



In the matter of:

M/S Kundan Precision Components Pvt Ltd., Plot No. 9A, Sector-II, Parwanoo, District Solan, HP-173220  
-The Complainant

Vs

1. Executive Director (Personnel), HPSEB Ltd, Vidyut Bhawan, Shimla-171004
2. Assistant Executive engineer, Electrical Sub-Division, HPSEB Ltd, Parwanoo, District Solan, HP-173020
3. Sr Executive Engineer, Electrical Division, HPSEB Ltd, Parwanoo, District Solan, HP-173020

-The Respondents

Case No. 45/2020 (Registered on 23/10/2020)  
(Decided on 23/03/2021)

Counsel for:

The Complainant: Sh. Rakesh Bansal

The Respondents: Sh. Anil Kumar God, Advocate, Sh. Kamlesh Saklani, Law Officer

### Order

The case was received and registered on 23/10/2020 and was sent for reconciliation under Regulation 34 of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 to be returnable by 07/11/2020. Since no communication was received by 07/11/2020, the case was listed for admission hearing on 05/12/2020 later rescheduled for 07/12/2020 after announcement of five-day week by Govt of HP. The reply was due by 24/11/2020 and rejoinder by 01/12/2020.

The reply was not filed by the Respondents by due date but provided the same on the date of hearing on 07/12/2020 citing reasons of delay due to pending at legal vetting process. The case was listed for 11/01/2021. The rejoinder was filed on 18/12/2020. The Respondents stated on 11/01/2021 that they are assailing the orders of the Forum in Hon'ble HP High Court and requested for time to submit the status. The case was further listed for 06/03/2021.

On 06/03/2021, the Respondents informed that they are implementing the orders of the Forum and they have received the internal approval for same. They were directed to file their submissions on affidavit by 20/03/2021. Orders were reserved. Hence the delay.



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**A – Brief Facts of the Case:**

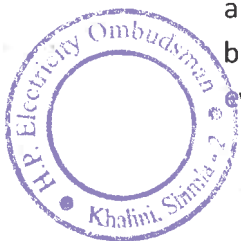
1. M/S Kundan Precision Components Pvt Ltd., Plot No. 9A, Sector-II, Parwanoo, District Solan, HP-173220 have filed representation through Sh. Nimish Jain (hereinafter referred to as 'The Complainant') under Regulation 28 (1) (c) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 for implementation of the Forum's orders passed on 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019 which the Respondents failed to do so within the time frame specified in the Regulations.

**B – The Complainant's submissions:**

1. The Complainant submits that the representation is being filed in accordance with the HPERC (CGRF & Ombudsman) Regulations, 2013 as the Applicant/ Complainant is aggrieved by non-implementation of the orders dated 18/08/2020 passed by the Ld. Forum in the Complaint no. 1421/4/19/061 titled as Kundan Precision Components Pvt. Ltd. v. HPSEBL and others, whereby the Forum directed that

*"We have heard both the Parties and have gone through the case file carefully. The Respondent Board today again submitted that the refund of IDC of Rs.2,25,000/- has been provided to the consumer in the energy bill of March/2020. The main grievance of the Complainant thus has been addressed. The Complainant submitted that the interest for the intervening period is to be provided as per CGRF, Regulation on the matter enforce. The Ld. Counsel for the Respondent Board submitted that the simple interest on such refund, as per extant Regulations can be provided. Accordingly, the Complaint is disposed of with a direction to Respondent Board to give simple interest, as applicable under relevant Regulations on the matter, for the relevant period on refund allowed by Respondent Board in favour of Complainant of Rs.2,25,000/-. In the aforesaid terms, the Complaint stands disposed of in favour of the Complainant."*

2. The Complainant submits that he was issued PAC on 17/12/2009, well within the operation period of HPERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2005, for 225 kW of load from Parwanoo sub-station at 11 kV. Advance cost share towards IDC as per para 3.2.2 of the Supply Code, 2009 was recovered vide CAO-37 Rct. No. 260276 dated 16/12/2009. The Complainant in addition to the advance cost share, also paid other charges towards estimate for service line cost etc.
3. The Complainant submits that the amount of advance cost share remained to be settled towards the cost of supplying sub-station, which was the duty of the Respondents as per the applicable regulations. The Parwanoo 66/11 kV sub-station had a capacity of 2x 20 MVA before the IDC Regulations came into force in 2005 and continues to be at the same capacity, even today and was never augmented and therefore, did not form a part of the list of 34 sub-



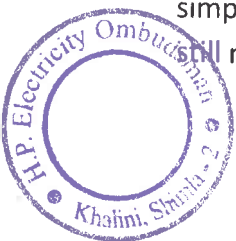
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**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
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stations, for which the Respondents had issued instructions for recovery on the basis of sub-station wise augmentation cost.

4. He further submits that the surplus amount remaining out of the advance cost share was to be refunded to the Complainant as it was known that Parwanoo sub-station had not undergone any capacity change/ addition during the operation of 2005 Regulations. But the Respondents continued to hold the money which was legally refundable to the Complainant.
5. The Complainant submits that after waiting for overhauling for a long time, the Complainant approached the CGRF for claiming relief under the rules and regulations vide Complaint No. 1421/4/19/061. The Forum disposed the grievance vide its orders dated 18/08/2020 in favour of the Complainant in respect of the refund of advance cost share and interest thereupon.
6. The Complainant submits that the Ld. Counsel for the Respondent Board submitted before the Forum that the simple interest on such refund, as per extant Regulations can be provided.
7. The Complainant submits that the Respondent refunded the advance cost share of Rs. 2,25,000/- to the Complainant by way of adjustment in the electricity bill after the matter was taken up with the Forum. But, the Respondents has not refunded till date the interest on Rs. 2,25,000/- as has been ordered by the Forum.
8. The Complainant submits that the time period of approximately two months has already passed but the Respondent has partially implemented the orders dated 18/08/2020 passed by the CGRF in Complaint No. 1421/4/19/061. A time period of only 21 days is allowed for compliance in such matters under the Regulations, which clearly has expired. The Respondents have contravened the provisions of HPERC (CGRF and Ombudsman) Regulations, 2013 and is liable to be dealt under section 142 and 149 of the Electricity Act, 2003.
9. The Complainant submits that he must be compensated for interest on the amount refundable to the Complainant as per Clause 5.7.3 of the Supply Code, 2003 from the date of actual payment of the disputed amount to the actual date of refund including the delay in implementation, failing which the action for non-compliance be initiated against the Respondents. The Ld. Counsel for the Respondent Board submitted to the Forum that the simple interest on such refund, as per extant Regulations can be provided. But the interest will not has been paid to the Complainant.



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10. The Complainant thus prayed that the representation may kindly be allowed and the directions be issued to the Respondents to comply with the orders passed by the CGRF.
11. The Complainant further prayed that **a)** to direct the Respondents to comply with the orders passed by the CGRF in Complaint No. 1421/4/19/061 in true letter and spirit, directing them to refund interest as per Clause 5.7.3 of the Supply Code, 2009 w.e.f. the date of release of the power connection and interest be ordered to be paid till the date of actual payment/refund including the delay in implementation of the orders; and / or **b)** to report the matter of non-compliance to the Himachal Pradesh Electricity Regulatory Commission, recommending action u/s 142 and 149 of the Electricity Act, 2003; **c)** cost of Complaint to an extent of Rs. 50,000/-; **d)** call for the record of the case; **e)** any other or further orders which this Hon'ble 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 licensees.

**C – The Respondents' submissions:**

1. The Respondents submitted that the Complaint of the Complainant is not maintainable in the present form and same is liable to be dismissed in limine and that the Complainant is stopped to file the present Complaint by his own act and conduct.
2. The Respondents submits that the Complainant has no cause of action and locus standi to file the present Complaint, hence the Complaint deserves only to be dismissed. Further, that the Complainant has not come to this Hon'ble Forum with clean hands and has suppressed and concealed the martial facts and has filed the present Complaint on twisted and distorted facts which are far off from the reality and same is liable to be dismissed.
3. The Respondents submits that the replying respondent most humbly and respectfully regrets the inconvenience caused to this Hon'ble Forum on account of alleged dis-obedience of the orders dated 18/08/2020.
4. The Respondents admitted to some extent that the Complainant Company is a Consumer as defined under the regulation 2 (9) of the Himachal Pradesh Electricity Regulation (Guidelines of establishment of Forum for Redressal of Grievances of Consumers) Regulation 2003 and Complainant Company neither disclosed the matter nor forward any representations to this office for refund the IDC charges Rs 2,25,000/- before filing the Complaint in the Hon'ble Forum vide case No 1421/4/19/061 titled as M/s Kundan Precision Components Pvt Ltd Vs HPSEBL.
5. The Respondents submits that the Respondent Board without holding the refundable amount as Advance Cost Share towards IDC Rs 2.25,000/- already refunded to Consumer through monthly billing cycle i.e Mar 2020 in accordance with the order passed by the Hon'ble HPERC



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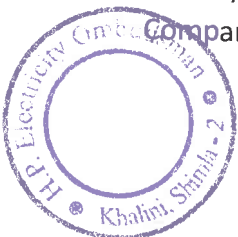


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in Suo-Moto Petition No 25 of 2016 decided on 05/10/2016 without stay behind the ongoing court case decision.

6. The Respondents submits that recently the matter has been examined in the same nature case at different level of Respondent Board decided to file the CWP against the Id. CGRF order. However the matter was also referred to the higher authorities of HPSEBL for opinion and accordingly Chief Engineer (Commercial) is also of the same opinion, that the interest applicability as per Recover of Expenditure for Supply of Electricity Regulations 2005 is concerned, there is no provision for payment of interest to the consumer on account of refund of excess amount towards Recovery of Expenditure. The interest rate of 8% quoted in the Complaint by the Complaint applicable only for new consumer when the connection is given from the electrical plant or electrical line only on pro-rata basis with interest of 8% compounded annually in case the infrastructure is created the cost of another Consumer. In the case also the licensee does not bear the interest liability. In addition, CE (Commercial) stated that there was no provision of interest on IDC was available in the Regulation notified in 2005 and this connection has been released before 23/05/2012 before repeal of regulation of 2005, therefore, no interest should be payable on refund.
7. The Respondents submits that he is a law abiding citizen and holds the orders and or directions of all Courts /Forums including this Hon'ble Forum in its highest esteem. There has been no intent, purpose, motive and or design to disobey and or disrespect the orders and or directions passed by the Id. Forum in any way or in any manner, nor can the Replying Respondent ever dream of the same. The Replying Respondent submits that he has also not done anything wittingly or unwittingly which could be termed as lowering the majesty or grandeur of Id. Forum or of this Hon'ble Forum or which could be termed as violative of the Order dated 18/08/2020 passed by the Id. Forum in Complaint No. 1421/4/19/061. Should, however, this Hon'ble Forum concludes that Replying Respondent has been remiss and negligent in any way or in any manner, such negligence which was absolutely unintended, may very kindly be excused and condoned.
8. The Respondents submits that the Complainant –M/s Kundan Precision Components Pvt Ltd had filed a Complaint before the Id. CGRF at Shimla on 04/12/2019, which was registered as Complaint No. 1421/4/19/061, stating therein that the HPSEBL has raised Demand Notices for Service Connection Charges / Line Cost Share/ Infrastructure Development Charges dated 04/12/2019 amounting to Rs.2,25,000/- (Rupees two Lakh twenty-five thousand only). The Respondents further submits that it has been alleged that the aforesaid action of the Respondents is illegal, unjustified etc. The Respondents further submits that the reply was filed by the Respondents on 25/03/2020 contesting therein the claim of the Complainant-Company.



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9. The Respondents submits that the Complaint was taken up for further hearing on 18/08/2020 when the following orders/directions came to be passed:-

*"In view of the discussions made herein above, the Respondent Board today again submitted that refund of IDC of Rs 2,25,000/- has been provided to the consumer in the energy bill of March 2020. The main grievance of the Complainant thus has been addressed. The Complainant submitted that the interest for the intervening period is to be provided as per CGRF, Regulation on the matter enforce. The Ld. Counsel for the Respondent Board submitted that the simple interest on such refund, as per extant Regulations can be provided. The Complaint is disposed off with the direction to Respondent Board to give simple interest, as applicable under relevant Regulations on the matter, for the relevant period on refund allowed by Respondent Board in favour of Complainant of Rs 2,25,000. In the aforesaid terms, the Complaint stands disposed of in favour of Complainant. The parties are left to bear their own costs".*

10. The Respondents submits that on perusal of the order dated 18/08/2020 goes to show that on the said date the Ld. CGRF had directed to refund the simple interest towards IDC of Rs.2, 25,000/- deposited by the Complainant, in pursuance of the order passed by the Hon'ble HPERC in Suo Moto petition No. 25 of 2016 decided on 05/10/2016 and admission of Respondents. However, it is humbly and respectfully submitted therein that instant case of IDC has been refunded to the Complainant in accordance with the order passed by the Hon'ble HPERC in Suo Moto Petition No. 25 of 2016 decided on 05/10/2016 by the replying Respondent before the order in question was passed by the Ld. CGRF. The Ld. CGRF has wrongly concluded that the Complainant is entitled to interest on the refunded amount of IDC by relying on Para No. 5.7.3 of the HP Electricity Supply Code 2009. The Para No. 5.7.3 is not applicable in the present case, because, the para No. 5.7.3 deals with the payment of the disputed bills and provides that if on examination of a Complaint, the licensee finds a bill to be erroneous, a revised bill will be issued to the consumer indicating a revised due date of payment, which will not be earlier than ten days from the date of delivery of the revised bill to the consumer. If the amount paid by the consumer under para 5.7.1 is in excess of the revised bill, such excess amount will be refunded through adjustment first against any outstanding amount due to the licensee and then against the amount becoming due to the licensee immediately thereafter. The licensee will pay to such consumer interest on the excess amount at twice the SBI's Short Term PLR prevalent on the first of April of the relevant year from the date of payment till such time the excess amount is adjusted. The Para No. 5.7.3 is not applicable in the present case and the HPSEBL shall not be liable to pay interest on the refunded amount of IDC as the dispute in the Complaint is with respect to the refund of IDC and not payment of disputed electricity bill and the case of the Complainant shall be governed by the provisions of the HPERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2005 and not by the HPERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2012 and Para No. 5.7.3 of the HP Electricity Supply Code 2009. In the latest



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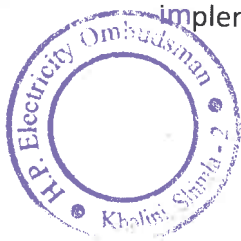
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decide case M/s Milestone Gear Pvt Ltd (Unit V) Vs HPSEBL the competent authority directed the Respondent No 3 to file the Writ Petition in the Hon'ble High Court to assail the Hon'ble CGRF Order's contain the provision of Para No 5.7.3 of Supply Code 2009.

11. The Respondents thus prayed that the Complaint filed by the Complainant may kindly be dismissed and justice be done in favour of reply Respondent.

**D – The Complainant's additional submission through Rejoinder:**

1. The Complainant repeated, reiterated and confirmed all the statements and averments made by him in the Complaint and denied all the statements and averments made in the said reply unless and until the same are specifically admitted by the Complainant.
2. The Complainant denied that the remarks made by the Respondents in reply are casual in nature, which have been made without any substantial reasoning or evidence.
3. The Complainant submits that the Respondent in their reply has accepted that they have not complied with orders passed by the CGRF partially particularly in respect of interest ordered by the Forum, which was required to be paid to the Complainant as per orders of the Forum.
4. The Complainant submits that the Respondents have stated that they have refunded the amount of advance cost share of Rs. 2,25,000/- after the orders were passed by the Forum, whereas the advance cost share was due to be refunded within three months of the release of the power connection as per HPERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2005. Recognizing the delay in refund, the CGRF has ordered payment of interest for the delay period. He further points out that the present case is only related to implementation of the orders passed by CGRF and it should be avoided to go into merits and adjudication of the matter again by this Hon'ble Forum. The Respondents are trying to get into merits of the case. If they were aggrieved by the orders passed by the CGRF, they should have assailed the same before the appropriate court of law or remedy available to them.
5. The Complainant submits that the Respondents have also stated in their reply that they have approached the Hon'ble High Court of Himachal Pradesh in the form of CWP, in case of Milestone Gears Pvt. Ltd. assailing the orders in respect of interest, whereas it is clear that they have not assailed the orders passed by CGRF in the present case. The pleas of assailing orders in other different cases cannot be given weightage to the extent so as to stop the non-implementation proceedings.
6. The Complainant submits that the Respondents' plea that there is no provision for interest in the IDC Regulations of 2005, cannot be accepted in this case of non-compliance and non-implementation. If the orders were incorrect, they should have assailed the same.



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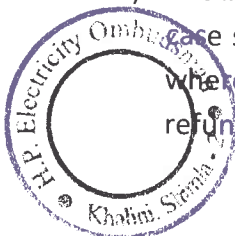


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7. The Complainant submits that the Consumers surplus money lying with the Respondents has to bear interest as in the vice versa case. The Respondents charge late payment surcharge @ 1.5 % per month, which was previously 2% per month, which is compounded monthly. This rate is charged from Consumers even when the IDC amounts are charged to the electricity bill. There is not a clear distinction between a demand notice and a bill and as such applicability of **interest rate** specified in 5.7.3 is quite justifiable. The question here is not whether 5.7.3 is applicable or not? The interest rate of 5.7.3 can be applied in other situations also in the interest of natural justice.
8. The Complainant prays that the Respondents be directed to comply with the orders of the Forum and in order to impart more clarity a simple interest rate of 15% p.a. be ordered to be paid to the Complainant read with other reliefs prayed in the main Complaint. In the event of continued non-compliance, appropriate action for non-compliance be initiated against the Respondents.

**E – The Respondents’ additional submissions received on 27/01/2021:**

1. The Respondents submits that in compliance to the order dated 11/01/2021, the orders of the Ld. CGRF dated 18/08/2020 in the Complaint No. 1421/4/19/061 titled M/S Kundan Precision Component Pvt. Ltd. V/S HPSEBL has been sent to higher authorities for legal opinion, as in the similar nature of Complaint bearing No.1421/4/19065 titled M/S Miles Stone Gears Pvt. Ltd V/S HPSEBL , the Chief Engineer (Comm.)HPSEBL, Shimla-4 has directed this office to assail the order of Ld. CGRF by way of CWP in the higher court keeping in consideration the following observations:-
  - a) The connection aforesaid is release before the repeal of Regulations of 2005, i.e. 23/05/2012, so that provisions under the Electricity Regulations,2005 and 2012 are different and the latest provisions of Electricity Regulation,2012 is not applicable in this case.
  - b) Hon’ble Commission in Sup Moto Case No 25/2016 has issued the order on mechanism for adjustment of advance cost share towards IDC paid under Para 3.2.2 and 3.2.5 of Supply Code at the time of issuance of PAC of order of Commission. The interest liability any, shall be after the issuance of order of Commission.
  - c) The interest rate as prescribed in Para 5.7.3 of Supply Code is not applicable in the instant case since Para 5.7.3 is with regard to the interest on account of disputed energy bills, whereas in the instant case the complaint is not about dispute of energy bills but delay in refund of advance IDC charged at the time of issuance of PAC.



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- d) So far as the interest applicability as per Recovery of Expenditure for Supply of Electricity Regulations, 2005 is concerned there are no provisions for payment of interest to the consumer on account of refund of excess amount towards Recovery Expenditure. The Interest rate of 8% quoted in the complaint by the complainant applicable on for new consumer when the connection is given from the electrical plant or electrical line only on pro-rata basis with interest of 8% compounded annually in the case the infrastructure is created at the cost of another consumer. In this case also the licensee does not bear the interest liability.
2. The Respondent further submits that keeping in consideration the above observations and as per the directions of higher authorities, his office is also going to assail the order of Id. CGRF dated 18/08/2020 in the complaint No. 1421/4/19/061 titled M/S Kundan Precision Components Pvt. Ltd. V/S HPSEBL, by way of filing CWP, which is under process. However, the official for the said purpose has been deputed by this office, to expedite the process and latest /position of the case shall be intimated to the Id. Court from time to time please.

**F – The Respondents’ additional submissions received on 20/03/2021:**

1. The Respondents submits that HPSEBL Parwanoo has already implemented the order passed on 18/08/2020 by Id. CGRF in complaint No. 1421/14/19/061 titled as M/s Kundan Precision Components Pvt. Ltd. Vs HPSEBL. The Respondents submits that he has already mentioned the same earlier in the reply.
2. The Respondents submits that the case was listed for argument on 06/03/2021 at 3:00 PM and undersigned defend the case during ongoing trial. They further submitted that replying Respondent refunded the IDC amount Rs 2,25,000 (Rupees two lakh twenty five thousand only) to the Complainant Consumer vide sundry item No 4064/21/44 dated 15/02/2020 which credited through monthly energy bill Mar 2020 and same was admitted by the Complainant Company during argument course before the Id. CGRF.
3. The Respondents stated that the Respondent Board implemented the Id. CGRF order in letter and spirit well in advance without waiting the Id. CGRF order and interest liability on board could not be imposed without any provision in the enforced Regulation 2005. Therefore, the interest applicability as per prevailing Regulation 2005 is concerned, there is no provision for payment of interest to the consumer on account of refund of IDC amount towards Recovery of Expenditure.

**G – CGRF Orders:**

We have heard both the Parties and have gone through the case file carefully. The Respondent Board today again submitted that the refund of IDC of Rs.2,25,000/- has been provided to the consumer in the energy bill of March/2020. The main grievance of the



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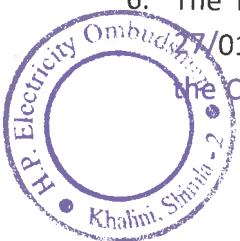
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Complainant thus has been addressed. The Complainant submitted that the interest for the intervening period is to be provided as per CGRF, Regulation on the matter enforce. The Ld. Counsel for the Respondent Board submitted that the simple interest on such refund, as per extant Regulations can be provided. Accordingly, the Complaint is disposed of with a direction to Respondent Board to give simple interest, as applicable under relevant Regulations on the matter, for the relevant period on refund allowed by Respondent Board in favour of Complainant of Rs.2,25,000/-. In the aforesaid terms, the Complaint stands disposed of in favour of the Complainant.

**H – Analysis of the Complaint:**

1. The case file at Consumer Grievance Redressal Forum have also been requisitioned and gone through.
2. The Complaint has been filed by the Complainant under Regulation 28 (1) (c) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 for non-implementation of the orders of the Consumer Grievance Redressal Forum passed on 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019.
3. The only issue is whether the Respondent Board have complied with the orders of the Forum or not. The Respondent Board has submitted that they have already refunded the principal amount due for refund, as agreed during the hearings at the Forum i.e. Rs 2,25,000/- through Sundry Credit in energy bill issued on 03/03/2020 and copy of the energy bill is part of the orders passed by the Forum.
4. The Forum in its orders passed on dated 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019 have also directed the Respondent Board to give simple interest as applicable under relevant Regulations on the matter, for the relevant period on refund allowed by the Respondent Board in favour of the Complainant of Rs 2,25,000/-. In their order dated 18/08/2020, **the Forum has not concluded that the simple interest payable shall be as per Clause 5.7.3 of the Himachal Pradesh Electricity Supply Code 2009 as contended by the Respondents in their reply received on dated 07/12/2020 during hearing.**
5. The Complainant in its rejoinder have again prayed for the simple interest as ordered by the Forum since the Respondent Board is also charging currently 1.5% as surcharge on delayed payments by the Consumer. And on the same analogy, the excess IDC charged, now refunded, also qualifies for the interest and it can be under 5.7.3 in the interest of the natural justice.
6. The Respondents in its reply and additional submissions on affidavit received on dated 27/01/2021 and another on 20/03/2021 have concluded based on the recommendations of the Chief Engineer Commercial's observations that there are no provisions under Himachal



Handwritten signature and date: 23/03/2021



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Pradesh Electricity Regulatory Commission (Recovery of Expenditure for Supply of Electricity) Regulations, 2005 for interest to be paid on the refunded amount of IDC retained by the Respondent Board.

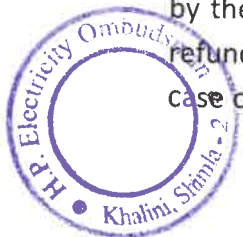
7. The Respondent No 2's contention that they have implemented the orders of the Forum dated 18/08/2020 is also not true since they have not given the interest on the amount of Rs 2,25,000/-. The Respondent Board have clearly indicated that there are no provisions for payment of interest to the Consumer on account of refund of IDC amount towards Recovery of Expenditure.
8. Now the provisions under Regulation 6 of Himachal Pradesh Electricity Regulatory Commission (Recovery of Expenditure for Supply of Electricity) Regulations, 2005 states:

*(1) Subject to the provisions of sub-regulation (2), the balance cost of electrical plant and or electric line after deducting the amount payable by the applicant under sub-regulation (1) of regulation 3, regulation 4 and regulation 5 shall be either invested by the licensee or paid for by the applicant and where licensee's investment approval does not permit this cost, the licensee shall recover the total balance cost from the applicant:*

*Provided that the balance cost shall be refunded to the applicant as and when new connections are installed or given from the electrical plant and/or electrical line on pro-rata basis with the interest rate of 8% compounded annually.*

*Provided further that notwithstanding anything contained in any other law for the time being in force, balance cost due shall be recoverable from subsequent applicant(s) and the bills of the consumer who had paid the balance cost shall be invariably flagged continuously until paid fully.*

9. Now visualize the scenario when connection is released to another Consumer, the amount of IDC already paid by the original Consumer becomes due to be refunded to him with simple interest of @8% annually in line with the provisions of the Regulations stated above. That means after the new Consumer deposits the IDC for same infrastructure (Plant and line), the Respondent Board becomes surplus with such amount due for refund to the original Consumer and simple interest @ 8% is due to be payable to him.
10. On the same analogy, when the IDC amount of Rs 2,25,000/- became due to the Complainant in this case, the Respondent Board retained that amount and pays only in March 2020 after the case is filed at Consumer Grievance Redressal Forum on 04/12/2019 and denies the simple interest stating there are no specific provisions in the relevant regulations as directed by the Forum vide orders dated 18/08/2020. In fact, the Respondent Board was bound to refund the surplus amount with them to the Consumer/ Complainant alongwith interest in case of delay.

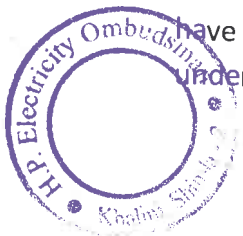


*Heupt*  
*23/03/2021*



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11. The Respondent Board have neither assailed the orders of the Forum dated 18/08/2020 as on date nor have filed a review under provisions of Regulation 26 (7) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 for clarification of the orders. Further, they have only initiated action that too to deny the interest when the case was filed at HP Electricity Ombudsman on 23/10/2020.
12. They have stated in their reply/ additional submissions that they are in the process of assailing the orders of the Forum at HP High Court that too at this stage when the case is filed at HP Electricity Ombudsman for non-implementation of the orders of the Forum. The actions by the Respondent Board are just afterthought and to deny the legitimate claim as ordered by the Forum in its orders dated 18/08/2020.
13. As on date, the Respondent Board have not complied with the orders of the Forum. Further, on the same analogy as stated above under the provisions of Regulations 6 (1) of Himachal Pradesh Electricity Regulatory Commission (Recovery of Expenditure for Supply of Electricity) Regulations, 2005, they could have atleast given simple interest @ 8% to the Consumer since the amount became due.
14. The Complainant deposited the IDC on 16/12/2009 and the Respondent Board was to provide account of expenditure within a period of three months in line with provisions under Regulation 6 (2) of Himachal Pradesh Electricity Regulatory Commission (Recovery of Expenditure for Supply of Electricity) Regulations, 2005. There is nothing on record to suggest that the Respondent Board have provided such Account of Expenditure otherwise they would have refunded the surplus amount of IDC with them.
15. That means the amount of Rs 2,25,000/- was due since 16/03/2010 onwards which alongwith simple interest have been denied to the Complainant. Even the original amount to be refunded was given on 03/03/2020 after the case was filed at Consumer Grievance Redressal Forum on 04/12/2019. This is clear case of monopolistic attitude by the Respondent Board and mere mention that the Complainant have not requested for such refund before coming to Consumer Grievance Redressal Forum is no excuse to cover up their single side decision not to disclose the surplus account available with them and refund the same on its own. They could have atleast avoided simple interest by paying the surplus amount within three months of deposit by the Consumer.
16. The orders passed by the Consumer Grievance Redressal Forum on dated 18/08/2020 is correct and the simple interest as directed have been denied by the Respondent Board to the Consumer under the disguise of non-existent specific provisions under Regulations. Even they have not assailed the orders dated 18/08/2020 or filed its review within the time period under the regulations. The action to deny the simple interest to Consumer is just after





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thought or to save the skin of the officers/ officials who have deliberately avoided the refund as well as the simple interest.

17. The Respondent Board (Respondent No. 2) again submitted that they have implemented the orders of the Forum which is a false statement and thus show the attitude of the concerned officers/ officials to deny the legitimate claim of the Complainant.
18. The contention of the Complainant that he may be given interest @ 15% under the provisions of Clause 5.7.3 of Himachal Pradesh Electricity Supply Code 2009 is also not correct since the provisions under the said clause are applicable only for the energy bills and refund of surplus amount due to that. However, the provisions under Regulation 6 (1) of Himachal Pradesh Electricity Regulatory Commission (Recovery of Expenditure for Supply of Electricity) Regulations, 2005 although not specifically mentioned but are very much applicable for the surplus amount refund on account of IDC.
19. Further, the affidavit submitted by the Respondent No. 2 for additional submissions received on dated 27/01/2021 and 20/03/2021 have not been notarized as directed. As per my understanding Respondent No. 3 is only authorized by the Respondent Board for filing replies/ affidavit and Respondent No. 2 is not authorized to file replies/ affidavit on behalf of the Respondent Board. Respondent No. 2 is exceeding his authority which is vested in his superior and abusing the process of law and misleading this court.

**I – Issues at hand:**

1. There is only one issue that whether the Respondent Board have complied with the orders of the Forum passed on dated 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019 in letter & spirit or not?

**J – Findings on the Issues:**

**Issue No. 1:**

1. As is evident from the analysis done above and record available, the Respondent Board have not complied with the orders of the Forum passed on dated 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019. The refund of Rs 2,25,000/- was given during the pendency of the Complaint at Forum in March 2020 through Sundry Credit and the simple interest as directed by the Forum has since not been paid.
2. Further, the Respondent Board have submitted false statement that they have implemented the orders of the Forum which is very serious. Further they have denied the legitimate claim of the Complainant as directed by the Forum which was due since 16/03/2010 and paid the



*Handwritten signature and date:*  
23/03/2021



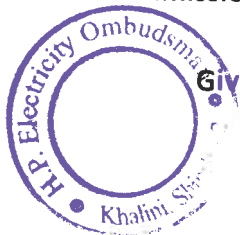
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principal amount on 03/03/2020 i.e. after ten years and have denied interest as directed by the Forum.

**K – Order:**

1. The Respondent Board have not implemented the orders of the Forum passed on dated 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019 in letter & spirit and have tried to mislead HP Electricity Ombudsman by stating (Although not authorized to do so) that they have implemented the orders of the Forum which is a very serious issue.
2. The Respondents are directed to implement the orders of the Forum in letter & spirit passed on dated 18/08/2020 in Complaint No. 1421/4/19/061, dated 04/12/2019 within a period of 15 days from the date of this order or latest by 06/04/2021 positively.
3. The Respondent No. 1 is directed to act against Respondent No. 2 for exceeding his authority (Additional submissions received on dated 27/01/2021 & 20/03/2021) which is vested in his superior and abusing the process of law and misleading this court giving false statement for which he is not authorised. Only Respondent No. 3 is authorized to file replies/ affidavit on behalf of the Respondent Board.
4. The Respondent No. 1 is further directed to provide action taken report within a period of 30 days from the date of issue of this order i.e. latest by 22/04/2021 failing which the same will be treated as contempt of this court and violation of directions under Regulation 37 (6) of the Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 for appropriate action by the Commission under the provisions of the Electricity Act, 2003.
5. The Respondents are directed to report compliance of directions at Sr. No. 2, 3 & 4 above and of implementation of the orders of the Forum dated 18/08/2020 within a period of 30 days from the date of this order i.e. latest by 22/04/2021 positively failing which the matter shall be reported to the Hon'ble Commissions for violation of directions under Regulation 37 (6) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 for appropriate action by the Commission under the provisions of the Electricity Act, 2003.

Given under my hand and Seal of the Office.



*Leupth*  
Electricity Ombudsman  
23/03/2021