



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Corporate Identity Number : U40100KL201 ISGC0272424

Regd Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram-695004

Phone No.0471 2444554, FAX No.0471 2554414

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Abstract

Short Assessment bill issued to M/s King Fisheries Ltd, Neendakara under Electrical Section, Chavara due to wrong multiplication factor – Loss sustained to KSEBL – Fixing liability against Sri. Sreekumar.C, Senior Superintendent, Office of the Special Officer (Revenue)– Appeal Petition - Disposed off-orders issued.

CORPORATE OFFICE (VIGILANCE WING)

BO (DB) No:537 /2021(VIG/A4/2298/2017) | 2293 Thiruvananthapuram, Dated:14.07.2021

Read:-

1. Enquiry Report No.VIG/A4/100-280/2019 dated 11.02.2020
2. Notice No. Vig/A4/2298/2017 /641 dated 19.03.2020 of the Chairman & Managing Director addressed to Sri. Sreekumar.C, Senior Superintendent(Rtd)
3. Reply dated 08.05.2020 submitted by Sri. Sreekumar.C, Senior Superintendent (Rtd)
4. Argument Note dated 05.08.2020 submitted by Sri. Sreekumar. during personal hearing.
5. Proceedings No. Vig/A4/2298/2017 /3389 dated 13.10.2020 of the Chairman & Managing Director, KSEBL.
6. Appeal Petition submitted by Sri. Sreekumar.C before the Director Board, KSEBL.
7. Note No.Vig/A4/2298/2017 dated 15.03.2021 of the Chairman & Managing Director
8. Proceedings of the 59th meeting of the Board of Directors held on 21.06.2021 vide Agenda 17-06/2021.

ORDER

M/s King Fisheries Ltd Neendakara is an HT consumer with Consumer code LCN 6/629.The APTS Kottayam unit while conducting an inspection on the premises of M/s King Fisheries on 23.09.2016, detected that the multiplication factor of the CT meter for computing monthly consumption was '4 instead of "5" for the period from 09/2012 to 08/2016. Due to this omission, the consumer has remitted only a portion of the unit

actually consumed by him and the consumer enjoyed the benefit given by the Board illegally. Consequent to the inspection made by the APTS on 23.09.2016, the consumer was served with a short assessment bill amounting to Rs.24,48,870/- by taking multiplication factor as '5' for the period from 09/2012 to 08/2016 in order to compensate the loss sustained by the Board on account of under billing.

In the meantime, the Government had forwarded a preliminary Enquiry Report of VACB in connection with the subject case with a request to furnish the opinion of KSEBL regarding the conductance of further enquiry and to register vigilance case in order to limelight the real culprits involved in the case, who caused revenue loss to the Board. The Board after examining the report of the Government had authorized Vigilance Wing as per B.O(FTD) No.363/2019(Estt.III/1293/19) TVPM dated 06.05.2019 to conduct a detailed enquiry to find out the officials who are responsible for the alleged loss as revealed by the VACB.

Accordingly, the Vigilance Wing of KSEB Ltd has conducted a detailed fact finding enquiry and submitted the report .During the enquiry it was revealed that grave lapses and omission occurred on the part of the Assistant Engineers of Electrical Section Chavara, who took meter reading of M/s King Fisheries Ltd for the period from 09/2012 to 08/2016 and the officials in the Office of the Special Officer (Revenue) who prepared, scrutinized and supervised the monthly demand of the consumer which in turn resulted in huge revenue loss to the Board. If they properly verified and ascertained the actual MF of the consumer with connected load in time, the loss sustained to the Board should have been solely avoided. Even though the consumer has remitted the entire short assessment bill amount through interest free installment, the Board has sustained a huge loss amounting to Rs.5, 80,977/- (Rupees Five lakh eighty thousand nine hundred and seventy seven only) as interest due to under billing and also sustained the loss of Rs.4, 59,164/-(Rupees Four lakh fifty nine thousand one hundred sixty four only) owing to the granting interest free installment to the consumer.The Enquiry Officer concluded the enquiry with

recommendation to recover the above mentioned loss from the responsible officers who committed the lapses.

The Chairman & Managing Director while perusing the enquiry report observed that, it is an admitted fact that due to the grave lapses, negligence and omission occurred on the part of the officials of Office of the Special Officer (Revenue) and the Assistant Engineers of Electrical Section Chavara who held the office from 09/2012 to 08/2016, the Board had sustained huge pecuniary loss by way of interest which cannot be ruled out to any extend. Hence, the Chairman and Managing Director had ordered to recover the actual loss sustained by KSEB Ltd for Rs.10,40,141/- (Rupees Ten Lakh Forty Thousand One Hundred and Forty one only) from the delinquent officers involved in the case.

Accordingly a notice read as 2nd above was issued to Sri.Sreekumar.C , the then Senior Superintendent, Office of the Special Officer (Revenue) to show cause why the amount of Rs.1,73,357/- (Rupees One lakh Seventy three thousand three hundred and fifty seven only) being the 1/6 portion of the total loss sustained by the Board due to the lapses and negligence occurred on his part by invoking the provision contained in Note 3 Rule 3 Part III KSR.

In response to the above, Sri.Sreekumar.C, submitted a reply read as 3rd above. In his reply Sri.Sreekumar.C contented that a short assessment bill was issued to the consumer covering the entire period of 48 months to the tune of Rs.24,48,870/-. On the request of the consumer, the Full Time Directors in its meeting had accorded sanction to the consumer to remit 24 installments without interest. The consumer had remitted the entire amount through the installments granted. He pointed out that during his incumbency period, the bills had been prepared by the Billing Section based on the reading statement send by the Assistant Engineers of Electrical Section concerned. He argued that the first portion of the interest of Rs.5,80,977/- (Rupees Five Lakh Eighty Thousand Nine Hundred and Seventy Seven Only) is not sustainable and illegal as it is only an imaginary and bogus amount and the Board have no right to claim the above amount

as per the rules and regulations in force by citing Article 303A(C) of KFC VOL I which is applicable for KSEB Ltd. Hence he requested to absolve him from such liability. The second portion of proposed interest of Rs.4,59,164/- was the amount which was fully exempted by the Board's decision with good intention of collecting the full amount of arrears. Hence he requested to absolve him from all the two liability fixed against him. The Chairman and Managing Director after examining the above reply had afforded him an opportunity of personal hearing on 05.08.2020. An argument note read as paper 4th above was submitted by him at the time of hearing.

The Chairman & Managing Director while perusing the reply and argument note submitted by Sri.Sreekumar.C Senior Superintendent (Rtd), observed that he had miserably failed to supervise or verify whether the consumer was billed with the actual M.F of the C.T installed in the premises for the period from 9/2012 to 8/2016 at any point of time during his incumbency at the O/o of Special Officer (Revenue) which was established with cogent evidence in the vigilance enquiry. Being the Senior Superintendent of Billing Section of the O/o the Special Officer Revenue, where the demand of major portion of revenue of KSEB Ltd is prepared and monitored he miserably failed to discharge his duties which can't be pardoned and apologized to any extend. Even though the consumer had remitted the amount in interest free installment, he cannot evade from the lapses and negligence occurred on his part while discharging his duties since the same is established with cogent evidence during vigilance enquiry.

It is further observed that the argument made by the delinquent officer by citing Article 303A of KFC volume 1 is not at all applicable in the subject case for the reasons that if M/s King Fisheries was billed with actual multiplication factor '5' from 08/2012, onwards actual revenue legally due to the Board could have been collected from the consumer. But due to the lapses of Sri.Sreekumar.C and others involved in the case the demand was not raised with actual consumption from 09/2012 to 08/2016 and the Board had sustained a loss by way of under billing due to the above lapses. Since the Board have faced huge financial constraints and day to day function are carried out by loans with huge

interest and overdraft, the under billing amount would have alleviated financial crisis faced by the Board, if the same was raised in time. In Article 303 A it is clearly stipulates that " interest at 5.5 percent or such rate as fixed by the Government in time to time should be charged after the liabilities are determined and from the time a written demand is made, on the amount of liability fixed against the delinquent officers involved". On close reading of the above provision, it is observed that the provision is narrated about the fixing of liability to Government servant which is due to his lapses and negligence. But in the instant case Rs.5, 80,977/- (Rupees Five lakh Eighty thousand Nine hundred and seventy seven only) being the interest of under billing amount raised by the Board is the interest paid by the Board to the financial institution owing to the shortage of revenue which was blocked due to the negligence and lapses of the officers and staff involved in the case. Therefore Article 303 A of KFC VOL 1 is not at all applicable in the instant case as averred by Sri.Sreekumar.C. Since the Vigilance Enquiry report and factual position of the case are focused towards the involvement of Sri.Sreekumar.C with cogent evidence the Chairman & Managing Director decided to go ahead with recovery proceedings within the purview of law and rules and regulations in force.

Based on the above views and observations, the Chairman & Managing Director disposed the recovery proceeding vide order read as 5th above with a direction to recover an amount of Rs.1,73,357/- (Rupees One lakh Seventy three thousand three hundred and fifty seven only) being the proportionate loss sustained to the Board from Sri.Sreekumar.C, the then Senior Superintendent, Office of the Special Officer Revenue by invoking the provisions contained in Note 3 Rule 3 Part III KSR and entrusted the Chief Engineer (HRM) to take necessary steps to recover the aforesaid amount from him.

Against the above orders of the Chairman and Managing Director, Sri.Sreekumar.C submitted an appeal petition read as 6th above before the Board of Directors by requesting to take a lenient view of the case and grant him a reduced rate of interest, as in the case of One Time Settlement to the consumers i.e., 6% to 8%. The Chairman & Managing Director while examining the arguments made by Sri.Sreekumar.C

along with connected file and documents observed that the O.T.S scheme is adopted by the Board as per the direction of the Government in order to settle very long pending arrears for the defaulted cases with a view to reduce the financial constrain faced by the Board. In the subject case the amount was charged on the above officer on account of his lapses and negligence occurred on the duties entrusted with him. Another arguments made by him is the same version of the arguments raised by him in the reply of the notice and averments put forth by him during the time of personal hearing.

However the Chairman & Managing Director after meticulously examining the entire history of the case along with the arguments raised by Sri.Sreekumar.C in the appeal petition in detail, ordered to place the matter before the Board of Directors by highlighting all the aspects of the case for taking a decision in this regard. Accordingly, the matter was placed before the Director Board meeting as per a detailed note read as 7th above.

Having examined the matter in detail , the Board of Directors in its 59th meeting held on 21.06.2021 considering that the appeal petition submitted by Sri.Sreekumar C, Senior Superintendent (Rtd), O/o the Special Officer(Revenue) is devoid of merits, **resolved not to review the order dated 13.10.2020 of the Chairman & Managing Director to recover Rs.1,73,357 /- (Rupees One lakh Seventy three thousand three hundred and fifty seven only) being the proportionate loss sustained to KSEBL from Sri.Sreekumar.C, formerly Senior Superintendent Office of the Special Officer (Revenue).**

Orders are issued accordingly.

By Order of the Director Board,
Sd/-
COMPANY SECRETARY (I/C)

To

Sri.Sreekumar.C (Senior Superintendent Rtd)
Swara,Sreechakra , Madavila line,
Sreekariyam,
Thiruvananthapuram,

Copy to:

1. The Chief Engineer (HRM), K.S.E.B Ltd., TVM.
2. The Deputy Chief Engineer Electrical Circle Kollam
3. The Executive Engineer Electrical Division Karunagappally
4. TA to the Chairman & Managing Director, K.S.E.B Ltd., TVM.
5. TA to the Director (D, IT&HRM), KSEBL.
6. TA to the Director (Plg & Safety), KSEBL.
7. TA to the Director (Trans & SO), KSEBL.
8. TA to the Director (Generation- Civil), KSEB Ltd.
9. TA to the Director (Generation- Ele. & SCM), KSEBL.
10. P A to the Director (Finance), KSEBL.
11. The Accounts Officer, Pension Sanction, KSEBL.
12. The Accounts Officer, Pension Authorisation, KSEBL.
- ✓ 13. Company Secretary
14. Senior CA to Secretary (Administration).
15. File/Stock File.

Forwarded/by Order

Jolly Mathew
 Senior Superintendent