarakkara (dt) -691531

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

2. The Deputy Chief Engineer,
Electrical Circle, KSEBL,
Kottarakkara, Kollam dt.

ORDER

Background of the case

The appellant Shri.Baiju is the owner of the 4 star Hotel named 'Ambalakkara Regency' situated at Kottarakkara. This Hotel is an HT consumer of the Licensee KSEBL bearing consumer no.1345870004881 with connected load 273 KW and contract demand 161 kVA under the tariff HT IV B Commercial. There was an arrear amounting to Rs. 23,62,697/-. The judgement of Hon'ble High Court of Kerala in WP©/22837/2024, directed the appellant to clear the dues in 12 instalments starting the first installment on or before 30/10/2024. The appellant had cleared the entire arrears and the same has been confirmed by the Special Officer (Revenue) vide letter 21/11/2025. The payment was made from 10/2024 to 09/2025. Then the regular electricity charge were made as part payment from 03/2025 to 09/2025. The Licensee has issued a demand notice for arrears worked out to Rs. 14,49,989/- and later corrected to

Rs. 7,06,150/- as the arrears for a period from 03/2025 to 09/2025. The appellant alleged that there is no amount due from them to the Licensee. The appellant had disputed the arrear calculation and filed the petition to CGRF Southern region which was numbered as OP/48/2025-26. The CGRF had issued the order dtd 10/02/2026 stating that the petitioner is liable to remitt the arrear bill. Aggrieved with decision of CGRF, this appeal petition is filed to this authority.

Arguments of the Appellant

The appellant is the proprietor of a four star hotel under the name and style "Ambalakkara Regency", situated at Kottarakara. The appellant is a consumer of the KSEB under an HT electricity connection, which is a contractual supply arrangement essential for the continuous functioning requirements of the hotel with consumer No. 1345870004881. Meanwhile, vide judgment dated 09.10.2024 of the Hon'ble High Court of Kerala, the appellant was permitted to discharge the outstanding electricity dues in 12 equal instalments, wherein the total outstanding amount was fixed as Rs. 23,62,697/-.

Pursuant to High Court Judgement, the KSEB had served an instalment schedule to the appellant vide letter dated 21.10.2024, wherein, the instalment due was calculated along with interest, thereby, the total amount payable towards arrears was fixed as Rs. 24,26,045. However, the subsequent bill issued by the respondents from 06.10.2024 to 06.11.2025 demonstrates erred calculations, specifically under the heads belated payment fee and undisputed arrear amounts respectively.

The respondents had collected excess amounts from the appellant due to their erred calculations, thereby, the appellant is entitled to recover the same from the respondents along with interest and compensation for causing huge loss and hardships. And therefore, O.P.No. 48/2025-26 was filed by the appellant. However, to the dismay of the petitioner, O.P.No. 48/2025-26 was erroneously dismissed without proper appreciation of the facts and documents relied by the appellant.

Despite, the forum came to the conclusion that the demand of Rs. 14,49,989/ by the respondents was on account of erroneous calculation, the forum failed to make any attempt to ensure that such errors were absent in previous bill. It also found that the respondent has demanded Rs. 4,22,283/- in excess and the software used by the respondents are also not free from error, however, failed to appreciate the errors in calculations in the bill generated by the respondents and thereby dismissed the claims of the appellant without furnishing any cogent reasons. Thereafter, the respondents have issued notice dated 17.02.2026 demanding Rs. 706150/- from the appellant and in the event of failure to remit the said amount it is stated that the electricity connection will be disconnected.

The appellant submits that the respondent had enriched themselves from the erred monthly bills and further, they are attempting to pressurize the appellant from submitting to the unlawful demands of the respondents. Hence, this appeal.

The Forum below failed to appreciate the documents produced by the appellant in proper perspective and thereby the impugned order is liable to set-aside as non-est in law. The forum below ought to have found that the receipt of interest and penalty for belated payment together is flawed and that the respondent had failed to demonstrate the principle on which the interest and penalty for belated payment is calculated. The forum ought to have found that the appellant was liable for the refund of the excess amount paid due the erroneous calculations made by the respondents in monthly bill.

The forum found that the demand of Rs. 14,49,989/- by the respondent was excessive and erred and further found that Rs. 4,22,283/ in was demanded in excess. Therefore, the error on the part of the respondent in calculation of amount was established, for which, the forum ought to have looked into previous bills raised by the respondents to satisfy itself that such miscalculations are absent in such bills. The forum ought to have found that the bills raised between 06.10.2024 to 06.11.2025 demonstrates erred calculations, specifically under the heads belated payment fee and undisputed arrear amounts respectively. The forum ought to have found that the refusal on the part of the respondents to respond to the reasonable queries made by the appellant itself place adverse inference against the respondents.

Further, the ought to have found that refusal on the part of the respondent to disclose the method of calculation adopted by them itself cements the claim of the appellant that the calculations are erred coupled with the fact that the respondent had admitted in their written statement that the software used by them for bill has error. The forum ought to have called for the bills of the appellant from the year 2021 and examined it to ensure that the appellant was not put to unlawful loss and the respondents have not unlawfully enriched themselves. The impugned order lacks fails to appreciate the grievance of the appellant and further fails to demonstrate the reasons for the conclusion arrived by the forum.

Arguments of the Respondent

M/s Hotel Ambalakkara Regency (LCN 9/5487) is a live HT consumer of KSEBLId which comes under the jurisdiction of Deputy Chief Engineer, Electrical Circle Kottarakkara. It comes under HT 4(B) commercial tariff. As per the judgment of the Hon'ble High Court of Kerala in WP(C) 22837/2024 dated 09/10/2024 the petitioner was permitted to remit the outstanding arrear of electricity charges up to the date of judgment in equal 12 installments and the first installment was due on 30/10/2024. The consumer was also informed that

in addition to the installment amounts, scheduled monthly bills must be paid before respective dates.

The consumer remitted installments promptly from 10/2024 to 9/2025. During the same period, the consumer was liable to remit the regular monthly CC averaging Rs. 200000/-per month. But after March 2025, the consumer purposefully remitted only nominal amounts as the consumer is not a first time beneficiary of installment facility, and he has availed similar benefits on previous occasions. Since the consumer made part payments from 03/2025 to 09/2025, there will be a clubbing of installment arrear and regular bill arrear. The billing authority, the special officer revenue (SOR) stated that the part payment of the consumer makes so much difficulties in accounting and reconciliation.

After completing the installment plan by the consumer, undisputed arrear of monthly bills were shown in the invoice of 11/2025 and the reassessed statement has issued to the consumer on 21/11/2025 from SOR. The remittance of nominal amounts towards regular bills resulted in accumulation of arrears. This deliberate act from the consumer ie intentional under payment resulted in accumulation arrears to the tune of Rs. 14,49,989/-. The consumer is fully aware of the arrear position at all material times.

The consumer has filed OP No. 48/2025-26 before the CGRF (S)Kottarakkara. The forum heard the petitioner and respondents on 13/01/2026. As per the direction of the forum, SOR submitted a detailed calculation of outstanding arrear amount. As per the detailed calculation an amount of Rs. 7,43,838/- (321555+422283) erroneously included in the bill. ie duplication of interest in the demand amounting to Rs.321555 and excess difference in the interest portion calculated by system amounting to Rs. 4,22,283/- have been waived. As such the accumulation of arrear amount was reassessed of Rs. 706150/- during the period from 3/2025 to 9/2025.

As the consumer is irregular in making there payment remittance once made shall not be adjusted against that particular invoice. As per regulation 133 of Kerala Electricity Supply Code 2014 payments made by the petitioner are adjusted in the following order priority.

- 1.Interest on electricity duty arrear
- 2.Electricity duty arrears
- 3.Interest on electricity charge arrears
- 4.Dues of current month.

Hence the system deducts the amount paid as per the above order. The forum also views the licensee has made delay in disconnecting the supply and thereby made accumulation of arrears The forum also finds that the accumulation of arrear is attributable to the consumers persistent default in payment therefore the demand notice served by the licensee is sustainable and petitioner is

obligated to settle the arrears. The forum ordered the petitioner is liable for remitting the arrear bills. The SOR vide letter dated 17/02/2026 informed the petitioner for remitting the arrear amount of Rs. 706150/-on or before 16/03/2026.

There is no arbitrariness, illegality or procedural violation on the part of KSEBL. In view of the above, it is respectfully submitted that the complaint lacks merit and is liable to be dismissed in timeline. It is requested that the Hon'ble State Electricity Ombudsman may please to reject the complaint and uphold the action by KSEBL. All that stated above are true and correct to the best of any knowledge and belief.

Counter Arguments filed by the Appellant

It is respectfully submitted that this may be considered as a part of the original appeal filed. The appellant has herewith filed the extract of ledger statement which is being used and updated in the usual course of business to show the amounts towards the KSEB from the financial year 2019-2020 to 2024-25.

The appellant had fully complied with the order of Hon'ble High Court of Kerala in clearing the dues in 12 equal instalments, wherein the total outstanding amount was fixed as Rs. 23,62,697/-. However, in High Court judgment the interest payable was fixed by the court and subsequently, the respondent issued installment schedule for current charges arrears which specified the instalment amounts to be paid towards outstanding principle arrears and corresponding interest rates, whereas, the appellant on the belief that the calculations were free from errors promptly paid all the instalments during specified periods.

However, it was only in the course of such payment the appellant notice material discrepancies in the demand notices issued between 2024 and 2025, wherein, an additional amount under the head of belated charges were demanded from the appellant without proper justification. And despite several request from the appellant to disclose the calculations (formula/equations) used by the respondents to arrive at varying figures, the respondents willfully refused to disclose the same with the ulterior motive to conceal the errors committed by the respondents and merely provided a statement without showing calculations for arriving at such figures. It is worth-mentioning that the appellant was compelled to make only part payments towards monthly bills from April 2025 on account of evasive approach of the respondents by willfully refusing to reveal the calculations based on which demand notices were issued. Further, it assumes more significance when the respondents had admitted calculations errors on multiple occasions, including before the CGRF, therefore the apprehension of the appellant that the respondents have been indulged in issuing demand/notices carrying erroneous calculations have reasonable foundations.

These circumstances compel the appellant to approach the Redressal forum seeking an enquiry into the demand notices made by the respondents from 2020 based on which Installment schedule for current charge arrears was issued. It is

the bona-fide case of the appellant that the excessive amounts have been paid to the respondents and the exact amount can only be discovered only if the respondents disclose the formula/equation they had used for calculation of interest and charges for belated payments.

Moreover, it is claim of the appellant that the respondents have failed to comply with Rule 123 of the Code. In addition, the respondents had admitted that there were subsequent manual corrections in the bill after it was issued to the appellant; therefore, it is their burden it prove that it was done in accordance with rule 130 of the code. In several demand notices issued by the respondents the undisputed arrears amount is shown "NIL". In the bill dated march 2025, the undisputed arrears amount is shown "NIL", therefore, they are barred from claiming any amount by way of demand notice after several months, since it is in contravention rule 130 of the code.

In the light of the above this Hon'ble Forum may be pleased to direct the respondents to furnish the formula/equations they have adopted for the purpose of Installment schedule for current charge arrears and demand notices from the year 2020 and declare that the respondents are not entitled to recover any amount from the appellants and consequently, determine the excessive amounts paid by the appellants and direct the respondent to refund the same with bank interest pursuant to Rule 134 of the code.

Analysis and findings

The hearing of this appeal petition was conducted on 13/04/2026 at 03.30 p.m. in the KSEB IB Paruthippara, Thiruvananthapuram. The hearing was attended by the appellant representative Adv.Akhil George and the respondents Sri. Chandran.M Deputy Chief Engineer, Electrical Circle, Kottarakkara, Kollam (dt) and Smt. Renjinie M.R ,Office of the SOR, Trivandrum (Dist.), and Smt. Bency Mathai, Office of the SOR, Trivandrum (dt).

The Hotel Ambalakkara Regency is a 4 star hotel in Kottarakkara and is a HT consumer of the Licensee KSEBL bearing consumer no.1345870004881(LCN 9/5487). The Hon'ble High Court of Kerala vide order dated 09/10/2024 in the petition WP©/22837/2024 had permitted 12 instalments for remitting the outstanding dues of energy charges amounting to Rs.23,62,697/-. The consumer had remitted installments promptly from 10/2024 to 09/2025. While the instalments as per the Court order was paid, the monthly current were also due to be paid, which was around Rs.2 lakh per month. The appellant has not paid the regular monthly current charges from 03/2025 to 09/2025. Only partial payments were made during this period. The Licensee had worked out the accumulated arrears as Rs.14,49,989/-. The CGRF had directed to make the detailed calculation of the amount and accordingly the arrears were re-assessed as 7,06,150/- for a period from 03/2025 to 09/2025. The Licensee states that 7,43,838/- was erroneously included in the bill which was eliminated and hence the amount is reduced to Rs.7,06,150/-.

The statement produced by the appellant also shows that the energy charges for a period from 03/2025 to 09/2025 is not fully paid. Since 04/2025, again the power charges were paid regularly.

While examining the copies of the bill submitted by the appellant, it is noted that the undisputed arrear amount was shown in the bill dtd 04/10/2024 is shown as 19,22,672/- and gradually reduced the instalment amount paid up to the bill dated 03/02/2025. The amount shown in the bill dated 03/02/2025 as arrear was Rs.10,21,271/- surprisingly the bills from 03/03/2025, onwards there was no undisputed arrears shown in the bills. The amount as per the bill has been paid by the appellant. But then what about the instalment from 03/2025 to 09/2025 ? But then the instalment from 03/2025 to 09/2025 was not paid. If the amount payable as per the instalment was adjusted then the current bill of concerned months are paid only partially. The Licensee has failed to submit a proper explanation about not showing the undisputed arrear in the bills.

Then the Licensee had been asked to recalculate the actual dues from the appellant considering the previous transactions also. Accordingly the Licensee had made a detailed calculation considering all transactions from 20/10/2010 to 04/05/2026 and submitted vide letter No.SOR/HTB9/5487/2026-27/100 dtd 10/06/2026. The statement attached with this letter states that no amount is outstanding from the appellant in turn Rs.56,847/- is payable to them. Then the arrear demand notice issued on 17/02/2026 for Rs.7,06,150/- has become infructuous and hence this demand is rejected.

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 arrear demand issued by the Licensee dtd 17/02/2026 for Rs.7,06,150/- is quashed herewith.
2. As per the revised calculation made by SOR of the Licensee Rs.56,847/- is payable to the appellant.
3. The amount payable to the appellant is to be adjusted in the next electricity bill.
4. The above decisions are to be executed within 30 days and a compliance report is to be submitted.
5. No Other Costs ordered.

ELECTRICITY OMBUDSMAN

Delivered to:

- 1) Sri.K. Baiju, Ambalakkara (H), Thrikkannamangal P.O, Ambalakkara Regency, Pulamon, Kottarakkara (dt)
- 2) The SOR, Vydyuthibhavanam, KSEB Ltd., Pattom, Thiruvananthapuram dt.
- 3) The Deputy Chief Engineer, Electrical Circle, KSE Board Ltd., Kottarakkara, Kollam dt.

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, Vyduuthibhavanam, KSEB Ltd., Kottarakkara, Kollam- 691506