

**THE STATE ELECTRICITY OMBUDSMAN**

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**APPEAL PETITION No. P/045/2021****(Present: A.S. Dasappan)****Dated: 11<sup>th</sup> November, 2021**

Appellant : Sri. V. Sherif,  
Proprietor,  
Hill Wood Residency, No. E/3/45,  
Chalapuram P.O.,  
Kozhikode Dist. 673002

Respondent : Assistant Executive Engineer,  
Electrical Sub Division, KSEB Ltd.,  
Kallai, Kozhikode

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

The appellant is a proprietor of “Hill Wood Residency” in Kozhikode District and a consumer of Electrical Section, Kallai of KSEB Ltd. The category of the electric connection of the appellant is HT IV Commercial with Consumer Code No: LCN 13/8189. The Contract Demand of the appellant’s premises is 225 kVA. The appellant was given a bill for Rs.22,93,364/- towards the outstanding arrears as on 30-11-2020. The appellant remitted Rs.5,00,000/- for avoiding disconnection of electric supply to the premises and filed a petition in Consumer Grievance Redressal Forum, Northern Region vide OP No.121/2020-21, seeking relaxation and concession in the bill amount. But the Forum in its order dated 26-03-2021, dismissed the petition vide OP No. 121/2020-21. Aggrieved by the decision of the Forum, the appellant filed this appeal petition before this Authority.

**Arguments of the appellant:**

The appellant is doing Hotel, Restaurant, Lodging and Catering business in the hotel buildings where more than 100 persons are working. The appellant has a HT IV Commercial connection with Code No. 1366340051161 LCN and are regularly paying electricity charge for the last many years and now the appellant paid Rs. 5,00,000/- to the exorbitant amount which was demanded by KSEB Ltd. Owing to the Covid-19 outbreak, the hotel remain closed from March 2020 to 31st October 2020 and the business was zero and no electricity was consumed for the hotels and restaurants. But regrettably the respondent demanded Rs.22,93,364/- as the total outstanding amount shown as on 30-11-2020. It seems that the energy charge was also very high but no electricity was consumed by the appellant during the periods from March to November 2020. It is apprehended that the metering system is defective and reading shown in the meter is absolutely wrong. In spite of repeated demands made by the appellant to replace the defective meter, the KSEBL officers neglected the request. It is to be noted that no customers were staying in the hotel and the restaurants were closed during the period from March to October, 2020. Hence, the demand for Rs. 22,93,364/- as energy charges is illegal. The appellant paid an amount of Rs.5,00,000/- towards the above bill and made request to make the fixed line charges as free. But the respondent rejected the request of the appellant and threatened that they would disconnect the electricity connection on 05-01-2021.

Actually, only in November 2020, the appellant has started the business and the disconnection now made is a real threat to the hotel industry and the 100 families which are directly connected to the income from the hotel will be affected and they will fall into utter poverty. If the electricity is disconnected, the appellant cannot continue the business for which the appellant has no other option but only to close the hotel.

In the above circumstances, respondent may be directed to replace the defective metering system and restraining the respondent from disconnecting the electricity connection and set aside the demand of illegal electricity bill for

Rs.22,93,364/- . Also, to declare that the appellant is only liable to pay the fixed line charge of Rs.90,000/- for the months from March 2020 to December 2020. The appellant is also entitled to get the fixed line charge waived from the period from March 2020 to December 2020 considering the lockdown declared by the Government.

**Arguments of the respondent:**

No such charge viz. fixed line charge of Rs. 90,000/- has ever been imposed on the appellant and the contention of the appellant in this regard is false and misleading. The minimum required amount to be remitted by the appellant even during the period of disconnection is that the demand charge as prescribed by the KSEERC from time to time for 169 kVA, which is 75% of contract demand of 225 kVA as per the agreement with the appellant. As per the prevailing tariff order dated 08.07.2019 the minimum demand charge applicable to the appellant per month is Rs.74,360/- i.e.,  $169 \times \text{Rs.}440/-$ . One of the contentions of the appellant is that the meter installed at the premises of the appellant firm is faulty. Before or after filing this OP, the appellant has never raised this complaint before the KSEBL in line with Regulation 120 of Kerala Electricity Supply Code 2014. It may be noted that the appellant also failed to produce a copy of an application submitted before the Licensee in this regard as an exhibit even before the Forum.

The KSEBL being a licensee has nothing to do with the day-to-day affairs of the appellant's firm. KSEBL can act upon only within the ambit of Indian Electricity Act 2003, directives of KSEERC issued from time to time, as well as the conditions of agreement entered into with the appellant. KSEBL which has also been financially affected due to the pandemic Covid-19, is not in a position to take decision in the matter of evading minimum charge per month, which are beyond the purview of the power vested with KSEBL by virtue of the Indian Electricity Act 2003 and Kerala Electricity Supply Code 2014 as well. Being a Licensee, duty of KSEBL is to supply electricity to the consumers and it is functioning in strict adherence to the Indian Electricity Act 2003. Hence, the contentions raised by the appellant are beyond the purview of KSEBL.

The consumption pattern of the appellant is given below :

LCN 13/8189	Hill Wood Residency	HT IV B Commercial	Cash Deposit	Rs.1248500							
Contract Demand (kVA)	225	75% of Contract Demand kVA	168.75	130% of Contract Demand (kVA)	292.5	C/L(KW)			523.37		
Month	Bill date	RMD (KVA)	BD (kVA)	Rate/unit (Rs.)	Total Demand charge	Energy Consumption			Total Consum- ption (Kwh)	Total EC (Rs.)	Remarks
						Z1(KWh)	Z2(KWh)	Z3(kWh)			
Dec-19	04-01-20	150.23	169	440	74360	24141	8367	10431	42939	338312	
Jan-20	05-02-20	148.01	169	440	74360	23373	9495	10959	43827	348344.1	
Feb-20	05-03-20	131	169	440	74360	22173	8217	9777	40167	317917.5	
Mar-20	03-04-20	130.8	169	440	74360	16092	4959	7128	28179	190584.9	
Apr-20	04-05-20	23.59	169	440	74360	3093	1137	1899	6129	41070.15	
May-20	04-06-20	23.66	169	440	74360	2868	1053	1995	5916	39228.75	
Jun-20	03-07-20	44.01	169	440	74360	4269	1362	2532	8163	54192.6	FC Rebate (-) 55770
Jul-20	03-08-20	73.87	169	440	74360	5130	1629	3159	9918	65622.15	
Aug-20	03-09-20	84	169	440	74360	5262	1644	3000	9906	65854.8	
Sep-20	08-10-20	50.16	169	440	74360	7959	2874	5283	16116	10713.05	
Oct-20	04-11-20	84.6	169	440	74360	7659	2637	5091	15387	101856.2	
Nov-20	02-12-20	89.7	169	440	74360	11274	3639	6153	21066	140891.9	
<b>Total</b>					<b>892,320</b>	<b>133,293</b>	<b>47,013</b>	<b>67,407</b>	<b>247713</b>	<b>1,714,588</b>	

Above all, the appellant has been allowed a rebate (Rs. 55,770/-) of 25% of fixed charge for the period from 03/2020 to 05/2020 vide bill dated 03.07.2020.

As per General Condition (6) for HT and EHT tariff under Part B of the Tariff Order dated 08.07.2019, the monthly minimum charge payable shall be the minimum guarantee amount as per Minimum Guarantee Agreement if any, or the billing demand (the recorded maximum demand for the month in kVA or 75% of the contract demand as per the agreement, whichever is higher as per Condition (2), whichever is higher.

In view of the above mentioned condition, the appellant is bound to pay the minimum demand charges to KSEBL even when supply stands disconnected.

In line with the Board Order dated 31.05.2020, the appellant is eligible only for deferment of payment of 75% of fixed charge for the period from 03/2020 to 05/2020 till 15.12.2020. The appellant had to pay the current charge for the period after 05/2020 as usual. Since the consumer failed to remit the said arrear, KSEBL has all the right to realize the arrear in conformity with Section 56 of the Indian Electricity Act 2003.

As per Regulation 116 (4) Kerala Electricity Supply Code 2014 "A consumer may request the licensee to inspect and test the meter installed in his premises, if he doubts its accuracy, by applying to the licensee in the format given in Annexure — 15 to the code, along with the requisite testing fee".

But the appellant has never submitted any application before KSEBL in this regard till date. Therefore, the contention of the appellant with regard to the alleged defective metering system would not sustain. If the consumer wanted to test and replace meter, the above regulation may be satisfied.

As on 01.01.2021, an arrear of Rs.21,06,543.70 was due from the appellant, whose supply need be disconnected in the light of Section 56 of the Act 2003.

Hence, it is prayed before the Forum that in view of the facts mentioned above, the KSEBL may be allowed to realize the arrear of Rs.25,38,487/- as on 05.07.2021 due to KSEBL and the appeal petition P/045/2021 may be dismissed as it deserves no merit.

**Analysis and findings:**

An online hearing was conducted on 20-10-2021 with prior intimation to both the appellant and the respondent. Adv. Sri. Jose Kuriakose attended the hearing for the appellant and Smt. P.V. Srivijaya, Assistant Executive Engineer, Electrical Subdivision, Kallai attended 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 appeal petition pertains to the consolidated electricity bill issued for the consumption in the premises of the appellant for a particular period. The appellant wants to get more concession in fixed charge and in electricity bills in the “Lockdown” period following the spread of “Covid-19”. The respondent revealed in the hearing that whatever be declared by the KSERC and KSEB Ltd. were already allowed to the appellant. Moreover, the arrear amount is the accumulation of regular monthly bills and hence, the appellant is liable to remit the bill amount. The appellant suspects the energy meter is faulty.

The appellant is a HT consumer having a Contract Demand of 225 kVA. The monthly billing pattern for the demand charge is 75% of Contract Demand or Maximum Demand recorded in each month, whichever is higher. As such in this case, 168.75 kVA is the billing demand if the recorded maximum demand in each month, which is below 168.75 kVA. The appellant wants to exempt from paying the fixed charge for the period from the month of March 2020 to December 2020. The appellant argued that the premises meter is faulty and the respondent did not change the meter even after repeated requests. The main requirements of the appellant are to replace defective meter to set aside the bill amount of Rs.22,93,364/- to allow the appellant to remit the fixed charge only for the period from March 2020 to December 2020 and without prejudice to it, entitled to get the waiving of fixed charge from March 2020 to December 2020.

The respondent stated that the minimum fixed charge to be remitted by the appellant, as per prevailing tariff order is Rs.74,360/- per month (Rs.440 x 169 kVA). The appellant had not requested the respondent to replace the meter, suspecting defectiveness and the appellant could not produce any document for such a request. The appellant was given the benefit in fixed charge for Rs.55,770/-, being the 25% of the fixed charge for the period from 03/2020 to 05/2020 vide the bill dated 03-07-2020. The total arrear amount as on 05-07-2021 is Rs.25,38,487/-.

The CGRF, Northern Region in its order dated 07-04-2021 in OP No.121/2020-21, analyzed the consumption in the premises from the month of 12/2019 to 11/2020, in which it is seen that there was consumption in the premises during the “lockdown” period also. The disputed bill amount is the

accumulation of electricity bill amount after the month of 05/2020 and up to 12/2020. The appellant had not placed any request for the reduction of Contract Demand till the disputed bill is received. Moreover, the appellant has not produced any document showing that the appellant had requested the Licensee to change the meter suspecting its defectiveness. The argument of the appellant that no electricity was consumed in the disputed period is not sustainable. The respondent had issued bill in each month recording the energy consumption in the premises from 05/2020 onwards, but the appellant had not raised such an argument in any of the month. The electricity bill under dispute is the accumulation of electricity charge since the monthly amount was not remitted by the appellant.

It is pertinent to note that the appellant was given the concession in demand charge for Rs.55,770/- on 03-07-2020. The assessment bill issued to the appellant is not a reassessed amount related to the energy consumption or any amount escaped from the notice of the respondent, but it is the usual monthly electricity bill for the energy consumed. As such, a consumer is liable to remit the electricity bill amount then and there itself.

**Decision: -**

From the analysis done and the findings and conclusions arrived at, which are detailed above, this Authority take the following decision:

As ordered by KSEB Ltd., the rebate @25% on fixed charge for the month of months of March, April and May 2020 amounting to Rs.55,770/- had already been allowed to the appellant on 03-07-2020. Since the rebate on fixed charge granted by KSEB Ltd. had already been given to the appellant and there is no orders or direction from KSEB Ltd. or from other empowered bodies to extend any benefit, the request of the appellant to set aside the bill amount, waiving of fixed charge from March 2020 to December 2020 and the request for exempting the energy charge for the said period stands rejected.

Having concluded and decided as above, it is ordered accordingly. The Appeal Petition filed by the appellant stands dismissed as it is found having no

merits. The order of CGRF, Northern Region, Kozhikode in OP No.121/2020-21 dated 07-04-2021 is upheld. No order on costs.

**ELECTRICITY OMBUDSMAN**

P/045/2021/ \_\_\_\_\_ dated \_\_\_\_\_.

Delivered to:

1. Sri. V. Sherif, Proprietor, Hill Wood Residency, No. E/3/45, Chalappuram P.O., Kozhikode Dist. 673002
2. Assistant Executive Engineer, Electrical Sub Division, KSEB Ltd., Kallai, Kozhikode

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