



## Before the Electricity Ombudsman

9/2, 6<sup>th</sup> Floor, Mahalakshmi Chambers, M.G.Road,  
Bangalore

Present: B.R.Jayaramaraje Urs, IAS (Retd.)

Electricity Ombudsman

Case No.OMB/B/G-162/2013/313

Dated 25.11.2013

### Between

Shri Bansi Lal Vaishnavi,  
Flat No.406, Sovereign Park Apartments,  
56-58, K.R.Road,  
Basavanagudi,  
**Bangalore-560004**

.. **Appellant**

### Vs

1. Asst. Executive Engineer,  
BESCOM,  
S-11 O & M Sub Division,  
HSR Layout,  
**Bangalore-560102**

2. Consumer Grievances Redressal Forum (C.G.R.F)  
BESCOM  
**Bangalore**

.. **Respondents**

1. This is an appeal under Clause 21.02 of KERC (Consumer Grievance Redressal Forum & Ombudsman) Regulations, 2004 against the order passed by the Consumer Grievance Redressal Forum, BESCOM, Bangalore (hereinafter referred to as the 2<sup>nd</sup>

Respondent) vide case No CGRF/128/2011/1849-54 dated 31.07.2012 in regard to charging of excess interest in respect of installation bearing R.R. No 8 MSEH-30403 by the Assistant Executive Engineer (EI), S-11 O & M Sub-Division, BESCO, HSR Layout, Bangalore (hereinafter referred to as the 1<sup>st</sup> Respondent) . Aggrieved by the order passed by the 2<sup>nd</sup> Respondent, the Appellant has submitted his case as under:

2. The Appellant is an Electricity Consumer of BESCO. Installation bearing R.R No 8 MSEH 30403 was serviced on 10.04.2007 for 3 kws. The Appellant is an L.T-2(A) category Electricity Consumer (Domestic Consumer). The Appellant is not residing in his apartment and, hence, there is a minimum consumption of power which generally comes to less than 5 units per month. The Appellant was required to pay Fixed Charges of Rs.80/- per month and Electricity Tax @ 5% along with the monthly energy bill.

3. Dispute arose in the month of December 2008. During December 2008, a bill was raised for Rs.78/- and due date for payment of the bill was 30.12.2008 and the Appellant paid the bill on 21.01.2009 and there was a delay of 22 days and interest of Rs 1/- (1% interest) per month was levied and realised in January 2009 . The matter should have been ended. The Appellant had paid the January bill within the due date. Surprisingly, the 1<sup>st</sup> Respondent, in the February 2009 energy bill, again levied Rs 1/- interest for the month of December 2009. When the Appellant enquired regarding this anomaly with the 1<sup>st</sup> Respondent, he informed that the system calculates delayed interest from the date of generation of bill. But this runs contrary to Clause 29(g)(i) of the Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka which states that **"In case of belated payment charge shall be levied @ 1% per month on actual number of days of delay from the expiry of due date"**. Thus, the 1<sup>st</sup> Respondent, in the present case, has collected interest twice both in the month of January 2009 and February 2009 and the same scenario has been repeated six or seven times. Hence, the Appellant requested this Authority to issue directions to the 1<sup>st</sup> Respondent to refund the excess interest levied for 6-7 months.

4. The 1<sup>st</sup> Respondent's comments were called vide this office letter No OMB/B/G-164/2013/252 dated 01.08.2013 & OMB/B/G-164/2013/284 dated 17.09.2013.

5. The 1<sup>st</sup> Respondent, in his statement of objections dated 18.09.2013, justified the levy of interest and, hence, prayed this Authority to dismiss the appeal.

6. During the hearing on 11.10.2013 and 11.11.2013, the 1<sup>st</sup> Respondent reiterated the submissions made in his statement of objections.

7. Both parties were informed vide letter No.OMB/B/G-162/2013/296 dated 03.10.2013 regarding availability of sub-regulation 1 of Regulation 20 of KERC (Consumer Grievance Redressal Forum and Ombudsman) Regulations, 2004 which provides for settlement by agreement through conciliation and mediation.

8. During the course of the hearing, it was observed that initially BESCO had fixed 15<sup>th</sup> as the date for monthly reading of the meter and 30<sup>th</sup> as the date for payment of electricity bills. The system would generate electricity bill on 15<sup>th</sup> of every month and the consumer was to pay the amount before 30<sup>th</sup> of every month. In case the payment was not made for the delayed period before the 15<sup>th</sup> of the subsequent month, the system would calculate interest @ 1% for the relevant month of delay, but also calculated 1% interest again in the subsequent month for the same dues although the consumer had paid the amount during the previous month. In the present case, the system generated the January 2009 bill on 15<sup>th</sup> January 2009 and in that bill system showed the bill not paid for the month of December 2008 and hence calculated 1% interest, though the Appellant had paid the amount on 22<sup>nd</sup> January 2009, but the system carried forward the dues for the month of February 2009 too. Thus, the system is found to have calculated interest twice for the same amount for the month of December 2008 because of defect in

software programming. This defect was pointed out to the 1<sup>st</sup> Respondent and reiterated that the parties could sort out the issue through conciliation and, thereafter, file a Joint Memo to this authority in order to pass an award in accordance with the Regulation.

9. The parties after conciliation filed a Joint Memo on 18.11.2013 which is extracted and reproduced below:

***"Subject: Appeal of Shri Bansilal Vaishnavi against the order of CGRF BESCO dated 31.07.2012.***

***We, Bansilal Vaishnavi, the Appellant and holder of R.R No 8MSEH 30403 and C.P Manjunath, Asst Executive Engineer (EI) 5-11 Sub-Division, BESCO have today, after reconciliation, arrived at a settlement of the grievance outlined in the aforesaid appeal. Accordingly, this settlement memo is submitted here with, duly signed by both parties, before the Hon'ble Electricity Ombudsman.***

***Sd/-  
(Bansilal Vaishnavi)  
Appellant***

***Sd/-  
(AEE (EI) 5-11 Sub-Division  
BESCO HSR Layout, Bangalore)"***

10. Having regard to the facts of the case and in the light of the joint memo filed by the parties, the case is disposed off as follows:

**ORDER**

11. In view of the settlement arrived between the Appellant and the 1<sup>st</sup> Respondent vide Joint Memo dated 14<sup>th</sup> November, 2013, the case is treated as **closed** in terms of the settlement arrived between the parties.



(B.R. Jayaramaraje Urs)  
Electricity Ombudsman

1. Shri Bansi Lal Vaishnavi, Flat No.406, Sovereign Park Apartments, 56-58, K.R.Road, Basavanagudi, Bangalore-560004.
2. Assistant Executive Engineer, S-11 O & M Sub Division, BESCO, HSR Layout, Bangalore-560102
3. Consumer Grievance Redressal Forum, BESCO, Bangalore
4. Managing Director, BESCO Corporate Office, K.R.Circle, Bangalore-1
5. PS to Hon.Chairman, KERC
6. PS to Secretary, KERC

