

**CONSUMER GRIEVANCE REDRESSAL FORUM
NORTHERN REGION, KOZHIKODE.**

(Formed under section 42(5) of Electricity Act 2003.)
Vydyuthibhavan, Gandhi Road, Kozhikode -673011
Telephone Number -0495 2367820 Email.cgrfkzd@kseb.in

PRESENT

SANDHYA DIVAKAR : CHAIRPERSON
RAJU C.K. : MEMBER (Licensee)
FRANCIS A.C : MEMBER (Law)

OP NO. 67/2025-26

PETITIONER :-

The Indian Institute of Management, Kozhikode,
IIMK Campus – P.O., Kunnamangalam, Kozhikode – 673 570.

RESPONDENTS :-

1. The Deputy Chief Engineer, KSEB Ltd., Electrical Circle, Vydhyuthi Bhavanam, Kozhikode.
2. The Special Officer Revenue, KSEB Ltd., Vydyuthi Bhavanam, Thiruvananthapuram.
3. The Assistant Executive Engineer, Electrical Sub Division, Kunnamangalam, KSEB Ltd, Kozhikode District.
4. The Assistant Engineer, Electrical Section, Kunnamangalam, KSEB Ltd, Kozhikode District.

ORDER

Back Ground of the Complaint:

The Petitioner's Institution, M/s. Indian Institute of Management, Kozhikode, a Central Government Educational Institution had been effected with electricity connection on 08.01.2004 under HT II tariff, bearing consumer No. LCN 09/4009 for its Residential Hill Substation. Subsequent to a site inspection of the Petitioner's premises on June 2024, KSEB reclassified the tariff category to HT V-Domestic from HT IIA. On the basis of the inspection, the Respondent has issued an outstanding bill of Rs. 14,03,563/- on 16/08/2024 to the Petitioner which the Petitioner remitted under protest to avoid disconnection of supply.

The Petitioner request the Hon'ble Forum to get refund of Rs.14,03,563/- remitted under protest, along with interest at the prevailing fixed deposit bank rate, as the retrospective demand is contrary to Regulation 97(4) of the Kerala Electricity Supply Code 2014.

Argument of the Petitioner :

- ❖ The Petitioner's Institution, M/s. Indian Institute of Management, Kozhikode, is a Central Government Educational Institution maintaining HT electricity connection

LCN 09/4009 for its Residential Hill Substation. The said connection has been used exclusively for residential purposes for faculty and staff since inception. KSEB had initially classified this connection under HT IIA - General and raised bills accordingly, which were duly paid without default. In June 2024, following an inspection at the residential premises, KSEB reclassified the tariff category to HT V - Domestic, which IIMK accepted, since the load is residential in nature.

- ❖ However, KSEB retrospectively applied this reclassification from 16/08/2014 and issued a demand for arrears amounting to Rs.14,03,563/-. Despite representations and reminders by IIMK highlighting that the usage had always been residential and there was no misrepresentation on its part, KSEB declined to waive the arrears and directed immediate payment.**
- ❖ The said amount was paid under protest by IIMK to avoid disconnection of supply, as the stipulated payment period had lapsed. Subsequently, IIMK again represented the matter to the Special Officer (Revenue), KSEB on 14th October 2025, specifically drawing attention to Regulation 97(4) of the Kerala Electricity Supply Code, 2014 as amended vide Notification No. 609/ D(T)2018/ KSERC dated 22.01.2020, issued under Section 181 of the Electricity Act, 2003. As per this amended provision, arrears on account of reclassification**

can be claimed only for a period of twelve months or the actual period of wrong classification, whichever is less. Therefore, a retrospective demand going back nearly ten years is not legally tenable.

❖ However, no response has been received from KSEB for the representation dated 14.10.2025 till the date of filing this complaint. The retrospective demand contravenes the limitation prescribed in the Supply Code and has caused an unjustified financial burden on a publicly funded institution. Hence, IIMK is filing this complaint before the CGRF seeking appropriate relief.

❖ Following are the details of intimation of complaint/ grievance by the consumer to the Licensee:

1. Representation submitted to Special Officer (Revenue), KSEB on 20th May 2025.
2. Reminder letter submitted on 04th June 2025.
3. Further representation dated 14.10.2025, highlighting Regulation 97(4) and the 2020 amendment.
4. KSEB rejected the request and directed payment of arrears.

❖ The Relief sought by the Petitioner is as follows:

1. Refund of 14,03,563/- remitted under protest, along with interest at the prevailing fixed deposit (FD) bank rate, as the retrospective demand is contrary to Regulation 97(4) of the Kerala Electricity Supply Code, 2014 (as amended in 2020). Direction that any reclassification arrears, if at all applicable, be limited strictly in

line with Regulation 97(4) of the Kerala Electricity Supply Code, 2014 (as amended).

2. Direction to KSEB to strictly comply with Regulation 97(4), limiting recovery of arrears on reclassification to twelve months or the actual period of wrong classification, whichever is lesser.

3. Any other relief as this Hon'ble Forum may deem fit and proper in the interest of justice.

❖ **List of Documents:**

- Exh. P1: Copy of KSEB's arrears demand letter.
- Exh. P2: Initial representation submitted to the SOR
- Exh. P3: Reminder letter to KSEB.
- Exh. P4: Reply from KSEB rejecting the request.
- Exh. P5: Proof of payment of Rs.14,03,563/- made under protest.
- Exh. P6: Further representation dated 14.10.2025, highlighting Regulation 97(4) and the 2020 amendment.
- Exh. P7: Relevant electricity bills
(before and after reclassification).

The statement of facts in the OP was furnished by the 3rd Respondent on 24.12.2025 and first hearing in this OP was scheduled on 30.12.2025. But the Petitioner requested for adjournment for a date after 24th January 2026. The case is adjourned to 28th January 2026 accordingly.

Meanwhile Forum requested the Agreement Authority, Dy. Chief Engineer, E.C., Kozhikode to file a combined SOF on behalf of all the Respondents which was filed on 24th January 2026 by the 1st Respondent. Hence Forum suo moto adjourned the case to 3rd February 2026.

Argument of the Respondent:

The combined Statement of Facts submitted by the 1st Respondent, The Deputy Chief Engineer, Electrical Circle, Kozhikode under Regulation 10(2) of the Kerala State Electricity Regulatory Commission (CGRF & Ombudsman) Regulations, 2005 is as follows.

M/s. Indian Institute of Management, Kozhikode (Residential Hill) (LCN 09/4009) is a live High Tension Consumer of Kerala State Electricity Board Limited, which comes under the jurisdiction of Deputy Chief Engineer, Electrical Circle, Kozhikode. The tariff category of the consumer is HT V Domestic.

Now the consumer has filed an OP No. 67/2025-26 before the Hon'ble Chairperson, CGRF, Kozhikode regarding the short assessment bill issued due to tariff misappropriation.

- The service connection of M/s. Indian Institute of Management, Kozhikode had been effected on 08.01.2004 under HT II Non-Industrial/ Non-Commercial Tariff on the basis of Gazette Notification 1577 dated 01.11.2002 that is

“Technical and Education Institution and Hostels run by or affiliated to Universities or Government Department and Colonies”.

- **On 01/06/2024 a site inspection was conducted by Assistant Executive Engineer, Electrical Sub Division, Kunnamangalam and Assistant Engineer, Electrical Section, Kunnamangalam. According to this site inspection report, the loads coming under this service connection are residential in nature and are not meant for students. The purpose of which the supply is utilized mostly in domestic nature; the appropriate tariff of the consumer comes under “HT V Domestic” which was came into force in the Tariff Order dated 16.08.2014.**

- **On basis of the Site Inspection report, the tariff of the consumer was changed from ‘HT II(A) General’ to HT V Domestic’ and also a short assessment bill amounting Rs. 14,03,563/- was prepared and issued to the consumer w.e.f 16.08.2014 in accordance with the rules and regulations regarding billing prevailing in KSEBL.**

As per the Regulation 134(1) of Kerala Electricity Supply Code 2014,

“If the licensee establishes either by review or otherwise, that it has under charged the consumer, the licensee may recover the amount so undercharged from the consumer by issuing a bill and in such cases at least thirty days shall be given to the consumer for making payment of the bill”.

Recovery of under charged amount is expressly authorized under Regulation 134(1) of the Kerala Electricity Supply Code 2014, which permit the licensee to recover amounts found to have been under charged by issuing a bill.

- The demand raised is neither a penalty nor fine, not an unauthorized use or misuse of electricity. Hence the consumer is liable to pay the short assessment bill without raising any protest because this connection is utilizing the supply purely in domestic nature and should come under the domestic purpose tariff ie., HT V Domestic w.e.f. 16.08.2014.

As per the Regulation 152 of Kerala Electricity Supply Code 2014,

“Anomalies attributable to the licensee which are detected on inspection at the premises of the consumer, such as wrong application of multiplication factor, incorrect application of tariff by the licensee even while there is no change in the purpose of use of electricity by the consumer and inaccuracies in metering shall not attract provisions of Section 126 of the Act or of Section 135 of the Act”.

“In such cases, the amount of electricity charges short collected by the licensee, if any, shall only be realized from the consumer under normal tariff applicable to the period during which such anomalies persisted”.

The complainant has not suffered any financial loss, on the contrary, the under billed amount remained with the complainant for several years without any interest being charged, resulting in a clear financial benefit due to time value of money.

- **The Demand does not arise from tariff reclassification under Regulation 97 of the Kerala Electricity Supply Code 2014. It is an inspection based reassessment carried out strictly in accordance with the Regulation 134 and 152 of the Kerala Electricity Supply Code 2014.**

- **The Argument of the Petitioner that arrears on reclassification shall be limited to 12 months as per Section 97(4) of the Kerala Electricity Supply Code 2014 is irrelevant in this case. The issue was settled one by the authoritative pronouncement of the apex court in M/s Prem Cottex Vs Uttar Haryana Bijli Vitran Nigam Ltd & Others, Civil Appeal Number 7235 of 2009 wherein the Hon'ble court has unequivocally held that "Additional Bill Raised by Distributor After Detecting Mistake not hit By 2 years limitation under Section 56(2)". The same view has also been found reflection in Rahmatullakhan Vs Ajmer Vidyuth Vitran Ltd.**

- **Viewing the matter from the above legal precedents, it is amply clear that the licensee board is legally entitled to recover the short assessed amount, no matter what the time period is. The Regulation framed by the Commission regarding the same subject matter must be totally in tandem with the recitals in the parent Act, as the creature of a statute cannot overrun the provisions of the statute. Relying on the**

said principles the Board has already filed large number of appeals in identical matters before the Hon'ble High Court of Kerala which are pending final disposal.

In the light of these facts, the Respondent respectfully submits that the complaint lacks merit and there is no arbitrariness, illegality or procedural violation on the part of the KSEBL, and also the Respondents humbly request that the Hon'ble Forum may please to reject the complaint and uphold the actions taken by KSEBL.

Summary of Hearing :

Hearing in this OP was convened on 03.02.2026FN at the Court Hall of CGRF in which Petitioner and 3rd Respondent were present.

The Petitioner submitted his argument as follows:

- ❖ The bill under dispute was raised subsequent to a site inspection conducted by KSEB on 01.06.2024.**
- ❖ The arrear bill for 10 years issued was remitted by the Petitioner under protest.**
- ❖ It is agreed that Tariff HT V came into force from 16.08.2014, but as per Regulation 97(4), reclassification of arrears is limited to 12 months. Hence balance amount should be refunded with interest.**
- ❖ Further the Petitioner pointed out that since last 8-10 years, IIM is functioning as self financing institution as far**

as running cost is concerned and arrears for previous years couldn't be accounted in current year's expenditure and may warrant audit objections.

The Respondent countered the Petitioner's argument submitting Orders of Apex court and Hon'ble KSERC:

- The year of connection to M/s IIM is 2004.
- The Tariff reclassification came in the year 2014.
- But as the CC bills of HT consumers are issued by SOR, section office has no role in it.
- During routine inspection of HT consumers, the anomaly was detected and the arrear bill was issued.
- Regulation 134& 152 of The Kerala Supply Code allows the Licensee to issue arrear bills.
- In its verdict dated 18th February, 2020 in Civil Appeal No. 1672 of 2020, M/s Ajmeer Vidyuth Vitran Nigam Ltd.& Others Vs Rahmathulla Khan, it is stated by Hon'ble Supreme Court that " the period of limitation would commence from the date of discovery of mistake"
- In its verdict dated 5th October, 2021 in Civil Appeal No. 7235 of 2009, M/s Prem Cotex Vs Uttar Haryana Bijli Vitran Nigam, it is stated by the Hon'ble Supreme Court held that "limitation starts only when the bill is first due"
- In the Review Petition 03/2001, M/s Bennet Coleman& Co. Ltd. Vs KSEBL on tariff reclassification, Hon'ble KSERC

ordered that "arrear bill issued to the consumer is in order."

➤ Hence the arrear bill issued to the Petitioner is in order.

The Petitioner then argued that the Regulation 97(4) should have been quashed by Hon'ble KSERC in subsequent amendments.

Forum observed that raising arrears without limitation causes hurdles to the consumers as the yearly running costs couldn't be modified with retrospective effect. However Forum is bound to follow the Orders of the Apex court and Hon'ble KSERC.

Having considered all the documents submitted and the deliberations during the hearing, the Forum has come to the following conclusions leading to the decision:

Decision:

The Petition is dismissed.

The Petition is disposed accordingly.

Dated this the 03rd day of February, 2026.

Sd/-	Sd/-	Sd/-
Francis . A .C	Raju. C.K.	Sandhya Divakar
Member (Law)	Member (Licensee)	Chairperson

Copy to:

The Indian Institute of
Management, Kozhikode,
IIMK Campus – P.O.,
Kunnamangalam,
Kozhikode – 673 570
(By speed post)

If the petitioner is not satisfied with the above order of this
Forum, he is at liberty to prefer appeal before the State
Electricity Ombudsman, D.H. Road, Offshore Road Junction
Gandhi Square, Eranakulam, Kerala- 682016. (Ph: 0484
2346488) within 30 days from date of receipt of this order.

**2. The Deputy Chief Engineer,
KSEB Ltd., Electrical Circle,
Vydyuthi Bhavanam, Kozhikode.**

**3. The Special Officer Revenue,
KSEB Ltd., Vydyuthi Bhavanam,
Thiruvananthapuram.**

**4. The Assistant Executive Engineer,
Electrical Sub Division Kunnamangalam,
KSEB Ltd., Kozhikode District. (By Mail & Post).**

**5. The Assistant Engineer,
Electrical Section Kunnamangalam,
K.S.E.B.L., Kozhikode District.**

Copy Submitted to:

1) The Secretary, K.S.E.B.L, Thiruvananthapuram.

2) The Deputy Chief Engineer, TRAC, Thiruvananthapuram . (By Mail).

Forwarded

Sd/-

Chairperson