



In the matter of:

Complaint No. 36/2025

M/s Valco Industries Ltd. (Unit-II), Village Katha, P.O. Baddi District  
Solan-173205 (H.P)

– Complainant

Vs

1. Sr. Executive Engineer, Electrical Division, HPSEBL, Baddi Distt.  
Solan-173205(H.P)
2. The Assistant Executive Engineer, Electrical Sub-Division,  
HPSEBL, Baddi , Distt. Solan-173205 (H.P)

-Respondent

Complaint No36/2025 (Registered on 30/09/2025)

(Orders reserved on 27/11/2025 , Issued on 10/12/2025)

Present for:

The Complainant: - Sh. Rakesh Bansal, Authorized Representative  
Sh. Manik Sethi , Advocate  
Sh. Tawarsu, Advocate

The Respondents: - Sh. Kamlesh Saklani, Under Sectt.  
Sh. Rajesh Kashyap, Advocate  
Er. Saurav Dhiman, ESD, Baddi.

**QUORUM**

Er. Deepak Uppal  
HP Electricity Ombudsman

**1. Brief Facts of the Case:**

- a. M/s Valco Industries Ltd. (Unit-II), bearing Consumer ID 100012002939 is a consumer of HPSEBL under the Electricity Act, 2003 i.e. Section 2 sub-Section 15 as well as under Section 3 (d) of the HPERC (Consumer Grievances Redressal



*Deepak Uppal*

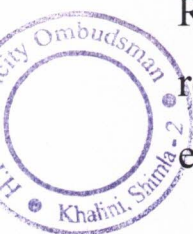


Forum and Ombudsman) Regulation 2013 and the Respondents are distribution licensee under Section 2 sub-section 17 of the Electricity Act, 2003.

b. The Complainant have filed an Application under Regulation 28(1)(b) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, received and registered on 30/09/2025 against the final Order dated 28/03/2025 passed by the Consumer Grievance Redressal Forum at Kasumpti in Complaint No. 1454/202404/05.

2. As per scrutiny of record, it was observed that the Complainant had not submitted the proof of having deposited 50% of the disputed amount with the Respondents which were to be discussed along with other prayers during admission hearing, being mandatory in terms of Regulation 33 (1)(g) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 **towards Limitation / pre-condition for entertaining the complaint.**

3. The complainant had also filed an Application under Regulation 36(1) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 and prayed for ad-interim ex-parte stay for restraining the Respondent Board from disconnecting the electricity supply to the premises of the Complainant. In the public



*Ruphal*





interest, prayer granted till the date of admissions and may continue after listening both the parties during admission hearing.

4. The Complainant had also filed an **Application for condonation of delay** in filing the said Complaint, under Regulation 33(1)(f) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, which were to be granted only after listening to both the parties during admission hearing in the court room, as **condonation issue was the principal** issue to be settled before further perusal in the matter.
5. The case was listed for admission hearing on 15/10/2025. In order to facilitate further pleadings in a comfortable domain and to have an overall view of the Complainant's contentions on condonation, Application under Regulation 33(1)(f) filed for said prayer needs to be reiterated first which is as under:

### The Complainant Submits:

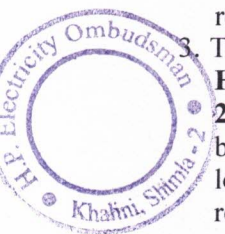
#### APPLICATION FOR CONDONATION OF DELAY IN FILING REPRESENTATION

(Read with Regulation 33(1)(f) of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013)

For the reasons stated below, it is humbly prayed that this Hon'ble Authority may be pleased to condone the delay, if any, in filing the present Representation.

#### BRIEF GROUNDS:

1. That the CGRF passed the impugned order on **28.03.2025**. The notice accompanying the order required the Respondents to report compliance within one month of its receipt.
2. That following this order, the Respondents failed to act or communicate with the Complainant for over four months. During this period of prolonged inaction, the Complainant was led to a reasonable and bona fide belief that the Respondents would not press the matter any further.
3. That this belief was founded on the fact that the **law on this issue is already settled by this Hon'ble Authority**. As established in the case of **M/s Mohan Meakins (Complaint No. 24/2022)** and several other similar cases, the six-month benefit for April-September 2019 has been consistently granted to consumers. Given this settled legal position, the Complainant logically concluded that the Respondents, upon reviewing the CGRF's order, may have realized its untenability and decided not to enforce a demand that runs contrary to binding precedents.



*Ruphal*



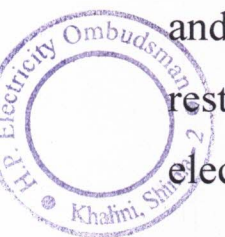


4. That it was only on **06.08.2025** that the Respondents broke their silence by issuing a Demand Notice. The Complainant acted with utmost diligence by promptly submitting a detailed reply and objection on **12.08.2025**.
5. That the tangible **cause of action** for the present Representation crystallized when the Respondents ultimately enforced the demand by raising a "Sundry" charge of Rs. 2,19,348.00 in the bill dated **10.09.2025**. The Complainant is approaching this Hon'ble Authority promptly thereafter.
6. That the Regulation 33(1)(f) of the HPERC Regulations, 2013, empowers the Hon'ble Ombudsman to entertain a representation after the specified period if there is "sufficient cause". **It is submitted that the delay by the Respondents, combined with the Complainant's reasonable belief based on settled law, constitutes sufficient cause.** The delay in approaching this Hon'ble Authority is a direct consequence of the Respondents' own initial delay and the ambiguity it created.

**PRAYER** It is, therefore, most respectfully prayed that this Hon'ble Authority may be pleased to condone the delay, if any, which was neither intentional nor deliberate but occurred for the aforementioned reasons, and hear the matter on its merits.

6. Case called, the matter was heard for admissions on 15/10/2025.

Both the parties were given due opportunity to have discussions at first on the Application filed by the Complainant for condonation of delay under Regulation 33(1)(f) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013. The matter could not be admitted as the Id. Counsel for Respondents prayed for some more time for filing reply on the said Application for condonation, being exorbitant delay on filing by the Complainant w.r.t. the date of order dt. 28/03/2025 passed by the Consumer Grievance Redressal Forum at Kasumpti in Complaint No. 1454/202404/05. Considering this as genuine, the prayer granted. The Respondent Board was further directed to file reply positively by 27.10.2025 and in the public interest also allowed to continue ex-parte stay for restraining the Respondent Board from disconnecting the electricity supply to the premises of the Complainant under



*Ruphal*





Regulation 36(1). The case was further listed for admission hearing on 30/10/2025 at 12 PM. or immediately thereafter.

7. Case called, the matter was again heard for admissions on 30/10/2025. The Id. Counsel for Respondents submitted reply in the Court room on the Application filed by the Complainant seeking condonation in compliance to this court's order dt. 15/10/2025 and the same was taken on record. However, the matter could not be admitted due to inability of the Authorized Representative for Complainant to attend the court owing to unavoidable circumstances, conveyed through e-mail which was taken on record and also, the Id. Counsel for Complainant appeared in the Court on behalf of the Complainant prayed for further adjournment. Prayer granted considering reasons as conveyed by the Authorized representative as genuine and further fixed for admission hearing on 11.11.2025.
8. The reply submitted by the Respondent on the Application for Condonation is also recapped below to have comprehensive views of both the parties when read in totality:

### **The Respondent on Condonation Submits:**

#### **Preliminary Submissions**

1. That the present Application is misconceived, devoid of merit, and not maintainable in view of the Applicant's failure to establish *sufficient cause* within the meaning of Regulation 33(1)(f) of the HPERC Regulations, 2013. It is submitted that the delay in filing the Representation is due solely to the Applicant's negligence and incorrect assumption regarding the Respondents' actions. Such self-created reasons cannot extend limitation. It is submitted that there is huge delay in filing the instant representation, which has not been explained by the complainant as such the instant application deserves to be dismissed. Further is submitted that accompanying representation filed by the complainant is purely an afterthought of the complainant.

#### **2. Brief Facts**



**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

- 2.1 That the CGRF passed its order on 28.03.2025. The Applicant was fully aware of this order and the available remedy but chose not to avail it within the statutory period.
- 2.2 That the Respondents' subsequent actions, such as issuance of a **demand notice on 06.08.2025** and inclusion of a "Sundry" charge in the bill dated 10.09.2025, were consequential and administrative. They do not create a new cause of action or extend limitation.
- 2.3 That the Applicant's reliance on alleged "inaction" of the Respondents is untenable, as silence or delay in execution does not amount to waiver or estoppel.

**3. Para-wise Reply**

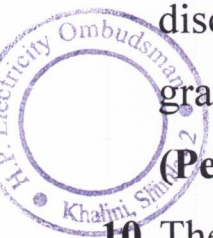
- **Paras 2 & 3:** That the contents of this para of the application are wrong and incorrect hence denied. It is submitted that no assurance was ever given by respondent/HPSEBL that it would not act upon the Id CGRF's order. The Applicant's "belief" is unilateral and cannot justify delay.
- **Para 4 & 5:** That the contents of these paras of the application are wrong and incorrect hence denied. It is submitted that the cause of action arose from the date of the Id CGRF's order, not from the later demand or billing.
- **Para 6:** The Applicant has not shown any "sufficient cause" preventing timely filing. The grounds cited are speculative and unsupported by any documentary proof.

In view of the foregoing facts and submissions, it is most respectfully prayed that this Hon'ble Authority may be pleased to dismiss the application for the condonation of delay as well as the representation of complainant in the interest of justice and fair play.

**9. Case called, the matter was again heard for admission on 11.11.2025.**

The Authorized representative for Complainant informed through e-mail dt. 11/11/2025 again his inability to attend the court due to unavoidable circumstances and in his place Id. Advocate Sh. Manik Sethi was deputed to represent Complainant and the Id. Counsel for Respondents at the very outset prayed for dropping the name of **Executive Director (Pers.)**, being a non-necessary party. After discussing the matter with the Id. Counsel for Complainant, prayer granted and accordingly, the name of **Executive Director (Personnel)** was deleted.

**10.** The Id. Counsel for Complainant submitted Rejoinder in the court room on 11.11.2025 during hearing on the above reply (**para-8**) filed by the Respondents on the Application filed by the Complainant



*Signature*





seeking condonation and the same was taken on record. The same is also required to be **reiterated** to have overview in conjunction which is as under:

## **The Complainant's Rejoinder on condonation:**

### **Counter Rejoinder / Written Arguments on Maintainability**

That the Complainant respectfully submits that the issue of maintainability must be concluded in favour of the Complainant, as the objections raised by the Respondent are directly addressed by the Complainant's conditional compliance and substantial grounds challenging the underlying statutory validity of the CGRF Order.

### **I. Conditional Compliance Resolves Maintainability Objection**

That the Respondent's objection concerning maintainability is primarily based on the mandatory deposit under Regulation 33(1)(g), but the Complainant has satisfied the jurisdictional prerequisite through a conditional, *bona fide* commitment.

**1. Deposit Condition Met:** That the Complainant has explicitly submitted in the Application for Ad-Interim Ex-Parte Stay (under Regulation 36) that the Complainant is prepared to deposit 50% of the disputed amount, as may be required under the regulations, to secure the stay. This offer fulfils the requirement of proving *bona fide* intent to adhere to Regulation 33(1)(g).

**2. Procedural Nexus:** That the interim orders confirm that the issue related to submitting proof of having deposited 50% of the disputed amount must be discussed thereafter before admissions. The conditional offer removes the procedural bar, allowing the Ombudsman to proceed to the substantive dispute.

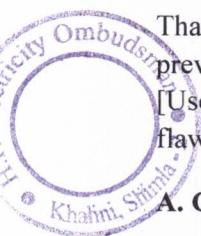
**3. Condonation Justified (Regulation 33(1)(f)):** That the delay in filing the representation is sufficiently excused under Regulation 33(1)(f). The CGRF Order was passed on 28.03.2025, but the Respondents failed to act or communicate with the Complainant for over four months. The delay occurred because the Respondents broke their silence only on 06.08.2025 (Annexure-D), and the demand was enforced via a "Sundry" charge of Rs. 2,19,348.00 in the bill dated 10.09.2025 (Annexure-A). The delay is a direct consequence of the Respondents' own initial delay and the ambiguity it created, which constitutes sufficient cause.

### **II. CGRF Order is Contrary to Statute and Ultra Vires**

That the central premise of the Complainant is that the orders of CGRF cannot be allowed to prevail as they are contrary to the statute, and CGRF does not have powers to override the statute [User Query]. The CGRF Order dated 28.03.2025 (Complaint No. 1454/2024/04/05) is legally flawed:

#### **A. CGRF Acted Without and In Excess of Jurisdiction**

**1. Creation of New Liability:** That the original dispute before the CGRF challenged arrears only for the period October 2019 to January 2023 (40 months). The CGRF Order dated 28.03.2025, in



*Pushpal*





upholding the demand from May 2019 onwards, created a fresh liability for the period of May 2019 to September 2019. This period was never part of the original dispute, amounting to a fresh and unilateral enhancement of liability without due process.

**2. Flawed Retrospective Finding:** That the CGRF itself held that raising the monetary demand for consumption up to March 2019 (billing period up to April 2019) on the basis of the financial year criteria "tantamount[s] to giving retrospective effect to the Code, which is held by this Forum to be wrong". Despite setting aside this retrospective portion, the CGRF proceeded to uphold the rest of the demand.

#### **B. CGRF Order is Contrary to Settled Law Established by the Ombudsman**

That the CGRF failed to afford the six-month temporary reduction benefit for the financial year 2019-20, contradicting the settled law:

**1. Denial of Six-Month Benefit:** That the Hon'ble Authority, in cases like M/s Mohan Meakins (Complaint No. 24/2022), settled that consumers are entitled to retain reduced Contract Demand up to a level of 50% of sanctioned Contract Demand for at least six months in a financial year starting 01/04/2019 onwards. The CGRF's finding that the benefit was lost because the Complainant failed to re-apply afresh for Temporary CD beyond 01.04.2019 contradicts this established legal principle.

**2. Licensee's Negligence:** That the CGRF wrongly penalized the Complainant, ignoring that the Respondent's own officials "remained ignorant over the execution of the law for 29 months". The Ombudsman previously noted the casual attitude/negligence of the Respondents in implementing the Himachal Pradesh Electricity Regulatory Commission Regulations in a time bound manner, resulting in delayed recovery.

#### **C. Illegal Levy of Interest under Clause 5.7.3**

That the CGRF illegally directed the levy of interest against the Complainant.

**1. Unidirectional Provision:** Clause 5.7.3 of the Supply Code is a one-way provision for payment of interest by the licensee to the consumer for excess amounts recovered or refundable. There is no reciprocal right/statutory authority permitting the licensee to charge interest from consumers for billing errors.

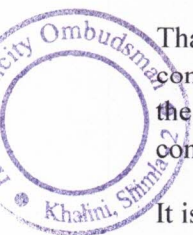
**2. Assessment of Interest:** That the CGRF Order directs the Complainant to be liable for payment of Interest per ibid code 5.7.3, which the Complainant argues is an unauthorized and purely unidirectional levy, lacking statutory authority.

#### **IV. Conclusion and Prayer**

That the Respondent's objection on maintainability must be dismissed given the Complainant's conditional offer to deposit the disputed amount. The representation must be admitted to examine the substantial legal errors, including the CGRF acting in excess of jurisdiction and issuing orders contrary to settled law [User Query].

It is respectfully prayed that the Hon'ble Ombudsman may:

1. Overrule the maintainability objection raised by the Respondent.



*Pushpal*





2. Condone the delay in filing the representation, finding sufficient cause under Regulation 33(1)(f).
3. Set aside the findings of the CGRF order dated 28.03.2025 as being without jurisdiction and contrary to settled law.
4. Quash the "Sundry" demand of Rs. 2,19,348.00 raised on 10.09.2025 and direct the Respondents to overhaul the Complainant's account by upholding the six-month temporary reduction benefit for the financial year 2019-20 and waving the illegal interest claimed under Clause 5.7.3.

**11. Accordingly, first the arguments** were conducted on the **Application for condonation** of delay filed under Regulation 33(1)(f) on 11/11/2025 and both the ld. counsel for Complainant & ld. counsel for Respondents were given due opportunity to argue on their respective contentions at length.

**The Arguments of both on condonation:**

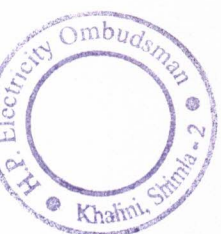
- a. The ld. counsel for Complainant put forth his arguments on the pretext that the Respondent did not quantify the demand since long and left an impression that it may or may not raise the differential demand which was also not even assessed by the ld. CGRF and gap of not quantifying the demand resulted in delay.
- b. The ld. Counsel for Complainant further emphasized that the Respondents raised the demand of Rs.2,19,348/- on dt. 10.09.2025 in a very belated stage. The ld. counsel further asserted that this delay on the part of Respondents attributed to further extension in time of original compliance and w.r.t. to the said date of 10.09.2025 after accounting for legitimate period of time allowed as per regulation, the delay falls within the permissible limits.



*Signature*



- c. The ld. counsel for Respondents however, put forth his counter arguments by saying that who stopped Complainant from not taking up the matter within the intervention period of delay. Whereas in counter argument, the ld. counsel for Complainant reiterated his stand with due assertion that delay on the part of Respondents for not quantifying the demand left apprehensions that the Respondents may or may not raise the demand.
- d. After listening to the arguments of both the parties on these affirmative averments at length, this authority was convinced to the extent that the delay for filing attributes to both at their respective ends and leaves legitimate cause to look into the austerity of the prayer seeking condonation. Accordingly, in terms of powers vested with this authority under the Regulation 33(f) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, the **Application for condonation was allowed.**
- e. The complainant had also filed an Application under Regulation 36(1) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 and prayed for ad-interim ex-parte stay for restraining the Respondent Board from disconnecting the electricity supply to the premises of the Complainant. In the public interest, **prayer granted till pendency of matter with this authority.**

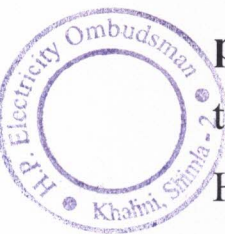


*Puphal*





- f. Subsequently, the issue related to submission of proof of having deposited 50% of the disputed amount with the Respondents was discussed in the court room wherein the Id. Counsel for Complainant placed his plea that since the amount was not assessed by the Id. CGRF, the same may be omitted. However, this authority was of the view that the Complainant must deposit at least 50% of the amount of demand raised by the Respondents on dt. 10.09.2025 and this action shall substantiate the healthy spirit of Complainant as asserted under **para-3** of the Application for Ad-Interim Ex-Parte Stay as well as through Rejoinder under the heading “**Deposit Condition Met**” the relevant extract of which reads as “ *The Complainant has explicitly submitted in the Application for Ad-Interim Ex-Parte Stay( under Regulation 36) that the Complainant is prepared to deposit 50% of the disputed amount, as may be required under the regulations, to secure the stay. This offer fulfils the requirement of providing bonafide intent to adhere to Regulation 33(1)(g)*”
- g. In view of above outcome of arguments, the Complainant was directed to deposit 50% of the disputed amount within **weeks’ time from the date of issue of this order and submission of proof in the court in the next date of hearing**, being one of the mandatory conditions in terms of Regulation 33 (1)(g) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman)





**Regulations, 2013 towards Limitation / pre-condition for entertaining the complaint.**

12. In terms of foregoing arguments and discussions, the matter was **admitted** to the extent of initiation of proceedings subject to fulfillment of above directives. The Respondent Board was directed to submit reply positively by **18/11/2025** on the main representation and Rejoinder if any by the Complainant, thereafter. The case was listed for **final arguments on 27/11/2025 at 12 PM. or immediately** thereafter subject to compliance of above directives.
13. Case called, the matter was heard on 27/11/2025. The Respondent Board submitted reply in the court room on 27/11/2025 on the main representation filed by the Complainant on 30/09/2025 and subsequently, the Authorized Representative also submitted Rejoinder on dt. 27/11/2025 which were taken on record.
14. After resolving the issue of condonation, this authority feels comfortable to pursue with further pace of adjudication and in order to arrive at legitimate consensus, the main representation submitted by the Complainant, reply submitted by the Respondents & rejoinder submitted by the Complainant need to be recapped to have microscopic view of the contentions in the interest of justice.

**A. The Complainant Represents:**

**1. PARTICULARS OF THE COMPLAINANT:**

**2. FACTUAL BACKGROUND:**

- 2.1. That the original dispute arose from a Demand Notice dated **27.06.2023** for Rs. 6,75,000/-, raised by the Respondents for arrears for the period from **October 2019 to January 2023**.



*Signature*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

- 2.2. That notably, in line with precedents set by this Hon'ble Authority, the said Demand Notice did not include any arrears for the first six months of the financial year 2019-20 (i.e., April 2019 to September 2019).
- 2.3. That aggrieved by the notice for the period *from October 2019 onwards*, the Complainant filed Complaint No. 1454/202404/05 before the CGRF, seeking the quashing of the said notice.
- 2.4. That the Ld. CGRF, vide its order dated 28.03.2025, not only upheld the demand from May 2019 onwards but also created a *new liability* for the Complainant for the period of May 2019 to September 2019—a period that was never part of the original dispute. The CGRF also illegally directed the levy of interest under Clause 5.7.3.
- 2.5. That the Respondents issued a Demand Notice on 06.08.2025, to which the Complainant replied with detailed objections on **12.08.2025**. The disputed amount of Rs. 219,348.00 was then included in the bill dated **10.09.2025**.

3. **GROUND OF REPRESENTATION:** That the Complainant is filing this representation under Regulation 28(1)(b) of the HPERC Regulations, 2013, as it is "not satisfied with the order passed by the Forum". The grounds are:

**A. THE CGRF HAS ACTED WITHOUT AND IN EXCESS OF ITS JURISDICTION**

- 3.1. The Ld. CGRF's jurisdiction was confined to adjudicating the grievance as filed, which was a challenge to the demand notice for arrears for the period commencing **October 2019**.
- 3.2. The Ld. CGRF travelled beyond the scope of the complaint and, on its own accord, created a fresh liability for the period of May-September 2019. This period was never part of the demand notice against which the complaint was filed. This action amounts to a **fresh and unilateral enhancement of liability** without due process and is void for want of jurisdiction.

**B. THE CGRF ORDER IS CONTRARY TO SETTLED LAW ESTABLISHED BY THIS HON'BLE AUTHORITY**

- 3.3. The CGRF erred in denying the benefit of the six-month temporary reduction period which was originally also allowed by the respondents while serving the original demand notice. This Hon'ble Authority, in the matter of **M/s Mohan Meakins (Complaint No. 24/2022)** and **several other similar cases**, has already settled the principle that consumers are entitled to retain their reduced contract demand for the first six months of the financial year 2019-20.
- 3.4. The Respondents' own initial action of not demanding arrears for April-September 2019 indicates their awareness of this established precedent. The CGRF's decision to contradict this settled position is legally unsustainable and has resulted in discriminatory treatment.

**C. REGARDING ILLEGAL LEVY OF INTEREST UNDER CLAUSE 5.7.3**

- 3.5. As detailed in the reply dated 12.08.2025, Clause 5.7.3 of the Supply Code is a **one-way provision** for payment of interest *by the licensee to the consumer*. There is no reciprocal clause permitting the licensee to charge interest from consumers for its own billing errors. The CGRF's direction to levy interest is without any statutory authority. The Ld. Ombudsman

4. **RELIEF SOUGHT:** It is humbly prayed that this Hon'ble Authority may be pleased to:



*Ruphal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

- a) Set aside the findings of the CGRF order dated 28.03.2025 as being without jurisdiction and contrary to settled law.
- b) Quash the "Sundry" demand of Rs. 2,19,348.00 raised in the bill dated 10.09.2025 and direct the respondents to overhaul the complainant's account by waving the interest claimed under 5.7.3 as well as waiving the demand charges for first six months of the financial year 2019-20.
- c) Pass any other order as deemed fit in the interest of justice.

**B. The Respondent's Submissions (Reply):**

**Preliminary submissions:**

1. That the present complaint is not maintainable in the eyes of law.
2. That there exists no cause of action in favour of the complainant and against the respondents.
3. The CGRF's order is reasoned, based on facts, law, and a correct appreciation of the regulatory framework. The contentions raised by the complainant are legally untenable and factually misplaced.
4. That the complainant has suppressed material facts before this Ld. Ombudsman and, therefore, the complaint as filed is liable to be dismissed at the very threshold.
5. That the respondents are the distribution licensee within meaning of section 2 (17) of the Electricity Act, 2003 pursuant to license granted by the Himachal Pradesh Electricity Regulatory Commission (herein after referred to HPERC) under section 14 (b) of the Act to distribute electricity as distribution licensee. Further under section 50 of the Electricity Act, 2003 HPERC is entrusted statutory task for specifying the Electricity Supply Code to provide the recovery of electricity charges, intervals for billings of electricity charge, disconnection of supply of electricity for non-payment thereof, restoration of supply etc. Hence, Electricity Supply Code, 2009 (herein after referred as supply code) was specified by the HPERC.

(a) That chapter III of the supply code deals with matters related to supply of electricity and clause 3.10 of the chapter III was inserted vide Himachal Pradesh Electricity Supply Code (First Amendment) Regulations, 2014 which was made effective from 16-06-2014 providing for the temporary revision of the contract demand. The provision stands amended vide HPERC (Electricity Supply Code, ( 2<sup>nd</sup> Amendment) Regulations, 2018 wherein proviso has been inserted by which it is now provided that the consumer is not entitled to temporary revision his full sanctioned contract demand temporary for a total period of more than six months in one financial year; now, the provision of 3.10 reads as under:

"3.10 Temporary revision of contract demand"      The consumer to whom two part tariff is applicable shall be entitled to revise their contract demand within the total sanctioned contract demand without surrendering their lien of the total sanctioned contract demand, subject to the following conditions:-That the consumer shall not reduce the contract demand to lesser than 50 % of the total sanctioned contract demand subject to a further condition that the contract



*Suppal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

demand shall not be reduced below the lowest limit of contract demand as per the tariff category (or any sub category thereof) applicable to him: provided that Consumer shall not be eligible for temporary revision of contract demand to a value other than the full sanctioned contract demand for a total period of more than six months in one financial year;

Provided further that in cases involving part period of year e.g. if a consumer takes the connection or the consumer gets its permanent sanctioned contract demand revised, during the middle of a year, the adjustment shall be made on pro-rata basis."

- b. That the consumer shall not be entitled to revise the contract demand more than twice a year subject to the condition that the time gap between two successive revision shall not be less than 3 months.
- c. That a consumer shall give a notice of at least one month to the licensee before revising the contract demand under this mechanism. Even though the consumer shall not be required to obtain any sanction from the licensee for change in contract demand under this mechanism, he so as to avoid the disputes, shall ensure that the notice(s) for such revision are duly served by him upon the licensee through registered post or through courier service or is delivered by and against signed receipt thereof;
- d. That the case where the contract demand is reduced under this mechanism, such reduced contract demand shall be applicable for billing purpose; and
- e. That in case where the consumer gets his contract demand reduced permanently, the limit under clause (a) shall be considered with respect to such reduced contract demand, but such reduction shall not be considered to have been made under this mechanism and the time gap of 3 months as per clause (b) shall be reckoned from the date from which the demand was last revised under this mechanism.

Illustration.-if a consumer who is having sanctioned contract demand of 10 MVA temporarily revises the contract demand to 6 MVA w.e.f 01-08-2014 under this mechanism but gets his sanctioned contract demand permanently reduced to 8 MVA w.e.f 01-09-2014, he shall have to pay charges based on 6 MVA contract demand till 31-10-2014 (till the expiry of 3 months period from the date at which the contract demand was last revised i.e. from 01-08-2014). However, if the contract demand is to be reduced permanently to lesser than 6 MVA (say 4 MVA as on 01-09-2014), the demand charges would have been based on a contract demand of 4 MVA during the period upto 31-10-2014.]

It is further submitted that the above stated amendment to the Supply Code, came into effect on 01-04-2019 and as per the amended provision, the complainant is entitled for the temporary revision of the contract demand for the six months in one financial year and for the remaining period of six months, he is liable to pay the contract demand on the full sanctioned contract demand. It is further submitted that the regulations issued by the HPERC while exercising its statutory powers under the provisions of the Electricity Act, 2003 and meeting the requirement of the Electricity (Procedure for Previous Publication) Rules, 2005. Hence, the provisions are applicable in same terms upon to respondents as well on the consumer in its letter and spirit.



*Supra*





6. That it is submitted that as per the mandate of the Supply Code, (2<sup>nd</sup> Amendment) Regulations, 2018, the previous agreement executed between the consumers and HPSEBL are required to be in align with the regulations covering the field. Hence, upon the scrutiny of the record of the complainant by the respondents, it was found that the complainant is availing benefits of the temporary revision of the contract demand as per terms of the provisions of clause 3.10 since the amended provisions of the clause 3.10 (Second Amendment) 2018 were required to be given effect. Hence, the action of the respondents wherein demands charges to tune of Rs. 6,75,000/- was charged is within the ambit of the provisions of the supply code and the complainant is liable to honor the same being the statutory charges.
7. That the respondents crave to substantiate their action in terms of the ratio of the constitution Bench of the Hon'ble Supreme Court in the matter PTC India Ltd versus Central Electricity Regulatory Commission (2010) 4 SCC 603, wherein it was held that the regulations framed by the commission override the existing contracts. It is submitted that since Supply Code, (2<sup>nd</sup> Amendment) Regulations, 2018 covers the field after 01-04-2019, it is the duty of the respondents to give full effect to the regulations framed by the HPERC in its letter and spirit.

**Reply on Merits:**

- 2.1 to 2.4 That the contents of these insofar as they pertain to the matter of record are not denied rest of the averments which are contrary to the record are wrong and incorrect hence denied. The order passed by the Id. CGRF is does not suffer from any illegality.
- 2.5 That the demand notice issue to consumer is in line with the Id. CGRF order in complaint no.1454/202404/05.

**3. Reply to Ground of Representation:**

- 3.1. The Respondent submits that the CGRF, in its order, did not act beyond its jurisdiction. The CGRF's jurisdiction is not limited to the demands in the original notice but extends to all issues raised by the consumer that may impact the correctness of the demand. The Id CGRF, therefore, acted within its powers in addressing the matter of arrears for the period May-September 2019, as this issue was found to be part of the complainant's outstanding dues upon review of their account.
- 3.2 That in reply to para it is submitted that it is within the Id. forum's jurisdiction to examine all relevant billing periods and rectify any discrepancies discovered during the course of adjudication. Therefore, the Complainant's claim of the Id. CGRF exceeding its jurisdiction is misplaced and without merit. It is submitted that electricity dues being statutory in nature, recovery of same from the consumers is statutory duty casted upon the respondents being a distribution licensee and a regulated entity. If the consumer fails to deposit the same, definitely as per the scheme of Electricity Act and Rules and Regulation framed thereunder, the levy of interest is correct approach adopted by the Id CGRF. As such the decision of the Id CGRF cannot be termed as beyond its jurisdiction.



*Ruphal*





- 3.3 That in reply to para it is submitted that the order passed by the Id. CGRF is does not suffer from any illegality. Further, it is submitted that so far as other cases are concerned, the legal positions as settled is matter of record.
- 3.4 That the demand notice issue to consumer is in line with the Id. CGRF order in complaint no.1454/202404/05.
- 3.5 That the Respondent submits that the levy of interest under Clause 5.7.3 of the Supply Code was correct. Clause 5.7.3 provides for the recovery of interest on any delayed payments due to the consumer's fault. The delay in payment on the disputed amount, which arose from billing discrepancies, has been duly charged with interest in accordance with the provisions of the Supply Code. It is submitted that Id CGRF has rightly applied the mandate of the Clause 5.7.3 of the HP Electricity Supply Code, with a balanced approach on the principle of restitution. It is submitted that when the amount is held to be due to the HSPEBL by the consumer, then definitely at the time of recovery of the same, the levy of the interest if natural corollary as such the approach adopted by the Id CGRF cannot be faulted at all.

**Prayer**

In view of the submissions made hereinabove, it is most respectfully prayed that the complaint/representation of the complainant be dismissed with costs, as being devoid of merit.

**C. The Complainant's Rejoinder-cum- Written Arguments:**

The Complainant submits that this combined pleading and detailed Written Arguments in response to the Reply filed by the Respondents. This document summarizes the facts and demonstrates that the CGRF Order dated 28.03.2025 is legally flawed and unsustainable due to jurisdictional errors, violation of established legal precedent, and misinterpretation of the Supply Code.

**I. Preliminary Submissions: Compliance and Cause of Action**

1. That the Complainant's representation is maintainable before this Hon'ble Forum under Regulation 28(1)(b) of the HPERC (CGRF and Ombudsman) Regulations, 2013, as the Complainant is **dissatisfied with the Order passed by the CGRF**.
2. That the delay in filing the representation has been condoned by this Hon'ble Authority. Furthermore, the requisite procedural compliance has been met, including the acceptance of the mandatory deposit of **50% of the disputed amount**.
3. That the **tangible cause of action** crystallized when the Respondents ultimately enforced the demand by raising a "**Sundry**" charge of **Rs. 2,19,348.00** in the bill dated 10.09.2025. The Complainant submits that the delay was a direct consequence of the Respondents' own prolonged inaction and ambiguity following the CGRF Order.

**II. Arguments on Merits**

**A. THE CGRF ACTED WITHOUT AND IN EXCESS OF ITS JURISDICTION**

4. That the contention by the Respondents that the CGRF's jurisdiction extends to "all issues raised by the consumer that may impact the correctness of the demand" is



*Ruphal*



denied in the context of creating entirely new liabilities pertaining to periods not originally under dispute.

5. That the original grievance before the CGRF challenged the Demand Notice dated 27.06.2023 for arrears covering the period from **October 2019 to January 2023**.
6. The CGRF **erroneously travelled beyond the scope of the complaint**. While setting aside the monetary demand for January 2019 to April 2019, the CGRF **created a fresh liability** by upholding the demand from **April 2019 to September 2019**, a period that was not part of the original Demand Notice.
7. This unilateral inclusion constitutes a **fresh and unilateral enhancement of liability** and is void for want of jurisdiction and is in **Violation of Principles of Natural Justice**.

**B. THE CGRF ORDER IS CONTRARY TO SETTLED LAW ESTABLISHED BY THE OMBUDSMAN**

8. The CGRF erred by upholding the demand charges for the first six months of the financial year 2019-20 (April 2019 to September 2019).
9. This Hon'ble Authority has previously settled that consumers are entitled to retain their reduced contract demand for at least the first six months of the relevant financial year starting 01/04/2019, as noted in cases like *M/s Mohan Meakins (Complaint No. 24/2022)*.
10. The Respondents' own initial inaction in not demanding arrears for the period April–September 2019 in the original Demand Notice indicates their awareness and implicit acceptance of this settled legal position. The CGRF's subsequent contradiction of this precedent is legally unsustainable.

**C. REGARDING ILLEGAL LEVY OF INTEREST UNDER CLAUSE 5.7.3**

11. The CGRF illegally directed the levy of interest in favour of the licensee (Respondents) on the amount found due under Clause 5.7.3 of the Supply Code.
12. Clause 5.7.3 of the HP Electricity Supply Code, 2009 (as amended), is a **one-way provision**. It provides only for the payment of interest *by the licensee to the consumer* on excess amounts recovered.
13. There is **no reciprocal clause** permitting the licensee to charge interest from consumers for billing errors. The CGRF's direction to levy interest against the Complainant lacks statutory authority and is purely unidirectional and unsustainable in law.
14. Furthermore, the CGRF itself acknowledged that part of the monetary demand (January 2019 to April 2019) was "erroneously so billed" and directed a refund along with interest under Clause 5.7.3. It is paradoxical to then invoke the same clause to impose interest upon the Complainant. Electricity dues become **"first due" only when billed**, rendering interest prior to billing impermissible.

**D. RESPONDENTS' NEGLIGENCE IN IMPLEMENTING THE 2ND AMENDMENT**

15. The Respondents' delay in implementing the **2nd Amendment to the Supply Code, 2009** (effective 01.04.2019) for an extensive period constitutes **carelessness and negligence**.
16. The officials of the Respondent Board neglected their duty despite the issuance of detailed instructions by the Chief Engineer (Commercial) on 25.10.2018. This casual attitude has been observed previously by the Ombudsman and caused the delay that



*Rupak*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

led to this financial burden. The Complainant should not be penalized due to the **carelessness and negligence on the part of the Respondents.**

**III. Prayer**

In view of the submissions and arguments presented, the Complainant respectfully prays that this Hon'ble Authority may be pleased:

1. To **set aside the findings of the CGRF Order** dated 28.03.2025 which are contrary to settled law and beyond jurisdiction.
2. To **quash the "Sundry" demand of Rs. 2,19,348.00** raised in the bill dated 10.09.2025.
3. To direct the Respondents to **overhaul the Complainant's account** by:
  - a) Waiving the demand charges for the period corresponding to the first six months of the financial year 2019-20 (April–September 2019).
  - b) Deleting the levy of interest claimed under Clause 5.7.3, which lacks statutory authority.
4. To pass any other order as deemed fit in the interest of justice.

- 15.** In order to have clarity on the findings of Id. CGRF w.r.t. above contentions of the Complainant read with reply submitted by the Respondents, the order dt.28/03/2025 in Complaint No1454/202404/05 needs to be reiterated in totality for record and reference as under.

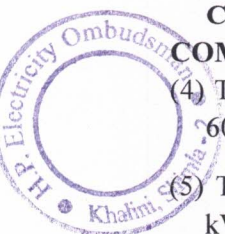
**CGRF Order No1454/202404/05 dt. 28/03/2025:**

**BRIEF FACTS OF THE CASE –**

- (1) Complaint has been filed under regulations 16, 17 and 18 of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013;
- (2) The Complainant M/s Valco Industries Ltd (Unit-II), Village Katha, PO Baddi, District Solan (HP)-173205, bearing consumer ID 100012002939 is a Large Industrial Power Supply (LIPS) category consumer of the Respondent HPSEBL;
- (3) The Complainant is aggrieved by the action of the Respondent to raise upon it monetary demand of Rs 6,75,000/ vide Demand Notice dated 27.06.2023 (**Annexure C2**) on account of past period arrears for the period from January 2019 to January 2023. These arrears arise from the 2nd amendment to Supply Code, 2009 notified in 2018 which became effective from 01.04.2019. On non-payment, this amount was later raised by the Respondent as 'sundry' in bill dated 16.02.2024 (**Annexure C4**) and as 'arrears' in bill dated 11.03.2024 (**Annexure C6**).

**COMPLAINANT –**

- (4) That on 21.03.2016, the sanctioned or permanent Contract Demand of the Complainant was 600 kVA;
- (5) Thereafter on 16.12.2017 it applied for temporary reduction of contract demand from 600 kVA to 400 kVA and on 28.03.2018 it applied for temporary revision of contract demand from



*Ruphal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

400 kVA to 525 kVA (**Annexure C1**). These revisions were reflected in the electricity bills up to March 2024;

- (6) That the Respondent has raised upon it monetary demand of Rs 6,75,000/on account of past period arrears for the period from January 2019 to January 2023- vide Demand Notice dated 27.06.2023 (**Annexure C2**). The amount was later raised by the Respondent as 'sundry' in bill dated 16.02.2024 (**Annexure C4**) and as 'arrears' in bill dated 11.03.2024 (**Annexure C6**);
- (7) The amount raised as 'arrears' in bill dated 11.03.2024 (**Annexure C6**) has been paid in full vide two (2) receipts dated 20.03.2024 (**Annexure C7 Colly**);
- (8) That the demand is not maintainable on grounds that the Respondent ignored the letter dated 25.10.2018 (**Annexure C10**) by the Chief Engineer (Comm.);
- (9) That it could not understand and interpret the provisions of the Supply Code on revision of contract demand;
- (10) That the demand is not maintainable as it is hit by limitation under section 56(2) of the Electricity Act, 2003 and the Limitation Act, 1963;
- (11) That Respondent should have allowed the temporary revision of contract demand for at least 6 months in the financial year from FY 20 to FY24;
- (12) Complainant has placed on record the provisions of 1st Amendment to Supply Code done in the year 2014 (**Annexure C8**) and 2nd Amendment to Supply Code done in the year 2018 (**Annexure C9**) and referred to a 'Note' under the 2nd Amendment;
- (13) In its Rejoinder Complainant has stated that the judgements of the Apex Court cited by the Respondent does not fit in the present matter and the Respondent cannot be allowed to take shelter under these;
- (14) In a re-hearing done in matter on 18.03.2024, Complainant submitted written arguments, repeating reiterating and confirming its previous statements;
- (15) The Complainant has sought relief in terms of quashing of Demand Notice dated 27.06.2023 (**Annexure C2**) for Rs 6,75,000/.

**RESPONDENT –**

- (16) On the other hand, the Respondent HPSEBL while relying on provisions of code 3.10 of the HP Supply Code in its Reply has submitted as follows:-
- (17) That the action of the Respondent to raise impugned Demand Notice is in accordance with the provisions of the Supply Code and the Complainant is liable to pay the same. It is the duty of the Respondents to give effect to the Supply Code and these Regulations override the contracts in accordance with ratio of the Hon'ble Apex Court in the matter PTC India Ltd Vs Central Electricity Regulatory Commission (2010) 4 SCC 603;
- (18) That the electricity dues raised upon the Complainant are of statutory nature which the distribution licensee has right to recover on detection of bona-fide mistake in accordance with law settled by Hon'ble Apex Court in Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah @ Rahamujulla (2020) 4SCC 650 and M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 decided on October 5, 2021. Thus the action of the Respondent is not hit by the limitation under section



*Ruphal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

56 of the Electricity Act, 2003. Further, under section 17(1) (c) of the Limitation Act, 1963, limitation period begins from the date the mistake is discovered for the first time;

- (19) That change of law through amendments is done after following due process and after inviting objections from stakeholders and publication in official gazette. Thus there is no requirement of prior notice to raise the impugned demand. Further, this is not under challenge here by the Complainant. Monetary demands of statutory nature cannot be held to be illegal. Moreover;
- (20) That the Complainant must submit fresh application for temporary revision else contract demand will revert to permanent demand;
- (21) That the complaint being devoid of merits be dismissed.

**ORDER**

- (22) Forum has examined the relevant provisions of the Electricity Act, 2003, various relevant Regulations framed by the HP Electricity Regulatory Commission (or the HPERC) including relevant provisions of HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 and the HP Electricity Supply Code, 2009 (or the Supply Code, 2009 or the Supply Code or the Code) including amendments thereto notified by the HPERC, record and facts along-with pleadings of the parties. We have heard and re-heard the parties at length. The considered opinion of the Forum has been gathered after examining and analyzing fair facts, evidences and correspondence placed on record and arguments adduced by both the parties;
- (23) Forum observes that the Complainant has raised the instant grievance which is mainly in terms of code 3.10 of the Supply and its applicability upon the Complainant. This Code 3.10 provides for temporary revision of Contract Demand and the temporary revisions are accordingly regulated in accordance with code 3.10;
- (24) On examination of the HP Supply Code, 2009, Forum observes that the concept of Temporary Contract Demand was first introduced by way of first amendment to Supply Code vide HP Electricity Supply Code (First Amendment) Regulations, 2014, notified by the HPERC on 11.06.2014. Thus, it becomes evident that before the notification of this amendment, the Contract Demand and its revisions were all of Permanent nature;
- (25) So as to enable the Forum to separate chaff from grain, it is inclined to first briefly understand whether any distinction exists between Temporary and sanctioned Contract Demand (or Permanent Contract Demand). This distinction becomes evident from the provisions of the Himachal Pradesh Electricity Supply Code (First Amendment) Regulations, 2014 dated 11.06.2014 regulating the Temporary Contract Demand which read as follows—

**Quote**

.....

.....

***“3.10 Temporary revision of contract demand. –***



*[Handwritten signature]*



**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

*(c) that the consumer shall give a notice of at least one month to the licensee before revising the contract demand under this mechanism. Even though the consumer shall not be required to obtain any sanction from the licensee for change in contract demand under this mechanism, he, so as to avoid the disputes, shall ensure that the notice(s) for such revision are duly served by him upon the licensee through registered post or through courier service or is delivered by hand against signed receipt therefor;*

.....  
 .....

*(e) that in cases where the consumer gets his contract demand reduced permanently, the limit under clause (a) shall be considered with respect to such reduced contract demand, but such reduction shall not be considered to have been made under this mechanism and the time gap of 3 months as per clause (b) shall be reckoned from the date from which the demand was last revised under this mechanism.*

.....  
 .....

**Un-Quote**

(26) Thus from bare perusal of the foregoing provisions on Temporary revision of Contract Demand, it becomes clear to the Forum that there does exist a distinction between Temporary and sanctioned Contract Demand (or Permanent Contract Demand). Further while provisions in the Code on Temporary Contract Demand do not necessitate any sanction by the Respondent, however, Permanent Contract Demand is sanctioned by the Respondent in accordance with the original provisions of the Supply Code, 2009 notified on 26th May, 2009 and this further necessitates Agreement between parties to effect the changes in the contractual terms;

(27) Forum, before proceeding in the matter, considers it necessary and expedient to refer to relevant amendments to the HP Electricity Supply Code, 2009 enacted by the HPERC governing the revision of Contract Demand. The Supply Code, 2009 was notified by the HPERC on 26th May, 2009. Later Amendments were carried out from time to time. This Forum mainly refers to amendments pertinent in the instant matter with regard to 'Temporary' revision of Contract Demand. The said amendments were first introduced by the HP Electricity Regulatory Commission (or the HPERC) vide Himachal Pradesh Electricity Supply Code (First Amendment) Regulations, 2014 notified on 11th June, 2014. In this amendment Code 3.10 was inserted. Thereafter, amendment to this Code 3.10 was carried out by the HPERC vide the Himachal Pradesh Electricity Supply Code (Second Amendment) Regulations, 2018 notified on 31.07.2018, wherein certain provisos to Code 3.10 were introduced. For the sake of clarity, relevant extracts of these amendments are reproduced here-in-after-

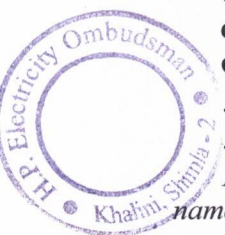
**(A) Himachal Pradesh Electricity Supply Code (First Amendment) Regulations, 2014 dated 11.06.2014 -**

**Quote**

.....  
 .....

**10. Insertion of para 3.10.-** In the said Code, the following para 3.10 shall be inserted; namely:-

**"3.10 Temporary revision of contract demand.-**



*Rushal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

*The consumers to whom two part tariff is applicable shall be entitled to revise their contract demand within the total sanctioned contract demand without surrendering their lien of the total sanctioned contract demand, subject to the following condition-*

- 10 (a) *that the consumer shall not reduce the contract demand to lesser than 50% of the total sanctioned contract demand subject to a further condition that the contract demand shall not be reduced below the lowest limit of contract demand as per the tariff category (or any sub-category thereof) applicable to him;*
- (b) *that the consumer shall not be entitled to revise the contract demand more than twice a year subject to the condition that the time gap between two successive revisions shall not be less than 3 months;*
- (c) *that the consumer shall give a notice of at least one month to the licensee before revising the contract demand under this mechanism. Even though the consumer shall not be required to obtain any sanction from the licensee for change in contract demand under this mechanism, he, so as to avoid the disputes, shall ensure that the notice(s) for such revision are duly served by him upon the licensee through registered post or through courier service or is delivered by hand against signed receipt therefor;*
- (d) *that in cases where the contract demand is reduced under this mechanism, such reduced contract demand shall be applicable for billing purposes; and*
- (e) *that in cases where the consumer gets his contract demand reduced permanently, the limit under clause (a) shall be considered with respect to such reduced contract demand, but such reduction shall not be considered to have been made under this mechanism and the time gap of 3 months as per clause (b) shall be reckoned from the date from which the demand was last revised under this mechanism.*



*Ruphal*



**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
 Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

***Illustration.** - If a consumer who is having sanctioned contract demand of 10 MVA temporarily revises the contract demand to 6 MVA w.e.f. 01.08.2014 under this mechanism but gets his sanctioned contract demand permanently reduced to 8 MVA w.e.f. 01.09.2014, he shall have to pay charges based on 6 MVA contract demand till 31.10.2014. (i.e. till the expiry of 3 months period from the date at which the contract demand was last revised i.e. from 01.08.2014). However, if the contract demand is to be reduced permanently to lesser than 6 MVA (say 4 MVA as on 01.09.2014), the demand charges would have been based on a contract demand of 4 MVA during the period upto 31.10.2014."*

.....  
 .....

**Un-Quote**

**(B) Himachal Pradesh Electricity Supply Code (Second Amendment) Regulations, 2018 dated 31.07.2018-**

**Quote**

.....  
 .....

**3. Amendment of para 3.10:-** For the sign ":", occurring after clause (a) of para 3.10 of the said Code, the sign ";" shall be substituted and thereafter the following provisos shall be inserted, namely:-

*"Provided that the consumer shall not be eligible for temporary revision of contract demand to a value other than the full sanctioned contract demand for a total period of more than six months in one financial year:*

*Provided further that in cases involving part period of a year e.g. if a consumer takes the connection, or the consumer gets his permanent sanctioned contract demand revised, during the middle of a year, the adjustments shall be made on pro-rata basis.*

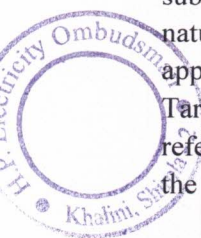
**Note:** The Distribution Licensee shall, immediately after the publication of the Himachal Pradesh Electricity Supply Code (Second Amendment) Regulations, 2018, in the Rajpatra, Himachal Pradesh, issue suitable detailed procedural instructions within the framework of the above provisions to its field units for the smooth implementation of aforesaid provisions w.e.f 01.04.2019."

.....  
 .....

**Un-Quote**

(28) Further, before proceeding to determine the question of validity of applicability of Supply Code 2nd Amendment to the Complainant, this Forum also considers it pertinent to briefly delve into the working of the Contract Demand (in KVA/ or MVA). It is apparent that the Contract Demand is a provision of the Electricity Supply Code and the Tariff Orders passed by the Ld HPERC. It is a Demand (in KVA/ or MVA) contracted by the consumer at the time of its original application for connection, which during the life of the connection, is also subjected to permissible revisions strictly in accordance with the provisions of the Supply Code, 2009. This

Contract Demand is applied for by the consumer and sanctioned by the licensee, inter-alia with the underlying purposes of billing of the consumer, determining its Standard Supply Voltages at the time of connection, etc. The original Contract Demand is of 'Permanent' nature and the subsequent revisions at the option of the consumer may be of 'Permanent' or of 'Temporary' nature which are regulated in accordance with the provisions of the Supply Code and further applied to billing etc in accordance with the provisions of various Regulations / Codes enacted and Tariff Orders passed by the HPERC. This Contract Demand (in KVA or MVA) serves as a reference vis-à-vis the actual maximum Demand (in KVA or MVA) recorded on the meter during the times of electricity consumption and is applied on the billing of the consumer or other matters,



*Ruppal*

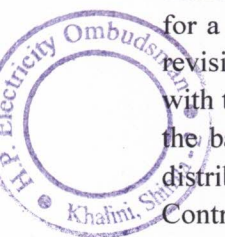




**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

as may be prescribed by way of HPERC Regulations / Supply Code / Tariff Orders. When the Supply Code regulates the revision of Contract Demand (in kVA or MVA), the concerned consumer is expected to keep a strict vigil on its electricity consumption patterns by managing the peaks of its maximum Demands (in kVA or MVA), simultaneously also keeping a vigil and managing / revising its Contract Demand (in kVA or MVA) from time-to-time so as to keep both in synchronization and consequently the optimization of its electricity bills;

- (29) The Supply Code 1st Amendment dated 11.06.2014 stipulated various conditions for Temporary revision of Contract Demand (in kVA or MVA) and these were first introduced here by insertion of Code '3.10 Temporary revision of contract demand'. This Code was later amended vide Supply Code amendment dated 31.07.2018, when certain Provisos were added to it. This 1st amendment, 2014 provided for Temporary contract demand, limits of revision, number of revisions in a year, gap between successive revisions etc. The subsequent amendment of Supply Code (ie Supply Code 2nd Amendment) notified on 31.07.2018 which introduced the 'Provisos' to Code 3.10 inter-alia provided for total period of 6 months of Temporary contract demand (in kVA or MVA) in a 'Financial Year'. This 2nd amendment came into force from 01.04.2019. It is pertinent to mention here that with regard to ibid 'Temporary revision of contract demand', the key word in the said proviso / amendment is the 'financial year'. In accordance with the Companies Act a financial year generally starts from 01st of April and ends on 31st of March. Accordingly, it becomes clear from the said amendments that on 31st March of each financial year, the 'Temporary Contract Demand', as existing previously shall expire. From the 1st of April of the subsequent financial year, the Contract Demand would get reset to the Permanent Contract Demand (in kVA or MVA) unless the Temporary Contract Demand is re-applied by the consumer. Therefore, in our considered view, a consumer would be required to apply afresh for re-revision of its Temporary Contract Demand (in kVA or MVA) in any new financial year, else a previously existing Temporary Contract Demand shall automatically get reset to the last sanctioned Permanent Contract Demand (in kVA or MVA) which was also initially / previously applied for by the consumer and allowed or deemed allowed by the distribution licensee;
- (30) From the foregoing implications of express provisions of 'Code 3.10 Temporary revision of contract demand' as prescribed in the Supply Code 2nd Amendment, 2018, this Forum holds that after 01.04.2019, i.e. when the financial year starts, any monetary demand (in Rs) raised by the Respondent HPSEBL based on a Temporary Contract Demand (in kVA or MVA) existing prior to 01.04.2019, can only be with regard to electricity consumption done prior to 01.04.2019. For electricity consumption occurring after 01.04.2019, such monetary demand (in Rs) shall necessarily have to be based on Temporary Contract Demand (in kVA or MVA), if such is reapplied by the consumer. In absence of such re-application, this monetary demand shall automatically get based upon Permanent sanctioned Contract Demand which was last applied. This process shall follow for each / new financial year;
- (31) In the facts and circumstances of the case, Forum safely sums up that any Temporary Revision of Contract Demand (in kVA or MVA) that may have existed in the past before 01.04.2019 shall cease to remain effective beyond 01.04.2019. Therefore, the consumer shall have to apply afresh for a 'Temporary Contract Demand' beyond 01.04.2019, if it so requires and in absence of such revision or re-application, the only Contract Demand that automatically survives in accordance with the Supply Code 2nd Amendment is the 'Permanent Contract Demand' (in kVA or MVA) on the basis of which further billing shall be done or any monetary demand shall be raised by the distribution licensee. When concerned consumer does not apply afresh or does not revise its Contract Demand after 01.04.2019, then any Temporary revision of Contract Demand or



*Ruppal*

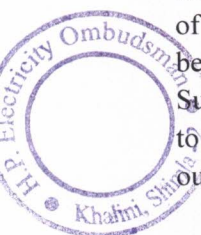




**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

'Temporary Contract Demand' (in KVA or MVA) sought before 01.04.2019 or before start of a financial year, shall deem to get reset to the sanctioned 'Permanent Contract Demand' (in KVA or MVA) from this date onwards, till such time a fresh application for Temporary revision of contract demand or 'Temporary Contract Demand' (in KVA or MVA) is not made by the Complainant consumer and/or allowed by the Respondent. This process shall follow for each financial year beyond 01.04.2019 and accordingly all matters of electricity billing shall be dealt vis-à-vis this 'Permanent Contract Demand' (in KVA or MVA) under such a condition.;

- (32) Now coming to the instant complaint, it is undisputed that the sanctioned or Permanent Contract Demand of the Complainant is 600 kVA and that the financial year starts from 1st of April of a year and ends on 31st March of the subsequent year;
- (33) In the instant complaint, at the outset it is observed by the Forum that the Complainant has failed to set-up the legal basis of its arguments in the complaint. In the opinion of the Forum, the Complainant has misconceived the fact that the **ibid Supply Code 2nd Amendment** notified on 31.07.2018, has wrongly been applied to it. The reason for this stem from the misconception that revised / applied Temporary Contract Demand (in kVA or MVA) **before the enactment of **ibid Supply Code 2nd Amendment, 2018, should have been continued and should not have been reset to the value of sanctioned Contract Demand at the start of a financial year;****
- (34) Further as stated on record by the Complainant, on 16.12.2017 it had applied for temporary revision (reduction) of contract demand from 600 kVA to 400 kVA and on 28.03.2018 it had applied for temporary revision (increase) of contract demand from 400 kVA to 525 kVA (**Annexure C1**). Both these revisions pre date the Supply Code 2018 2nd amendment (notified on 31.07.2018 and effective from 01.04.2019). As also observed, the monetary demand raised by the Respondent is for the period from January 2019 to January 2023. Accordingly, the monetary demand from May 2019 (based on consumption of April) shall certainly be regulated under this amendment. Thus, from the explanation of the express provisions of the Supply Code regulating the Temporary revision of Contract Demand, the said temporary revisions of Contract Demand made by the Complainant, shall cease to remain effective from 01.04.2019 and here onwards the Complainant shall be required to apply afresh for the temporary revisions of Contract Demand including its start and end dates and its duration etc as and when it so requires in every financial year, which the Complainant failed to do due to its own fault and ignorance. Complainant has misappreciated and erred on the fact that it was the choice of the Complainant to revise its Contract Demand as and when and for the duration it so required and that this choice is not that to be exercised by the Respondent on its behalf. Thus in absence of temporary revisions of Contract Demand by the Complainant, from 01.04.2019 onwards, the sanctioned or Permanent Contract Demand has formed the basis for billing of the Complainant;
- (35) Forum further observes that while the Complainant had temporarily revised its Contract Demand before the advent of Supply Code 2nd amendment, 2018 and thereafter, it had failed to revise or had not applied afresh for this 'Temporary Contract Demand' even after the effectiveness of the Supply Code 2nd Amendment from 01.04.2019, consequently, the Respondent HPSEBL raised the impugned monetary demand to the Complainant vide Demand Notice (**Annexure C-2**) on account of Supply Code 2nd Amendment, 2018 based on its Permanent Contract Demand. Therefore, the belief of the Complainant to this effect that the application of the amended provisions of the Supply Code, 2009, vide Supply Code 2nd Amendment, 2018, have wrongly been made applicable to it, is wrong, far-fetched and not tenable in face of express provisions of the Supply Code and is outrightly rejected by the Forum as being grossly misplaced;



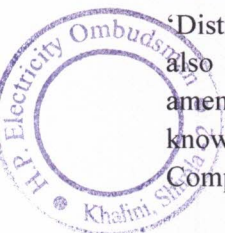
*Suphal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

- (36) Therefore, it can safely be concluded that the Supply Code 2nd Amendment, 2018 by the Respondent HPSEBL is beyond doubt applicable to the Complainant and it is its own fault of not re-applying for a fresh 'Temporary Contract Demand beyond 01.04.2019 or after the start of the financial years arising after 01.04.2019. Because the Complainant failed to re-apply afresh for Temporary Contract Demand beyond 01.04.2019 or after the start of the subsequent financial years thus, any benefit of six months as is being argued by the Complainant cannot and shall not become available to the Complainant;
- (37) The Complainant has further contested that the Respondent did not comply with the instructions in Chief Engineer (Comm) letter dated 25.10.2018 (**Annexure C10**). These instructions were issued pursuant to Note given in the 2nd Amendment reproduced in paras supra. The Forum rejects the contention of the Complainant for the sole reason that such letter is in terms of instructions to field units by the Respondent and not to the consumer Complainant and the Complainant lacks locus standi to raise contention on it;
- (38) Forum also finds the arguments of Complainant as untenable, that it could not understand and interpret the provisions of the Supply Code on revision of contract demand. It is a settled proposition that ignorance of law is no excuse. Complainant has not laid any challenge whatsoever to the said 2nd Amendment and therefore the fact remains undisputed that change of law through amendments is done after following due process. It is safely assumed that the present 2nd Amendment, 2018 to Supply Code was effected by the HPERC after inviting public objections / suggestions etc from all stake holders. The said amendments after enactment were notified and published in official gazette for the knowledge of public/stake holders at large. It is safely presumed and expected that all stake holders / public including the Complainant are well aware of the said amendment. Thus, the argument that the Complainant could not understand and interpret the provisions of the Supply Code on revision of contract demand is patently wrong, misplaced and is accordingly rejected. Monetary demands based upon Statutes, Regulations/ Codes notified by the HPERC and on Tariff Orders passed by the Ld HPERC, cannot be held to be illegal. Thus pleas of the Complainant are naive, flimsy and devoid of any substance and not tenable in facts and circumstances narrated above;
- (39) The present complaint under adjudication, relates mainly to the undeniable fact and circumstances, where the Complainant has failed to adhere to the amended provisions of Supply Code, 2018 by not keeping vigil on the change in law. As already discussed in paras supra that change in statute through a due process of law, especially when the amendments are made public, does not require its intimation to the consumer or the Complainant separately, neither is it imperative upon the Respondent HPSEBL to inform its consumers individually. We further observe that there is no statutory requirement under the Supply Code with regard to prior intimation by the HPSEBL to the consumers of amendments made in law. The Forum is of considered view that it is incumbent upon the consumer /Complainant to exercise due diligence and to keep strict vigil especially in respect of change in law being affected by the HPERC through an open transparent due process. Thus Complainant ought to have appropriately revised its 'Contract Demand' in pursuance to the Supply Code 2nd Amendment, 2018. The 'Note' at the end of Code 3.10 of the Supply Code 2nd Amendment, 2018 is merely in terms of issuing of detailed procedural instructions by the 'Distribution Licensee' i.e the HPSEBL to its field units and not to the consumers at large. It is also otherwise impractical and illogical to assume intimation to each and every consumer of amendments which are notified in Official Gazette and uploaded on the website of HPERC for knowledge of consumers at large. Forum accordingly rejects the arguments made by the Complainant in this regard;



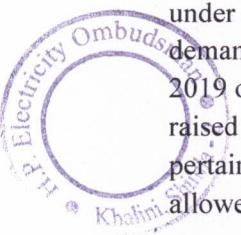
*Pushpal*





**HIMACHAL PRADESH ELECTRICITY OMBUDSMAN**  
**SHARMA SADAN, BEHIND KEONTHAL COMPLEX, SHIMLA-171002**  
Phone: 0177-2624525, email: [ombudsmanelectricity.2014@gmail.com](mailto:ombudsmanelectricity.2014@gmail.com)

- (40) On the argument by Complainant with regard to demand being hit by limitation under section 56 of the Electricity Act, 2003, the Forum agrees with the contention of the Respondent and holds that the Hon'ble Apex Court has already settled the law in this regard vide Judgment dated 18.02.2020 in Civil Appeal No 1672 of 2020 titled Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah alias Rahamujulla (2020) 4SCC 650 and in M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 decided on October 5, 2021. In the instant matter, Forum observes that in Hon'ble Apex Court Judgment dated 18.02.2020 in Civil Appeal No 1672 of 2020, which has further relied upon other Apex Court cases while interpreting section 56(2) of the Electricity Act, 2003, it has been held that section 56(2) does not put any limitation for raising the past dues or arrears, if not discovered earlier due to any mistake. Liability to pay arises on consumption of electricity and obligation to pay when bill is raised. Electricity charges would become first due only when bill is issued by the licensee to the consumer quantifying therein the charges to be paid. Accordingly, the Hon'ble Court has held in clear terms that limitation starts from the date the Bill/ Demand is raised which is when the sum becomes first due and it is from this date that the period of limitation of 2 years as provided in section 56(2) of the Electricity Act shall start. Thus the action of the Respondent to raise the impugned demand dated 27.06.2023 (**Annexure C2**) is not hit by the limitation under section 56 of the Electricity Act, 2003. Further, Forum also does not find any tenable basis in the argument by the Complainant that the said impugned demand is hit by limitation under the Limitation Act, 1963. In the considered opinion of the Forum, the Limitation Act shall become applicable in the matter only after the limitation provisions in the Electricity Act, 2003, being a special Act, cease to remain applicable. Forum accordingly also rejects the arguments made by the Complainant with regard to limitation;
- (41) It is evident from the observations made here-in-above, that the instant grievance pertains to non-application /non-revision of Contract Demand (in kVA or MVA) on Temporary basis i.e Temporary Reduction of Contract Demand after 01.04.2019 by the Complainant. This resulted in Permanent Contract Demand (in kVA or MVA) automatically becoming the basis for raising of impugned monetary demand by the Respondent HPSEBL;
- (42) Thus Forum does not find any force in the arguments of the Complainant that amended provisions of Code 3.10 of Supply Code 2nd Amendment, 2018 have wrongly been made applicable to it. From the observations made above, it is established and safely held that that the ibid 2nd Amendment, 2018 is effectively applicable to the Complainant as to the other consumers;
- (43) The Forum holds that no benefit of six (6) months as provided in Code 3.10 of the Supply Code Amendment Regulations, shall be available to the Complainant till the time the Complainant applies afresh for the Temporary Contract Demand, which in this case has not been done by the Complainant;
- (44) Forum also finds from record that monetary demand raised by the Respondent includes the consumption month from December 2018 to December 2022 or the billing period from January 2019 to January 2023. Forum is constrained to hold that the consumption of the Complainant up to March 2019 (raised in bill of April 2019) or the billing period up to April 2019, is not regulated under the Supply Code 2018 2nd amendment with regard to Temporary revision of contract demand. However, the consumption from April 2019 or impugned monetary demand from May 2019 onwards is certainly regulated under this amendment. Thus, the impugned monetary demand, raised by the Respondent which includes the demand period from January 2019 to April 2019 and pertains to consumption months from December 2018 to March 2019 (4 months) cannot be allowed by the Forum. To raise this monetary demand for the period from January 2019 up to



*Signature*





April 2019 on the basis of financial year criteria as contained in Supply Code 2nd Amendment, 2018 tantamount to giving retrospective effect to the Code, which is held by this Forum to be wrong;

- (45) Accordingly, Forum sets aside part of the impugned monetary demand (**Annexure C2**) for the period from January 2019 to April 2019 i.e for consumption months from December 2018 to March 2019, which the Forum finds as not having been raised in terms of the said Supply Code, 2009 2nd Amendment. Forum directs the Respondent that any amount received in excess from Complainant against the impugned monetary demand dated 27.06.2023, erroneously so billed, shall be refundable along with Interest in accordance with code 5.7.3 of the Supply Code, 2009 and amendments thereto, in the next electricity bill;
- (46) Further, the Forum does not observe any illegality in the impugned monetary demand dated 27.06.2023 (**Annexure C2**) raised by the Respondent for the period from May 2019 onwards up to January 2023 i.e for consumption months from April 2019 to December 2023, which this Forum finds as having been raised in terms of Code 3.10 of the amended provisions of the Supply Code, 2009 2nd Amendment and thus Forum uphold the same. Forum further directs the Respondent that up to the point for which late payment surcharge has not been recovered by the Respondent, the Complainant shall also be liable for payment of Interest per ibid code 5.7.3, from the time when this amount became first due but was erroneously not billed and upto the time of its actual payment by the Complainant;

On aforesaid terms, the complaint is is **Partly Allowed** and is disposed accordingly.

Parties are left to bear their own costs.

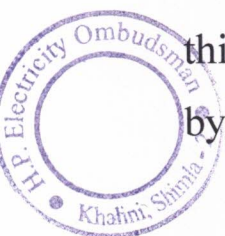
Order is announced before the parties present today on 28.03.2025 at Shimla in open Forum.

Certified copies of this Order be supplied to the parties. The complaint along with this Order be consigned to record room for safe custody.

## 16. The Final Arguments of both during proceedings:

The counsel for Respondents and concerned Assistant Engineer appeared in the Court room along with the record and with the mutual Conesus of both the parties, the final arguments were conducted on main representation on 27/11/2025 and both the parties were given due opportunity to argue their contentions to the edge.

- a. At the very outset, the Authorised Representative for Complainant confirmed the deposit of 50% of disputed amount in compliance to this court's order dt. 11/11/2025 and the same was also confirmed by the Assistant Engineer present in the court room.

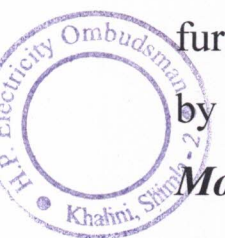


*[Handwritten signature]*





- b. Thereafter, before further advancing of arguments, the matter was first discussed w.r.t. order dt. 28/03/2025 of Id. CGRF, where the period contrary to the submissions of the Complainant was mentioned from **January,2019 to January,2023** in place of from **October 2019 to January 2023**.
- c. The Assistant Engineer present as Respondents, confirmed from the record that this was an error apparent to record as in actual the computation was made from **October 2019 to January 2023** and accordingly, prayed for considering the said period of computation as well as demand notice dt. 27/06/2023 from **October 2019 to January 2023**. After listening, prayer granted and announced in the court room that hence, forth in the instant case the period of demand note dt. 27/06/2023 shall be read as **October 2019 to January 2023** in place of **January,2019 to January,2023** with directions to the Assistant Engineer representing Respondent to make subsequent corrections in the record so as to avoid any such confusion in future.
- d. The Authorised Representative for Complainant further placed his arguments that the Id. CGRF, vide its order dated 28.03.2025, not only upheld the demand from May 2019 onwards but also created a *new liability* for the Complainant for the period of May 2019 to September 2019 which was never a part of the original dispute. He further supplemented his arguments by apprising the order passed by that Ombudsman in case No 24/2022 in the matter of *M/s Mohan Meakins* and added that even in the past such type of



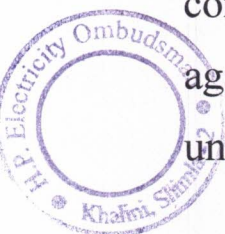
*Ruphal*





*cases had been settled holding* that consumers are entitled to retain their reduced contract demand for at least the first six months of the relevant financial year starting from 01/04/2019.

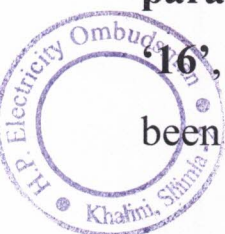
- e. The above arguments were quite vivacious in the interest of justice and Assistant Engineer present as Respondents & Id. Counsel for Respondents were asked in the court room to update the status of case No. 24/2022 of *M/s Mohan Meakins* as mentioned by the Complainant in support of his arguments i.e. whether the said case was challenged at any point of time in the past or not.
- f. The Id. Counsel & Assistant Engineer present as Respondents confirmed that as per prevalent record the case had never been challenged in the past and further asserted that it had also attained its finality.
- g. The Authorised Representative for Complainant also added to the arguments that the CGRF illegally directed the levy of interest on the amount found due under Clause 5.7.3 of the Supply Code whereas the Clause 5.7.3 of the HP Electricity Supply Code, 2009 (as amended), is a **one-way provision**. It provides only for the payment of interest *by the licensee to the consumer* on excess amounts recovered and further emphasized that there is **no reciprocal clause** permitting the licensee to charge interest from consumers for billing errors. The CGRF's direction to levy interest against the Complainant lacks statutory authority and is purely unidirectional and unsustainable in law.



*Ruphal*



17. After listening to the averments made by both the parties during final arguments at length, the order was kept reserved **for examining the contentions to the depth before issuance of final order.**
18. The documents annexed and placed on record, arguments advanced by both the parties have gone through in depth.
19. The appropriate Acts, Supply Codes, relevant Tariff Orders have been referred to for clarity.
20. The case file bearing Complaint No. 1454/202404/05 and orders passed on dated 28.03.2025 by the Consumer Grievance Redressal Forum Kasumpti, Shimla-171009 have been requisitioned and gone through in conjunction with above submissions, documents placed on record by both the parties and order in case No. 24/2022 ***Passed by that Ombudsman*** in the similar matter of ***M/s Mohan Meakins V/s HPSEBL***, so as to have a composite view of the case to arrive at judicious platform. The para (1) to para (46) of the said order also have been reiterated under the “**para-15**” above to arrive at legitimate conclusion and for the sake of brevity the order thereafter is recapped only on specific contentions.
21. The main contentions of the Complainant placed under **para-‘14A’**, reply of Respondent Board detailed under **para-‘14B’**, Rejoinder-cum-Written Arguments submitted by the Complainant placed under **para-‘14C’**, Arguments conducted at length & placed under **para-‘16’**, may be referred to as cited above, however, where required have been reproduced only on specific contentions while doing analysis. To







arrive at legitimate consensus, the findings in the instant matter shall also carry detailed analysis while examining the issues.

22. While scrutinizing the reply submitted by the Respondents, it has been observed that the Respondents at the very outset under 'Preliminary Submissions' have opined as under:

- a. That the present complaint is not maintainable in the eyes of law.
- b. That there exists no cause of action in favour of the complainant and against the respondents.

23. The Complainant on these specific issues contends as under:

- a. That the Complainant's representation is maintainable before this Hon'ble Forum under Regulation 28(1)(b) of the HPERC (CGRF and Ombudsman) Regulations, 2013, as the Complainant is **dissatisfied with the Order passed by the CGRF**.
- b. That the delay in filing the representation has been condoned by this Hon'ble Authority. Furthermore, the requisite procedural compliance has been met, including the acceptance of the mandatory deposit of **50% of the disputed amount**.
- c. That the delay was a direct consequence of the Respondents' own prolonged inaction and ambiguity following the CGRF Order.

24. This authority after referring to above contentions in details is not convinced, being averments of vulnerable nature and may subjugate justice if not examined as such in the interest of fairness draws inferences that in terms of regulation 33(2,3) read with 36(2) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 where the Ombudsman is guided by the principle of natural law of justice, it shall be prudent to give an opportunity of being heard as the contentions might carry reasonable arguments in terms of regulation-37 (8) of the Himachal Pradesh Electricity Regulatory Commission (CGRF & Ombudsman) Regulation, 2013, in the interest of justice. Hence, **held maintainable** to the extent of





initiation of proceedings, however, the outcome shall be subject matter of further adjudication.

**25.** The above findings pave the way to examine **the contentions on merit** judiciously. Further perusal to the record reveals that the following contentions of the Complainant needs to be examined on merit in order to land at judicious platform:

- a. That on **21.03.2016**, the sanctioned or permanent Contract Demand of the Complainant was 600 kVA;
- b. That thereafter on **16.12.2017** it applied for temporary reduction of contract demand from **600 kVA to 400 kVA**
- c. That on **28.03.2018** it applied for temporary revision of contract demand from **400 kVA to 525 kVA**. These revisions were reflected in the electricity bills up to March 2024;
- d. That the original dispute arose from a Demand Notice dated **27.06.2023** for Rs. 6,75,000/-, raised by the Respondents for arrears for the period from **October 2019 to January 2023**.
- e. That notably, in line with precedents set by this Hon'ble Authority, the said Demand Notice did not include any arrears for the first six months of the financial year 2019-20 (i.e., April 2019 to September 2019).
- f. That aggrieved by the notice for the period *from October 2019 onwards*, the Complainant filed Complaint No. 1454/202404/05 before the CGRF, seeking the quashing of the said notice.
- g. That the Ld. CGRF, vide its order dated 28.03.2025, not only upheld the demand from May 2019 onwards but also created a *new liability* for the Complainant for **the period of May 2019 to September 2019**—a period that was never part of the original dispute. The CGRF also illegally directed the levy of interest under Clause 5.7.3.
- h. That the Respondents issued a Demand Notice on 06.08.2025, to which the Complainant replied with detailed objections on **12.08.2025**. The disputed amount of Rs. 219,348.00 was then included in the bill dated **10.09.2025**.

**26.** Accordingly, the Complainant has prayed as under:

- a. To **set aside the findings of the CGRF Order** dated 28.03.2025 which are contrary to settled law and beyond jurisdiction.
- b. To **quash the "Sundry" demand of Rs. 2,19,348.00** raised in the bill dated 10.09.2025.
- c. To direct the Respondents to **overhaul the Complainant's account** by:
  - a) Waiving the demand charges for the period corresponding to the first six months of the financial year 2019-20 (April–September 2019).
  - b) Deleting the levy of interest claimed under Clause 5.7.3, which lacks statutory authority.



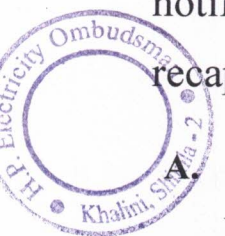
*Purhal*





27. After referring to the above submissions of the Complainant, it has been observed that the Complainant in the instant case intends to wave of demand charges for the first six months i.e. from May, 2019 to September, 2019 after the notification of 2nd amendment dt. 31.07.2018 of clause 3.10(a) of Supply Code 2009 effective from 01.04.2019 which has been denied after the findings of Id. CGRF order dt. 28/03/2025 and is also aggrieved from levy of interest claimed under Clause 5.7.3. Before resorting to analysis, at the very outset it is pertinent to mention here that every case is having its own merit and statute.
28. Let us first delve on the legitimacy of the demand notice dt. 06/08/2025 of Rs. 2,19,348/-. After referring to the detailed analysis done by the Id. CGRF in its order dt. 28/03/2025, it has been observed that although each and every point has been taken up diligently by the Id. Authority yet there appears to be some slips which may cause injury to the process of justice in the public interest and needs to be examined in depth.
29. Before arriving at legitimate conclusion, the relevant clauses of supply code including 2<sup>nd</sup> amendment along with communique dt. 25.10.2018 of the Chief Engineer (Commercial) Shimla on the 'Internal Procedural Instructions' issued to the field officers after the notification of the 2nd amendment of clause 3.10(a) needs to be recapitulated which are as under:

**A. Himachal Pradesh Electricity Supply Code (First Amendment) Regulations, 2014 dated 11.06.2014 –**





**10. Insertion of para 3.10.-** In the said Code, the following para 3.10 shall be inserted; namely:

**“3.10 Temporary revision of contract demand:** - *The consumers to whom two-part tariff is applicable shall be entitled to revise their contract demand within the total sanctioned contract demand without surrendering their lien of the total sanctioned contract demand, subject to the following condition-*

- (a) *that the consumer shall not reduce the contract demand to lesser than 50% of the total sanctioned contract demand subject to a further condition that the contract demand shall not be reduced below the lowest limit of contract demand as per the tariff category (or any sub-category thereof) applicable to him;*
- (b) *that the consumer shall not be entitled to revise the contract demand more than twice a year subject to the condition that the time gap between two successive revisions shall not be less than 3 months;*
- (c) *that the consumer shall give a notice of at least one month to the licensee before revising the contract demand under this mechanism. Even though the consumer shall not be required to obtain any sanction from the licensee for change in contract demand under this mechanism, he, so as to avoid the disputes, shall ensure that the notice(s) for such revision are duly served by him upon the licensee through registered post or through courier service or is delivered by hand against signed receipt therefor;*
- (d) *that in cases where the contract demand is reduced under this mechanism, such reduced contract demand shall be applicable for billing purposes; and*
- (e) *that in cases where the consumer gets his contract demand reduced permanently, the limit under clause (a) shall be considered with respect to such reduced contract demand, but such reduction shall not be considered to have been made under this mechanism and the time gap of 3 months as per clause (b) shall be reckoned from the date from which the demand was last revised under this mechanism.*

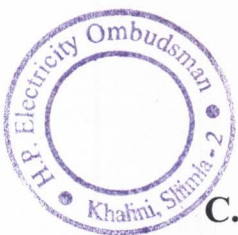
**B. Himachal Pradesh Electricity Supply Code (Second Amendment) Regulations, 2018 dated 31.07.2018 –**

clause 3.10. (a) The following provisions under second amendment were inserted:

*“Provided that the consumer shall not be eligible for temporary revision of contract demand to a value other than the full sanctioned contract demand for a total period of more than six months in one financial year:*

*Provided further that in cases involving part period of a year e.g. if a consumer takes the connection, or the consumer gets his permanent sanctioned contract demand revised, during the middle of a year, the adjustments shall be made on pro-rata basis.*

**C. Relevant to the instant case, Para 3 (c) of internal procedural instructions issued by the Chief Engineer (Comm.) on dt.**



*Ruphal*





25.10.2018 after the notification of the 2nd amendment, is also reproduced as under:

3. After three months, consumer shall have following three options:

*"3(c) In this case consumer shall have the option to continue with revised CD for a maximum period of 3 months i.e. 4th, 5th and 6th month. As per revised clause 3.10(a), if a consumer does not revise CD then after 6th month the billing shall be done on the basis of Original Sanctioned Contract Demand only.*

*In case consumer wishes to revise CD in 4<sup>th</sup> or 5<sup>th</sup> month he may do so but the said revision as per revised clause 3.10(a) shall be for two months in case CD is revised in 4<sup>th</sup> month and one-month in case revision is being done in 5<sup>th</sup> month, considering 1-month notice period for revision of CD. At the end of which billing shall be done on the basis of original Sanctioned Contract Demand only."*

30. This authority after referring to the above provisions draws following opinion:

- a. that the consumer shall not be eligible for temporary revision of Contract Demand to a value other than the full sanctioned contract demand for a total period of **more than six months in one financial year**. Where, the quote "**total period of more than six months in one financial year**" has the hidden meaning which is quite apparent when clause 3.10 of (Second Amendment) Regulations, 2018 dated 31.07.2018 read with clause 3.10 (b) of (First Amendment) Regulations, 2014 dated 11.06.2014 and further read with the procedural instruction 3(c) issued by Chief Engineer Commercial vide letter dt. 25.10.2018 after the notification of the 2nd amendment to be effective from 01.04.2019, clearly provides that one cannot revise Contract Demand for a total period of **more than six months in one financial year** with revision twice a year

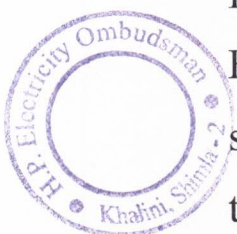


*Ruphal*



subject to the condition that the time gap between two successive revisions shall not be less than 3 months.

- b. that in case the Complainant avails revision only for the last four months of the preceding Financial Year, this will not make him eligible for availing benefit of remaining two months by spilling over to the next Financial year, as clause 3.10(a) of the (Second Amendment) Regulations, 2018 under any circumstances, restricts/confines benefit of revision specifically to that Financial Year in which such revision was sought unless he applies afresh.
- c. That the procedural Instructions No. 3 imparted through letter dated 25.10.2018 by CE(Comm.) plays vital role which without any doubt provides that after three months, consumer can exercise three options, where 3(c) transparently provides that the consumer has an option to continue with revised CD for a maximum period of 3 months i.e. 4th, 5th and 6th month. As per revised clause 3.10(a), **if a consumer does not revise CD then after 6th month the billing shall be done on the basis of Original Sanctioned Contract Demand only.**
- d. that these three months ( option 4th, 5th and 6th month) are out of total six months of the option in the respective Financial Years and does not allow to carryover to next Financial Year or continue in the same Financial Year, once all six months get exhausted, even if months remain balance in that Financial year, rather automatically switches on to the



*Suphal*

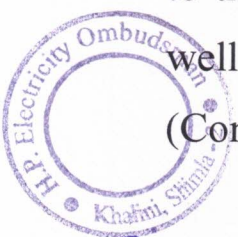




sanctioned Contract demand as per 2<sup>nd</sup> amendment of the supply code read with instruction 3(c) of above mentioned CE(Comm.) letter dt.25.10.2018, after the expiry of the period of total six months in that Financial Year .

- e. that if the provisions as per the clause 3.10 (a) of Supply Code (First Amendment) Regulations, 2014 dated 11.06.2014, (Second Amendment) Regulations, 2018 dated 31.07.2018 and the procedural instruction 3(c) issued by Chief Engineer Commercial vide letter dt. 25.10.2018 after the notification of the 2nd amendment to be effective from 01.04.2019 onward, are read in totality, clearly reveals that all revisions confine only to the preceding Financial Year and after the expiry of the options of months availed in that Financial Year if one intends to continue with the same revision or further revision , a fresh Application shall be entertained only if a few months remain balance out of six months in that Financial or otherwise, henceforth, the billing shall start with the original sanctioned Contract Demand in that Financial Year as per provisions/methodology devised by the CE (Comm.) under para-3(c) of letter dt. 25/10/2018.

31. After analysing the contentions on legitimate ground with reference to the 2<sup>nd</sup> amendments under clause 3.10(a) of the supply code as well as the procedural instructions issued by the Chief Engineer (Comm.), let us also, reiterate very relevant paras of findings of Id.



*Ruphal*





CGRF order dt.28/03/2025 in order to have an overview of the Id.  
CGRF opinion when read with above provisions:

- a. *"(29) ----- in accordance with the Companies Act a financial year generally starts from 01st of April and ends on 31st of March. Accordingly, it becomes clear from the said amendments that on 31st March of each financial year, the 'Temporary Contract Demand', as existing previously shall expire. From the 1st of April of the subsequent financial year, the Contract Demand would get reset to the Permanent Contract Demand (in KVA or MVA) unless the Temporary Contract Demand is re-applied by the consumer. Therefore, in our considered view, a consumer would be required to apply afresh for re-revision of its Temporary Contract Demand (in KVA or MVA) in any new financial year, else a previously existing Temporary Contract Demand shall automatically get reset to the last sanctioned Permanent Contract Demand (in KVA or MVA) which was also initially / previously applied for by the consumer and allowed or deem allowed by the distribution licensee;*
- b. *"(31) In the facts and circumstances of the case, Forum safely sums up that any Temporary Revision of Contract Demand (in kVA or MVA) that may have existed in the past before 01.04.2019 shall cease to remain effective beyond 01.04.2019. Therefore, the consumer shall have to apply afresh for a 'Temporary Contract Demand' beyond 01.04.2019, if it so requires and in absence of such revision or re-application, the only Contract Demand that automatically survives in accordance with the Supply Code 2nd Amendment is the 'Permanent Contract Demand' (in kVA or MVA) on the basis of which further billing shall be done or any monetary demand shall be raised by the distribution licensee-----"*
- c. *(33) ----- In the instant complaint, at the outset it is observed by the Forum that the Complainant has failed to set-up the legal basis of its arguments in the complaint. In the opinion of the Forum, the Complainant has misconceived the fact that the ibid Supply Code 2nd Amendment notified on 31.07.2018, has wrongly been applied to it. The reason for this stem from the misconception that revised / applied Temporary Contract Demand (in kVA or MVA) before the enactment of ibid Supply Code 2nd Amendment, 2018, should have been continued and should not have been reset to the value of sanctioned Contract Demand at the start of a financial year;*
- d. *"(34) Further as stated on record by the Complainant, on 16.12.2017 it had applied for temporary revision (reduction) of contract demand from 600 kVA to 400 kVA and on 28.03.2018 it had applied for temporary revision (increase) of contract demand from 400 kVA to 525 kVA (Annexure C1). Both these revisions pre date the Supply Code 2018 2nd amendment (notified on 31.07.2018 and effective from 01.04.2019). As also observed, the monetary demand raised by the Respondent is for the period from January 2019 to January 2023. Accordingly, the monetary demand from May 2019 (based on consumption of April) shall certainly be regulated under this amendment. Thus, from the explanation of the express provisions of the Supply Code regulating the Temporary revision of Contract Demand, the said temporary revisions of Contract Demand made by the Complainant, shall cease to remain effective from 01.04.2019 and here onwards the Complainant shall be required to apply afresh for the temporary revisions of Contract*



*Ruphal*





*Demand including its start and end dates and its duration etc as and when it so requires in every financial year, which the Complainant failed to do due to its own fault and ignorance.-----."*

32. Scrutiny of above findings under **para-31** read with findings of Id. CGRF under para (44) to (46) reveals that Id. CGRF has based its analysis on the pretext that the ***demand raised by the Respondent is for the period from January 2019 to January 2023 which needs to be reset before entering FY 2019-20*** but the instant demand in actual was from the period **October,2019 to January,2023** as agreed & corrected by the Respondents during arguments in the court room before this authority and this authority further deduces that under the present circumstances, above corrections attract utmost importance for deep analysis and apprehends that Id.CGRF had confined his findings from January,2019 considering revision of contract demand after the procedural instruction dt.25/10/2018 whereas the temporary revision was made on 28/03/2018 much prior to the notification of 2<sup>nd</sup> amendment as per record and deemed to be continued for first ensuing six months of FY 2019-20. However, but for such typographical error, which remained uncorrected while proceedings before Id. CGRF were on, might have assumed to be reset to Sanctioned Contract Demand from January,2019 onward in the said order, hence, the judgement.

33. On further examining the contentions, the following consequential points were observed which appeared quite alluring for judicious settlement in the instant case:



*Puphal*



- a. That the Supply Code 2nd Amendment was notified on 31.07.2018.
- b. That in the 'Note' after the 2<sup>nd</sup> proviso, directions were also inserted for the Distribution Licensee to issue suitable detailed procedural instructions within the framework of the above provisions to its field units for the smooth implementation of aforesaid provisions w.e.f. from 01.04.2019 onwards.
- c. That the procedural instructions to field officers were issued by the Chief Engineer Commercial vide letter dt. 25.10.2018 after the said notification.
- d. That the demand note first time was raised by the Respondent Board on dt. 27/06/2023 after surpassing FY20, FY21, FY22 and half of the FY23 which had to be effective from 01.04.2019 onwards.
- e. That during arguments, the confirmation of similar case No. 24/2022 *Passed by that Ombudsman* in the matter of *M/s Mohan Meakins V/s HPSEBL* attaining finality, added support.

34. After referring to the documents placed on record and analysis as appended under **para-30&33** above, a considered opinion is drawn that since the demand of wrong application of tariff i.e. less charging of Contract Demand was first made in 27/06/2023, the provisions under Section 56 (2) of Electricity Act, 2003 does not apply and the demand is covered under the category of bona fide



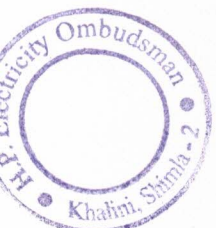
*Pushpal*





error on account of wrong application of Tariff by the Respondent Board.

35. In view of above assertions this authority conceives that the above action as placed under **para-33** above also attracts the judgement of Hon'ble Supreme Court in CA No. 1672 of 2020 Assistant Engineer Ajmer Vidyut Vitran Ltd & Anr Vs Rahamathllah Khan Alias Rahamjulla and supports the '**First Due**' in this case as 27/06/2023 as per documents placed on record.
36. Let us examine the instant case in line with above findings, it has been observed that the Complainant underwent temporary reduction of Contract demand from 400 KVA to 525 KVA on 28/03/2018 against the permanent sanctioned demand of 600KVA much prior to the notification of 2<sup>nd</sup> Amendment. It has also been observed that there exists no clear instructions for automatic termination of Temporary Contract Demand existing prior to the 2<sup>nd</sup> amendment and this authority concedes that the veracity of the earlier application caters its sanctity in view of the provisions that the consumers are entitled to retain reduced Contract Demand up to a level of 50% of sanctioned Contract Demand for at least 6 months in a financial year as per 2<sup>nd</sup> amendment as well as the Respondents are entitled to recover 100% of the sanctioned Contract Demand after **October 2019 to January 2023 till 31/03/2023** in the instant case.

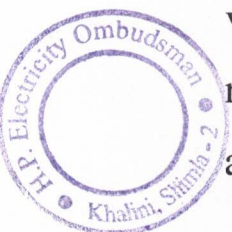




37. After having microscopic view of the 2<sup>nd</sup> amendment read with the procedural instructions issued by the Chief Engineer Commercial vide letter dt. 25.10.2018, it has been observed that the **leading end** of the 2<sup>nd</sup> amendment does not provide any instructions for automatic termination of the temporary Contract Demand made prior to the notification dt. 31.07.2018 rather the **trailing end** of the said amendment when read with the procedural instructions issued by the Chief Engineer Commercial vide letter dt. 25.10.2018 provides quite indicative paraphernalia that in case after the expiry of financial year FY2019-20, the consumer does not apply for further increase or decrease of Contract demand within the scope of Sanctioned Contract Demand, the same gets automatically reset to the value of Sanctioned Contract Demand. The above analysis also gets strength from the very relevant quote of the procedural instructions as reproduced in para-30(c) and also reiterated as under:

***“if a consumer does not revise CD then after 6th month the billing shall be done on the basis of Original Sanctioned Contract Demand only.”***

38. In view of foregoing findings, this authority draws divergent views on the opinion of Id. CGRF in the order dt. 28/03/2025 as reproduced above under **para-31** of this order and asserts with affirmative findings that the Contract Demand shall automatically



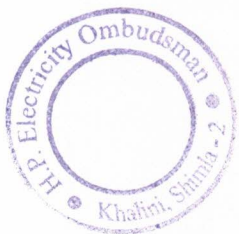




revert back to 100% only after 01/10/2019 onwards since the earlier temporarily reduced Contract Demand of 525 KVA will remain applicable for first six months of the financial year starting from 01/04/2019 onwards as the Consumer is also entitled to retain reduced Contract Demand up to a level of 50% at least for six months in a financial year.

39. In terms of foregoing findings, the **Sundry demand** of **Rs.2,19,348/-** raised in the bill dated 10.09.2025 is **set aside** and Demand Notice dated **27.06.2023** for **Rs. 6,75,000/-**, raised by the Respondents for arrears for the period from **October 2019 to January 2023** is **sustained in principle** subject to the conditions that the Complainant had not undergone any temporary revision of Contract Demand during the said period or otherwise recompute afresh accordingly.
40. It has also been observed that the Complainant under para-11 of the Representation has contended that the CGRF under **para-46** of its order illegally directed the Respondents to recover interest as per Clause 5.7.3 of the Supply Code
41. Scrutiny of para-46 of the order dt. 28.03.2025 of the Forum reveals that the Id. CGRF has directed Respondents as contended, the relevant extract is reproduced for clarity and reference:

*"para-46 Forum further directs the Respondent that up to the point for which late payment surcharge has not been recovered by the Respondent, the Complainant shall also be liable for payment of Interest per ibid code 5.7.3, from the time when this amount became first due but was erroneously not billed and upto the time of its actual payment by the Complainant; -----"*



*Rupnath*

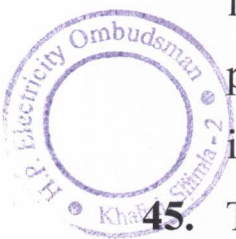


42. The above findings put this authority on the edge to first delve the inherent characteristics of clause 5.7.3 to assess whether the said clause allows imposition of interest to Complainant in the instant case. To arrive at judicious platform in the interest of justice, the very specific part of the relevant extract of clause 5.7.3 of supply code 2009 is reproduced as under:

*"-----if the amount paid by the consumer 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-----"*

43. It is pertinent to mention here that the consumer is liable to pay interest in terms of clause 6.1.11.1 in case of unauthorised use of electricity and concealment or tampering, **which is not the case here.**
44. After digging the complexity in the said clause, a considered opinion is drawn that the said clause mandates licensee to pay interest to the consumer towards the amount which remains as an excess amount with the licensee and nowhere it provides provisions for recovering interest from the consumer. It is also observed that the said clause has only unidirectional mandate i.e to pay interest to consumer on account of excess amount assessed as paid to licensee, not bidirectional mandate i.e to recover interest from the consumer, otherwise. As per other prevalent provisions, the consumer is liable to pay late payment surcharge, if applicable.

45. This authority after referring to the submissions made by the Complainant, reply submitted by the Respondent, arguments



*Rupnarain*





advanced and specific findings as reproduced above in para-41 of Id. CGRF under para-(46) concludes and holds that in the instant case, no doubt, the Respondent is liable to recover the amount in terms of findings under para-36 above & in compliance to the order of Id. CGRF which construes bonafide mistake of the Respondents in consonance with the Hon'ble Apex Court Judgment dated 18.02.2020 in Civil Appeal 1672/2020, but without interest in terms of above findings under para-44. Hence, the Complainant is not liable to pay interest in the instant case. The contention of the Complainant on this issue is sustained.

**46. In view of foregoing findings and analysis, the order is as appended below:**

- a. The order dt. 28/03/2025 passed by the Consumer Grievance Redressal Forum at Kasumpti in Complaint No. 1454/202404/05 is upheld partially and the paras not in conformity with the findings of this order are quashed.
- b. The Respondent Board is directed to overhaul the accounts of the Complainant within 30 days excluding holidays from the date of issuance of this order, with due adherence to the following directives:
  - i. The Sundry Demand notice dt.06/08/2025 of Rs.2,19,348.00/- raised in the bill dated 10.09.2025 is



*Pushpal*



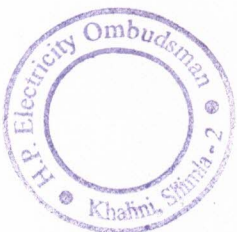
quashed in terms of findings of this authority under para-39.

ii. Demand Notice dated 27.06.2023 for Rs. 6,75,000/-, raised by the Respondents for arrears for the period from October 2019 to January 2023 is sustained in principle in terms of findings under para-39. However, in monetary terms, Respondent Board is directed to ascertain the following at its end:

i. That the Complainant had not undergone any revision of Contract Demand during the said period, if yes, then recompute the amount accordingly in terms of clause 3.10(a) of the Supply Code (2<sup>nd</sup> Amendment) and raise fresh demand notice considering this as quashed.

ii. That the demand note should not include any component of interest levy to Complainant in terms of findings under para-45

c. Accordingly, the Complainant is directed to pay the requisite outstanding amount for the period from October 2019 to January 2023 within 15 days excluding holidays from the date of issue of fresh Demand Note or whatsoever to avoid any coercive action by the Respondents.



*[Handwritten signature]*





- d. All stays imposed by this Authority shall be considered vacated after the expiry of above time limit excluding holidays.
- e. After resorting to exhaustive analysis/findings, this authority under the powers drawn in terms of Regulation 37(3)(d)(e) of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, in the public interest, advises as under:
- i. That both Complainant and Respondents are advised to frame averments only which are universal in nature and not individual specific, as any wrong pursuance shall ultimately add fiscal brunt on consumers and defeats the very purpose of Consumer Protection mandate.
  - ii. That also, after the advent of any new provisions/ amendments pronounced by the Hon'ble Commission in future, both Respondents and Complainant are advised to avoid unnecessary delay for implementation or otherwise may attract unwarranted litigation.
  - iii. The Authorized Representative for industrialists is also advised to take immediate steps to apprise the concerned one on any new additions of privileges so



*Ruppal*



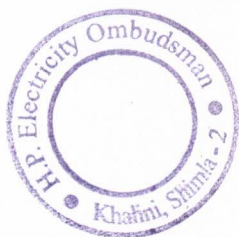
as to avert delaying or depriving of one's rights from such benefits.

- iv. That the Complainant first try to resolve the issues at Sub-Divisional level with due opportunity to Respondent Board in terms of prevalent provisions before approaching any competent Court of law for further adjudication.
- f. The Respondent Board in due cognizance to adherence to above time limit is also at liberty to adjust in the ensuing bills in terms of prevalent provisions and amendments thereof.
- g. No cost to litigation.
- h. In terms of above findings, the Complaint filed by M/s Valco Industries Ltd. (Unit-II), Village Katha, P.O. Baddi District Solan-173205 (H.P) is hereby disposed of.
- i. The case file is consigned to record room and order is also placed at site as well as conveyed telephonically for the convenience of reference.

Given under my hand and seal of this office.

Dated: 10/12/2025

Shimla



*[Signature]*  
10/12/2025  
Electricity Ombudsman