

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**THIRUVANANTHAPURAM**

**Present: Sri T.K Jose, Chairman**  
**Sri B Pradeep, Member**

**OP No 47/2023**

In the matter of : Petition to set aside the proceedings and final invoice DB/ESD-KLSY/KSLY/HT Cons. No (CIPET, LCN- 24/9189)/236A dated 04.03.2023

Petitioner : Central Institute of Petrochemicals Engineering & Technology, Kochi

Petitioner represented by : Sri Rajesh K.A, Joint Director & Head

Respondents : 1) Kerala State Electricity Board Limited,  
Vydyuthi Bhavanam,  
Pattom Palace P.O.,  
Thiruvananthapuram: 695004

2) Executive Engineer  
Electrical Division  
Power House Junction  
Aluva, Ernakulam  
683101

3) Assistant Executive Engineer  
Electrical Sub Division  
HMT Colony P.O  
Kalamassery,  
Ernakulam:683104

Respondents represented by : Sri Edward P Bonafice, AEE, TRAC  
Sri Rajesh R, AEE, TRAC  
Sri Linson Johnson, AEE, ESD, Kalamassery

Date of hearing : 20.07.2023, 10.30 AM

Venue : E-hearing through video conferencing

**Order dated 14.11.2023**

1. The petitioner, Central Institute of Petrochemicals Engineering & Technology (CIPET), an education institution under the Department of Petrochemicals, Ministry of Chemicals & Fertilizers, Government of India (hereinafter referred as petitioner) filed a petition dated 18.05.2023 before the Commission with the following prayers;

*“(a) Set aside the proceedings and final invoice DB/ESD/KLSY/HT/Cons no (CIPET, LCN-24/9189)236A dated 04.03.2023 issued by the 3<sup>rd</sup> respondent*

*(b) To call for the entire records regarding the Annexure A1 bill and direct the 2<sup>nd</sup> and 3<sup>rd</sup> respondent to conduct detailed enquiry.”*

2. The Commission admitted the petition as OP 47/2023. Hearing on the petition was held on 20.07.2023 at the Court Hall of the Commission. Sri K.A Rajesh, Joint Director & Head, CIPET appeared on behalf of the petitioner. Sri Edward P Boniface, Assistant Executive Engineer represented the 1<sup>st</sup> respondent and Sri Linson Johnson, Assistant Executive Engineer represented the 3<sup>rd</sup> respondent. The deliberations during the hearing are summarized below.

(1) The petitioner submitted the following during the hearing

- (i) The petitioner is the Joint Director & Head, Central Institute of Petrochemicals, an educational institution under Government of India operating from own campus at Kochi since 2019. The petitioner has received a penal bill amounting to Rs 61,83,802/- from KSEB Ltd on 04.03.2023 for unauthorized usage of electricity. CIPET had initially applied for a Contract Demand of 250 KVA but only 150 KVA of power had been allotted to them in the first phase.
- (ii) The Government of Kerala had given sanction for vertical expansion of the building and the building construction is under progress from the year 2020 through CPWD. They have been using the electricity connection given to them within the allotted limits of 150 KVA of Contract Demand and 102.3 KW of connected load. The bills received from KSEB Ltd shows that they have not even exceeded 80 KVA of Maximum Demand from the date of connection. As far as clause 17 of agreement of supply of energy is concerned, the petitioner has never exceeded the sanctioned Contract Demand of 150 KVA and there is no unauthorised usage of electricity
- (iii) Machinery received as part of fund support from Government of India require stable power supply. The internal electrification works are in progress which is expected to be completed by 15<sup>th</sup> of August 2023. They have installed a 500 KVA transformer and the additional loads will be regularized once the electrification works are completed.

During inspection by KSEB officials, the construction works were going on. On a query from the Commission regarding connecting up of additional load to the supply system as alleged by KSEB Ltd, the petitioner informed that they have not connected the machinery to the supply system other than for checking the working of the equipment's before releasing payments to the suppliers

- (iv) The petitioner has objection regarding the penal bill received to CIPET. The petitioner humbly requested the Commission to set aside the penal bill

3. During the hearing the Respondent KSEB Ltd submitted the following

- (i) The petition is filed against the provisions of Electricity Act 2003. Section 127 of Electricity Act, clearly states that if any person is aggrieved by the final order made under 126, may within thirty days of the said order, prefer an appeal in such form, verified in such manner and be accompanied by such fee as may be specified by the State Commission, to an Appellate Authority as may be prescribed
- (ii) The petitioner has approached the Appellate Authority on 5<sup>th</sup> April 2023 against the final assessment made under Section 126 of the Act. But the Appellate Authority has rejected the appeal on 11<sup>th</sup> April 2023 citing mainly the following defects a) The petitioner has not remitted the fee prescribed in Section 127(1) of the Act b) The petitioner has not deposited an amount equal to half of the assessed amount with the licensee as envisaged in Section 127(2) of the Act. The Appellate Authority has informed the petitioner to file a fresh appeal after rectifying the defects. But the petitioner has not filed the appeal yet.
- (iii) The respondent requested the Commission to direct the petitioner to approach the Appellate Authority to redress the grievances.

During the hearing, *the Commission observed that there appears to be a need for KSEB Ltd to sensitise the inspecting officers and Assessing Officers against indiscriminate use of legal provisions, often without a proper appreciation of the purpose of law and facts of the case. Further, prima facie, it appears that the assessing officer is carried away by the site mahazar and is not applying his independent mind as expected while discharging quasi-judicial responsibilities. The key attributes of neutrality, objectivity, fairness, evidence-based assessment etc are not visible.* During the hearing, officials of KSEB Ltd opined that if appropriate directions are issued by the Commission, KSEB Ltd shall be ready to put in place mechanisms to do away with arbitrary and indiscriminate use of penal

provisions in the law and to ensure a just and fair discharge of quasi-judicial responsibilities by their officers.

4. Based on the deliberations during the hearing, the Commission, vide Daily Order dated 27.07.2023, issued the following directions to the petitioner and the respondent for compliance.

- (i) The petitioner shall submit the provisions in law that provides a jurisdictional authority to the KSERC to entertain the petition and intervene in the matter
- (ii) The respondent shall submit the number of similar disputed cases where penal bills were issued consequent to APTS inspections, with date of inspection, details of consumers, nature of abnormality detected, amount involved in each case, the authority before the disputes are pending and present stage of the cases
- (iii) The details shall be furnished within a period of two weeks.

5. (i) The respondent vide additional submission dated 8.8.2023 has furnished the details of assessment for unauthorised usage of electricity for the period from 01.04.2022 to 19.05.2023; which is summarized and tabulated below

<b>Sl No</b>	<b>Category of Consumer</b>	<b>No of bills pending</b>	<b>Amount in Crores</b>
1	High Tension	39	15.21
2	Low Tension	63	3.35

KSEB Ltd also informed that no Central / State Government institutions other than M/s CIPET had found a place in the list. Kasargod Co-operative Bank is the only one consumer in the list from Co-operative sector and they had filed a petition before the Appellate Authority against the assessment for unauthorised additional load detected in the premise and the same is under consideration of the Hon'ble Authority.

(ii) The Respondent, KSEB Ltd. also submitted the following on the observation of the Hon'ble Commission during the hearing process.

a. Consumption details:

Connection to the petitioner's premises had been effected on 10.02.2020 with a contract demand of 150 kVA. Authorised connected load is 102.3 kW. The highest Recorded Maximum Demand for the first 5 months was 26kVA (Average -17.97kVA) and that too occurred in the first month itself.

Thereafter, the average recorded maximum demand was 71.5 kVA and the maximum demand was occurred in the month of July 2022. The maximum demand was 84.3 kVA. The reading pattern revealed that there was abrupt change in RMD of the consumer after June-2020.

The average consumption for the first five months was 3966 units and thereafter the average consumption increased to 16516.94 units. The maximum consumption of 22580 units was recorded during March 2022. There is a difference of 53 KVA between average RMD of the first five months from the date of connection and remaining months upto June 2023 and regarding consumption there is a difference of 12550 units. The figures indicate that there was unauthorised additional load from July 2020 onwards i.e. for the last 37 months. Hon'ble Commission may please note that, the assessment was made only for 12 months.

b. Unauthorised connected load:

The petitioner consumer had applied for service connection on 26.10.2018 for 250 kVA of contract demand. The connected load as per the application was 333.7kW. During the first inspection in the premises, the Assistant Engineer, realised that the consumer had connected only 103.48 kW of load and the matter was communicated to M/s. CIPET. M/s. CIPET in their reply had intimated the following:

1. *According to demand & as per CT available, the contract demand is revised as 150 kVA instead of 250 kVA.*
2. *At present the connected load is 102.3 kW.*
3. *The equipment having the balance load ie. 231.4 kW is currently working in their old campus. The workshop shed is under construction. They will be shifting workshop practical equipment **within three months** for functioning of institute in full-fledged manner. Hence the total load will be 337 kW*

The petitioner had further requested for HT service connection for revised contract demand of 150 kVA. From the above, it is evident that the contract demand had been fixed in accordance with the written request of the petitioner, though their actual requirement was well below the registered contract demand of 150 kVA. It is also evident from the consumption details that the consumer had definitely installed the balance load of 231.4 KW (as informed by the consumer mentioned in 3 above under the heading *Unauthorised connected load*) at the newly constructed work shop shed which had a bearing on the consumption from July 2020 onwards. Later, prior to the inspection (may be after June 2020) the balance additional load to the tune of 498.67 kW have been

connected unauthorisedly (as narrated in detail in site Mahazar) to the system.

c. Legal Provisions:

As per Kerala Electricity Supply Code 2014 (Regulation 2 (24)) *“connected load” expressed in kW or kVA means aggregate of the rated capacities of all energy consuming devices or apparatus which can be simultaneously used, excluding stand-by load if any, in the premises of the consumer, which are connected to the service line of the distribution licensee.*

Also, as per regulation 2(27) *“contracted connected load” means the connected load installed by the consumer at the time of executing the service connection agreement and recorded in kW / kVA in the schedule to the said agreement or the connected load duly revised thereafter; Further “unauthorised connected load” means the connected load in excess of the contracted connected load.*

Thus, as per Kerala Electricity Supply Code, unauthorised additional load in a premise is the aggregate of the rated capacities of devices which are unauthorisedly connected to the system. Further, apparatus that can be simultaneously used is to be considered for estimating the unauthorised connected load. Thus, estimation of unauthorised usage of electricity is in accordance with the law.

Also, explanation (b) (ii) and b(v) of Section 126 of the Electricity Act, 2003 hold good for the petitioner’s premise. Thus, the respondent humbly submits that estimation of unauthorised additional load of electricity is in accordance with the law.

(i) Civil Appeal No. 8859 of 2011:

In Civil Appeal No 8859 of 2011 (Executive Engineer & Another Vs M/s Sri Seetharam Mill), the Honourable Apex Court in its judgement dated 20<sup>th</sup> October 2011 ordered that the Hon’ble High Court of Orissa should have directed the petitioner to approach the assessing officer to file the objections regarding the assessment under Section 126 of Electricity Act 2003.

The 2nd para (59) of the judgment of the Hon’ble Supreme Court of India is extracted below:

*“For the reasons afore-recorded, the judgment of the High Court is set aside and the matter is remanded to the Assessing Officer to pass a final order of assessment expeditiously, after providing*

*opportunity to the respondent herein to file objections, if any, to the provisional assessment order, as contemplated under Section 126(3) of the 2003 Act”*

(ii) Order dated 24.11.2016 of Hon’ble Commission in C.P. No.07/2016

In C.P No. 07/2016, a case filed for punitive action under section 142 of the Act against KSEBL officials, Hon’ble Commission vide its order dated 24.11.2016 has held as follows

*“It is true that the Commission has no jurisdiction to interfere in the proceedings of the Assessing Officer under Section 126 of the Act. The Hon’ble Supreme Court has made it clear that Sections 126 and 127 of the Act are Codes in themselves and no external authority shall interfere in the proceedings of the Assessing Officer under Section 126 of the Act and of the Appellate Authority under Section 127 of the Act”*

- d. Considering the judgment of the Hon’ble Supreme Court and the order of the Hon’ble Commission and the clarifications submitted as above, the respondent prayed to direct the petitioner to approach the Hon’ble Appellate Authority to file objections on assessment, in accordance with the law in force.

6. M/s CIPET has submitted the following details on 16/08/2023 which is summarized as below

- a. The petitioner has already brought to the notice of the Hon Commission that even though the petitioner had applied for 250 KVA of Contract Demand, as at that point of time sanction was given for 150 KVA only on understanding that when additional connected load is required, the same can be increased and sanction will be given. As per Section 2(1) of KSEB Electricity Supply Code 2005, in case of HT and EHT connection the Contract Demand shall be treated as connected load. As per assessment conducted on 29.10.2022 and further bills issued by KSEB, the connected load is unchanged at 102.48 KW and Contract Demand at 150 KVA. CIPET has not used electricity in excess of agreed Contract Demand. If CIPET has connected 500 KW unauthorized load as alleged, the same should reflect in the bills generated. The bills generated for last few years show that the consumption is steady and there was not excess consumption as alleged. The building itself was not completed at the time of inspection conducted by KSEB. Even though the upgraded machinery funded by Govt. of India was brought to the Institute, the same was not installed due to non-completion of the internal electric work. The entire action initiated against the petitioner was merely on assumptions.

- b. APTS inspection team did not have independent witness and assessment was irrational. The decision taken by Assessing Officer at KSEB Kalamassery was one sided and the bill was issued without any corroborative evidence. During the hearing on 20.07.2023 at KSERC, he also agreed that there is no revenue loss or power loss, no failure occurred on distribution or power grid and no increase in consumption by CIPET even 8 months after inspection.
- c. In response to the direction of the Commission to the petitioner to submit the provisions in law that provides a jurisdictional authority to the Commission to entertain the petition and intervene in the matter, M/s CIPET submitted that being a statutory body, the Electricity Regulatory Commission has inherent powers to intervene in such matters, if is satisfied that an illegality had been committed by KSEB Limited. M/s CIPET prayed that Honorable Commission may entertain the petition under Section 57 and Section 108 of Electricity Act that the Commission may consult with the licensees and persons affected and intervene in the matter since CIPET Kochi is a Govt. of India organization providing service to public in the state of Kerala, so it is a matter of public interest the relief may be provided by setting aside the final assessment issued by KSEB Limited

## **7. Analysis & Decision of the Commission**

- (1) Central Institute of Petrochemicals Engineering & Technology (CIPET) is a High-Tension Consumer under Electrical Section Eloor under Electrical Division, Aluva. The consumer has executed an agreement with Deputy Chief Engineer, Electrical Circle, Perumbavoor on 31.01.2020 for supply of power under High Tension Category with a Contract Demand (CD) of 150 KVA. The tariff assigned to the consumer is HT IIA General for educational institution.
- (2) On 29.10.2022, Anti Power Theft Squad (APTS) unit of Ernakulam along with Section Squad conducted a surprise inspection in the premises of the consumer and found unauthorized additional load of 498.67KW. As per provisions of Section 126 of Electricity Act 2003, a provisional assessment bill for Rs 61,83,802/- was issued to the consumer on 23.01.2023.
- (3) The consumer filed objection against the bill as per provisions of Electricity Act before the assessing officer; Assistant Executive Engineer, Kalamassery on 30.01.2023. After conducting hearing on 08.02.2023, the assessing officer upheld the assessment and issued the final bill for Rs 61,83,802/- vide proceedings No. DB/ESD KSLY/KLSY/HT Cons. No. (CIPET, LCN-24/9189)/236 A dated 04/03/2023.



- (4) The petitioner is requesting for setting aside the above proceedings and final bill on the ground that the petitioner is a demand-based consumer and the recorded maximum demand has not exceeded the contract demand during any period of time.
- (5) Before detailed analysis of the case, it is apropos to understand the difference between consumers billed on the basis of connected load as well as those billed on the basis of contract demand. Certain consumers are billed based on total connected load in their electrical installation and some others based on the Contract Demand (CD) declared by them at the time of availing the connection and or duly revised thereafter. Connected load is the summation of all loads which are connected to the system. All these loads receive power supply from the power system of the Licensee. *Connected load based billed consumers are billed based on the total connected load declared by them at the time of availing electric connections or revised thereafter and that load is the maximum load that is agreed to be supplied by the consumer and entered into the agreement between the licensee and the consumer for supply of power.* However, for demand based billed consumers, all these loads might not be requiring power supply together. For example, the lighting loads might be switched off during day time, some factory loads might be switched off during night time, some motors might be switched on intermittently etc. Thus, the total loads which are on at a time, are less than the total connected load of the system. The maximum demand of the system is the summation of the maximum load which can be receiving power simultaneously in an electrical system. Demand based consumers are billed based on the Contract Demand in KVA declared by them at the time of availing connection or revised thereafter and entered into agreement with the Licensee or based on the Recorded Maximum Demand in the energy meter and not based on their total connected load. The Contract Demand for these types of consumers is decided by the consumer based on their requirement.
- (6) If consumers billed based on connected load connects up unauthorised additional load without the knowledge of the licensee, that may lead to under billing and revenue loss to the licensee. This additional load may be detrimental to the electrical networks also since it affects the stability of the power system. For consumers billed on the basis of Contract Demand, the billing is done based on actual measured Recorded Maximum Demand/ based on Contract Demand as per agreement conditions. There is no relevance to total loads connected to their supply system or total connected load as far as the billing is concerned. Such consumers may cause detriment to the power system of the licensee only if they exceed the Contract Demand as agreed as per agreement conditions. This means ***that if a demand-based consumer connects up additional connected load without any increase in Contract Demand, there would not be any revenue loss to the licensee and as long as the recorded maximum***

***demand does not exceed the Contract demand that would not cause any detriment to the power system of the licensee.***

- (7) The petitioner in the case is a Central Government institution conducting research & development in the niche areas of Polymer Science & Technology and high-quality education & skill development in the field of plastics. M/s CIPET also plays a pivotal role in generating employment opportunities in the state of Kerala especially for unemployed and underemployed youth and promoting entrepreneurs through various skill development training programs.
- (8) The billing documents submitted by the petitioner show that the consumer has never exceeded the Contract Demand of 150 KVA as agreed as per agreement conditions from the date of connection. The Recorded Maximum during the assessment period varies from 24 KVA to 79 KVA which is even less than 60 % of their Contract Demand. As explained in sub para 6 above, in the case of M/s CIPET, **they have neither caused any detriment to the power system as they have not overdrawn electricity from the grid over and above the agreed contracted power nor they have caused any revenue loss to the utility as their bills are based on agreed Contract Demand/Recorded Maximum Demand (recorded in the energy meter of the consumer) and not based on the total load connected to the system.**
- (9) As per Section 126(6) of Electricity Act 2003, the assessment for unauthorised use of electricity shall be made at a rate equal to twice the tariff applicable to relevant category of services. The tariff applicable to M/s CIPET is HT II(A) GENERAL tariff category as per tariff notifications in force. The components of tariff, (ie) both the Demand Charge and Energy Charge are to be based on metered quantities.

HIGH TENSION II GENERAL (A)	
(a) Demand Charges (Rs./KVA of *Billing Demand/Month)	420
(b) Energy Charge (Rs./unit)	5.85

***\*Billing Demand shall be the recorded maximum demand for in the month in KVA or 75% of Contract Demand as per agreement whichever is higher***

- (10) On perusal of the assessment details, it is noted that the Assistant Executive Engineer has adopted the following methodology for assessing the demand-based consumer. First of all, the additional load connected in KW is divided by the power factor of 0.9 for converting the load into KVA and the value is then multiplied with the demand charges as per the tariff order and the value

thus arrived is further multiplied by two for assessing the demand charges. Proportionate consumption is taken for arriving the energy charges. It is pertinent to note that the conversion of KW to KVA by dividing by 0.9 (average power factor) will not give the actual demand as it still represents the connected load only in another unit. It is also to be noted the Power Factor is also a metered value and is a varying quantity based on load conditions. This value of connected load in KVA has no bearing in the process of assessment as well as billing, since power factor is not a fixed quantity and the KVA thus derived assuming a fixed power factor is only an imaginary or fictitious quantity. The demand charges of consumers as per tariff orders are fixed at a much higher rate compared to fixed charges of consumers billed on the basis of connected load, taking into account the fact that the Contract demand is mostly much lower than the Connected load of the Consumers. Since the licensee is assessing demand-based consumers based on the same methodology for connected load based billed consumers, the assessment will be very high resulting in huge assessment bills to demand based consumers. From the details furnished by the licensee, it can be seen that for 39 HT consumers billed based on demand-based tariff, an amount of 15.21 Crores is pending, whereas for 63 LT consumers mostly billed on the basis of connected load, the pending amount is only 3.35 Crores. Consumers can be assessed as per Section 126 of Act, only based on tariff approved by the Commission. In the case of HT consumers, the demand charges are to be based on the actual demand which is a metered quantity and as per the tariff applicable as explained in sub para 9 above. Hence it can be concluded that the assessment can be done only based on real metered quantity of demand, for which tariff is fixed by Kerala State Electricity Regulatory Commission. The assessment based on a value of connected load converted to corresponding unit in KVA arrived at by a calculation based on an assumed Power Factor of 0.9 is illogical since the Act 2003 provides for assessment of electricity charges at applicable tariff for unauthorised usage.

- (11) Applying an order or method of assessment for unauthorised usage specifically intended for connected load based billed consumers to demand based consumers is not fair and sustainable under law. The assessment should be proportional to the Maximum Demand and consumption. Kerala State Electricity Regulatory Commission is of the view that demand-based consumers shall be assessed for unauthorised usage of electricity only if connecting up of additional loads without the permission of licensee and the same results in excess recorded maximum demand over the agreed Contract Demand. Assessment of demand-based billed consumers can be done based on the increase in the RMD before and after connecting up of additional loads. Energy charges can be assessed in proportion to the increase in RMD to the total RMD recorded.

- (12) As the present petition is filed against the proceedings of Assessing Officer under Section 126 of the Electricity Act, the Commission is not inclined to intervene and pass any orders on the petition. However, there is a felt need to evolve a proper and equitable methodology for the assessments under Section 126 of the Act.
- (13) The petitioner and the respondent in this case are two Government Departments, the petitioner an institution under Central Government and the respondent, a State Government Company. Honourable Apex Court in Civil Appeal Nos 8580 of 1994 and 9097 of 1995; case between *Chief Conservator of Forests, Government of Andhra Pradesh and The Collector and others* observed that it was not contemplated by the framers of the Constitution that two departments of a State or the Union of India to fight litigation in a court of law. Indeed, such a course cannot but be detrimental to the public interest as it also entails avoidable wastage of public money and time. The States/Union of Kerala must evolve a mechanism to set at rest all inter-departmental controversies at the level of the Government and such matters should not be carried to a court of law for resolution of the controversy. In the case of disputes between public sector undertakings and Union of India, the Honourable Court in *Oil and Natural Gas Commission vs Collector of Central Excise MANU/SC/1462/1995*, directed the Central Government to set up a Committee consisting of representatives from the Ministry of Industry, the Bureau of Public Enterprises and the Ministry of Law to monitor disputes between the Ministry and Ministry of Government of India, Ministry and public sector undertakings of the Government of India and public sector undertakings in between themselves to ensure that no litigation comes to court or to a Tribunal without the matter having been first examined by the Committee and its clearance for litigation. *The Hon Court also ordered in the above case that there is a felt need of setting up of similar committees by the State Government also to resolve the controversy arising between various departments of the State or the State and any of its undertakings. It would be appropriate for the State Governments to set up a committee consisting of the Chief Secretary of the State, the Secretaries of the concerned departments, the Secretary of Law and where financial commitments are involved, the Secretary of Finance. The decision taken by such a committee shall be binding on all the departments concerned and shall be the stand of the Government.*
- (14) In Writ Appeal No WA No 1912 of 2004 filed by M/s BSNL Ltd with KSEB as respondents against the judgement in WP© 24664/2004, the Hon High

Court of Kerala on 27<sup>th</sup> October 2004 ordered that the dispute between Bharat Sanchar Nigam Limited, an agency of Union of India and Kerala State Electricity Board has to be resolved initially by a committee to be constituted by the Chief Secretary of State. Reference was made to the decisions of the apex court in *Chief Conservator of Forests vs Collector* (2003) while delivering the judgement. The Honourable Court also ordered the Chief Secretary of the State to constitute a committee within a period of two months from the date of receipt of the order. Similar judgements were pronounced by Hon High Court in other cases also. Reference is made to WP© No 25474 of 2013; *Bharath Sanchar Nigam Limited Vs State of Kerala and KSEB*, wherein M/s BSNL has challenged the assessment for unauthorised usage made under Section 126 of Electricity Act 2003 by the respondent KSEB. The Hon High Court in its order dated 30<sup>th</sup> of October 2013 directed the High-Power Committee constituted by the Government on the basis of directions contained in the judgement in WA No 1912/2004 to consider and decide the dispute

- (15) Government of Kerala has constituted the High-Power Committee vide G.O.(Ms) No. 27/96/P&ARD dated 23.08.1996, G.O.(Ms) No.35/10/P&ARD dated 30.09.2010 and reconstituted vide G.O. (MS) No.14/2014/P&ARD dated 13.04.2021. The State Government again reconstituted the Committee vide G.O.(Ms) No.14/2014/P&ARD dated 13.04.2021. In the Government Order, it is stated that *"It has come to the notice of the Government that certain Government Departments/PSUs/Corporations/Boards/Local Self Government Institutions/Autonomous bodies are still approaching various courts, tribunals and other legal forums for resolving disputes spending huge amounts of money as court fees and procedural expenses and thereby wasting time and resources by neglecting the standing orders on dispute redressal. Such practices need to be dispensed with in order to reduce the burden on the Government Exchequer and to avoid delay in administration and project implementation. Hence there is a mechanism for resolution of disputes between and among departments/PSUs/Corporations/Local Self Institutions/Autonomous bodies etc"*.

Guidelines for strengthening the dispute resolution mechanism are also issued in the above Government Order. The guidelines state that the dispute raised by a Government Organization against another shall be referred to the Secretaries of the departments involved in the dispute. The PSUs/Corporations/Local Self Institutions/Autonomous bodies etc shall approach the Secretaries of their Administrative Department concerned. After the Secretaries of the disputing parties arrive at a settlement, a copy of same shall be communicated to each party of the dispute for

implementation. The need for litigation will therefore be avoided. In case the disputes remain unresolved after deliberation by the concerned Government Secretaries, the dispute shall be referred for dispute resolution to the Committee constituted by the Government as above.

- (16) The Commission after examining the entire aspects in detail is of the considered view that it is appropriate to settle the present dispute through the Committee constituted by the Government as per Government order referred to in paragraph 15 above.

**8. Order of the Commission: -**

1. In view of the facts, circumstances, and legal provisions discussed above, the Commission directs the petitioner to approach the Secretary, Department of Power, Government of Kerala for settlement of the dispute as per G.O.(Ms) No.14/2014/P&ARD dated 13.04.2021.

The petitioner shall refer the dispute to the Secretary, Government of Kerala within fifteen days from the date of receipt of this order with a copy to the Licensee. On compliance of this direction by the petitioner, the licensee shall not take any coercive action against the petitioner for realization of the disputed amount without the concurrence of the Government till the dispute is resolved by the Government.

2. The Licensee shall evolve a proper methodology for the guidance of assessing officers for assessment on detection of unauthorized load in the premises of demand based billed consumers within a period of three months in consideration of the observation of the Commission in paragraph 7(5) to 7(12) of the order. The Licensee shall submit a copy of the same before the Commission once it is finalized.

The petition is disposed of as ordered above.

**Sd/-**  
**T.K. Jose**  
Chairman

**Sd/-**  
**B. Pradeep**  
Member

Approved for issue

**Sd/-**  
**C R Satheeshchandran**  
Secretary