

File No. ENERGY/128/PSR/2020-REFORMS-ENERGY SECRETARIAT

GOVERNMENT OF KARNATAKA

Sub: Relief to the MSME / Non-MSME industrial sectors and to the other categories of consumers in the State of Karnataka for mitigating the impact of the COVID-19 lockdown.

Preamble:

1. In view of the spread of COVID-19 virus, lockdown was imposed with effect from 24.03.2020 and the same has been extended from time to time. Several restrictions have been imposed due to the Lockdown on movement of public and opening of the offices and establishments etc., to control the spread of the COVID-19 pandemic. In this time of crisis, and due to the unprecedented situation which is likely to continue for some time, the consumers are finding it difficult to pay their dues to ESCOMs on-time.

In order to mitigate the impact of the COVID-19 lockdown, the Government of Karnataka has decided to give certain reliefs / incentives to the electricity consumers for the months of April, May and June 2020 and hence this Order.

**Govt Order No: ENERGY 128 PSR 2020,
Bangalore, Dated: 08.05.2020**

Under the circumstances as stated above, Government is pleased to accord approval to give following reliefs / incentives to the electricity consumers for the months of April, May & June 2020:

1. The Demand / Fixed Charges payable by consumers who are recognized as MSME industries and hold valid certificate in that regard can avail waiver of demand and fixed charges for the months of April and May 2020.
2. The Demand / Fixed charges payable by industries other than industries having valid certification as MSME for the months of April and May 2020 shall be deferred until 30.06.2020.
3. **Other relief / incentives given to all category of consumers for the months of April, May and June 2020 i.e., upto 30.06.2020 as follows:**
 - (i) Consumers who promptly pay the bills raised by ESCOMs shall be entitled to an Incentive / Rebate for prompt payment by way of adjustment in the subsequent month's bill subject to a ceiling limit of Rs. 1 Lakh for HT installations and Rs. 10,000 for LT installations.

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The incentive for prompt payment to be allowed shall be as follows:

- Between 1 to 5 days: 1%
- Between 6 to 15 days: 0.50%
- No rebate for payment between 15 to 30 days.

Note: This incentive/rebate shall be in addition to the existing prompt payment incentive, if any, provided to the consumer under the relevant Tariff orders.

- (ii) **Interest for belated payments:** The time for payment of dues in terms of the bills raised shall hereby stand extended by a period of an additional 15 days, beyond the 15 days normally provided. For the said period of 30 days, (i.e., 15 days available for payment + 15 days grace period), no interest shall be levied. In respect of Electricity dues which have remained unpaid for a period of 30 days, from the date of presentation of the bills, simple interest at the rate of 0.5% per month, for the actual number of days delay in payment by the consumer will be levied. The minimum interest leviable for delayed payment shall be Re. 1/- in respect of LT installations and Rs.100/- in respect of HT installations.
- (iii) **Advance payment:** Consumers are permitted to pay 12 months bills in advance, by way of cheque / Demand draft / any digital mode to the ESCOM's. A consumer, who pays such bills in advance for the period of 12 months, shall be entitled to incentive at the rate of 0.50% per month for the time for which advance payment is made. The interest would be calculated on the reducing balance after deduction of the electricity billed for the month. Such incentive at the rate of 0.50% shall be given to the consumers as an adjustment in the subsequent bill.
- (iv) **Providing installments / part payment:** As per the manual of delegation of financial powers, ESCOMs to provide installments for a period of 3 months subject to levy of interest as per sl.no 3(ii), if any consumer represents in writing to the Sub-Divisional Officer (Local Office) for payment of April 2020 & May 2020 monthly bills in installments.
- (v) **Disconnection for non-payment:** There shall be no disconnection of electricity supply by the ESCOMs for non-payment of dues for the months of April and May 2020 till 30th June 2020, subject to any

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provision to pay such dues by installments provided by ESCOM's as per 3(iv) above.

This Order is issued as per the concurrence of the Finance Department vide Note No: FD 67 Exp-1/2020 dated 06.05.2020.

**By Order and in the name of
the Governor of Karnataka**

N. Mangalagowri
(N.MANGALAGOWRI) 8/5/2020

**Under Secretary to Government,
Energy Department**

To:

The Managing Director, Bescom, Mescom, Hescom, GESCOM and CESC. *[Signature]*

Copy to:

1. The P.S to Secretary, Ministry of Power, Gol, Shram Shakthi Bhavan, Rafi Marg, New Delhi.
2. The P.S to Chief Secretary to Govt. of Karnataka, Vidhana Soudha, Bangalore.
3. The P.S to Additional Chief Secretary to Hon'ble Chief Minister of Karnataka, Vidhana Soudha, Bangalore.
4. The P.S to Additional Chief Secretary to Finance Department, Vidhana Soudha, Bangalore.
5. The P.S to Additional Chief Secretary to Govt., Energy Department, Vikasa Soudha, Bangalore.
6. The Secretary, KERC, No.16 C-1, Miller Tank Bed Area, Vasantha Nagar, Bengaluru-560052.
7. The P.S to Managing Director, KPTCL/KPCL/PCKL/KREDL.
8. The P.S to Joint Secretary, Energy Department, Vikasa Soudha, Bangalore.
9. File.