

THE STATE ELECTRICITY OMBUDSMAN

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Appeal Petition No. P/029/2026 (Present A. Chandrakumaran Nair) Dated: 27-07-2026

Appellant : Sri. P. R. Gireesan,
Director, M/s. New Woodlands Hotel,
M.G. Road, Ernakulam- 682011

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

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

ORDER

Background of the case

The petitioner Shri. P. R. Gireesan, is the partner of M/s. New Woodlands Hotel, M. G. Road, Ernakulam. M/s. Woodlands Hotel was a High Tension Consumer of the Licensee under the Electrical Section, Circle which is in the Electrical Circle, Ernakulam. The maximum demand of the consumer was 100kVA with consumer reference No. LCN9/820. This hotel is a party to the dispute pending before the Hon'ble High Court of Kerala regarding the payment of Electricity Duty vide WP(C)/30977/2010. The Hon'ble High Court of Kerala vide the interim order directed the licensee to accept the payment with electricity @ 10 paisa per unit instead of 10% of energy charges. The appellant states that the licensee has forced them to pay the electricity duty @ 10% of the current charges with effect from 07/2019 which is in violation of the court order. The respondent had charged Rs. 2,19,979/- as the belated payment charges and the detailed breakup has not given inspite of repeated reminders. The petition has been filed to CGRF (Central Region) which numbered as OP/81/21-26 and issued order on completing the procedural formalities on 18/03/2026. Aggrieved with the decision of CGRF, this appeal petition is filed to this authority.

Arguments of the Appellant

In our Complaint No. 81/2025 26, to the Honourable CGRF, we sought the following reliefs

1. Break up of the Belated Payment and Interest charges in the bills between 2014 and 2022
2. Refund of Disputed Electricity Duty recovered from us, as well as the Interest that KSEB has charged and recovered from us, with Interest till date of payment to us.
3. Interest on Security Deposit for all the years, where the same has not been provided to us.

The Honourable Ombudsman may please consider in this submission only the 1st two of the grievances submitted. The Honourable CGRF has omitted to respond or consider even a single aspect of the submissions and contentions we made and has chosen to blanketly assess that all the issues are intrinsically connected (without citing even an iota of substance and justification) with the case in the Honourable High Court of Kerala in W.P.C 30977/2010. This is, despite the clear knowledge and understanding that the case is restricted to the issue of only whether the KSEB is entitled to charge and collect Electricity Duty at 10% of Energy Charges or not. No other matter is under consideration of the Honourable High Court.

The Responses from the SOR, does not provide any workings or break up of Belated payment charges and Interest levied in the bills and have chosen not to provide such details. From the Statement provided by SOR to the Honourable CGRF, it clearly shows that they have been unilaterally recovering Disputed Electricity Duty as well as Interest on the same, when compared with the statement we provided month on month along with payments. SOR contention, that post Sep 2019, any payments made to KSEB, is not relevant or applicable to us, since they allege that all payments are made by OYO, has been and is being, disputed by us, both on facts basis as well as merit basis. SOR however states that the liabilities of all bills continue to be with us up to Dec 2022.! SOR office has been raising bills with arrears amounts, which we have been disputing. Post Dec 2022, they have revised all the monthly bills w.e.f May 21 by reworking Arrears amounts. With effect from Sep 2021, they show nil Arrears. However, in all the bills they have retained the Interest/Belated payment charges charged in the previous version of the same month's bill!

Your Honourable Ombudsman in Order RP01/2026, was clear that KSEB is not entitled to recover Disputed Electricity Duty as well as charge Interest on the same. KSEB was directed to refund both the Disputed Electricity Duty as well as the Interest charged on the same, along with Bank interest till date of payment. As can be seen in our statement as provided to Honourable CGRF, if we were to consider our dues without considering Disputed Electricity Duty and the belated payment / interest charged in the bills by KSEB, we have an excess payment or credit balance with KSEB for every month since 2012, with

the exception of a few months between Dec 18 and Nov 19. The net result shows that we have Rs 9,50,419/- as credit with KSEB as on Nov 22. If one considers the SD Interest that should have been credited to us as well as incentives for advance payment of bills, this credit amount will further increase.

As regards to the submission of the SOR, that post Sep 2019 payments were made by OYO and hence it is not relevant to us is absolutely false. Due to Financial constraints we had to make alternate arrangement to keep paying KSEB Bills, to the extent of amounts we could leverage on our vendors and customers, as well as our own funds. It is to be noted that no Bill amount which included the claimed arrears and Interest / belated charges in the bills were ever paid in full or as a lumpsum per say. As an exception only in Oct 19 and Nov 19, we got and arranged with OYO to pay the full Bill amount, knowing well we will have payment challenges in subsequent months. Further we were already badly affected with the disconnection of supply for our other Business Entity - Woodys Hotels P Ltd, and thus wanted to limit as far as possible, any possibility of disconnection of power supply to our premises. For subsequent months, whatever we could manage to organise from various sources including our own, we paid, bearing in mind that all their invoices were showing arrears due, despite our objections.

It is to be noted that Post Dec 2022 and after sale of the property and our seeking termination of the KSEB agreement they unilaterally revised all Bills with effect from July 2021, they revised their bills with showing updated arrear or Nil arrears but retained the Belated Charges and Interest component amounts in the Bills w.e.f 01 April 2021, this should be considered a very fraudulent activity and clandestine action. Sample of the such bills is attached. Since this matter relates to recovery of amounts that KSEB was not entitled to receive, and since we had to pursue various forums to get even a response, or some relief, and incur costs for the same, we are entitled for refund of the fraudulently recovered amounts at 18% under principle of equality and fair play, as well as recovery of costs, and compensation, which may please be granted.

Arguments of the Respondent

The petitioner, M/s. Woodlands Hotel, Ernakulam (LCN No. 9/820), is a High Tension consumer under the Electrical Section, College, Ernakulam, falling within the territorial jurisdiction of the Deputy Chief Engineer, Electrical Circle, Ernakulam. The service connection was under HT IV(B) Commercial tariff with a contract demand of 100 kVA and a connected load of 130.106 kW. The petitioner was conducting a hotel business in the premises and was one among the consumers involved in the dispute relating to levy of electricity duty, which is the subject matter of W.P.(C) No. 30977/2010 filed before the Hon'ble High Court of Kerala by the Association of Approved and Classified Hotels and others against the State of Kerala and others.

Pursuant to the pendency of the aforesaid writ petition, the petitioner remitted electricity duty at the rate of 10 paise per unit instead of 10% of the energy

charges from September 2012 onwards. This practice continued up to June 2019. On verification of the bank statements, it was noticed that payments towards the electricity charges of M/s. Woodlands Hotel were being remitted by Oyo Hotels, an entity engaged in hotel management and operational support services. From July 2019 onwards, following a change in management, electricity duty was remitted at the rate of 10% of the energy charges.

Subsequently, the hotel premises were sold to Shri. Shibu and Shri. P.B. Gopalakrishnan by Sale Deed dated 18.11.2022 without informing the licensee of the transfer. Thereafter, the electricity bills were being remitted by the purchasers. Meanwhile, Shri P.B. Gopalakrishnan, one of the purchasers, filed W.P.(C) No. 1364/2023 before the Hon'ble High Court of Kerala seeking, inter alia, relief from the liability towards arrears pertaining to the period prior to 18.11.2022 and challenging the proposed disconnection of the service connection. Both W.P.(C) No. 30977/2010 and W.P.(C) No. 1364/2023 are presently pending consideration before the Hon'ble High Court of Kerala.

Sri. Gireesan, the erstwhile owner of the premises, is concerned only with the period up to June 2019. Accordingly, the interest payable on belated payments for the relevant period was reassessed and a final statement was issued. It was specifically informed that the reassessment and finalization of the liability towards belated payment surcharge are subject to the final outcome of W.P.(C) No. 30977/2010 pending before the Hon'ble High Court of Kerala. In the above circumstances, the representation is devoid of merit and is liable to be dismissed. It is therefore humbly prayed that the Hon'ble State Electricity Ombudsman may be pleased to dismiss Representation No. P/029/2026 filed by M/s. Woodlands Hotel, Ernakulam.

This matter has already been considered under Petition No. No P/076/2025 dated 24/02/2026 and RP/02/2026 dated 10/04/2026 by the Hon'ble State Electricity Ombudsman, and the orders passed are under the compliance process. The consumer has already approached this Hon'ble Forum as well as the Consumer Grievance Redressal Forum, Central Region, vide the OP No. 05/2023-24/114 dated 23/06/2023 & OP No. 81/2025-26/424 dated 18/03/2026 on the same matter, which was disposed of by the Hon'ble Forums on the ground that they have no jurisdiction to interfere in the subject matter pending before the Hon'ble High court of Kerala in W.P.(C) No.30977/2010.

As the consumer is the first petitioner in W.P.(C) No.30977/2010, he has not made any effort for finalize the case. Instead, he is submitting several petitions before various Forums, despite being fully aware that all these petitions are related to the above mentioned case pending before Hon'ble High court of Kerala and are subject to its final outcome. This amounts to a misuse of the valuable time of the Hon'ble Forum as well as KSEBL. In compliance with the final order dated 18.03.2026 of the Consumer Grievance Redressal Forum, this office has informed the consumer that he may approach this office for any further clarification, the consumer has not availed himself of that opportunity.

In view of the above facts, it is respectfully submitted that the complaint lacks merits and is liable to be dismissed in limine. The consumer cannot be permitted to take undue advantage of this forum. Hence, it is humbly requested that the Hon'ble State Electricity Ombudsman may kindly reject the complaint and uphold the actions taken by KSEBL. Therefore, petition No.P/029/2026 filed by M/s. Woodlands Hotel, Ernakulam (LCN 9/820) may be dismissed with costs.

Counter arguments of the appellant

During the Hearing session the SOR representative shared a working of their statement as attached in Annexure A. This was the first time all of us saw the statement. Based on the statement, KSEB sought to state that the refund due to us was only Rs 32,638/-. We had pointed out defects in the computation as a) Demand amount included Disputed Electricity Duty also, b) Break of "Belated Payment charges in Bill" were not provided in the statement (this being one of our core grievances to you in this appeal). We thank the Honourable Ombudsman directing the SOR representative to provide the break up of the Belated Payment charges in the Bill. We submit that SOR may please be directed to provide the break w.e.f July 2014 which is in line with our appeal to your honourable self.

During the examining of the statement, a sample entry of the demand amount was matched with the corresponding bill amount, establishing that the Demand amount included Disputed Electricity Duty. The contention that the Disputed Electricity Duty amounts were willingly paid by us was strongly disputed by us during the session. We highlighted that we were forced to pay higher than actual payable amount for the month, through ad hoc arrangements, purely on account of KSEB showing arrear amounts in every bill post Dec 2018. Communications made to SOR with regard to seeking corrections in the arrear amounts claimed by KSEB, supported by detailed workings in each of the communications to the SOR, clearly establishes that we never agreed to pay Disputed Electricity Duty. Further as can be seen from the statements of KSEB itself, all our payment instances were unilaterally appropriated to more than one due, and not to any single due date amount.

Against our further contention, that KSEB, unilaterally revised all their bills w.e.f May 2021 removing /reducing all the arrears figures, but retaining all the belated interest charges in each of the bills, honourable Ombudsman sought copies of additional bills to validate the same, and not just the samples provided. We are herewith attaching all Bills w.e.f May 2021, which has both the originally raised invoices and the updated invoices done post sale of the property.

With regard to KSEB statement we would like to point out that, KSEB seeking at this point of time, through the office of the honourable Ombudsman, the allegedly unclaimed in "Belated Payment Charges due" column of the statement is untenable and unlawful and is in violation of Section 56(2) of the Electricity Act 2003.

Analysis and findings

The hearing of the appeal petition was conducted on 07/07/2026 at 11:00 am in the O/o State Electricity Ombudsman. The hearing was attended by the appellant Sri. P. R. Gireesan and the respondents Smt. Renjinie M. R., SS, Office of SOR Thiruvananthapuram dist., and Sri. Thomas P. M., Assistant Engineer, ESD, College, Ernakulam dist.

M/s. Woodlands Hotel is the consumer of the licensee and this is a case pending in the Hon'ble High Court of Kerala vide WP(C)/30977/2010 regarding the dispute in the payment of electricity duty. The petitioner had sold the premises on 18/11/2022 to Sri. Gopalakrishnan and S. L. Shibu. The appellant had filed a petition earlier to State Electricity Ombudsman vide P/76/2025 requesting to transfer the connection to the new owner and to terminate the agreement and then to refund the security deposit. The Ombudsman had issued the order on 24/02/2026 stating that the order is to be transferred to the new owner and to terminate the agreement. The security deposit shall be refunded subject to the order of Hon'ble High Court of Kerala on the pending petition. It is also ordered that the appellant is eligible for the interest of the SD @ 18% per annum since 2012.

The respondent had mentioned during the hearing that the transfer of connection is in progress and the calculation of interest is also in progress and will be implemented soon. The prayers in the present petitions are

1. Breakup of the belated payments made by the appellant amounting to Rs. 2,19,979/-.
2. Refund of disputed electricity charges (Electricity Duty) levied from them with interest.
3. Interest on security deposit. In this the interest on security deposit has already been decided and hence no question of reconsideration.

The belated payment charges if any levied by the licensee is same as charging double interest. If the electricity bill is not paid on or before the due date, a belated payment charge is levied in the bill along the current charges. This amount is the interest of the energy charges till the DC date. While calculating the interest for the arrears, the same is calculated with effect from the due date of payment. This results to charging of double interest for 15 days which is from due date to disconnection date. This is not having any regulatory support. The licensee is empowered to charge interest @ 18% per annum which is fixed by the Kerala State Electricity Regulatory Commission as Supply Code, 2014, item 12 of Schedule 1.

Schedule 1 (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.

Here if the payment is made 30 days the rate of interest @ 12% and if beyond 30 days the rate of interest is 18%. the amount charged as belated payment charges in the bills are to be refunded.

The second prayer is regarding the Electricity Duty. There is a case filed by the appellant vide WP(C)/30977/2010 in the Hon'ble High Court of Kerala regarding the payment of Electricity duty @ 10% of energy charges which is questioned in the court stating that they are eligible for 10 paisa per unit as applicable to the industries in Kerala. The said case is pending in the High Court of Kerala and the final order has not been pronounced. The appellant states that there is an interim order which states that the licensee may accept the payment with electricity duty @ 10 paisa per unit instead of 10% of energy charges. The Hon'ble Court has not objected the billing with electricity duty @10% of the energy charges. Here in this case the licensee was billing with 10% as electricity duty and the appellant was making the payment @ 10 paisa unit. But certain period the payment was made by the operator of the hotel with full electricity duty. There is substantial amount is outstanding from the appellant towards electricity duty and this amount is treated as disputed amount. What ever amount remitted in full as electricity duty is the levy charged by the Government of Kerala and the same is payable to the Government. The licensee have to collect the duty from the consumer and to be paid to the Government. This duty collected also would have been remitted to the Government. Then the decision on the excess duty paid if any will be subject to the final order of the Hon'ble High Court of Kerala.

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 interest charged as belated payment along with bill are to be refunded to the appellant.
2. No decision on the electricity duty excess paid as claimed by the appellant as the final decision on WP(C)/30977/2010 is not taken by the Hon'ble Court.
3. No other costs ordered.

ELECTRICITY OMBUDSMAN

No. P/029/2026/ dated: 27.07.2026

Delivered to:

1. Sri. P. R. Gireesan, Director, M/s. New Woodlands Hotel, M.G. Road, Ernakulam 682011
2. The SOR, Vydyuthibhavanam, KSEB Ltd., Pattom, Thiruvananthapuram dt.
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, Vydhyuthi bhavanam, Pattom, Thiruvananthapuram-4.
3. The Chairperson, Consumer Grievance Redressal Forum, 220 kV substation compound, HMT Colony P.O, Kalamassery - 683503