



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg. Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004, Kerala
CIN :U40100KL2011SGC027424

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Office of the Special Officer(Revenue)

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Abstract

Revision of the interest for belated payment of short assessment bill due to change in multiplication factor- M/s HIC-ABF Special Foods Pvt. Ltd. (LCN 6/4244) -Sanctioned- Orders issued.

CORPORATE OFFICE (SPECIAL OFFICER (REVENUE))

B.O.(FTD) No. 431/2021 (SOR/HTB 6/4244/Interest Revision/ 2021-22)

Dated, Thiruvananthapuram, 10/06/2021.

- Read:-(1). CIA Audit Query No. CIA/ACC/SOR AUDIT/2019-20/157 dated 06/01/2020
(2). Short Assessment Demand Notice No. SOR/HTB 6/4244/2020 dated 15/01/2020 issued to the consumer
(3). Note submitted to the Chairman & Managing Director, KSEBL dated 22/05/2021
(4). Installment schedule No. INS/28/2020-6/4244 dated 22/05/2020
(5). Copy of the monthly bill in which belated payment interest charged
(6). Arrear Notice dated 17/11/2020 served due to the non-payment of belated payment interest
(7). Letter No. SOR/HTB/6/4244/2020-21 dated 18/01/2021 of the Special Officer (Revenue) to the consumer regarding waiver of belated payment interest
(8). Consumer Requests
(a). No. HICABF/1181/19-20 dated 08/02/2020 to grant 50 instalments
(b). No. HICABF/1309/19-20 dated 18/03/2020 to grant installments without imposing any interest or penalties
(c). No. HICABF/152/20-21 dated 27/06/2020 to waive off the interest of ₹.2,17,287/- highlighted in the installment schedule.
(d). No. HICABF/466/20-21 dated 24/11/2020 to withdraw the belated payment interest of ₹. 2,60,369/- claimed
(e). No. HICABF/633/20-21 dated 29/01/2021 to withdraw the belated payment interest and to settle the issue.
(9). Note No. KSEBL/TRAC/G/EoDB/2020-21/52 dated 23/04/2021 of Deputy Chief Engineer(Commercial&Planning) with full powers of Chief Engineer submitted to the Director(Finance)
(10). Note No. SOR/HTB 6/4244/2021-22 dated 27/04/2021 submitted to the Director (Finance).
(11). Note No. SOR/HTB 6/4244/2021-22 dated 31/05/2021 of the Special Officer(Revenue) submitted to the Full Time Directors (Agenda 87/5/21).

ORDER

M/s HIC-ABF Special Food Pvt. Ltd. bearing LCN 6/4244 is an HT consumer having Contract Demand 1000 kVA under Electrical Section, Aroor and Electrical Circle, Alappuzha.

As per the report of the CIA/SOR Audit dated 06.01.2020, the electricity bills of the consumer M/s HIC-ABF Special Food Pvt. Ltd. (LCN 6/4244) of the period from 09/2018 to 12/2019 were revised due to the omission of multiplication factor enhancement from 8 to 12 and a short assessment bill of ₹ 1,05,18,517/- was issued as per Reg. 134(1) of the Kerala Electricity Supply Code 2014 with 30 days due date. On receiving the demand notice, the consumer had replied as read 8(a) above that they were not in a position to raise such a huge amount within thirty days and requested to grant a minimum of 50 monthly installments to pay the aforesaid amount. On 18/03/2020, they have submitted a request through the Hon'ble Chairman and Managing Director, read 8(b) above, stating that the general recession in the country and the present covid 19 issues have strongly affected their company, since they are the sea food manufacturing industry in Kerala and their major buyers are multinational corporations. They have requested to consider the above grounds and issue the maximum installments without any interest or penalties for making the payment of the short assessed bill.

Due to the Covid-19 induced lock down, there happened a common delay of two months for processing their request.

On 22/05/2020, the consumer has been granted installment facility read as 4th above of 12 months having due dates from 09/06/2020 to 10/05/2021, with interest at bank rate (6.5% per annum) as on the date of remittance of the amount of installment, permissible as per Sub Regulation (4) of the Regulation 152 of the Kerala Electricity Supply Code 2014. But the consumer has opposed to accept any payment as interest and penalties and decided to settle the entire amount in one lump sum without using the installment facility, even though the industry faced severe problems related to Covid 19 pandemic situation. Accordingly, the remittance of ₹ 1,05,18,517/- was done on 02/07/2020 vide DD No. 087138 dated 23.06.2020 of Federal Bank drawn in favour of the SOR, KSEBL. The consumer has not remitted the short assessment bill for ₹ 1,05,18,517/- within due date, ie, on or before 16/02/2020 due to various reasons and remittance made on 02/07/2020.

The interest of ₹ 2,60,369/- for belated payment of the short assessment bill was charged in the monthly bill demand of August 2020 dated 11/08/2020. Due to the non-payment of this amount, an arrear notice was issued to the consumer as per section 56(c) of the Electricity Act 2003 with clause 138 & 139 of the Kerala Electricity Supply Code 2014. As per letter read 8th (d) above, the company have taken the position that they do not have to remit the interest of ₹ 2,60,369/-, and requested for the complete waiver of the same. In reply to their request, the consumer was informed that the bank rate charged for belated payment interest is as per Sub Regulation (4) of the Regulation 152 of Kerala Electricity Supply Code 2014. Its amendment, which came into force from 19/06/2020, is not applicable as per rules.

Now, again, the consumer has requested to withdraw the belated payment interest of ₹ 2,60,369/- quoting the notification of the Electricity Regulatory Commission No. 609/D(T)/2018/KSERC dated 22/01/2020 Sl. No. 2:- Amendment of the Code point

no. xvi. which is came into force from 19/06/2020, the date of publication of the same in the Official Gazette.

In this context, the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer has recommended as per note read as 9th above to consider the request of the consumer to exempt the interest amount from 23/03/2020 (date of commencement of nationwide lockdown) to the date of remittance and to charge the interest at bank rate for the defaulted amount from the due date till 22/03/2020, considering that the demand was due to the anomaly attributable to Licensee and the consumer had remitted a huge amount in lump sum within a period of six months without availing the benefit of installment facility in hard times and modality of reliefs granted to Industrial consumers.

The matter was taken up with the Director (Finance) as per note read as 10th, wherein it was directed to place the matter before the Full Time Directors. Accordingly, the matter was placed before the Full Time Directors as per note read as 11th above. Having examined the matter in detail, the Full Time Directors in the meeting held on 31/05/2021 resolved to accord sanction to exempt the interest amount from 23/03/2020 (date of commencement of nationwide lockdown) to the date of remittance and to charge the interest at bank rate for the defaulted amount from the due date till 22/03/2020, as per the remarks offered by the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer.

Orders are issued accordingly.

By Order of the Full Time Directors,

**LEKHA. G,
COMPANY SECRETARY (IN-CHARGE)**

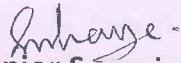
To,

**M/s HIC-ABF SPECIAL FOOD Pvt. Ltd.,
IDA AROOR,
PROJECT COLONY ROAD,
ALAPPUZHA – 688 534**

Copy to:-

1. The TA to Chairman & Managing Director/ Director (Distn., IT&HRM)/ Director (Trans. System Operation & REES)/ Director (Generation, Civil)/ Director (Planning & Safety)/ Director (Generation (Electrical) & SCM).
2. The PA to Director (Finance)/ Senior CA to Secretary (Administration).
3. The Company Secretary-in charge.
4. The Special Officer (Revenue).
5. Library/Stock file.

Forwarded / By Order


Senior Superintendent