

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

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Dt.18/07/2016

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 downloaded from their website.

Dear Shri *Sastry*,

Dakshin Haryana Bijli Vitran Nigam (DHBVN), a PSU Electricity Distribution Company in Haryana has been charging additional amount for payment of electricity bills through their online payment system. The additional amount being charged is 1% if the consumers are making payment using their debit cards and Rs. 4/- for each transaction if the payment is made through internet banking services.

The charging of additional amount for such transaction is in violation of 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 is attached). A relevant quote of the said order 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 therefo re calls for termination of the relationship of the bank with such establishments”**.

Even though the DHBVN is adapting to unethical business practices in violation of the stated RBI order, the charging of any additional amount for online transactions otherwise is also unethical as the online transaction results into reduction in the cost of operation as brought out to the attention of the Haryana State Electricity Regulatory Commission through attached copy of the letter.

Department of Consumer Affairs may like to take up the issue appropriately with the concerned Departments like Reserve Bank of India, Ministry of Finance and Haryana Electricity Regulatory Commission.

Regards

Yours sincerely,

Suresh Misra

(Suresh Misra)

ProjectDirector

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