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**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, KHALINI, SHIMLA-171002**

Case No. 52 of 2018

In the matter of:

M/s Zeon Lifesciences Ltd., Village Kunja, Rampur Road, Paonta Sahib, Distt. Sirmour (HP), through its authorised representative Sh. Rakesh Bansal & Rahul Mahajan, Advotates.

Applicant/Representationist

Versus

- 1 The Executive Director (Personnel), HPSEB Ltd., Vidyut Bhawan, Shimla-171004
- 2 The Asstt Engineer, Electrical, Sub-Division, HPSEBL, Paonta Sahib
- 3 The Sr Executive Engineer, Electrical Division, HPSEBL, Paonta Sahib
- 4 The Sr Executive Engineer, Electrical System Division, HPSEBL, Nahan

Respondents/Applicants

**And**

In the matter of:

Representation under Regulation Nos. 16, 17 and 18 of the HPERC Consumers Grievances Redressal (Consumer Grievances Redressal forum and Ombudsman) Regulation against the Order dated 15/03/2018 passed by the Consumer Grievances Redressal Forum of HPSEBL, Shimla-9 (H.P.) in Complaint No. 1515/2/17/026 titled as M/s Zeon Lifesciences Ltd., Village Kunja, Rampur Road, Paonta Sahib, Distt. Sirmour (HP), through its authorised representative Sh. Rakesh Bansal & Rahul Mahajan, Advotates

**13.06.2018**

**Present for:**

**Applicant** : Sh. Rakesh Bansal, Advocate  
**Respondents** : Sh. Bhagwan Chand, Counselor  
Er. Arundeeep Singh, A.E. ESD Paonta Sahib

**ORDER**

**(Last Heard on 13.06.2018)**

Heard Taking into consideration the arguments exchanged by representatives of both the parties during the course of hearing and the Application/Petition and Additional submission in support of Review petition/application filed by the Applicant/Respondent Board in context of the Order dated 15/03/2018 passed by Consumer Grievances Redressal Forum of HPSEBL, Shimla-9 (H.P.) in Complaint No. 1515/2/17/026 titled as Zeon Lifesciences Ltd., Village Kunja, Rampur Road, Paonta Sahib, Distt. Sirmour (HP), through its authorised representative Sh. Rakesh Bansal & Rahul Mahajan, Advotates Versus HPSEB Ltd and others

**Complainant's Contention:**

1. That the complaint was sanctioned a load of 498.46 kW and 450 kVA of Contract Demand Sanction letter No. OCN/CBC-Zeon Lifesciences Ltd./08-3036-41 dated 06/06/2008 by Superintending Engineer (Op) circle, HPSEBL, Nahan at 11 kV voltage from Badripur, 33/11 kV Sub-Station. At the time of sanction Rs. 1,00,000/- was demanded towards Infrastructure Development Charges, and were paid vide Receipt No. 0031819 dated 25/10/07. The respondent later in the year 2015 applied for extension of load with a contract demand of 700 kVA in place of existing 450 kVA sanctioned earlier. In spite of complainant's objection, respondent number 2, insisted that infrastructure development charges (IDC) must be paid on past demand of earlier contract demand of 450 kVA @ 2295.29/kVA, which was actually not payable by the complainant as per the Regulations in force at the time when the past load was sanctioned and availed. As per Supply Code advance IDC for extension of 477.5 kW @ Rs 1000 per kVA, Rs. 4,77,500/- was charged by respondent number 2 vide Rct No 0065297 dated 9/6/15, which was actually to be charged only on the increase in contract demand. Thereafter at the time of sanction for additional load, without issuing a demand notice, the respondent number 2 demanded IDC on existing load @ Rs 2295.29 after adjusting an amount of Rs 1,00,000/- paid earlier at the time of initial sanction. The respondent demanded an additional sum of Rs. 9,55,381/-, including the balance amount of IDC on the extended portion of load @ Rs 1000/-kVA (Rs 2000/-kVA Rs 1000/-per KVA already paid). The complainant was stuck and under duress, paid Rs 9,55,381/- as IDC vide Rcpt No 0065674 dated 21/07/2015.
2. The rate of Rs 2295.29 has been applied on the basis of per kVA chart prepared by HPSEBL for 34 sub-stations in the State, in which the sub-station for which the demand was raised to complainant is listed as Serial No 4 as Augmentation of 132/11kV, 3x5.33MVA T/F to 25/31.5 MVA capacity at Paonta Sahib at a cost of Rs. 3.56 Crores commissioned on 03/12/2008.

3. That the respondent number 2, charged and recovered sums on account of infrastructure development charges in excess of charges that were recoverable under the applicable rules and regulations.
4. The orders of the Forum are bad in the eyes of law and are liable to be quashed and set aside as the complainant was sanctioned and released from Badripur 33/11 kV sub-station on 16.06.2008 the respondents have claimed Infrastructure Development charges for augmentation of a difference sub-station i.e. 132/11 kV sub-station, which was augmented on 03.12.2008. The sub-station for which the charges are being claimed is difference from the one from which the supply was committed, sanctioned and released. The complainant could only be held liable for creation/augmentation of Badripur sub-station, within the time of operation of the Regulations. Badripur sub-station was never augmented before the release of complainant's supply since the date of IDC Regulations came into force in the year 2005. Even the amount of Rs 1,00,000/- claimed from the complainant over and above the common line cost share and the estimate for service line is beyond the scope and provisions of the Regulations.
5. That the sub-station for which the IDC charges have been claimed i.e. 132/11 kV Paonta Sahib was commissioned on 03.12.2008. The complainant's connection was not subject to the augmentation, which was carried out much later than the commitment vide Power availability Certificate and subsequently the sanction letter. There is no reference in the sanction letter at all about the proposed augmentation for which the cost have been charged.
6. That the complainant was only liable for infrastructure development charges at normative rates @ Rs 2000 per kVA on the 250 kVA of additional load amounting to Rs 5.00 lacs, which they applied for in the year, 2015, as by that time the IDC Regulations, 2012 were applicable to them. Instead the respondents have recovered a sum of Rs. 15,32,881/- at different times the detail of which is given below

Rcpt No	Date	Amount
0031819	25 10 2007	1 00,000
0065297	09 06 2015	4,77,500
0065674	21 07 2015	9,55,381
Total		15,32,881

The funding of the augmentation of 132/11 kV sub-station at Paonta Sahib needs to be looked into before establishing the demand from the consumers.

**Respondents Contention:**

1. That the load of 498.46 kW and 450 kW and 450 kVA contract demand were sanctioned in favour of the appellant. It is submitted here that the appellant firm was initially provided electricity from 11 kV feeder emanating from 132/33/11 kV sub-station Gondpur from 132/11kV, 25.31.5MVA transformer after augmentation from 3x5.33MVA to 1x25/31.5 MV capacity. The respondents claimed infrastructure development charges (IDC) from the appellant initially as per the prescribed norms existing at that time. But it is important to mention here that the appellant applied for extension/enhancement of load and the same could not be released due to non-availability of load at Gondpur from 132/11 kV bank. This extension of load has been released in favour of appellant after augmentation of power transformer at 132 kV sub-station at Gondpur. It is submitted here that Hon'ble Commission has approved rate of IDC Rs 2295.29 per kVA towards augmentation of Power Transformer and the same are recoverable from all the consumers who have been fed after augmentation of the transformer including the appellant also. In view of the rate of IDC the reply respondents demanded 450 kVA IDC charges @ 2295.29 kVA and normative IDC charges were charged on next 250 kVA @ 2000 per kVA. It is submitted here that the replying respondents have charged IDC from the appellant only as per prescribed rate of Rs 2295.29 per KVA.
2. That the appellant was initially provided electricity from 11KV feeder amenity from 132/33/11 Sub/sation Gondpur from 132/11KV, 25/31.5MVA transformer and after augmentation from 3\*5.33 MVA to 1\*25/31.5MV capacity. The answering respondents claimed IDC charges from the appellant initially as per the prescribed norms existing at that time. As and when the augmentation of

transformer the supply was provided to the appellant from the new transformer and for that HPERC has prescribed rate per KVA in order to charges from the consumer. On the basis of the order of HPERC the answering respondents charged IDC charges @ Rs 2295.29 per KVA from the appellant. The contents of this Para are totally false and misleading one.

- 3. That the appellant applied for extension/enhancement of load and the same could not be released due to non-availability of load at Gondpur from 132/11KV bank. This extension of load has been released in favor of appellant after augmentation of power transformer at 132KV Sub-station at Gondpur.
- 4. That the replying respondents charged IDC on 700KVA as per the rate prescribed Rs.2295.29 per KVA. It is pertinent to mention here that the appellant deposited the amount as claimed by the answering respondents as the appellants applied extension of load from 498.600 KW to 976.100 KW with contract demand 450kVA to 700KVA. The appellant duly filled A&A on 21-07-2015 and this load was sanctioned to the appellant on 30-08-20-15 and the same was released to the appellant and consequent upon the appellant is enjoying the extended load.

**Forum's Observations:**

None is present on behalf of the complainant. Forum observed that claim of IDC charges by the respondent board is genuine but has to be overhauled on the basis as per mechanism final order issued by HPERC for suo moto case no 25 of 2016 on dated 05-10-2016 and further endorsed by chief Engineer commercial HPSEBL order No HPSEBL/CE(Comm)/APTEL/VOL-1/2016-10021-10135 dated 1-11-2016. So respondent board is directed to take necessary action within two months.

Case decided against the complainant and in favour of respondent board.

**Electricity Ombudsman findings and Order:**

The appellant has represented against the CGRF order dated 15.03.2018 passed in complaint No. 1521/2/17/026. In view of the facts, contentions of the parties and examining the documents like replies/rejoinders and arguments submitted, it comes out that the complainant was sanctioned and released load 498.46 kW, 450 kVA contract demand from 33/11kV Sub-Station Badripur in 6/2008 after depositing IDC prevalent at that time. Later in 2015 the complainant applied for extension in load with contract demand of 700 KVA i.e. an increase of 250 kVA. The respondent Board demanded additional sum of Rs. 9,55,381/- including balance amount of IDC on extended portion. The additional sum of Rs. 9,55,381/- claimed as IDC for augmentation of a different sub-station i.e. 132/11 kV Sub-Station Paonta augmented in 12/2008. This sub-Station for which these charges are being claimed by the respondent is different from the one from which the supply was committed, sanctioned and released. The complainant is liable to pay only for creation/augmentation of 33/11 kV Badripur sub-station. Hence the demand raised by respondent for IDC in respect of 132/11 kV sub-station Paonta is not justified and cannot be recovered from the consumer.

The compliance be reported within a month from the issue of this order

Dated 18.06.2018

  
Electricity Ombudsman