

State Consumer Helpline Knowledge Resource Management Portal
(SCHKRMP)
(A National Nodal Agency)

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Dt.22/06/2016

Secretary

Haryana Electricity Regulatory Commission

Bays 33-36, Sector 4,

Panchkula-134112, Haryana

Sub: Charging of additional fee for online submission of application for electricity connection and payment of electricity bills as appeared in NBT News dtd. 13 June 2016 and information on public domains.

Dear Sir,

We would refer to the news report published in Navbharat Times dtd. 13/06/2016 (a copy attached) reporting that DHBVN would be charging an additional amount of Rs. 50/- per application for online application for getting electricity connection. While on above, we also refer to the information downloaded from the DISCOMs site informing charging of 1% surcharge plus service tax for making online payment of electricity bills bu DISCOMs in Haryana.

In this connection, we are of the opinion that such charging of additional amount for online application for electricity connection and surcharge for online payment of electricity bills is ant – consumer practices (as well as unethical business practices in violation of directives of Reserve Bank of India) as:

1. Online application reduces operating cost of service provider i.e. DHBVN and UHBVN on account of stationary, engagement of manpower for interfacing with the consumer, data entry in computersing the application received besides stress on space and resources that may be due to personal visits of the applicant in case of manual submission of from
2. The online application would supplement the efficiency of the service provider.
3. Manual interaction reduces with the online operations.
4. It reduces on the pressure of staff for receiving application fee, electricity bills, carrying cash to the banks, accounting and then tracking for its credit in the books.
5. Inculcating habits with the consumer for online transaction is a step towards digitization and digitization reduces the cost of operation and best utilization of manpower which can be deployed elsewhere for efficient productivity.
6. Many operators in fact offer discounts for online transaction. The glaring example is of PSU telecom service operator BSNL.BSNL offers a discount of 1% on the bill amount if it is paid through the online payment gateways. While on this would be

wondering if DHBVN also stops charging of additional fee for making online payment for Electricity bills. While BSNL is offering 1% discount for making online payment of bills, DHBVN and UHBVN are charging 1% extra as surcharge for making online payment of electricity bills. A copy of the document downloaded from their site is attached.

7. Reserve Bank of India has debarred companies/service providers from charging any transactional fee for making payment through debit cards. A relevant quote from the order of RBI No. RBI/2013-14/292 DBS CO.PPD No. 3578/11.01.005/2013-14 dtd. 17/09/2013 (a copy of the order attached) is reproduced “ There are instance where merchant establishments levy fee as a percentage of the transaction value as charge on customers who are making payment for purchase of goods and services through debit cards. Such fees are not justifiable and are not permissible as per the bilateral agreement between the acquiring bank and the merchants and the merchants and thereof re calls for termination of the relationship of the bank with such establishments.
8. We had drawn the attention of DHBVN vide email dtd. 17th June 2016 (a copy attached). However, the company remains silent.

In view of above, we would request you to kindly pursue the documents and advise through appropriate directives to the DISCOMs to withdraw such charges for online transactions for electricity connection and online payment of electricity bills.

Thanking you,

Your sincerely



(S.K. Virmani)

Project Manager