



## KERALA STATE ELECTRICITY BOARD LTD

(Incorporated under the Companies Act, 1956)

CIN U40100KL2011SGC027424

Regd. Office: Vidyuthi Bhavanam, Pattom,

Thiruvananthapuram, Kerala – 695004.

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### ABSTRACT

Fixing the rate of interest in the personal liability fixed against erred Employees/officers -orders issued.

### CORPORATE OFFICE (VIGILANCE WING)

**BO (DB) No: 31/2020 (VIG/B2/5045/2019) / 120** Thiruvananthapuram, Dated: 16.01.2021

Read:

1. Note No: VIG/B2/5045/2019 dated 22.12.2020 of the Chairman & Managing Director, KSEBL.
2. Proceedings of the 56<sup>th</sup> meeting of Board of Directors held on 01.01.2021 vide Agenda Item No.31-12/2020

### ORDER

KSEBL has been levying surcharge/interest towards the consumers who have failed to remit regular bills / short assessment bills/penal bills issued to them before due date @ 12% per annum based on the actual number of days of delay from the due date up to a period of 30 days and thereafter @ 18% per annum for the entire period of default from the due date as per Schedule of KSEB Supply Code 2014.

KSEBL is following the above criteria and interest rate pertains to the recovery of pecuniary loss sustained to the institution from the employees/officers on account of their lapses and negligence, lacuna and dereliction of duty as the part of departmental disciplinary action and in the light of the observation made by the Court of Law and different Fora by

invoking the provisions contained in KSEB CCA Regulation /Kerala Financial Code as in the case of live employees /officers and Rule 3 Note 3 Part III KSR in the case of retired employees and also from various defaulters (contractors, suppliers service providing, cable TV Operators)

Now a days in such cases, many of the aggrieved employees /officers have filed representations / mercy petitions before the Chairman & Managing Director with a request to reduce the existing interest rate in the line of One Time Settlement Scheme accorded by the KSEBL the defaulted consumers so as to enforce them to remit long pending arrears.

The Chairman & Managing Director while meticulously examining such representations / mercy petitions in detail observed that whether there is any legal mandate to levy high interest rate in such cases. If there is no such legal mandate to levy the same interest rate applicable to defaulted consumers from the aggrieved employees/officers & other defaulter it is not fair to continue the above practice/ procedure which shall aggravate financial burden in a large scale to the affected employees/officers. Hence it is high time to take a policy decision by the KSEBL to review the existing interest rate of personal liability fixed against the employees/ officers of KSEBL on account of lapses and negligence, lacuna and dereliction of duty occurred on their part in discharging their duties so as to alleviate their financial burden in future.

Based on the above observation the Chairman & Managing Director have ordered to place the matter before the Director Board of KSEBL to take policy decision. Accordingly matter was placed before the Board of Directors of KSEBL as per note read as 1<sup>st</sup> above.

Having examined the matter in detail the Board of Directors in its 56<sup>th</sup> meeting held on 01.01.2021 vide Agenda.31-12/2020 resolved to levy simple interest rate @12% per annum for recovery of all dues, other than the

current charge receivable, unless there is a separate rate as per the agreement executed with party at default.

Further resolved that new rate @12% shall be applicable in all cases pending settlement and closed case would never be re-opened under any circumstances.

Orders are issued accordingly.

By Order of the Director Board,

Sd/-

LEKHA.G

COMPANY SECRETARY (I/C)

To

All Chief Engineers/All Deputy Chief Engineers /All Executive Engineers

Copy to:

1. TA to the Chairman & Managing Director, KSEBL.
2. TA to the Director (D, IT&HRM), KSEBL.
3. TA to the Director (Plg & Safety), KSEBL.
4. TA to the Director (Trans & SO), KSEBL.
5. TA to the Director (Generation- Civil), KSEBL Ltd.
6. TA to the Director (Generation- Ele. & SCM), KSEBL.
7. TA to the Director (Finance), KSEBL.
8. Sr.CA to the Secretary (Administration), KSEBL.
9. The Financial Advisor/Chief Internal Auditor/  
Legal Advisor & Disciplinary Enquiry Officer.
10. The Chief Public Relations Officer.
11. The Fair Copy Superintendent/Record Section/Library/Stock File.

Forwarded /By Order,

*Tolley Mathias*  
Senior Superintendent

8/16/1