

**Before the Appellate Tribunal for Electricity  
(Appellate Jurisdiction)  
Appeal No. 69 of 2006**

**Dated : 23<sup>rd</sup> January, 2007**

**Present: Hon'ble Mr. Justice Anil Dev Singh, Chairperson  
Hon'ble Mr. A.A. Khan, Technical Member  
Hon'ble Mr. H.L. Bajaj, Technical Member**

**KPTCL & Ors., -Appellants  
V/s.**

**Kanara Small Scale Industries Asson. & Ors., -Respondents**

Counsel for appellant : Mr. M.G. Ramachandran with  
Mr. Anand K. Ganesan for NTPC  
Counsel for Respondents : Mr. Rohit Rao for FKCCI

**ORDER**

This appeal is directed against the order of the Karnataka State Electricity Regulatory Commission, dated May 20, 2004, whereby the amount of security required to be deposited by a consumer has been reduced from an amount equivalent to three months power supply bills worked out on the basis of estimated consumption or three months line minimum charges, whichever is higher to an amount equivalent to estimated two months power supply bills. The appellant- KPTCL aggrieved by the order has filed the instant appeal.

We find that the impugned order passed by the Commission is contrary to Regulation 30.02 of the Karnataka Electricity Regulatory Commission (Electricity Supply and Distribution) Code 2001 (for short 'Code'). According to the aforesaid Regulation, security deposit equal in value to estimated three months power bill or three months line minimum



paid the charges due from them, they are required to issue statutory notice of disconnection to them.

It seems to us that a period of seven days for finding out the defaulting consumers, who may not have paid the bills, need to be added to the period calculated by the Commission. Thus, the total number of days would work out to be 72 days. Keeping in view the practicalities and realities of the situation, the security amount covering estimated two months power supply bills is not adequate and has to be more than that which shall be determined by the Commission for the future.

In the circumstances, therefore, we set aside the order of the Commission, dated May 20, 2004, and hold that the security deposit must be paid in accordance with the Regulations. This order shall be applicable for monthly billing cycle.

The appeal is allowed.

**(A.A.Khan)**  
Technical Member

**(H.L. Bajaj)**  
Technical Member

**(Anil Dev Singh)**  
Chairperson