

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

PRESENT : Shri. C.Abdulla, Member
Shri.M.P.Aiyappan, Member

May 24, 2010

In the matter of
arrear of electricity charges from various consumers

Petition No OP 8/2008 dated	Advocate Sebastian Kurian Vs Kerala State Electricity Board	Petitioner Respondent
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ORDER

Background

Advocate Sebastian Kurien, Puthiyaparambil, Kalathipady.PO, Kottayam has filed a representation alleging that huge arrears of electricity charges are due from various consumers of Kerala including Government Departments, Public Sector Undertakings, Local Bodies, Establishments under Co-operative Sector etc. Since the petition involves public interest, Commission admitted the petition waving the petition fee. Notice was issued to the Kerala State Electricity Board for filing statement before the Commission. KSEB has filed statement showing arrears and also explained the steps they have taken to collect the arrears.

Hearing

Public hearing was conducted in the matter by the Commission on 05.05.2009. KSEB in their statement explained the various steps taken by them to collect the arrears from Government Departments, Public Sector Undertakings etc. The Board has taken some promotional measures such as one time settlement, installment facility, conduct of Adalaths etc. It has also been informed that Government have constituted a Cabinet Subcommittee to settle the Electricity Charges of Government Departments. In the Public Hearing conducted on 05.05.2009, representatives of some organizations and members of the public and also the petitioner attended.

Analysis by the Commission

It is true that huge amount is in arrears towards electricity charges from various consumers. The arrears are mainly from Government Departments, Public Sector Undertakings, Local Bodies, Central Government Departments, Central Public Sector Undertakings and Private Sector. KSEB has informed that they are taking steps for the collection of arrears to current charges. Government have even constituted a

Subcommittee to settle the dues from Government Departments. But in view of social reasons, Board is not in a position to disconnect the supply of vital services like Government Departments, Hospital, Kerala Water Authority etc. Commission still feels that the steps taken by the KSEB for collecting arrears are inadequate in view of the fact that the total arrears of Rs.1842.78Crores due as on 30.06.2007 has been increased to Rs.1722.09 as on 30.06.2009.

Order

KSEB shall take effective steps to reduce the accumulation of arrears from consumers including Government Departments. The powers of the KSEB as a licensee shall be invoked for the purpose. KSEB shall revive functioning of Taskforce immediately and entrust the following.

1. ABC analysis and Age wise analysis of receivables by suitably segregating them into Pvt/Govt sector, litigation/RR cases etc.,
2. Cases held up in litigation to be analysed based on the probability of collection/settlement through negotiation/out of court settlement.
3. Separation of receivables which are completely bad & steps to be taken to write off
4. Receivables from the Govt dept./PSUs may be realised by taking up with the Govt. for additional budgetary allocation of funds.
5. Devise schemes for collection by giving incentives such as write off of excess surcharge etc.,

Action taken should be reported on a quarterly basis to the Commission.

Board shall closely monitor the progress of collection of arrears and submit a quarterly statement showing the details of arrears pending and its collection. The first such report shall be filed by 20.07.2010. Further quarterly report shall be filed by 20th of the succeeding month.

The petition is disposed of accordingly.

Sd/-
Member (Finance)

Sd/-
Member (Engg)

Approved for issue

(K.S. Premachandra Kurup)
Secretary