

THE STATE ELECTRICITY OMBUDSMAN

Charangattu Bhavan, Building No.38/2829,
Mamangalam-Anchumana Road,
Edappally, Kochi-682 024
www.keralaeo.org Ph: 0484 2346488, Mob: 91 9539913269
Email: ombudsman.electricity@gmail.com

APPEAL PETITION No. P/048/2021**(Present: A.S. Dasappan)****Dated: 25th November, 2021**

Appellant : Smt. Shalini Vijayan,
Director
Lokanta Hotels & Resorts Pvt. Ltd.,
2/318 E., Kannadikadu,
Maradu P.O.,
Ernakulam, 682 304

Respondent : Assistant Executive Engineer,
Electrical Sub Division, KSEB Ltd.,
Thripunithura, Ernakulam Dist.

ORDER**Background of the case:**

The appellant is a Director of “Lokanta Hotels & Resorts Pvt. Ltd.” and using the premises with consumer number 12786 registered in the name of Sri.C.K. Sibi, Chanjamattathil, Maradu under the Electrical Section area of Maradu, KSEB Ltd. The respondent had issued a demand notice to the appellant for Rs.6,56,149/- with instalment facility and the appellant made a default in one instalment, which led to an additional surcharge for Rs.6,000/-. The appellant filed a petition vide OP No. 06/2021-22 in Consumer Grievance Redressal Forum, Central Region requesting exemption from remitting Rs.6,000/- as additional charge and to allow to continue with the earlier instalment scheme. The Forum in its order dated 23-07-2021, issued the following:-

- (1) A new instalment scheme may be granted to the petitioner by considering the total outstanding arrears including current charge as on date of this order with surcharge;

- (2) The petitioner may be permitted to remit the arrears in ten monthly instalments.

Aggrieved by the decision of the Forum, the appellant filed this appeal petition before this Authority with a request to waive off the arrear bill for Rs.4,30,487/-.

Arguments of the appellant:

The appellant is a Director of “Lokanta Hotels and Resorts Pvt. Ltd.” The appellant had taken electrical connection at the time of construction of the Hotel Venturaa and had an electrical consultant also. All the works were almost finished and air conditioners and other electrical equipments were installed. As suggested by the consultant the appellant had started paper works for the HT connection and KSEB gave power allocation and the authorized people of KSEB used to visit the site quite often. When the authorized people from KSEB came for the final inspection for HT connection, they said the appellant was illegally using the electricity. The appellant had just done trial run of the electrical fittings. KSEB didn't even consider the appellant as a beginner in a venture, which would give job to several people and KSEB also runs because of different consumers. The people who came for inspection after walking out suddenly came back and checked somethings and to utter shock gave an arrear bill amounting to Rs.4,30,487/- on 29-02-2020. The appellant didn't know where to complaint so gave complaint letter to Maradu KSEB but soon after this in March, 2020, hotel was shut down due to the Covid-19 pandemic. Then, the appellant approached KSEBL, Maradu office and they said nothing is going to happen with this complaint and that the appellant has to pay the amount and granted 10 equal instalments for the payment of the above mentioned amount on 08-05-2020. Then appellant remitted 5 instalments up to October, 2020. Then due to financial difficulties, the appellant was not able to remit the instalments. Again, on the request, the Executive Engineer of Thripunithura, Electrical Division granted 10 equal instalments for the then outstanding amount of Rs.6,56,149/- on 10-11-2020. The appellant started to pay the instalment amount of Rs.66,102/-. The due date of payment was 11th day of every month. In March 2021, number of public holidays and bank strike led to

the closure of banks for several consecutive days and the appellant approached the KSEB Office and told the difficulty in making the payment as instalments cannot be paid online. The respondent told to remit it as soon as the bank reopens. The appellant paid the March payment on 16-03-2021. The appellant remitted the April instalment also and after this the concerned person said that the appellant's instalment scheme has got cancelled and an extra amount of Rs.6,000/- should be paid as interest and surcharge for the remaining 4 installments.

During the pandemic situation, when all the sources of income are closed, the appellant was finding it really difficult to remit the monthly instalments. Again, an increase of Rs.6,000/- could not be borne by the appellant. Then, the appellant came to know about Consumer Grievance Redressal Forum, Kalamassery and approached and gave a letter on 17-04-2021 to exempt the appellant from this extra charges. The Forum was not ready to reduce the amount, but the only option is to increase the number of instalments.

The appellant requests to waive off the arrear bill of Rs.4,30,487/- as the appellant was in darkness about the procedures to be followed even though the appellant had an electrical consultant and he was in constant contact with KSEB. The appellant is a beginner in the field as just started the trial run and the hotel was closed due to Covid-19 and so is under huge financial crisis and finding it very difficult to pay such huge amount as there is no income from the hotel and as such give a humanitarian consideration to this issue, so as to overcome this situation.

Arguments of the respondent:

The electric connection bearing consumer number 1155507012786 under Electrical Section, Maradu has been given to Sri Sibi C.K, Chanjamattathil, Maradu as per Orumanet records under LT 6F tariff. The connection is at present used for running a hotel named 'Lokanta Hotels and Resorts Pvt. Ltd.' As per the final assessment order issued on 29.02.2020, an amount of Rs.4,30,487/- was charged against for unauthorized use of electricity. As per the request of the appellant and by considering the covid pandemic situation 10 equal installments were granted on 08.05.2020. The appellant had remitted 5

installments till 10/2020. Due to the lapse in remitting installment amount, the installment facility got cancelled. The balance outstanding amount as on 09.11.2020 was as follows.

1. Installment pending on	- Rs.2,15,243/-
2. Regular Current Bill	- Rs.3,73,675/-(from 03/2020 to 10/2020)
3. Current bill of 11/2020	- Rs. 26,118

Total	- Rs.6,15,036/-

As per the request of the appellant 10 nos. of installments were issued by Executive Engineer, Electrical Division, Tripunithura on 10-11-2020. Installments created on 11-11-2020 on Orumanet for a total of Rs.6,56,419/- (including up-to-date surcharge). The appellant remitted the installment amount till 02/2021, but missed to pay the installment on 03/2021. Since the installments were not paid on or before the date (i.e. 11.03.2021), again the installment facility is automatically cancelled. But as per the oral request of the appellant further installment scheme was facilitated and generated on 12.04.2021, considering the Covid-19 situation. But since the installment is rescheduled, the appellant was liable to pay the up-to-date surcharge. A letter was submitted by the appellant regarding the additional charges in the new installment scheme. Reply was given by the Assistant Engineer, Electrical Section, Maradu that the amount generated is the outstanding arrear together with the up-to-date surcharge. Hence, the appellant is liable to pay the amount as per the schedule at the earliest to avoid further accumulation of arrear and surcharge. In the light of the above mentioned facts, the respondent requested to dismiss the petition

Analysis and findings:

An online hearing was conducted at 11 AM on 29-10-2021 in my office at Edappally, Kochi with prior intimation to both the appellant and the respondent. Sri. Shyam. P.G., Manager of 'Lokanta Hotels & Resorts Pvt. Ltd.' attended the hearing for the appellant and Smt. P.K. Mini, Assistant Executive Engineer,

Electrical Subdivision, KSEB Ltd., Tripunithura attended the hearing 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 request of the appellant in the hearing conducted on 29-10-2021 of this Appeal Petition is to exempt from paying the extra surcharge amounting to Rs.6,478/- demanded by the respondent on the ground of default of an instalment by the appellant. Though the appellant had remitted 4 instalments within the due date, the 5th instalment was delayed for 5 days due to holidays and Bank strike.

The respondent stated that the additional surcharge demanded was as per rules and while rescheduling the installment, the interest for the belated instalment amount is to be remitted by the appellant.

On perusing the document file, it is seen that the appellant had been given 10 monthly instalments to remit Rs.4,30,487/- on 08-05-2020 and the appellant remitted 5 installments till the month of 10/2020. The appellant made default in remitting further installment and hence, the respondent rescheduled the amount as follows:

Balance Installment amount pending	- Rs.2,15,243-00
Regular Electricity Bill from 03/2020 to 10/2020	- Rs.3,73,675-00
Electricity bill for 11/2020	- Rs. 26,118-00

Total	- Rs.6,15,036-00

The appellant requested for instalments to the above amount and the Licensee granted 10 monthly installments, starting from 11-11-2020. The total amount to be remitted by the appellant was Rs.6,56,419/- including surcharge. The appellant remitted the installment due for the month of 11/2020, 12/2020, 01/2021 and 02/2021 within the due date. But the monthly installment for 03/2021 was defaulted by the appellant, stating the reason that the due date for

remitting the amount and further days up to 15-03-2021 were holidays and strike in Bank. As such, the respondent rescheduled the balance amount into 5 monthly installments, starting from 12-04-2021 and up to 12-08-2021. The rescheduling of the installment again led to an additional surcharge for Rs.6,478/-. The appellant wants to exempt from remitting the additional surcharge amount. The CGRF, Central Region issued order on 23-07-2021, allowing 10 monthly installments for remitting the arrear amount and electricity charge as on the date of order.

It is pertinent to note that the Licensee had given the installment facility for remitting the amount three times previously and finally the CGRF, Central Region. The grievance of the appellant is not related with the amount of assessment or any reassessment. The only thing to be decided is whether the appellant is eligible to get the benefit of surcharge as requested by the appellant.

In the hearing on 29-10-2021, the appellant requested to allow to remit the remaining 4 installments at the earlier rate (Rs.66,102/-) from January 2022, which cannot be accepted since the Licensee and the CGRF had considered the case favourably and allowed installments for the remittance without burden. A consumer is liable to remit interest or surcharge for the belated payment and hence, the request of the appellant for exempting additional surcharge is not allowed.

In the hearing, the appellant also revealed that an amount of Rs.35,000/- was remitted on 16-10-2021 and a further installment facility was granted by the Executive Engineer, Electrical Division, Tripunithura on 18-10-2021.

It is to be noted that if the regular bill amount or the arrear amount is not remitted within the due date fixed by the Licensee, the surcharge will increase as per rules. The status of the arrear amount while filing the petition in CGRF, while issuing order by CGRF, filing appeal petition before this Authority and issuing order by this Authority will have variations, which depends on the electricity bill generated in each billing month and remittance made by the appellant during this period. As such, this Authority is not trying to evaluate the arrears, but the appellant has to remit the amount within the due date, if not the Licensee can realize the surcharge as per rules.

Decision: -

The Appeal Petition filed by the appellant for exempting the additional surcharge for the remittance of instalment amount stands rejected and disposed of accordingly. The appellant is liable to remit the belated amount with surcharge and the respondent can allow instalment facility to the appellant as per rules.

Having concluded and decided as above, it is ordered accordingly. No order on costs.

ELECTRICITY OMBUDSMAN

P/048/2021/ _____ dated _____.

Delivered to:

1. Smt. Shalini Vijayan, Director, Lokanta Hotels & Resorts Pvt. Ltd., 2/318 E., Kannadikadu, Maradu P.O., Ernakulam, 6821 304.
2. Assistant Executive Engineer, Electrical Sub Division, KSEB Ltd., Thripunithura, Ernakulam Dist.

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, CGRF-CR, 220 kV Substation Compound, KSE Board Limited, HMT Colony P.O., Kalamassery, PIN: 683 503.