# HIMACHAL PRADESH ELECTRICITY OMBUDSMAN

SHARMA SADAN, BEHIND KEONTHAL COMPLEX, KHALINI, SHIMLA-171002

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**Case No. 70 of 2018**

**In the matter of:**

M/s Clear Mipak Packaging Solutions Ltd , Khasra No 544/151, Village Dhana Tehsil, Nalagarh, Distt Solan (H P )- 174101 through their Counsel Sh Rakesh Bansal, Advocate

....Applicant/Representationist

**Versus**

1 The Executive Director (Personnel) H P State Electricity Board Ltd ,Vidyut Bhawan, Shimla-4

2 The Asstt Executive Engineer, Electrical Sub Division HPSEBLNalagarh (H P )

3 The Sr Executive Engineer Electrical Division, HPSEBL Nalagarh (HP)

.....Respondents

**And**

**In the Matter of**

Representation under Regulation **28** of HPERC ( Consumer Grievances Redressal Forum and Ombudsman) Regulation 2013 against the Order date 14 11.2018 passed by the Consumers Grievances Redressal Forum of HPSEBL, Shimla-9 (H P ) in Complaint No 1432/3/18/052, titled as M/s Clear Mipak Packaging Solutions Ltd , Khasra No 544/151, Village Dhana Tehsil, Nalagarh Distt Solan (H P )- 174101 V/s HPSEBL through their Counsel Sh Rakesh Bansal Advocate

**15.03.2019**

**Present for:**

**Applicant: Sh.Rakesh Bansal, Advocate**

**Respondent:** Sh Bhagwan Chand, Advocate

Sh Amit Gupta, Sr Executive Engineer, ED Nalagarh

Sh Pradeep Kumar JE ESD-I Nalagarh.

## ORDER

(Last Heard on 15.03.2019)

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 against the Order date 14 11 2018 passed by the Consumers Grievances Redressal Forum of HPSEBL, Shimla-9 (H P ) in Complaint No 1432/3/18/052, titled as M/s Clear Mipak Packaging Solutions Ltd , Khasra No 544/151, Village Dhana Tehsil, Nalagarh, Distt Solan (H P )- 174101 V/s HPSEBL through their Counsel Sh Rakesh Bansal, Advocate

**Complainant's Contention:**

1. The complainant has two factories are located at Nalagarh at Khasra No.560/544/151 and 561/544/151. The first unit of the complainant was set up in the year 2004 for the manufacture of plastic packaging products for supply of adhesives and chemicals manufacturers presently having connected load of 1395 kW with 625 kVA contract demand. The second unit of the company was established on Khasra No. 561/544/151 in the year 2009 for manufacture of food and pharma grade packaging containers with 495 kW connected load and contract demand of 400 kVA. On submitting application for the new unit of the company, the respondents without any objection allowed and sanctioned the load of Unit 2 of the company. The connected load of Unit 2 was later increased to 986.5 kW while contract demand was maintained at 400 kVA. The company was then known as Clear Plastics Ltd. Both the units were owned by Clear Plastics Ltd. The company then applied for change of name of both the units of the company simultaneously in the year 2011. Separate sanctions were once again accorded separately by the competent authority. The two connections continue even today and separate electricity bills are being issued by the respondents under two separate consumer numbers. The respondent number 3 issued a demand notice dated 22.05.2018 to the company raising a demand of Rs. 43,68,503/- for the past period i.e. year 2010 on the basis of revenue implications on the basis of calculations made for the single clubbed unit with 2390 kW and 1025 kVA of contract demand. The demand amount was worked out on two issues, i.e. Low Voltage Supply Surcharge for the period Nov., 2010 to July, 2014 ( Rs. 15,91,715/-) as well as Tariff difference due to change of category on the basis of aggregate load (Rs 27,76,788/-). The complainant was surprised with the notice as to sudden change of stand by the respondents, the reason for which is believed to be an audit observation. The respondents later debited the charges demanded in the regular energy bill as Sundry Charges, which the complainant did not deposit and wrote a letter dated 16.08.2018 protesting against the charges. The complainant aggrieved by non-redressal of the complaint by the concerned filed office, then approached the Consumer Grievance Redressal Forum of HPSEBL vide complaint number 1432/3/18/052.

2. The Consumer Grievance Redressal Forum (CGRF) passed orders dated 14.11.2018 in the matter and decided the matter against the complainant. Aggrieved by the orders dated 14.11.2018 passed by CGRF, the complainant company is filing this representation. The orders passed by the CGRF are vague, not supported by reasons and have been passed in the perfunctory manner. The orders dated 14.11.2018 passed by CGRF are in complaint no. 1432/3/18/052 are bad in law and ought to be quashed and set aside on the following grounds:

a) That the Ld. CGRF has passed the impugned orders, without even going into the necessary details that were important for deciding the case.
b) That the Ld. Forum has wrongly assumed that the two units of the company have common entrance. In fact the two units of the company do have separate entrance gates.
c) That the Ld. Forum has erred in stating that both the units of the company are situated on the land bearing Khasra No. 560/554/151, whereas the factual position is that the Unit 1 of the complainant company is located on Khasra No. 560/544/151 measuring 5 bighas 4 biswa, whereas the Unit 2 of the company is located on Khasra No.561/544/151 measuring 4 bigha 1

biswa. There were even separate mutations of the lands of the two Khasras in question.

d) That the learned CGRF while passing orders have observed that "In the matter of Draft Amendment of the Himachal Pradesh Electricity Regulatory Commission, the recovery of expenditure for supply of Electricity (4th Amendment) Regulation 2017 the Principle Regulation 2012 Clause No.2.3.3.4 which reproduced as :

"whenever, more than one industrial connections are running in the same premises in difference names, but the work is carried out by one concern/proprietor, such consumers shall be asked to get the load clubbed and also get it changed to one connection in one name after giving them reasonable time. In case they do not agree their request for any extension, splitting or transfer of existing load shall be entertained.""

If this Para II of the observation the Ld. CGRF has quoted the draft Amendment of HPERC (Recovery of Expenditure for Supply of Electricity (4th Amendment) Regulation, 2017. The CGRF while referring to this amendment has failed to appreciate firstly that they have only quoted the draft amendment and secondly that the amendment being referred to by the Forum is related to applicability of the Infrastructure Development Charges (IDC). In the matter of the complaint dealt by the Forum IDC was not at all disputed. The Ld. Forum has erred in referring to wrong Regulation while deciding in the matter put forth by the complainant company.

e) That the Ld. Forum has referred to a regulation by the Principle Regulation 2012. It is stated here that there is no such regulation being referred to as the principle regulation as has been quoted in the orders dated 14.11.2018 passed by the Forum.

f) That the Ld. Forum in Para II of the order dated 14.11.2018 has also referred to and reproduced Clause 2.3.3.4, the source of which has not been provided. There is no such Regulation or clause in force at the time being, neither in the Supply Code nor even the Sales Manual.

g) That the Ld. Forum has quoted in bold letters in the orders that

"whenever, more than one industrial connections are running in the same premises in difference names, but the work is carried out by one concern/proprietor, such consumers shall be asked to get the load clubbed and also get it changed to one connection in one name after giving them reasonable time. In case they do not agree their request for any extension, splitting or transfer of existing load shall not be entertained."

Even if the provision quoted by the Ld. Forum in the orders dated 14.11.2018 passed by the forum, the content does not at all mean that the respondents are allowed to initiated past recoveries. However, this content only directs not to entertain any load change request of the consumer if he does not agree to club the multiple connections on the directions of the respondents. The forum has grossly misconstrued the meaning of the para, the source of which is also in question.

h) That the Ld. Forum has failed to appreciate that there are two separate application and agreements in force in respect of two separate connections, each of which is separately enforceable legally in the court of law. The respondents cannot withdraw out of the agreement unless and until any terms and conditions of the agreements in force is contravened by the complainant.

i) That the Ld. Forum has failed to appreciate that the audit observation is merely for the purpose so as to bring into light the methods for fetching higher revenue and the licensee is free to change the provisions for plugging such leakages in future, but only with a proper legal amendment in the provisions, which is allowed/approved/notified by the Himachal Pradesh Electricity Regulatory Commission under the powers conferred to it by the Electricity Act, 2003.

j) That the Ld. Forum has failed to appreciate that once granted the connections, the complainant is at liberty to apply for clubbing the multiple units as and when they deem it necessary.

k) That the Ld. Forum has failed to observe that there is no such instruction even in the recently notified Sales Manual on 17.10.2017, which directs the respondents to club the existing separate connections or to recover the arrears for the past period by treating the two connections and one clubbed connection.

l) That the Ld. Forum has also failed on the principle of equal justice as in another complaint of similar nature bearing number 1421/3/16/039 in the complaint titled as Cosmo Ferrites versus HPSEBL, which was also of similar nature had observed that

"The Forum observed that the respondent has claimed the low voltage surcharge from the petitioner as load of both units clubbed exceed the limit without clubbing load of both the industries which is contrary and low voltage surcharge is applicable only if load of both industries is clubbed. The respondent board can claim the low voltage surcharges after clubbing the load of the industries, keeping in view provisions of sales circular No.5/2001 dated 11/4/2001 issued by Chief Engineer Commercial."

m) That the Ld. Ombudsman, also in an earlier representation number 46 of 2018 in the order dated 11.4.2018 passed in the case of Himalayan Vegefruit Ltd. Versus HPSEBL has held that the charges based on clubbing of two units cannot be recovered since the separate connections were allowed by the respondents themselves.

n) That the Ld. Forum has failed to appreciate that the officers of the respondents are directly in touch with rules and regulations, and day to day circulars issued by the higher offices of the respondents. If at all, there existed any instruction which did not allow two connections in same premises, then the respondents themselves were at fault by not following such instructions. The actions of the complainant were bona fide and the respondents had full right to reject the application for the second unit of the complainant, which the respondents never did. The load of second unit was sanctioned by the competent authority in a bonafide manner. The complainant is not liable to suffer on account of mistakes, if any, of the part of the respondents.

o) That the demand of the respondents is time barred under section 56(2) as well as the Limitations Act The arrears that have been demanded have not been shown continuously in the energy bills issued to the complaint. The respondents thus cannot raise any claim for the period which is more than two years old.

3. The complainant prays before the Hon'ble Ombudsman, the relief as follows:

a) To quash the impugned notice demanding Rs. 43,68,503/- on account of clubbing the two connections of the company with retrospective effect from Nov., 2010.

b) To quash and set aside the demand of LVSS for the past period as LVSS was not applicable even as per tariff orders notified by HPERC on the Units that were set up before 01.12.2007. The complainant's first unit was set up in the year 2004 i.e. much before the time when the concept of LVSS was introduced in the tariff.

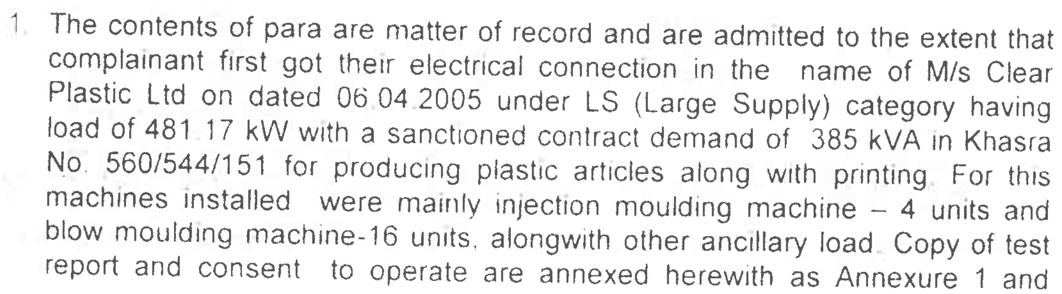
c) The complainant prays that the cost of the litigation be paid to the complainant to an extent of Rs.1,00,000/-.

d) The complainant prays that the interest should be paid by the respondents on the amount deposited with them at the time of proceedings before CGRF and the Ld. Ombudsman.

4. The complaints declare that the complainant company filing this representation has not filed any other appeal on the similar facts against the order dated 14.11.2018 passed by the Consumer Grievance Redressal Forum in complaint number 1432/3/18/052 in the complaint titled as Clear Mipak Packaging Solutions Ltd. V/s HPSEBL and others except the present representation. The representation is being filed within the allowed period of 30 days in the Regulations and hence is not time barred.

It is, therefore, respectfully prayed that the representation my kindly be allowed and the findings of the Consumer Grievances Redressal forum in the order dated 14.11.2018 passed in the complaint number 1432/3/18/052 in the complaint titled as Clear Mipak Packaging Solutions Ltd., V/s HPSEBL and others, whereby the Ld. Forum has denied the relief sought in the complaint, is bad in law and deserve to be quashed and set aside or any further orders which this Hon'ble Electricity Ombudsman may deem fit and proper in the facts and circumstances of the case may kindly be passed in favour of the complainant company and against the respondents/distribution licensee.

**Respondent's Contention**



1. The contents of para are matter of record and are admitted to the extent that complainant first got their electrical connection in the name of M/s Clear Plastic Ltd on dated 06.04.2005 under LS (Large Supply) category having load of 481.17 kW with a sanctioned contract demand of 385 kVA in Khasra No. 560/544/151 for producing plastic articles along with printing. For this machines installed were mainly injection moulding machine – 4 units and blow moulding machine-16 units, alongwith other ancillary load. Copy of test report and consent to operate are annexed herewith as Annexure 1 and

Annexure II. The load/demand was later increased to 1400 kW with contract demand of 780 kVA in March, 2009. In 2009 the complainant applied for another electric connection on the above said land, having load of 495 kW with 400 kVA, in the name of M/s Clear Plastic Ltd Unit-II for manufacturing of pet products by injection stretch below moulding and injection blow process for packaging of food, pharmaceutical products and cosmetic products. Copy of test report, consent to operate are annexed herewith as Annexure III and Annexure IV. Both the units are having same management and same officers are authorized to sign the documents on behalf of both these units i.e. M/s Clear Plastic Unit-I and M/s Clear Mipak Packaging Solutions Ltd in 2011 as per provision of section 23 of Companies Act, 1956 and the Special Resolution passed under section 31/44 of the Companies Act. The SCO to both the units affected of 24.05.2012 in the name of M/s Clear Mipak Packaging Solutions Pvt. Ltd. It is specifically denied that the company is recognized separately by all departments. The copy of letter of industries department, revenue NOC and registration under companies act (annexed herewith a Annexure V, Annexure VI and Annexure VII) is only in the name of M/s Clear Plastic/later Clear Mipak situated on same land bearing khasra No. 560/554/151. The Boundary wall of two units is also common with common entrance having two buildings side by side. As it claimed by the complainant the two units have been created for Govt. of India concessions. This has also been raised under benefit from the replying respondents in terms of rebate in tariff structure which is now being claimed. Since it is now that it has been scrutinized by the Audit that both the units are same therefore notice has been served and option has been given to the firm to club it's both units as a single entity. The petitioner cannot be allowed to run both the units separately now when it is amply clear that all the requisite registration and approval are common and no such Unit-II exists. The change in name is only from M/s Clear Plastic to M/s Clear Mipak Packaging Solution Ltd., so it is treated as one firm. Thus tariff of HT-I category was being levied since April 2013 which should have correctly been billed in HT-2 category having higher demand charges. From November 2010 since the connected load increased to 2000 kW, low voltage supply surcharge @ 3% was also applicable.

2. a) The partial contents of the para are matter of record but it is denied that the orders passed by CGRF are vague and perfunctory in any manner. The orders are strictly in accordance with applicable HPERC orders and sales circulars issued from time to time by respondent board. It is the application of the petitioner that needs to be quashed and dismissed.

b) The mere fact that a premise have two gates does not mean that these are isolated. Boundary wall is common and housing two building side by side. The forum has rightly observed its findings on right perceptions.

c) The Khasra No. 560/544/151 are adjacent to each other and boundary wall is common. Hence both the unit's land measures 5 bighas 4 biswa only. The appellant has not furnished any documentary proof regarding the submission made.

d) As explained in Para above the clarity on the issue was required where sister concern units were involved and due to this there has been some omissions on part of the respondents and also as various other issues were also involved. But there is clarity now as per directions of HPERC order dated 21/01/2017 and consumer has deliberately mislead the department for undue benefits which may not only effect the respondents but other departments also. No such unit-II exists in industries department nor as per company's registration. An agreement was entered but any illegality cannot be overridden by it, as per the basic law of Contract Act. The submission made by the appellant is not acceptable and against the provision of law.

e) The instructions of revised sales circular No. 4.3.1 clearly disallow more than one premises in one connection (Annexure IX).

f) The order of HPERC dated 21st January 2017 is intended in the orders of form.

g) The company's unit are just adjacent with common boundary, common product and involves same process/machinery.

h) It is submitted that HPSEBL does not allow any consumer multiple connection in the same premises and in case done, the same is to be clubbed. The matter has already been placed before HPERC which in its order dated 21st January 2017 has enlarged the scope for clubbing of existing connections of industrial consumers and has therefore substituted sub clause (i) and (ii) of clause (b) of sub regulation (1) of the regulation 7 of the principle regulations, 2012 for companies formed and registered under companies Act 201`3 which are required to be clubbed if their electricity connections in their names are the subsidiary companies of the same holding company or one of such company is a holding company and the other company is the subsidiary company of that holding company. Copy of order dated 21.01.2017 is annexed herewith as Annexure VIII. But in this case only one company exists which has created its Unit-II at its own level to avail unauthorised benefits in terms of tax and electricity tariff. Since in even of clear directions, now it may please be ordered that connections be deemed to have been clubbed w.e.f. date of notice served by the respondents. Since petitioner is avoiding the same and undue benefit of tariff is being availed till now. The contents of this para are denied.

As explained in para above the clarity on the issue was required where sister concern units were involved and there has been some omissions on part of the respondents due to this as various other issues were also involved. But there is clarity now as per directions of HPERC order dated 21/01/2017 and consume has deliberately mislead the department for undue benefits which may not only affect the respondents but other departments also. No such unit-II exists in industries department nor as per company's registration. An agreement was entered but any illegality cannot be overridden by it. as per the basic law of Contract Act.

i) The contents of the para are denied. The undue favour drawn by the petitioner by misleading all department over these years cannot be stated to be correct. Taking into consideration the tariff provisions petitioner is liable to pay the amount which was actually unpaid. Revenue repercussion has been there and notice to this affect and recovery has been served on account of difference of HT-1 category since April 2013 which should have been correctly billed in HT-2 category having higher contract demand charges and before that from November 2010 to July 2014 (First amendment of Supply Code) on the account of low voltage

supply surcharge @ 3% as applicable total amount to Rs. 43.68 Lacs which may please be ordered to be paid by the petitioner which has mislead the respondent and got undue benefits. The audit law rightly raised the objection as per law.

j) The contents of para are denied being wrong. The Forum has rightly appreciated the pleading, documents and arguments of the party and passed reasoned order as per law.

k) The contents of this para are denied. The forum has passed reasoned order after appreciating the legal points.

l) The contents of this para are denied. The forum has applied principle of natural justice while passing the order.

m) In view of position explained in para above separate connections were got issued during different times i.e. M/s Clear Plastic by mislead due to change in names where actually only one unit existed i.e. M/s Clear Mipak Packaging Solutions Ltd. So the referred case is entirely different.

n) The contents in para are admitted to the extent that applicability of these regulations also depends on the information provided by the consumer and related documents submitted by him to the departments. Therefore he consumer is well aware of actual situation and in this case and this case has deliberately and illegally mislead all the departments by using another similar name to take undue advantage of tax benefits and tariff regulation. Hence the petitioner has not approached this court with clean hands and made wrong and false submissions in this para. Therefore the contents of this para are denied.

**o)** The limitation period is to be deemed within the period of date from which the fact came to notice demand issued which is therefore very much sustainable as per the Act. The demand has thereafter been continuously shown recoverable in the subsequent energy bills w.e.f. 24.03.2009. The demand raised by the respondents within the period limitation. The limitation period will start from the date when the first demand raised. It is therefore most respectfully prayed that kindly dismiss the appeal of the appellant and the order of Forum may kindly be upheld in the interest of justice.

**CGRF's Order:**

M/s Clear Mipak Packaging Solutions Ltd., Khasra No.544/151, Village Dhanna, Tehsil Nalagarh, Distt. Solan (HP) has filed a Complaint that Respondent Board has issued a Demand Notice for arrears of R. 43,68,503/- on account of clubbing of two connections of the Company w.e.f. 2010. The arrears have been claimed in two accounts. Firstly an amount of Rs. 27,76,788/- has been demanded for the period 04/2013 to 10/2017 on account of Tariff difference due to assumed category changed based on clubbed load of two units i.e. 2383.5 kW with total Contract Demand of 1025 kVA. 2ndly the Charges are being demanded on account of low voltage supply surcharge for the period 11/2010 to 07/2014 as the combined load of two units exceeded the limit of 2000 kW for which the standard supply voltage was 33 kV. Both the units of the Company had separate machinery, separate building, building are unique and separately recognized by all the departments including the Department of Industry, Labour, Central Excise, Income Tax etc. Incidentally both the units are adjoining but were eligible for G.O.I. concessions during different period as per policy

notified and amended from time to time. The Respondent No.3 is trying to combine the two units into one, unilaterally and retrospectively in order to allegimate gains from the past yea .. During the period for which the arrear have been calculated, no notice was ever given nor was any objection ever raised. There is no reason as to why the two units of the Complainant are being clubbed to one, until and unless the direction or rules or regulations to this effect are introduced or modified.

The Respondent Board has replied that both the units of the Complainant are having the same management and same officers are authorised to sign the documents on behalf of both these units i.e. M/s Clear Plastic Unit-I and Clear Plastic-II. Both are located in the same premises. At later stage the Complainant changed their name from M/s Clear Plastic to M/s Clear Mipak Packaging Solutions Ltd as per provisions of Section 23 of Companies Act and special resolution passed under Section 31/44 of the companies Act. The SCOs to both the units effected on 24.05.2012 in the name of M/s Clear Mipak Packaging Solutions Pvt. Ltd. It is specially denied that the Company is recognized separately by all the Departments. The copy of letter of Industry Department, Revenue NOC and Registration under Companies Act are only in the name of M/s Clear Plastic later renamed as M/s Clear Mipak situated on the same land bearing Khasra No. 560/554/151. The boundary wall of two units is also common with common entrance having two buildings side by side. The petitioner cannot be allowed to run both the units separately when it is amply clear that all the requisite registration and approval are common and no such unit-II exist. The change in name is only from M/s Clear Plastics to M/s Clear Mipak |Packaging Solutions Ltd so it is treated as one Firm. The notice served is strictly in accordance with HPERC/HPSEBL Regulations. It is well defined in the Sales Circular No.5/2001 conveyed by Chief Engineer (Commercial), Shimla that whenever more than one Industrial Connections are running in the same premises in different names, but the work is carried out by the one concern/proprietor, such consumer shall be asked to get the load clubbed and changed to one connection in one name after giving them reasonable time, although in this case the matter came to notice during the course of Audit Findings.

**The Forum Observed that:-**

I. Both the units have common entrance, situated on the same land bearing Khasra No. 560/554/151, having common boundary wall, managed by the same Proprietor.

II. In the matter of Draft Amendment of the Himachal Pradesh State Electricity Regulation Commission, the recovery of expenditure for supply of Electricity (4th Amendment) Regulation 2017 the Principle Regulation 2012 Clause No. 2.3.3.4 which reproduced as:-
"whenever, more than one industrial connections are running in the same premises in difference names, but the work is carried out by one concern/proprietor, such consumers shall be asked to get the load clubbed and also get it changed to one connection in one name after giving them reasonable time. In case they do not agree their request for any extension, splitting or transfer of existing load shall not be entertained."

The Forum order that keeping in view the observations, the demand as raised by the Sr. Executive Engineer, Electrical Division, HPSEBL, Nalagarh vide his letter No. HPSEBL/ND/CS-RAO-Audit and Inspection/2018-19-1385-87 dated 22.05.2017 is in order and complainant is directed to deposit Rs. 43,68,503/- with the Respondent Board within Twenty One days and load of both the Industries be got clubbed immediately.

The case is decided in favour of Respondent Board and against the Complainant.

**Electricity Ombudsman's findings and Order:**

After going through all the submissions, written as well as oral, contentions of the parties and examining the documents like replies/rejoinders and written arguments, it is observed that instruction 4.3.2 of the condition of supply in the Sales Manual allows more than one connection in the same or adjacent premises which is re-produced as below :

"Whenever an existing consumer applies for a new connection in the same premises i.e. even having independent shed/unit/piece of land having separate plot No. etc., in his name, it shall not be allowed. Such consumer shall be asked to apply for extension in existing load only. However, if new connection is applied is in the name of a new firm/company, of which the existing consumer is a Director/Partner, the connection could be allowed only if the premises are distinctly and physically separated/partitioned and the premises in question are legally transferred, sold or leased out to a new unit and appropriate entry to this effect exists in relevant records of concerned revenue authorities, so that it is not possible to utilize electricity from one premises to other in the event of one of the connection having been disconnected due to default, it cannot be run from the other connection by making temporary arrangements. However, in case the Industry Department has approved another unit of same group or company adjacent to the industrial plot or piece of land adjacent to the existing premises where connection exists as separate identity and product line etc., the same should be allowed as new connection by HPSEBL provided the premises are different."

It is pertinent to note that even today there is no bar on subsequent separate connections provided the Industries Department have accorded approval in the adjacent land. This demand in question pertains to a period when Instruction 4.3.1 was even not notified.

The action of the respondent lacks natural justice. Had the petitioner been refused the 2nd connection for Unit-2 when he approached the Respondent for said connection the petitioner would have exercised his option to locate his unit -2 at a different place or else.

The 4th amendment in the HPERC (Recovery of Expenditure for Supply of Electricity) Regulation 2012 only refers to the calculation of Infrastructure Development charges (IDC) in the cases where clubbing is allowed by the licensee and does not mandate the clubbing of two existing units in same/adjacent premises.

So, in view of the above stated findings, discussion and arguments, the respondents are not justified in raising the demand disputed in this representation/petition.

As such, it is concluded and ordered that :-

1. Even as on date two separate units exist and billed separately and there is no clubbing of two units in one physically.
2. The Demand Notice demanding Rs. 43,68,503/- on account of Demand charges and LVSS as a result of clubbing of two units retrospectively is quashed.

Compliance be reported within 15 days from the issuance of these orders.

**Dated: 19.03.2019**

**Electricity Ombudsman**