



In the matter of:

Complaint No. 03/2026

M/s JSK International Village Gullarwala, Vardhaman Budh Road, P.O. Baddi,
Tehsil Baddi, Distt. Solan (H.P.) – 173205.

– Complainant

Vs

1. The Sr. Executive Engineer, Electrical Sub-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 No.03/2026 (Registered on 16/03/2026)

(Orders reserved on 09/04/2026, Issued on 20/04/2026)

Present for:

The Complainant: - Sh. Rakesh Bansal, Authorized Representative
- Miss Shabnam, Advocate
The Respondents: -Sh. Kamlesh Saklani, Under Secy. Law
- Sh. Rajesh Kashyap, Advocate
-Er. Saurv Dhiman, AE, ESD, Baddi

QUORUM

Er. Deepak Uppal

HP Electricity Ombudsman

1. Brief Facts of the Case:

- a. M/s JSK International have filed an Application which was received on dt.16.03.2026 under the provisions not mentioned, however filing said representation against the order dated 24.02.2026 passed by Consumer Grievance Redressal Forum at Kasumpti in Complaint No.1453/202510/30 with a prayer to set a side, construes the said representation have been filed under the Regulation 28(1)(b) of Himachal





Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, hence registered under the said Regulation on dt.16.03.2026 as Complaint No.03/2026. As per record copy of the Complaint has also been sent by post on dated 14.03.2026 by the Complainant to the Respondents concerned. The matter was to be admitted only after listening to both the parties.

- b. The Complainant is aggrieved by the monetary demand of Rs 5,71,412/- which had been raised upon it by the Respondent vide Demand Notice dated 25.06.2025 on the behest of special Audit on a left-out bill component pertaining to past electricity bill of December, 2018/January, 2019 occurred during the technical process of data migration from the old HCL software to the new SAP ISU platform.

2. The case was listed for admission hearing on 18/03/2026. To facilitate further pleadings in a comfortable domain, the contentions of the complainant are first restated as below:

The Complainant Contends:

MOST RESPECTFULLY SHOWETH:

1. That the Complainant respectfully submits this representation against the arbitrary and erroneous Final Order dated 24.02.2026 passed by the Ld. Consumer Grievances Redressal Forum (CGRF), Shimla. The Ld. Forum has wrongfully dismissed the complaint and upheld an illegal, factually non-existent demand of Rs. 5,71,412/- (recovered as Rs. 5,80,423/- including surcharge).
2. The demand was raised by HPSEBL vide a notice dated 25.06.2025, attributing it to a "less carry forward" of arrears from December 2018 to January 2019 due to a software migration from HCL to SAP.
3. The impugned Final Order suffers from gross procedural irregularities, a violation of the principles of natural justice, and a complete misappreciation of the fact that the Respondent's internal ledger was utterly corrupted. The "error" is not a loss of revenue, but a blunder in carrying forward fictitious arrears. The grounds for this representation are detailed hereinbelow:

GROUND OF REPRESENTATION



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A. Gross Violation of Natural Justice: Reliance on a Withheld Ledger

The Ld. CGRF committed a severe judicial error by basing its final decision entirely on a document that was intentionally withheld from the Complainant.

- During the final hearing on 03.02.2026, the Respondent submitted a computer-generated copy of a ledger to the Forum.
- The Ld. Forum, in its Interim (Zimini) Order dated 03.02.2026, explicitly directed: *"Respondent is directed to provide to the Complainant, copy of the ledger as has been submitted to the Forum"*.
- **The Respondent willfully defied this order and never supplied the copy of the ledger to the Complainant.**
- Despite this blatant non-compliance, the Ld. Forum in Paras 43 to 45 of its Final Order heavily relied on this very unseen ledger to justify the difference of Rs. 5,71,412/-. Passing an order based on an internal, unverified document that the Complainant was never allowed to examine or rebut constitutes a gross violation of natural justice.

B. Factual Non-Existence of Debt: The Bill-by-Bill Payment History

The primary stress of the Complainant is that **if every current bill is paid in full, from where does the arrear arise?**

- The Complainant placed on record a detailed Calculation Sheet (**Annexure C-7** of the CGRF Complaint) which provided a bill-by-bill analysis of Billed Amounts vs. Paid Amounts.
- For the disputed period (Dec 2018 and Jan 2019), the Complainant paid 100% of the current charges raised for the electricity consumed (Dec 2018 bill of Rs. 11,11,089/- and Jan 2019 bill of Rs. 13,68,802/- were paid in full).
- Liability to pay arises purely on consumption. If there is no short payment against the units billed, a purely internal "carry forward" discrepancy by the Respondent's software cannot magically create a recoverable debt.

C. The Root Cause: Two Major Blunders that Spoiled the Respondent's Ledger

The Ld. Forum erred in treating the Respondent's HCL ledger as a sacrosanct "running account". The ledger was fundamentally distorted by two administrative blunders committed by the Respondent's own officers, creating massive fictitious arrears long before the software migration:

1. **Illegal Application of Standard LPS on Section 126 Dues:** In 2015, a litigation started regarding an assessment of Rs. 12,84,018/- under Section 126. Though the entire amount was paid in parts by the Complainant per appellate orders, the Respondent's staff failed to transfer this disputed amount into the "Disputed Arrears" category in the billing software in a timely manner.
 - Because it was left in "Normal Arrears," the HCL software automatically applied the standard monthly **Late Payment Surcharge (LPS)** meant for regular energy bills.
 - **This was procedurally and legally wrong.** Standard LPS is not applicable to amounts assessed under Section 126. As per **Section 127(6) of the Electricity Act, 2003** and **Clause 6.1.11.1 of the H.P. Electricity Supply Code, 2009**, any default in payment of a Section 126 assessment attracts a very specific interest rate of **16% per annum compounded every six months**. By illegally applying standard monthly LPS to this amount over several years, the software generated colossal "Ghost Arrears" (eventually reaching Rs. 47 Lakhs) that had zero basis in law or actual consumption.



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2. **Manual Bill Corrections (The Electricity Duty Mismatch):** During 2018-2019, the HCL software erroneously charged Electricity Duty (ED) at **11% instead of the applicable 1%** in few bills, during the operation of the concessional rate of duty chargeable for five years due to eligibility under the Industrial Policy. When the Complainant objected, the Respondent's local officers **manually corrected several bills by pen**, reducing the total amount payable. The Complainant duly paid these *reduced, hand-corrected* amounts. However, the Respondent failed to feed these manual corrections back into the HCL software. As a result, the software registered the Complainant's payments as "short payments," further inflating the fictitious arrears.

D. The "Less Carry Forward" was a Valid System Correction, Not an Error At the time of data migration from HCL to SAP (Jan 2019), the true balance was finally reconciled.

- Because of the manual ED rate corrections (11% to 1%), the actual arrears were significantly lower than what the distorted HCL software had been showing.
- During migration, the system/accountant correctly adjusted the opening balance downwards by **Rs. 7,66,950/-** (Arrears dropping from Rs. 41,64,894 in Dec 2018 to Rs. 33,97,944 in Jan 2019) to reflect the true balance after accounting for the ED rate difference, the detail of which appears to have been lost or ignored in the records available with the respondent's office.
- In the Respondent's Subsequent Notice dated 23.01.2026, they explicitly admit that the excess ED charged (11% instead of 1%) during this exact period amounted to **Rs. 7,71,904/-**. The drop in arrears (~7.66 Lakhs) perfectly correlates with the admitted ED overcharge.
- Therefore, the "less carry forward" of Rs. 5.71 Lakhs (derived after reversing the illegally compounded LPS) is not an error is a legitimate downward adjustment made in Jan 2019 to correct the blunders in the HCL ledger. The Respondent is now erroneously treating this valid correction as a "missing" amount to be recovered.
- The respondents insistence on the payment of Rs. 5.71 lakhs if accepted, then the amount of manual corrections of ED rate i.e. Rs. 7,66,950/- automatically becomes refundable. The Ld. Forum failed to recognize this and while maintaining the demand of Rs. 5.71 lakhs should have simultaneously ordered the refund of Rs. 7,66,950/- as the ledger being referred to has picked up the bill amounts in which electricity duty was overcharged.

E. Flagrant Violations of the Electricity Act and Supply Code, 2009 The Respondent's actions and the resulting demand are a direct outcome of their failure to adhere to mandatory statutory provisions:

- **Violation of Section 127(6) of the Act & Clause 6.1.11.1 of the Supply Code:** As established in Ground C, the Respondent illegally subjected Section 126 dues to standard monthly LPS instead of the statutory 16% half-yearly compounded interest, completely corrupting the ledger balances relied upon for the impugned demand.
- **Violation of Clause 5.2.5(b) (Failure to Segregate Disputed Dues):** Clause 5.2.5(b) strictly mandates that *"in case any amount of the bill is disputed by the consumer, such disputed amount as well as the late payment surcharge thereon shall also be reflected, and continue to be reflected, separately in the ledgers"*. The Respondent's utter failure to segregate the *sub-judice* Section 126 dues into a separate disputed category caused the billing software to illegally compound LPS.
- **Violation of Clause 5.7.2 (Delay in Resolving Dispute):** The Supply Code mandates under Clause 5.7.2 that the licensee must decide billing disputes within a maximum of ten days if additional information is required. The Respondent completely ignored the Complainant's detailed representation dated 21.07.2025, instead opting to arbitrarily add the disputed amount and LPS to the next bill.

F. Incorrect Application of the Limitation Act and Supreme Court Rulings The Ld. Forum wrongfully dismissed the Complainant's reliance on Section 56(2) of the Electricity Act, 2003, by citing Supreme Court judgments and the Limitation Act.



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- In their Reply, the Respondent attempted to justify raising a 2019 demand in 2025 by relying on **Section 17(1)(c) of the Limitation Act, 1963**, arguing that in the case of a "mistake", limitation only begins when the mistake is *discovered*.
- **Counter-Argument:** Section 17(1)(c) only provides relief if the mistake could not have been discovered earlier with reasonable diligence. In this case, the Respondent's own officers manually corrected the ED rates with a pen on the physical bills in 2018-19. They *knew* the software ledger was generating incorrect figures. There was no "hidden mistake" discovered in 2025; it was a known discrepancy resulting from their own failure to update their system.
- Furthermore, **Section 56(2) of the Electricity Act, 2003** is a special statutory provision which mandates that no sum shall be recoverable after two years unless it is *continuously shown as recoverable as arrears*. The sum of Rs. 5,71,412/- was totally absent from the Complainant's bills for over 6 years. The specific bar of Section 56(2) overrides general limitation arguments when the licensee utterly fails to maintain continuous records.

(Note: As correctly upheld by the Ld. CGRF in Para 33 of the Final Order, the subsequent and unrelated composite demand of Rs. 44 Lakhs pertaining to Section 126 and other ED adjustments raised vide Notice dated 23.01.2026 has been severed from this dispute. The present representation is strictly limited to quashing the Rs. 5,71,412/- demand).

NATURE OF RELIEFS SOUGHT FROM THE OMBUDSMAN

In light of the fact that all current bills were paid, the ledger was corrupted by the illegal application of LPS on Section 126 dues, manual vs. software mismatches, the withholding of the ledger, and the statutory violations of the Supply Code, the Complainant respectfully prays that this Hon'ble Ombudsman may be pleased to:

1. **Call for the original records** of the case from the Ld. CGRF, specifically the complete ledger from Jan 2018 to Dec 2018 which the Respondent failed to supply to the Complainant despite the CGRF's interim order dated 03.02.2026.
2. Direct the respondents to furnish a bill-wise statement indicating shortfall against each bill excluding the wrongly included disputed arrears and LPS.
3. **Set aside and quash** the Final Order dated 24.02.2026 passed by the Ld. CGRF, Shimla in Complaint No. 1453/202510/30.
4. **Quash** the impugned Demand Notice dated 25.06.2025 and the subsequent billing of Rs. 5,71,412/- (and surcharge) as being factually non-existent, stemming from a blunder in the Respondent's carry-forward process rather than any unpaid consumption.
5. **Direct the Respondent to refund** the entire amount of **Rs. 5,80,423/-** paid by the Complainant under protest on 26.09.2025 (in accordance with Clause 5.7.1 of the Supply Code), along with mandatory simple interest at the rate of **15% per annum** as strictly provided under **Clause 5.7.3** of the H.P. Electricity Supply Code, 2009, calculated on a daily basis from the date of payment till the date the amount is actually refunded or adjusted.
6. Pass any other order or direction deemed appropriate in the facts and circumstances of the case.

3. To have clarity on the findings of Consumer Grievance Redressal Forum at Kasumpti w.r.t. above contentions of the Complainant, the order dt.24/02/2026 passed by Id. Chairman and order dt. 26.02.2026 passed by the Id. Member-I



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respectively in the said Complaint need to be reiterated in totality for record and reference as under:

A. Order dt.24.02.2026 passed by Id. Chairperson CGRF.

Brief Facts of Complaint:

- (1) Complaint has been filed under the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 by Complainant M/s JSK International, Village Gullarwala, Vardhman Budh Road, P.O Baddi, Tehsil Baddi, District Solan, HP-173205, who is a consumer of HPSEBL bearing consumer ID 100012002830 and the HPSEBL is the distribution licensee and Respondent herein;
- (2) Complainant is aggrieved by the Demand Notice dated 25.06.2025 (**Annexure C2**), vide which the monetary demand for Rs 5,71,412/- has been raised upon it by the Respondent with regard to a left out bill component pertaining to past electricity bill of December 2018 / January 2019. The Complainant has impugned / disputed this Demand Notice;

Complainant:

- (3) That the monetary demand dated 25.06.2025 (**Annexure C2**) for Rs 5,71,412/- are disputed arrears which the Respondent has levied as sundry charges in electricity bill dated 09.07.2025 (**Annexure C1**);
- (4) That against the said monetary demand, it represented to the Respondent on 21.07.2025 (**Annexure C3**) which has been ignored and no action taken resulting in late payment surcharge accruing on the disputed amount and increasing this amount to Rs 5,80,423/- in the subsequent bill dated 10.09.2025 (**Annexure C5**). In this representation it had contested that the arrears were purely an accounting error on part of the Respondent and that actually an excess payment of Rs 1,95,836/- had been made by it as shown in detailed analysis (**Annexure C8**);
- (5) That to prevent disconnection (**Annexure C4**) and further penalties, vide its letter dated 26.09.2025 (**Annexure C6**), it remitted Rs 5,80,423/- strictly under protest;
- (6) That the demand is barred by limitation under Section 56(2) of the Electricity Act, 2003;
- (7) That the levy is factually unjustified because it stems from accounting error by the Respondent;
- (8) That the detailed calculation sheet (**Annexure C8**) proves excess payment of Rs 1,95,836/- by it;
- (9) That there is procedural violation of clause 5.2.5(b) of the Supply Code;
- (10) **Relief Sought:** For declaring the levy of arrears of Rs 5,71,412/- (charged as Rs 5,80,423/-) as unjustified, unlawful and barred by limitation under Section 56(2) of the Electricity Act, 2003 and to refund the said Rs 5,80,423/- paid by it under protest on 26.09.2025 and also to refund the excess payment of Rs 1,95,836/- as per its analysis (**Annexure C8**), along with Interest on these refundable amounts.

(11) Rejoinder cum Written Arguments:

- (a) That its cause of action is against impugned Demand Notice dated 25.06.2025 (**Annexure C2**) for Rs 5,71,412/- and the Bill dated 09.07.2025 (**Annexure C1**) whereas the Respondent has enlarged the dispute by introducing new claims amounting to Rs 44,71,845/- which includes Electricity Duty recoverable amount of Rs 11,88,474.40 and other dues under Section 126 which were never a part of impugned demand notice;
- (b) That the dispute regarding Section 126 of the Electricity Act, 2003 is currently pending



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before the Hon'ble High Court of Himachal Pradesh.

- (c) That the Forum lacks jurisdiction over matters concerning Section 126 and submissions and calculations in this regard in the Reply must be ignored and struck off record;
 - (d) That the reduction of arrears of approximately Rs 7.66 lacs in bill of January 2019 corresponds to ED amount of approximately Rs 7.71 lacs. The minor difference between the two is due to LPSC adjustments and the Respondent is now trying to reverse a valid credit;
 - (e) That the ledger is unreliable and the impugned demand of Rs 5.71 lacs is based upon corrupted ledger. With regard to disputed arrears of Rs 5,71,412/- in impugned Demand Notice, it is stated by the Respondent that it is due to "less carry forward" attributable to data migration from HCL to SAP, which is incorrect. The reduction in arrears in January 2019 corresponds to ED amount and the Respondent is now attempting to reverse a valid credit given in year 2019.
- (12) **Additional Submissions:**
- (a) That during the pendency of the proceedings, the Respondent has issued fresh Demand Notice dated 23.01.2026 (**Annexure C-Addl-1**) which includes amounts against section 126 which is sub-judice before the Hon'ble High Court and against Electricity Duty (ED) and the Forum has jurisdiction to only adjudicate upon Rs 5,71,412/- which is a pure billing dispute;
 - (b) That there is estoppel on the Respondent with regard to raising Notice for balance amount of Rs 39 lacs;
 - (c) That the adjudication by the Forum be restricted solely to the impugned demand of Rs 5,71,412/- and to quash this demand as being time barred.

Respondent:

- (13) That the Demand Notice dated 25.06.2025 for Rs 5,71,412/- is lawful, based upon findings of Special Audit where discrepancy arising from 'less carry forward' of arrears from bill of December 2018 to January 2019 which occurred during the migration of data from old HCL software to new SAP ISU platform. This is a bona-fide technical and accounting error the rectification of which is legally permissible and necessary;
- (14) That the Complainant's calculation sheet (**Annexure C8**) is based upon assessment Notice dated 01.09.2015 under section 126 which is not part of the demand notice dated 25.06.2025;
- (15) That the Complainant is attempting to unjustly enrich itself at the expense of public utility due to bona-fide accounting and technical error on its part. The Complainant has consumed electricity for which payment has not been made. The Complainant being a commercial entity is expected to maintain proper accounts and exercise due diligence in verifying its electricity bills. The fact that the Complainant continued to benefit from the under billing without bringing it into the knowledge of the Respondent demonstrates lack of bona-fide on its part;
- (16) That in response to the complaint and the calculation sheet annexed (**Annexure C8**), the Respondent undertook a comprehensive re-examination of the Complainant's entire account for the period from FY2014 to 2020 which unearthed discrepancies and mistakes in Complainant's accounts which previously remained undiscovered;
- (17) On rectifying the mistakes the total recoverable from the Complainant stands revised to Rs 44,71,845.10 as detailed in reconciliation statement (**Annexure R1**);
- (18) That the Complainant is attempting to enrich itself at the expense of public utility while it has used electricity for which it has not made payment due to bona-fide accounting and technical error. Allowing the Complainant to evade this liability would be contrary to law and equity causing loss to the public exchequer.
- (19) That the Complainant's reliance on Section 56(2) of the Electricity Act, 2003 is legally untenable and misinterpretation of law where Hon'ble Supreme Court has clarified the legal position;



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- (20) That at the time of initiation of proceedings before the Forum, amount involved under litigation was Rs 5,71,412/-, however after correct reassessment the amount now stands at Rs 44,71,845.10;
- (21) **Prayer:** That keeping in view the facts and circumstances, the instant complaint be dismissed and Respondent be granted liberty to recover the outstanding amount in accordance with Annexure R2.

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 the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 and the HP Electricity Supply Code, 2009 and amendments thereto notified by the HPERC and the law settled by the Hon'ble Apex Court. Forum has heard the parties at length. The considered opinion of the Forum has been gathered after considering the fair facts, evidences and correspondence placed on record and arguments adduced by both the parties;
- (23) From examination of complaint, Forum at the outset finds that the Complainant has wrongly depicted its detailed analysis / calculation sheet to have been placed at **Annexure C8**, which Forum finds to in fact be at **Annexure C7**;
- (24) In the said analysis/calculation sheet (**Annexure C7**) which is from September 2015 to September 2020 (5 years), the Complainant has depicted an excess of Rs 1,95,836/- refundable by the Respondent;
- (25) Forum observes that the Complainant during the course of the complaint also placed on record copy of the Order dated 14.03.2019 (**Annexure C8**) passed by the Ld Commissioner, Shimla Division, Shimla, in an Appeal preferred by the Complainant against assessment made by the Respondent for unauthorized use of electricity under Section 126 / 127 of the Electricity Act, 2003 along with copy of CWP No 6594 of 2021 (**Annexure C9**) filed by the Complainant before the Hon'ble High Court of Himachal Pradesh, which is still pending before the Hon'ble Court;
- (26) Forum further observes that in the Respondent's Reply, it has countered the ibid analysis / calculation sheet (**Annexure C7**) by bringing in detailed reconciliation statement (**Annexure R1**) which depicts Rs 44,71,845.10 additionally payable by the Complainant for the period from FY 2014 to 2020. This **Annexure R1** also includes the impugned amount of Rs 5,71,412/- raised in Demand Notice dated 25.06.2025;
- (27) Subsequently, the Respondent has also raised a revised Demand Notice dated 23.01.2026 upon the Complainant and during the final hearing placed it on record along with copy of computer-generated ledger from January 2014 to January 2018 and certain electricity bills from March 2018 to May 2018;
- (28) It is the Complainant's contention that the Respondent has wrongly enlarged the scope of the dispute / disputed amount. It has also countered on various grounds that this reconciliation statement of Rs 44,71,845.10 (**Annexure R1**) includes certain amounts which pertain to section 126 of the Electricity Act, 2003 which matter is sub-judice before the Hon'ble High Court and are beyond the jurisdiction of this Forum to adjudicate while this amount also includes in it amounts against Electricity Duty (ED);
- (29) Forum observes that the Complainant has also made additional written submissions during the final hearing in the matter, wherein it has opposed the subsequent Demand Notice dated 23.01.2026 raised by the Respondent upon it on grounds of estoppel and jurisdiction;
- (30) Forum observes that when the Complainant's original dispute was against the impugned Demand Notice dated 25.06.2025, then it itself had enlarged the scope of the dispute by introducing the analysis / calculation sheet (**Annexure C7**) into the dispute which depicted from September 2015 to September 2020 (5 years) an excess of Rs 1,95,836/- refundable by the Respondent and this prompted the Respondent to reconcile the accounts pertaining to the Complainant and correspondingly introduce into the dispute a reconciliation statement (**Annexure R1**) with an amount of Rs 44,71,845.10 payable by the Complainant for the period from FY 2014 to 2020,





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- further enhancing the scope of the dispute;
- (31) In the final hearing held in the matter, the parties agreed to limit the scope of the dispute only to the said impugned Demand Notice dated 25.06.2025 and with regard to other contentions arising from analysis / calculation sheet (**Annexure C7**) of Complainant or detailed reconciliation statement (**Annexure R1**) of the Respondent, parties agreed to raise separate grievances before appropriate authority;
- (32) Forum observes that the Complainant in the additional submissions made by it, has also prayed to restrict the adjudication to only the impugned demand of Rs 5,71,412/- raised in Demand Notice dated 25.06.2025;
- (33) In view of afore stated agreement arrived between parties during the final hearing and the ibid prayer of the Complainant, Forum herein, restricts and limits its adjudication to only the impugned Demand Notice dated 25.06.2025 (**Annexure C2**). Forum decides to not interfere in ibid Annexure C7 and Annexure R1. Forum thus decides to ignore the contentions of the Complainant with regard to refund of Rs 1,95,836/- at the behest of analysis / calculation sheet **Annexure C7**). At the same time Forum also decides to ignore the reconciliation statement (**Annexure R1**) containing the revised demand of Rs 44,71,845.10 which was later raised by the Respondent upon the Complainant vide Notice dated 23.01.2026. Accordingly, the parties are left to raise their respective contentions in this regard before the appropriate authority;
- (34) Forum hereinafter now proceeds to adjudicate the matter only with regard to the impugned Demand Notice dated 25.06.2025 (**Annexure C2**)-
- (35) Forum observes that when issue on Section 126 / 127 of the Electricity Act has already come before it, then before it proceeds in the matter, Forum is inclined to see whether the impugned Demand Notice dated 25.06.2025 (**Annexure C2**) is or is not in terms of Section 126 / 127 of the Electricity Act, 2003-
- (36) From examination of complaint, Forum observes that the Respondent has attributed the impugned demand of Rs 5,71,412/- to less carry forward of arrears from December 2018 to January 2019 due to migration of data from one computer application system to another resulting in billing error on its part, while the Complainant has not raised any objection with regard to the impugned demand being covered under Section 126 / 127 of the Act while at the same time attributing the said impugned demand to some Electricity Duty credit given to it in the year 2019;
- (37) In wake of either party not attributing the impugned Demand Notice dated 25.06.2025 (**Annexure C2**) to be in terms of Section 126 / 127 of the Electricity Act, 2003, the Forum safely concludes that the impugned Demand Notice dated 25.06.2025 (**Annexure C2**) is not in terms of proceedings under Section 126 / 127 of the Electricity Act, 2003 and accordingly holds that it can proceed in the matter-
- (38) Forum observes that the Complainant is aggrieved by the monetary Demand of Rs 5,71,412/- raised upon it by the Respondent vide Demand Notice dated 25.06.2025 (**Annexure C2**) which as per the Complainant has been raised upon it by the Respondent as sundry in electricity bill dated 09.07.2025 (**Annexure C1**) and which as per the Respondent has been raised towards a previous less carry forward in the electricity bill of January 2019;
- (39) Forum further observes that the Complainant has stated in its complaint that the levy is factually unjustified for a number of reasons including such being barred by Section 56(2) of the Electricity Act, 2003 and that it stems from accounting error by the Respondent and corresponds to ED amount;
- (40) During the final hearing in the matter, the Complainant opposed the impugned Demand Notice on grounds of such being wrongly calculated by the Respondent while at the same time also raising argument that its dispute can arise only from the electricity bills raised to it and not from the ledger of the Respondent, which was an internal document of the Respondent and that it is unreliable;
- (41) Copy of the said ledger was placed on record by the Respondent at the time of final hearing;
- (42) Forum still further observes that the Respondent has stated on record that the amount against the impugned demand was because of less carry forward of arrears from December 2018 to January



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2019 due to migration of data from one computer application system to another resulting in billing error on its part. During the final hearing, the Respondent informed that the same was identified by it from the ledger pertaining to the period from April 2018 to December 2018;

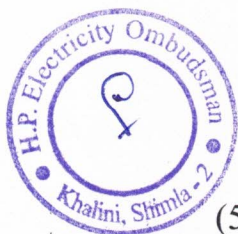
- (43) With regard to the said ledger, Forum is not inclined to agree with the ibid argument on the ledger given by the Complainant. Forum is of the considered opinion that when a ledger consolidates the previous month accounts in terms of billing, payments, sundries and arrears, closing and opening balances, and thereafter an electricity bill is raised for a subsequent month, then it is not open for the Complainant to simply argue that it's dispute arises only from the electricity bills and that the ledger is unreliable. Forum for the examination of the electricity bills finds that these do not factor in payments and accordingly the ledger becomes the running account of the Complainant containing all details. Respondent is well within its right to raise a demand at a later stage towards any error which comes into its knowledge at that later date and such error may be identified by the Respondent on detailed scrutiny of the ledger, as has been done in the instant matter;
- (44) However, in the matter, when Complainant has contended that the demand is due to an accounting error, Forum holds that it is not inclined to interfere in the accounting behind the electricity billing which runs into several years. Parties are accordingly left to mutually reconcile the accounts;
- (45) Further, Forum has also examined the ledger for the month of December 2018, placed on record by the Respondent, which reflects a closing balance of Rs 39,69,356/-. Forum has correspondingly also examined the electricity bill for Jan 2019 which reflects an arrear of Rs 33,97,944/-. Forum finds that the difference between the two is Rs 5,71,412/- which clearly is the impugned demand raised by the Respondent. Forum accordingly rejects the contention of the Complainant that the impugned amount corresponds to ED amount, and which was overlooked in the electricity bill for January 2019;
- (46) In view of foregoing, Forum does not find any infirmity in the monetary Demand of Rs 5,71,412/- raised upon the Complainant by the Respondent vide Demand Notice dated 25.06.2025 (**Annexure C2**) and the impugned demand is accordingly upheld;
- (47) Forum now proceeds to check for legality of the demand based upon Section 56 of the Electricity Act, 2003, as has been raised in the complaint—
- (48) Contention of the Complainant is that the impugned demand is barred by limitation under Section 56(2) of the Electricity Act, 2003, Forum now proceeds to understand whether the impugned demand dated 25.06.2025 (**Annexure C2**) is hit by limitation under Section 56(2) of the Act or not. Forum thus feels it necessary and expedient to refer to this Section of the Act before it delves further into the issue of limitation raised in the complaint / matter;
- (49) Forum observes that apart from the ibid reliance of the Complainant upon Section 56(2) of the Electricity Act, 2003, the Complainant has not raised any other legal basis to counter the impugned demand;
- (50) For the sake of convenience, the provisions of said provision of the Act are reproduced as follows:-
“56 Disconnection of supply in default of payment.—

....

....

(2) Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.”

- (51) Forum finds that apart from the ibid contention of limitation under Section 56(2) of the Electricity Act, the Complainant has only raised contention of procedural violation of clause 5.2.5(b) of the Supply Code with respect to the impugned demand and apart from these it has not raised any other



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legal basis including that for any wrong implementation of Tariffs by the Respondent;

- (52) In the said final hearing conducted by the Forum, the Respondent had pointed out that the decisions by the Hon'ble Apex Court with regard to Section 56(2) of the Act do not in any way come to the rescue of the Complainant because such allows for a past period left out amount to be raised as demand in the future and that limitation under the said Section of the Act starts from the date the said demand is raised. Forum now proceeds to discuss these-
- (53) After examining the record and facts in the matter, coupled with provisions of Section 56(2) of the Electricity Act, 2003 reproduced *ibid*, Regulations / Code notified by the Ld HPERC and as pointed out by the Respondent, the settled position of law laid down by Hon'ble Apex Court in judgments passed on 18.02.2020 and on 05.10.2021, in matters titled as Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah Khan alias Rahamjula in Civil Appeal No 1672/2020 and M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 respectively, Forum holds that the issue of recovery of past dues of arrears by the electricity Distribution Company (or Discom) can be decided by the Forum, such no more being *res-integra*;
- (54) Forum observes that in *ibid* Hon'ble Apex Court Judgment passed on 18.02.2020, 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 / demand is raised by the licensee to the consumer quantifying therein the charges to be paid. Accordingly, the Hon'ble Apex 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. Again Court has made it abundantly clear that it is from this date that the sum has to be continuously shown as recoverable as arrears during the limitation period. As a consequence, in addition to the date electricity is consumed, the liability to pay electricity charges is also created when meter reading is recorded or when meter is found defective or theft of electricity is detected and obligation to pay when Bill or Demand is raised;
- (55) Further in the *ibid* Judgment of the Hon'ble Supreme Court passed on 18.02.2020 which refers to other Judgments as well, electricity has been held to be 'goods' by a Constitution bench of the Hon'ble Apex Court in a case titled State of Andhra Pradesh Vs National Thermal Power Corporation Ltd. Further, it has also been held in the said Judgment, that under the Sale of Goods Act, 1930, a purchaser of goods is liable to pay for it at the time of purchase or consumption and that the quantum and time of payment may be ascertained post facto either by way of an agreement or the relevant statute;
- (56) Now returning to the instant complaint before the Forum –
- (57) From settled law, it becomes clear to the Forum that while the consumer / Complainant herein uses electricity being a good, the distribution licensee / Respondent herein charges for this electricity / good at the specified tariffs/ charges of electricity, which in the State of Himachal Pradesh are determined by the Ld HP Electricity Regulatory Commission (HPERC) vide Tariff Orders passed in pursuance to Regulations notified under the Electricity Act, 2003. Thereafter, these tariffs / charges are applied to the goods purchased being the electricity supplied by the Respondent and consumed by the Complainant / consumer and thereafter an electricity bill or monetary demand is raised upon the consumer;
- (58) Further, this Forum is of the considered opinion that the Respondent HPSEBL being a distribution licensee and a regulated public utility cannot recover any tariff / charges in excess of that specified by the Ld HPERC. These Tariff Orders lay out statutory charges. At the same time, it is also relevant in the context of the instant matter that the Respondent HPSEBL being a distribution licensee is bound to recover the cost / price of electricity consumed by a consumer. This



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accordingly has strictly to be as per tariffs /charges that are determined and specified by the Ld HPERC vide its Tariff Orders. Accordingly, the consumer at the determined tariffs / charges is bound to pay for the electricity supplied to it, such being of statutory nature. Any lapse, mistake or bona-fide error by the distribution licensee with regard to under recovery of actual tariff / cost / price of electricity, if not recovered from the respective consumer, who has availed the goods, may either result in permanent financial loss to the distribution licensee or with the burdening of this utility's loss upon other consumers. Both of these eventualities are bad and against the spirit of the statute governing the electricity sector, which undoubtedly is applicable to the impugned demand;

- (59) Forum is also of the considered opinion that any accounting / billing error or even any short recording / non-recording / incorrect recording of actual consumption of a consumer in the prevalent systems of the distribution licensee / utility, results in financial loss to the utility and free ride to a consumer, which cannot be allowed by the Forum. A consumer is liable to not cause loss to the utility in any manner while at the same time is also incumbent upon it to make payments towards the full metered electricity supplied to it for the simple reason that electricity/energy to that extent has actually been consumed by it. Here, the consumer is the Complainant and the monies involved are not that of the Complainant/ individuals but that of a regulated entity, being a Company. No one, including the Complainant, is entitled to adversely use the deficiencies in a system to its advantage in any manner, such as to cause loss in any way to a public utility. Not allowing such loss to be recovered likely results in malpractices and connivances which are detrimental to the system;
- (60) Having gone through the instant case and having heard the matter in detail, Forum, on the anvil of ibid interpretation rendered by the Hon'ble Apex Court, holds that the Complainant as the purchaser of goods of the form of electricity consumed in the past, was liable to pay for it at the time of purchase or consumption, in accordance with the prevailing statute and Tariff Orders. Respondent had missed to raise correct electricity bills/ statutory amounts in the past i.e billing in January 2019 with regard to a bill component of December 2018, which went unnoticed for some time. This eventually resulted in the raising of impugned sundry / past arrears / dues by the Respondent during a valid limitation period, which is now recoverable from the Complainant. When there was mistake or bona-fide error by the Respondent HPSEBL in past i.e billing during December 2018 to January 2019, which was later noticed by the Respondent and impugned demand raised upon the Complainant only for the shortfall in unbilled amount in the past, then no illegality of limitation can be observed by the Forum in impugned Demand Notice dated 25.06.2025 (**Annexure C2**) for Rs 5,71,412/-;
- (61) In the instant complaint, Forum observes that the impugned Demand Notice (**Annexure C2**) for Rs 5,71,412/- has been raised by the Respondent on 25.06.2025 when error was detected by it. Forum finds the contention of limitation on the anvil of Section 56(2) of the Electricity Act, as raised by the Complainant to be untenable and unsustainable. Question of validity of the impugned Demand as raised by the Complainant does not arise. Forum accordingly rejects the contention raised by the Complainant;
- (62) Forum concludes that it does not find any illegality of limitation in the impugned Demand Notice dated 25.06.2025 (**Annexure C2**) for Rs 5,71,412/-. The impugned demand has been raised in June 2025 and at the time of filing the complaint, this demand is well within the period of 2 years as specified in Section 56(2) of the Act and not barred by limitation period of 2 years specified therein and because the bar of limitation does not exist therefore so does the condition to show arrears as continuous recoverable also does not. This impugned demand as past period dues are found by the Forum to be in accordance with the Electricity Act, 2003 and the law settled by the Hon'ble Apex Court as referred in paras supra;
- (63) Forum accordingly holds that in accordance with the settled law, this impugned Demand Notice is well within the period of 2 years and not hit by limitation under the said Section 56(2);



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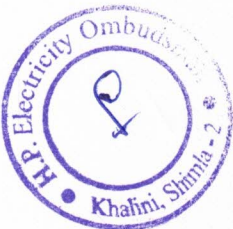
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- (64) On the contention of procedural violation of clause 5.2.5(b) of the Supply Code, as raised by the Complainant, Forum has gone through this code and holds that any shortcoming in procedure, cannot invalidate a statutory demand and accordingly rejects the contention of the Complainant;
- (65) In view of the foregoing settled position of law coupled with the facts of the complaint, Forum holds that it is not inclined to interfere with the impugned Demand Notice dated 25.06.2025 (**Annexure C2**) which is upheld. Consequently, the electricity bill dated 09.07.2025 (**Annexure C1**) is also upheld;

B. Order dt.26.02.2026 passed by Id. Member-I CGRF.

BRIEF FACTS OF CASE-

- (1) A complaint is filed under Regulations 17 of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 by M/s JSK International Village, Gullarwala, Vardhman Budh, PO Baddi, Tehsil Baddi, Distt. Solan, HP -173205;
 - (2) Briefly, the Complainant is before this Forum being aggrieved by the action of Respondent to raise upon it impugned sundry amount for Rs. 5,71,412/- in electricity bill dated 09.07.2025 (**Annexure C-1**) due to alleged a difference of amount in Dec.2018 & Jan.2019 electricity bills that less carry forward by Respondent.
 - (3) The Complainant is also aggrieved by the action of the Respondent to bill levied disputed arrears amount as Sundry Charges.
- COMPLAINANT -**
- (4) The complainant has stated that HPSEBL levied disputed arrears amounting to Rs. 5,71,412/- as "Sundry Charges" in the Electricity bill dated 09-07-2025(**Annexure C-1**). This levy was supported by a notice dated 25-06-2025(**Annexure C-2**) which alleged a difference of amount in Dec. 2018 & Jan 2019 electricity bills that was less carry forward;
 - (5) The complainant contested this levy via a detailed representation dated 21-07-2025(**Annexure C-3**) asserting that the arrears were due to a purely an accounting error on the part of HPSEBL. The complainant's analysis showed an actual excess payment of Rs. 1,95,836/-(**Annexure C-8**).
 - (6) That in July 2025, the Respondent raised wrong and illegal sundry charges late payment surcharges accruing increasing the disputed amount to Rs. 5,80,423/- in the subsequent bill dated 10-09-2025(**Annexure C-5**)
 - (7) That any demand for arrears raised in July 2025 is contrary to Limitation Act and Section 56(2) of the Electricity Act and cannot be recovered beyond period of limitation;
 - (8) Also that the opposite party is recovering charges erroneous billing and claim for excess payment which is contrary to the fact that without follow the proper procedure for billing historical arrears as the bill for arrears should have been initially tendered separately in indicating the nature and period and should not be clubbed with the current electricity bill as per the Clouse 5.2.5(b) of the Supply Code and reinforced by Sales Manual Instruction No. 39.1/38.1.3 ;
 - (9) **Prayer:**
 The complainant has sought following relief:
 - i). Declaration of Illegality: Direct HPSEBL to declare the levy of arrears amounting to Rs. 5,71,412/- (charged as Rs. 5,80,423/-) as unjustified, unlawful, and barred by limitation under Section 56(2) of the Electricity Act, 2003, and HPSEBL's own Sales Manual Instruction No. 38.1.1.
 - ii). Refund of Wrongful Recovery: Direct HPSEBL to refund or adjust the entire disputed amount of Rs. 5,80,423/- wrongfully collected under protest on 26.09.2025.
 - iii). Refund of Excess Payment: Direct the Forum to confirm the Complainant's accounting analysis, which proves an underlying excess payment of Rs. 1,95,836/- and order the refund or adjustment of this amount.
 - iv). Interest on Withheld Amount: Direct HPSEBL to pay simple interest on the amount wrongfully withheld (Rs. 5,80,423/- plus any confirmed historical excess) at the rate equal to the Short Term Prime Lending Rate of the State Bank of India as on 1st April of the financial year (or simple interest @ 15 percent per annum on a daily basis) from the date of wrongful recovery (26.09.2025) until the



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amount is refunded/adjusted, as per Clause 5.7.3 of the Supply Code.

RESPONDENT –

- (10) It is stated by HPSEBL that initial demand notice dated 25.06.2025 for an amount of Rs. 5,71,412/- was lawfully issued based on the findings of a Special Audit Report. The said report identified a discrepancy arising from the "less carry forward" of arrears from the bill of December 2018 to the bill of January 2019, which occurred during the technical process of data migration from the old HCL software to the new SAP ISU platform. This was a bona fide technical and accounting error, the rectification of which is legally permissible and necessary.
- (11) That the levied disputed arrear amounting to Rs. 5,71,412/- is due to less carry forward of arrear of December 2018 energy bill to January 2019 electricity bills, attributed to the reason of data migration from HCL billing software to SAP ISU billing software. However, the Complainant's calculation sheet attached as Annexure-C-8 is based on the surcharge levied to the Complainant on the amount charged against final assessment notice No.6809-11 dated 01.09.2015 under Section 126, which is not a part of demand notice dated 25.06.2025. Upon detailed review Complainant's ledger and payment history, including the period and reasons of the mentioned in the as Complainant's calculation sheet attached Annexure-C-8, the Respondent has worked out a differential amount on account of excess recovered amount surcharge/applicable interest against charged/payments deposited by the Complainant against final assessment notice No. 6809-11 dated 01.09.2015 under Section 126, excess/less recovered electricity duty, due to which the amount claimed vide Respondent's demand notice dated 25.06.2025 has led to deviation.
- (12) That the Complainant's reliance on Section 56(2) of the Electricity Act 2003, is legally untenable and based on a misinterpretation of the law. It is humbly submitted that the Hon'ble Supreme Court of India has clarified the legal position that Section 56(2) does not extinguish the debt or the right of the licensee to recover dues through other means; it only restricts the coercive measure of disconnection of supply if the arrears were not continuously shown as recoverable for a period of two years. It does not create a bar on raising a supplementary bill for charges that escaped assessment due to a bona fide mistake.;
- (13) Furthermore, the present case is squarely covered by Section 17(1) (c) of the Limitation Act, 1963, which stipulates that in the case of a mistake, the period of limitation begins to run only from the date when the mistake was first discovered. The discrepancies in the Complainant's account were discovered during the Special Audit and the subsequent detailed reconciliation, and the demand was raised promptly thereafter. Therefore, the claim is well within the period of limitation.;
- (14) That the demand notice amounting to Rs. 5, 71,412/-served initially was on the basis of Special Audit Report and documents presented related to data migration from HCL billing software to SAP ISU software by the Special Audit team to Assistant Engineer, Electrical Sub-Division, HPSEBL Baddi, and the same is admitted by the concerned Officer and debited to Complainant's consumer account after serving demand notice dated 25.06.2025.
- (15) It is further submitted that in view of the submission of the Complainant in the instant complaint and calculation sheet submitted by the Complainant with the complaint as Annexure C-8, the Respondent Board has rechecked the consumer account/ledger, bills raised to the Complainant, payments deposited by the Complainant for the period FY 2014 to 2020, and details attached by the Complainant in Annexure C-8. Upon reconciliation of the ledger of the; Complainant consumer, it is found few discrepancies as listed below:-
 - a) Less Electricity Duty given to consumer from the month July 2018, November 2018, January to May 2019 amounting to Rs. 7,71,904.07.
 - b) Excess Electricity Duty given to consumer for the month March 2021 to Feb 2022 amounting to Rs. 11,88,474.40.
 - c) Principal and surcharge of unpaid charged amount in energy bill of 50% amount under Section 126 with surcharge till Ld. Divisional Commissioner's order dated 14.03.2019 amounting to Rs. 1,51,62,019.34.



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- d) An erroneous adjustment done during November 2019 amounting to Rs. 47,78,031.52.
- e) Applicable interest from April 2019 to June 2020 (i.e., payment of remaining amount under Section 126) after order of Ld. Divisional Commissioner amounting to Rs. 2,22,050.59.
- f) Less carry forward of arrear from HCL to SAP (i.e., mismatch of arrear of Dec 2018 and Jan 2019 bills) amounting to Rs. 5,71,412.00.

III) That the answering Respondent has performed its functions in a transparent manner in accordance with;

- (16) That in view of its above submissions, the complaint be dismissed
- (17) **In Rejoinder:**

The complainant has filed following rejoinder to the reply of the respondent:

(a) Rebuttal to "Software Migration Error" (The Electricity Duty Correlation) The Respondent admits in Para 8(A)(ii) that the disputed arrear of Rs. 5,71,412/- is due to a "less carry forward... attributed to the reason of data migration from HCL to SAP". This is factually incorrect.

The Evidence: A comparison of the bills reveals that the "less carry forward" was a deliberate credit adjustment.

Bill Dec 2018 (No. 1811): Arrears stood at Rs. 41,64,894/-. Bill Jan 2019 (No. 1812): Arrears stood at Rs. 33,97,944/-. The Reduction: The arrears reduced by Rs. 7,66,950/-.

Respondent's Admission: In Para 4(a) and Annexure R-2, the Respondent admits that there was an issue of "Less Electricity Duty recovered" amounting to Rs. 7,71,904/- for months including July 2018, Nov 2018, etc.. Conclusion: The reduction in arrears in Jan 2019 (-Rs. 7.66 Lakhs) corresponds almost exactly to the ED amount (-Rs. 7.71 Lakhs). The minor difference is due to LPSC adjustments. The Respondent is now attempting to reverse a valid credit given in 2019 to correct ED overcharges by falsely labeling it as a "data loss" during migration.

(b). The "Ghost Arrears" & Erratic Jumps (Ledger Unreliability) The Respondent relies on the "Opening Balance" of Jan 2019. However, the Complainant's Calculation Sheet (Annexure C-7) demonstrates that the billing system generated "Ghost Arrears" (sudden jumps without unpaid bills) long before the migration:

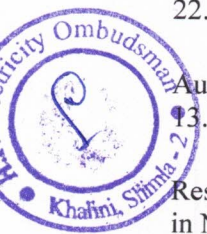
August 2016: Arrears jumped from Rs. 9,49,918 (July) to Rs. 21,85,431 (Aug). An unexplained jump of Rs. 12.35 Lakhs despite the bill being paid.

April 2018: Arrears jumped from Rs. 12,48,318 (Mar) to Rs. 34,84,685 (Apr). An unexplained jump of Rs. 22.36 Lakhs.

August 2018: Arrears jumped from Rs. 24,91,086 (July) to Rs. 38,09,858 (Aug). An unexplained jump of Rs. 13.18 Lakhs.

Respondent's Admission: In Para 4(d), the Respondent admits to an "erroneous adjustment of Rs.47,78,031.52 in Nov 2019.

Submission: If the Respondent admits their system arbitrarily added/subtracted Rs. 47 Lakhs in 2019, they cannot claim the ledger is accurate. The demand of Rs. 5.71 Lakhs is based on a corrupted ledger.



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- (b). Double Counting in Annexure R-2 A perusal of Annexure R-2 reveals a gross mathematical manipulation.

The Respondent lists "Less ED given (Rs. 7,71,904) as a recoverable amount.

They also add "Less carry forward... amounting to 5,71,412.00" as a separate line item at the bottom.

Submission: As proven in Point 1 above, the "less carry forward" was the adjustment for the ED. By adding both the ED amount and the resulting difference in arrears, the Respondent is attempting double recovery for the same transaction.

- (c). Bar of Limitation (Section 56(2) The Respondent relies on Section 17(1)(c) of the Limitation Act to justify raising a demand in 2025 for dues from 2019.

Submission: The Electricity Act, 2003 is a special statute. Section 56(2) specifically mandates that "no sum due from any consumer... shall be recoverable after the period of two years from the date when such sum first became due" unless shown continuously as arrears.

The sum of Rs. 5,71,412 was not shown continuously as arrears between 2019 and 2025. It was suddenly resurrected in June 2025. The specific limitation period in the Electricity Act overrides the general Limitation Act.

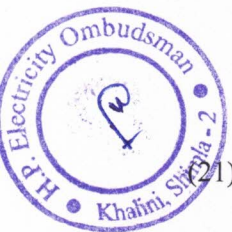
ORDER:

- (18) Forum has examined the relevant provisions of the Electricity Act, 2003, various relevant Regulations and respective amendments framed and notified by the HP Electricity Regulatory Commission (or the HPERC) including relevant provisions of HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, 2012, HP Electricity Supply Code, 2009 and amendments thereto, Tariff Orders passed by the Ld. HPERC, along with record as facts and pleadings of the parties. Forum has heard the parties at length. The considered opinion of the Forum has been gathered after considering fair facts, evidences and correspondence placed on record and arguments adduced by both the parties;
- (19) Forum has already passed zimni order dated 03-02-2026 :

In argument, parties herein agree to limit their respective pleadings

/claim /dispute in the instant complaint only to impugned Demand Notice dated 25.06.2025 (Annexure-C2) for Rs.5,71,412/-. With regard to other submissions such as analysis (Annexure-C-7) by Complainant for refund of Rs.1,95,836/- and Revised Demand Notice dated 23.01.2026 raised by Respondent on complainant, parties agree to raise separate grievances before the appropriate authority."

- (20) At the outset, Forum observes from examination of record that impugned sundry has been raised by the Respondent upon the Complainant in electricity bill dated 09.07.2025 (**Annexure C1**) by demand notice dated 25-06-2025(**Annexure C2**) on account of short assessment of the metered consumption in Complainant's billing carried out for the past period from Dec. 2018 & Jan.2019. This short assessment was pointed out in the Respondent's Special Audit Report which occurred during the technical process of data migration from the old HCL software to the new SAP ISU platform;
- (21) It is understood by the Forum that disputed arrears as sundry charges such results in consumer being billed for less electricity supplied by the Respondent / consumed by the Complainant as against the actual. In the instant matter, such is the condition arising in the past from Dec 2018 to Jan 2019 but which came into the Respondent's knowledge only at a later by Special Audit Party, resulting in Respondent raising upon the Complainant dues of past arrears as sundry charge is less carry forward in electricity bill dated 09.07.2025 (**Annexure C1**) by demand notice dated 25-06-2025(**Annexure C2**), which has been impugned by the Complainant;
- (22) The Complainant while citing the provisions of Limitation Act, 1963, the Electricity Act, 2003 and the



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judgements passed by the Hon'ble Apex Court, has simply contended that when it is the mistake of the Respondent to not apply the correct, against Section 56(2) of the Electricity Act, 2003 and the law settled by the Hon'ble Apex Court in context of the relevant Section of said Limitation Act;

- (23) Forum finds that in the matter, the parties to make out their respective case have placed reliance on Section 56(2) of the Electricity Act, 2003. Thus, Forum finds it expedient to refer to this Section of the Act before it delves further into the matter. For the sake of convenience, it herein after reproduces the provisions of said provision of the Act –

“56 Disconnection of supply in default of payment. —

.... (2) Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.”

- (24) After examining the record and facts in the matter, coupled with provisions of the Electricity Act, 2003 reproduced ibid, Regulations / Code notified by the Ld. HPERC, Tariff Orders passed by the Ld HPERC and the settled position of law laid down by Hon'ble Apex Court in judgments passed on 18.02.2020 and on 05.10.2021, in matters titled as Assistant Engineer(D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah Khan alias Rahamjula in Civil Appeal No 1672/2020 and M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No. 7235 of 2009 respectively, Forum holds that the issue of recovery of past dues of arrears by the electricity Distribution Company (or Discom) can be decided by the Forum, such not being res-integra;
- (25) Forum observes that in ibid Hon'ble Apex Court Judgment passed on 18.02.2020, 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 / demand is raised 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. Again Court has made it abundantly clear that it is from this date that the sum has to be continuously shown as recoverable as arrears during the limitation period. As a consequence, in addition to the date electricity is consumed, the liability to pay electricity charges is also created when meter reading is recorded or when meter is found defective or theft of electricity is detected and obligation to pay when Bill or Demand is raised;
- (26) It is therefore clear from settled law that while the consumer uses electricity being a good, the distribution licensee charges for this electricity / good at the specified tariffs/ charges of electricity, which in the State of Himachal Pradesh are determined by the Ld. HP Electricity Regulatory Commission (HPERC) vide Tariff Orders passed in pursuance to Regulations notified under the Electricity Act, 2003. Thereafter, these tariffs / charges are applied to the goods purchased being the electricity supplied by the Respondent and consumed by a consumer and thereafter an electricity bill or monetary demand is raised upon the consumer;
- (27) Further, this Forum is of the considered opinion that the Respondent HPSEBL being a distribution licensee and a regulated public utility cannot recover any tariff / charges in excess of that specified by the Ld HPERC. These Tariff Orders lay out statutory charges. At the same time, it is also relevant in the context of the instant matter that the Respondent HPSEBL being a distribution licensee is bound to recover the cost / price of electricity consumed by a consumer. This accordingly has strictly to be as per tariffs /charges that are determined and specified by the Ld. HPERC vide its Tariff Orders. Accordingly, the consumer at the determined tariffs / charges is bound to pay for the electricity supplied to it, such being of statutory nature. Any lapse, mistake or bona-fide error by the distribution licensee with regard to under recovery of actual tariff / cost / price of electricity, if not recovered from the respective consumer, who has availed the goods, may either result in permanent financial loss to the distribution licensee or with the burdening of this utility's loss upon other consumers. Both of these eventualities are bad and against the spirit of the statute governing the electricity sector,



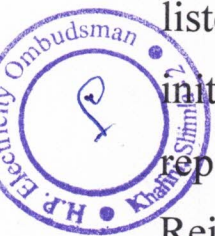
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- which incidentally is undoubtedly applicable in the instant matter;
- (28) Forum is also of the considered opinion that short recording or non-recording or incorrect recording of actual consumption of a consumer in the prevalent systems of the distribution licensee / utility, results in financial loss to the utility and free ride to a consumer, which cannot be allowed. A consumer is liable to not cause loss to the utility in any manner while at the same time is also incumbent upon it to make payments towards the full metered electricity supplied to it for the simple reason that electricity/energy to that extent has actually been consumed by it. Here, the consumer is the Complainant and the monies involved are not that of the Complainant/ individuals but that of a regulated entity, being a Company. No one, including the Complainant, is entitled to adversely use the deficiencies in a system to its advantage in any manner, such as to cause loss in any way to a public utility. Not allowing such loss to be recovered likely results in malpractices and connivances which are detrimental to the system;
- (29) Having gone through the instant case and having heard the matter in detail, Forum, on the anvil of ibid interpretation rendered by the Hon'ble Apex Court, holds that the Complainant as the purchaser of goods of the form of electricity consumed in the past, was liable to pay for it at the time of purchase or consumption, in accordance with the prevailing statute. When there was mistake or bona-fide error by the Respondent HPSEBL related to data migration from HCL billing software to SAP ISU software during the past period from Dec 2018 to Jan 2019, however, on this error being later noticed and pointed by the Special Audit team of the Respondent raised the impugned sundry demand upon the Complainant only for the shortfall in electricity consumption which remained unrecorded and unbilled in the past. Respondent thus missed to raise correct electricity bills/ statutory amounts in the said past period, which went unnoticed for some time. This eventually resulted in raising of impugned sundry / past arrears / dues by the Respondent during a valid limitation period, which is now recoverable from the Complainant.
- (30) Forum concludes that when the Respondent in the past had erred in not fully charging for this electricity / good at the specified tariffs/ charges of electricity, the action of the Respondent to raise demand notice dated 25-06-2026 upon the Complainant, of impugned sundry charges as past period dues / arrears amounting to Rs 5,71,412/- in the electricity bill dated 09.07.2025 (**Annexure C1**), is certainly not wrong in any way. The said impugned sundry charges raised by the Respondent as past period dues are found by the Forum to be in accordance with the Electricity Act, 2003 and the law settled by the Hon'ble Apex Court as referred in paras supra. The impugned demand has been raised in July 2025 and the same is well within the period of 2 years as specified in Section 56(2) of the Act and not barred by limitation period of 2 years specified therein and here because the bar of limitation does not exist therefore so does the condition to show arrears as continuous recoverable also does not;
- (31) In view of foregoing, no illegality is observed in the impugned sundry of Rs 5,71,412/- raised upon the Complainant by the Respondent in the electricity bill dated 09.07.2025 (**Annexure C1**). This impugned demand notice dated 25-06-2025(**Annexure C-2**) being a legal one is upheld. On aforesaid terms, the complaint is **Dismissed** and accordingly disposed. Parties are left to bear their own costs.

4. Case called, the matter was heard for admissions on 18.03.2026. After listening to both the parties, the matter was admitted to the extent of initiation of proceedings. The Respondent Board was directed to submit reply on or before 25.03.2026 with a copy of reply to the Complainant and Rejoinder if any, by the Complainant immediately thereafter the submission of the reply by the Respondent Board. The case was listed for final arguments on dated 04/04/2026 at 12:00 PM. or immediately thereafter



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subject to submission of said documents, however, due to some unavoidable circumstances, the date of final arguments in the said matter was adjourned to 09.04.2026 at 12:00PM or immediately thereafter.

5. The Respondents submitted reply on dt. 08/04/2026 in compliance to this court's order dt.18/03/2026 which was taken on record and ensured supply of copies to the Complainant. The same is also reiterated as under in totality to have overall view of the response of Respondents.

The Respondent Contends (Reply):

Preliminary submissions:

1. That the present representation as preferred by the Complainant is not maintainable in the eyes of the Law, hence liable to be dismissed, as it is based on conjectures, surmises, and a deliberate misinterpretation of facts and law.
2. That the relief sought by the Complainant is not tenable in law, as the Ld. Forum below has passed a well-reasoned and detailed order dated 24.02.2026 after meticulously examining the entire case record. The Ld. Forum's decision is based on a thorough review of the arguments presented by parties, the pleadings on record, and a categorical appreciation of the applicable provisions of the H.P. Electricity Supply Code, 2009. There exists no infirmity, illegality, or perversity in the impugned order and the present representation is a mere reiteration of arguments already considered and rejected by the Ld. Forum.
3. That there exists no cause of action in favour of the Complainant and against the answering Respondents. The impugned demand is for the cost of electricity duly consumed by the Complainant but which remained unbilled due to a bona fide technical error during software migration, which the Respondent is statutorily bound to recover.
4. That the Complainant is attempting to unjustly enrich itself at the expense of a public utility. It is a settled principle of law that a consumer liable to pay for the electricity consumed. A clerical or technical error in billing does not extinguish the fundamental liability to pay for the goods (electricity) consumed. Allowing the representation would sanction unjust enrichment, which is against public policy and equity.
5. That the answering Respondent, being a distribution licensee, has a statutory obligation to bill and collect charges for all electricity supplied as per the tariff determined by the Hon'ble HPERC. Failure to recover such legitimate dues would cause financial loss to the public exchequer and would be contrary to the Respondent's statutory duties.

Reply to Ground of Representation: -

1. That the contents of this Para are wrong and hence denied. The Ld. Forum CGRF has correctly passed the order dated 24.02.2026 after thoroughly examining the case records. The Ld. Forum's decision is based on a comprehensive review of arguments presented by both parties, the pleadings, and a correct appreciation of the applicable provisions of the H.P. Electricity Supply Code, 2009. The impugned order is legally sound and factually correct.
2. That the contents of this Para are vehemently denied. The impugned demand is neither arbitrary nor erroneous. It is based on an objective reconciliation of accounts conducted during a Special Audit, which identified a bona fide billing discrepancy of Rs. 5, 71,412/- arising from the "less carry



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forward" of arrears during the data migration from HCL billing software to SAP ISU billing software in January 2019. The Ld. CGRF, in Paras No. 43 to 45 of its order, has correctly identified this discrepancy by comparing the closing balance of the December 2018 ledger with the opening arrears shown in the January 2019 bill.

3. That the contents of this Para are wrong, incorrect and hence denied. It is specifically denied that the Ld. Forum has passed an illegal and arbitrary order. A bare perusal of the impugned order in its entirety leaves no manner of doubt that the said order has been passed strictly in accordance with the mandate of law governing the field. The provisions of the Supply Code, 2009, and the law of limitation as settled by the Hon'ble Supreme Court of India have been properly appreciated by the Ld. Forum.

Reply to grounds of representation

- A. That the contents of this Para are denied. The allegation of violation of natural justice is baseless and an afterthought. The consumer ledger was produced before the Ld. Forum below during the proceedings, and the Complainant had a full and complete opportunity to inspect and contest the same. The Learned CGRF independently examined the ledger and correlated it with the billing records on file. The reliance upon the said ledger is therefore fully justified, lawful, and does not suffer from any procedural infirmity.
- B. That the contents of this Para are misconceived and denied. The payment of current bills does not absolve liability arising from past under billing or short recovery. It is further hereto submitted that in view of submission of complainant in the complaint no. **1453/202510/30** and calculation sheet submitted by the complainant with complaint **1453/202510/30** as Annexure C-7, the respondent board has rechecked consumer account/ledger, bill raised to complainant, payments deposited by complainant for the period FY 2014 to 2020 and details attached by complainant in Annexure C-8. Upon reconciliation of ledger of complainant consumer, it is found few discrepancies as listed below: -
- Less Electricity duty given to consumer from the month July 2018, November 2018, January to May 2019 amounting to Rs. 7, 71,904.07.
 - Excess Electricity duty given to consumer for the month March 2021 to Feb 2022 amounting to Rs. I, 88,474.40.
 - Principal & surcharge of unpaid charged amount in energy bill 50% Amount under 126 with surcharge till Id. Divisional Commissioner order dated 14.03.2019 amounting to Rs. I, 51, 62,019.34.
 - In erroneous adjustment done during November, 2019 amounting to Rs.47,78,031.52
 - Applicable interest from April 2019 to June 2020 (i.e. payment of remaining amount under section 126) after order of Id. Divisional Commissioner amounting to Rs 2, 22,050.59.
 - Less carry forward arrear from HCL to SAP (i.e. mismatch of arrear of Dec 2018 and Jan 2019 bills) amounting to Rs 5, 71,412.00.

It is further Submitted that the payment of current bills does not absolve the Complainant of its liability arising from past under-billing or short recovery. The liability to pay for consumed electricity is absolute. It is reiterated that upon a detailed reconciliation of the Complainant's account for the period FY 2014 to 2020, necessitated by the Complainant's own claims in Annexure C-7, several discrepancies were unearthed, including the impugned amount of Rs. 5,71,412/-. The Complainant cannot be permitted to take advantage of a bona fide accounting error.

- C. That the content of Para is denied. It is submitted that the levied disputed arrear amounting of Rs. 5,71,412/- is due to less carry forward to arrear of December 2018 energy bill to January 2019 electricity bills, attributed to the reason of data migration from HCL billing software to SAP ISU billing software. However, the complainant calculation sheet attached as Annexure-C-7 is based on the surcharge levied to complainant on the amount charged against final assessment notice No.6809-11 dated 01.09.2015 under section 126, which is not a pail of demand notice dated 25.06:2025. Upon detailed review of the complainant's ledger and payment history, including the period & reasons mentioned in complainant calculation sheet attached as Annexure-C-7, respondent has worked a differential amount on account of excess recovered surcharge/ applicable interest against amount charged/ payments deposited by complaint against final assessment notice No.6809-11 dated 01.09.2015 under section 126, excess/ less recovered electricity duty, which has led to less recovered amount for which separate demand notice has been issued to the consumer.



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- D. That the contents of this Para are vehemently denied. The assertion that the "less carry forward" was a valid system correction is factually incorrect and a self-serving argument. The Ld. CGRF has given a clear finding that the closing balance of arrears in December 2018 was Rs. 39,69,356/-, whereas the opening arrears in the January 2019 bill were shown as Rs. 33,97,944/-, resulting in a clear shortfall of Rs. 5,71,412/-. This was an error, not a correction and the Respondent is entitled to recover this amount for electricity already supplied and accounted for in the previous month's ledger.
- E. That the content of Para is denied. That the Ld. Forum CGRF has correctly passed the order dated 24.02.2026 after thoroughly examining the case records. Ld. Forum's decision is based on a thorough review argument presented by both the parties on the pleadings of the parties and the Id. Forum has categorically appreciated the applicable provisions of the H.P Electricity Supply Code, 2009 in the impugned order thus there is no such infirmity or illegality in the order passed by the Id. Forum thus the representation is liable to be dismissed.
- F. That the contents of this para are denied as being a complete misreading of law. The Ld. Forum has correctly applied the law on limitation. It is humbly submitted that Section 56(2) of the Electricity Act 2003, does not extinguish the debt but only restricts the right of the licensee to disconnect the electricity supply after two years. It does not preclude the licensee from raising a supplementary demand or recovering the same through other modes of recovery. The Hon'ble Supreme Court of India in cases such as Assistant Engineer (DI) Ajmer Vidyut Vitaran Nigam Ltd. & Anr. Vs. Rahamutullah Khan @ Rahamjula and Mis Prem Cottex Vs. Uttar Haryana Bijli Vitran Nigam Ltd. has unequivocally held that the period of limitation of two years under Section 56(2) begins from the date the bill/demand is first raised on the consumer. In the present case, the demand notice was issued on 25.06.2025, and therefore, the recovery is well within the statutory period. Furthermore, as per Section 17(I) (c) of the Limitation Act, 1963, in case of a mistake, the limitation period begins to run from the date when the mistake is discovered for the first time. The billing error was discovered during the Special Audit and the demand was raised promptly thereafter.

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

6. The Complainant submitted Rejoinder-cum-Written Arguments on dt. 09/04/2026 in the court room which was taken on record. The same also needs to be recapped for reference as under:

The Complainant's Additional Submissions (Rejoinder):

MOST RESPECTFULLY SHOWETH:

1. That the Complainant has filed the present Representation challenging the arbitrary and time-barred demand of Rs. 5,71,412/- (recovered as Rs. 5,80,423/-). The Respondent Board has filed a Reply which is legally unsustainable, factually incorrect, and an attempt to mislead this Hon'ble Authority.
2. That the Complainant denies all averments made in the Reply unless specifically admitted herein and reiterates the contents of the original Representation. The Complainant begs to submit the following Rejoinder and Written Arguments to expose the falsehoods in the Respondent's Reply:

A. PRELIMINARY OBJECTIONS (FATAL FLAWS IN THE REPLY)

- I. Perjury and Blatant Misrepresentation Regarding the Withheld Ledger: In Para A of their Reply on merits, the Respondent has falsely claimed under oath that "The consumer ledger was produced before the Ld. Forum



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below during the proceedings, and the Complainant had a full and complete opportunity to inspect and contest the same".

- The Truth: This is a blatant lie. The Ld. CGRF's own Interim (Zimini) Order dated 03.02.2026 explicitly recorded: *"Respondent is directed to provide to the Complainant, copy of the ledger as has been submitted to the Forum"*.
- The Respondent willfully defied this explicit judicial direction and never supplied the ledger to the Complainant. To now claim before the Ombudsman that the Complainant was given a "full and complete opportunity to inspect" is perjury and a gross violation of the principles of natural justice.

II. Illegal Re-introduction of Severed Sub-Judice Disputes (Defiance of CGRF Order) In Para 4, 8(B), and Annexure R-1 of their Reply, the Respondent has reproduced their so-called "Special Audit" calculating a total outstanding of Rs. 44,71,845.10 (which includes sub-judice Section 126 dues and Electricity Duty discrepancies).

- The Truth: The Ld. CGRF, in its Final Order dated 24.02.2026, explicitly severed this composite dispute. The Ld. Forum ruled: *"Forum thus decides to ignore the reconciliation statement (Annexure R1) containing the revised demand of Rs 44,71,845.10... Forum hereinafter now proceeds to adjudicate the matter only with regard to the impugned Demand Notice dated 25.06.2025"*.
- By dumping these severed, sub-judice figures back into their Reply before the Ombudsman, the Respondent is acting in sheer defiance of the binding parameters set by the lower Forum. It is prayed that all submissions and calculations in the Reply pertaining to the Rs. 44.71 Lakhs (Annexure R-1) be struck off the record immediately.

B. REJOINDER ON MERITS (REBUTTAL OF DEFENCES)

III. Complete Evasion of the "Ghost Arrears" & Illegal LPSC Argument The Complainant has repeatedly raised a highly specific, statutory point: The Respondent's HCL software was corrupted because it illegally applied standard monthly Late Payment Surcharge (LPSC) on the sub-judice Section 126 dues. As per Section 127(6) of the Electricity Act, 2003 and Clause 6.1.11.1 of the Supply Code, 2009, Section 126 defaults attract a specific statutory interest of 16% per annum compounded every six months, NOT standard monthly LPSC.

- The Evasion: The Respondent's Reply maintains a stunning silence on this specific statutory violation. They have completely failed to deny or rebut that their software illegally compounded LPSC, which generated massive fictitious "Ghost Arrears". Their inability to answer this proves that the internal ledger they rely upon to claim a "less carry forward" is fundamentally corrupted and mathematically void.

IV. Contradiction in the Ld. Forum's Order (Overlooking the Core Issue of "Ghost Arrears") The Ld. Forum committed a manifest error by completely overlooking the foundational issue of "Ghost Arrears" which was extensively detailed in the pleadings.

- In Para 44 of the impugned Final Order, the Ld. Forum explicitly abdicated its duty to examine the root cause of the fictitious arrears by stating: *"Forum holds that it is not inclined to interfere in the accounting behind the electricity billing which runs into several years"*.
- The Contradiction: After explicitly refusing to examine how the HCL ledger became corrupted with illegal LPSC and manual-billing mismatches over the years, the Ld. Forum in Para 45 astonishingly relied on the "Opening Balance" and "Closing Balance" of that exact same unverified ledger to uphold the Rs. 5.71 Lakhs demand.



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- Submission: The Ld. Forum cannot blow hot and cold. It cannot refuse to investigate the mathematical validity of the ledger's arrears while simultaneously using the arithmetic of that same corrupted ledger to penalize the Complainant. Because the "Opening Balance" of January 2019 was already artificially inflated by years of "Ghost Arrears," any "carry-forward difference" derived from it is inherently void.

V. Flawed Reliance on the Limitation Act vs. Manual Bill Corrections In Para F of their Reply, the Respondent attempts to bypass the 2-year limitation period of Section 56(2) of the Electricity Act by invoking Section 17(1)(c) of the Limitation Act, 1963, arguing that the limitation period begins only when a "mistake is discovered" (which they claim happened during their recent Special Audit).

- The Truth: Section 17(1)(c) only offers protection if the mistake could not have been discovered earlier with reasonable diligence. In the present case, the HCL software was erroneously charging Electricity Duty at 11% instead of 1%. During 2018-2019, the Respondent's own local officers made manual pen corrections on physical bills to reduce the payable amount for the Complainant.
- Because the Respondent's staff manually intervened with a pen, they were fully aware of the software's discrepancy at the exact time it occurred. There was no "hidden mistake" discovered 6.5 years later in 2025; it was a known discrepancy resulting from their own failure to feed the manual corrections back into the software. Therefore, the defence of Section 17(1)(c) falls flat, and the absolute bar of Section 56(2) of the Electricity Act, 2003 applies.

VI. The "Migration Error" is actually an Admitted ED Credit The Respondent repeatedly claims in their Reply that the Rs. 5.71 Lakhs is a bona fide "less carry forward" data loss during the HCL to SAP migration.

- The Truth: As per their own admission in their Subsequent Notice dated 23.01.2026, the excess ED charged (11% instead of 1%) during this exact period amounted to Rs. 7,71,904/-. At the time of migration (Jan 2019), the arrears dropped from Rs. 41,64,894/- in December 2018 to Rs. 33,97,944/- in January 2019—a reduction of Rs. 7,66,950/-. This reduction almost perfectly correlates with the admitted ED overcharge. The system rightly passed a credit to refund the excess ED. Calling this valid refund a "migration error" today is a fictitious attempt to reverse a legitimate adjustment.

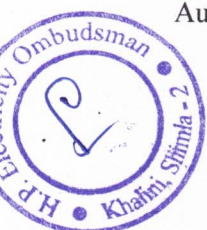
C. WRITTEN ARGUMENTS (SUMMARY)

1. Bill-by-Bill Payment: Liability to pay electricity charges arises strictly on consumption. The Complainant has paid 100% of the current charges raised for the electricity consumed in every billing cycle, as proven by the calculation sheet (Annexure C-7). A pure "carry-forward" glitch in a corrupted software ledger without any corresponding unpaid physical consumption cannot constitute a recoverable debt.
2. Statutory Bar: The sum of Rs. 5,71,412/- was completely absent from the Complainant's bills from 2019 to 2025. It was never continuously shown as recoverable arrears. Hence, its recovery is strictly barred by the mandatory provisions of Section 56(2) of the Electricity Act, 2003.

PRAYER

In view of the submissions made hereinabove, the Complainant most respectfully prays that this Hon'ble Authority may be pleased to:

1. Take on record this Rejoinder cum Written Arguments.
2. Strike off all calculations and submissions in the Respondent's Reply related to the severed Rs. 44.71 Lakhs (including Annexure R-1) as being outside the restricted scope of this appeal.
3. Quash the impugned Demand Notice dated 25.06.2025 for Rs. 5,71,412/-



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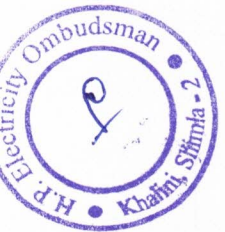


4. Direct the Respondent to refund the Rs. 5,80,423/- paid under protest, along with 15% per annum simple interest as mandated by Clause 5.7.3 of the H.P. Electricity Supply Code, 2009.

7. The Final Arguments of both during proceedings:

Case called, the matter was heard for final arguments on 09/04/2026. The counsel for Respondents and the Assistant Engineer concerned, appeared in the Court room along with the record and with the mutual Conesus of both the parties, the final arguments were conducted. Both the parties were given due opportunity to argue their contentions to the brim.

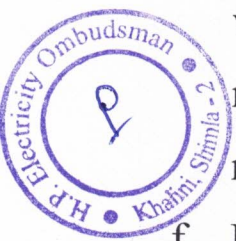
- a. At the very outset, the Authorised Representative for the Complainant read out the contentions as stand reiterated under para-2 above alongwith the key points of the Rejoinder (ref. para-6) and emphasised that for the disputed period (Dec., 2018 and Jan., 2019), the Complainant paid 100% of the current charges raised for the electricity consumed (*Dec., 2018 bill of Rs. 11,11,089/-and Jan., 2019 bill of Rs.13,68,802/-*). He further added with high spirit that liability to pay arises purely on consumption. If there is no short payment against the units billed, a purely internal "carry forward" discrepancy by the Respondent's software cannot magically create a recoverable debt.
- b. He further strengthened his arguments by saying that the subsequent Notice dt.23.01.2026 explicitly indicates that the reduction almost correlates with the admitted ED overcharge (11% instead of 1%) and the system rightly passed a credit to refund the excess ED. Hence, called this valid refund a "migration error" which he further asserted that this appears to be a fictitious attempt to reverse a legitimate adjustment under present circumstances.



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- c. He elaborated his above arguments by adding that the HCL software was erroneously charging Electricity Duty at 11% instead of 1%. During 2018-2019, the Respondent's own local officers made manual pen corrections on physical bills to reduce the payable amount for the Complainant. Because the Respondent's staff manually intervened with a pen, they were fully aware of the software's discrepancy at the exact time it occurred. It was a known discrepancy resulting from their own failure to feed the manual corrections back into the software. Therefore, the defense of Section 17(1)(c) falls flat, and the absolute bar of Section 56(2) of the Electricity Act, 2003 applies.
- d. He finally concluded his arguments by placing some more adjustments related to Section 126 on pending adjudications before Hon'ble High Court.
- e. The Assistant Engineer appeared as Respondents initiated his arguments by placing before the court that the Demand Notice dated 25.06.2025 for Rs 5,71,412/- was raised on the behest of findings of Special Audit where discrepancy arising from 'less carry forward' of arrears from bill of December, 2018 to January, 2019 was pointed out which occurred due to the migration of data from old HCL software to new SAP ISU platform and further asserted that this was a bona-fide mistake, the rectification of which is legally permissible.
- f. He further submitted relevant portion of the ledger for the month of December, 2018 which reflected a closing balance of Rs.39,69,356/- with one copy handed over to the Authorized Representative for Complainant for reference and record. The same was taken on record.



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and the glance was also made subsequent to the electricity bill raised for the month of Jan 2019 which reflected an arrear of Rs. 33,97,944/- and observed the difference of Rs 5,71,412/- equivalent to the amount of demand notice dt. 25.06.2025 raised by the Respondent. He also apprised the court regarding the discrepancies observed on reconciliation of ledger of complainant consumer which are as under: -

- i. Less Electricity duty given to consumer from the month July 2018, November 2018, January 18 to May 2019 amounting to Rs. 7,71,904.07.
- ii. Excess Electricity duty given to consumer for the month March 2021 to Feb 2022 amounting to Rs. 11,88,474.40.
- iii. Principal & surcharge of unpaid charged amount in energy bill 50% Amount under 126 with surcharge till Id. Divisional Commissioner order dated 14.03.2019 amounting to Rs. 1,51,62,019.34.
- iv. In erroneous adjustment done during November, 2019 amounting to Rs. 47,78,031.52
- v. Applicable interest from April 2019 to June 2020 (i.e. payment of remaining amount under section 126) after order of Id. Divisional Commissioner amounting to Rs 2, 22,050.59.
- vi. Less carry forward arrear from HCL to SAP (i.e. mismatch of arrear of Dec 2018 and Jan 2019 bills) amounting to Rs 5, 71,412.00.

g. The Assistant Engineer concluded his arguments by emphasizing that the payment of current bills does not absolve the Complainant of its liability arising from past under-billing or short recovery and further added that upon a detailed reconciliation of the Complainant's account for the period FY 2014 to 2020, necessitated by the Complainant's own claims in Annexure C-7, several discrepancies were unearthed, including the impugned amount of Rs. 5,71,412/- as such the Complainant cannot be permitted to take advantage of a bona fide accounting error.

h. On further accentuating by the Authorized Representative for Complainant that the "Opening Balance" of January 2019 was already artificially inflated by years of "Ghost Arrears," and any "carry-forward difference" derived from it is inherently void, **the Id. Counsel for Respondents** placed his arguments on the pretext that the Id. CGRF under



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para-(31) of its order dt. 24.02.2026 has categorically mentioned that the parties agreed to limit the scope of dispute only to the impugned Demand Notice dt. 25.06.2025 and with regard to other contentions arising from the analysis/calculation sheet of complainant or detailed reconciliation statement of the Respondent, **parties agreed to raise separate grievances before appropriate authority.**

- i. After listening to such vigorous averments from the Id. Counsel for Respondents, the Authorized Representative for Complainant also agreed to raise the issue in totality through a separate representation before the CGRF on thorough overhauling with due consideration to all points which were truncated owing to confining the scope of adjudication to the impugned Demand Notice dt.25.06.2025 by the Id. CGRF.
8. After listening to the arguments advanced by both the parties, the order was kept reserved for examining the contentions to the depth before issuance of final order.
9. The documents annexed and placed on record and arguments advanced by both the parties have gone through in depth.
10. The appropriate Acts, Supply Codes, MYT Regulation, relevant Tariff Orders have been referred to for clarity.
11. The case files bearing Complaint No. 1430/202510/30 with subsequent orders passed by the Id. Chairman & Id. Member-I of Consumer Grievance Redressal Forum Kasumpti on dt.24.02.2026 & 26.02.2026 respectively have been requisitioned and gone through in conjunction with above submissions & documents placed on record, so as to have a composite view of the case on legitimate grounds. The said orders stand reiterated under the “**para-3**” above





in totality and for the sake of brevity the orders thereafter are recapped only on specific contentions where required.

12. The contentions of the Complainant detailed under **para- '2'**, reply of the Respondent Board detailed under **para- '5'**, Rejoinder submitted by the Complainant placed under **para-6**, Arguments conducted at length & placed under **para- '7'** have been gone through in details and may be referred to as cited above, however, where required have been reproduced only on specific contentions while doing analysis. For the sake of brevity, the prayers made by the respective parties have not been reiterated and may be referred as placed above under specific paras of contentions. To arrive at reasonable consensus, the findings in the instant matter shall also carry detailed analysis while examining on merit.
13. While scrutinizing the reply submitted by the Respondents, it has been observed that the Respondents at the very outset submits as under:
- a. That the present representation as preferred by the Complainant is **not maintainable** in the eyes of the Law, hence liable to be dismissed, as it is based on conjectures, surmises, and a deliberate misinterpretation of facts and law.
 - b. That the relief sought by the Complainant is not tenable in law, as the Ld. Forum below has passed a well-reasoned and detailed order dated 24.02.2026 after meticulously examining the entire case record.
14. The Complainant on these specific issues placed their counter averments which reads as "That the Complainant has filed the present Representation challenging the arbitrary and time-barred demand of Rs. 5,71,412/- (recovered as Rs. 5,80,423/-). The Respondent Board has filed a Reply which is legally unsustainable, factually incorrect, and an attempt to mislead this Hon'ble Authority."
15. However, in the public interest and apprehensions of either party on their respective contentions which appear to be interpreted in their own tone of suitability, this authority asserts in the interest of justice that in terms of regulation 33(2,3) read with 36(2) of Himachal Pradesh Electricity

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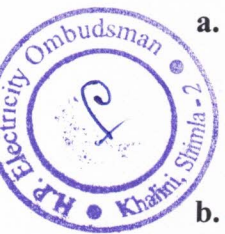
Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 where the Ombudsman is guided by the principle of natural law of justice and further considering this platform as a judicious bench in the public interest to curb litigations, it shall be prudent to give an opportunity of being heard as the contentions might carry reasonable arguments in terms of regulation-37 (8) of the Himachal Pradesh Electricity Regulatory Commission (Consumer Grievance Redressal Forum at Kasumpti & Ombudsman) Regulation, 2013, in the interest of justice when heard. **Hence, held maintainable** only to the extent of initiation of proceedings, however, the outcome & sustainability of the contentions shall be subject matter of further adjudication. The above findings provide further platform to examine the contentions on merit judiciously, thereafter.

16. This authority feels it legitimate in the interest of justice to first understand and adjudicate the contention of Complainant as contended in '**para-F**' under the heading '**Grounds of Representation**' on 'incorrect Application of the Limitation Act and Hon'ble Supreme Court Ruling' which is reiterated for the sake of reference and analysis as under:

"F. Incorrect Application of the Limitation Act and Supreme Court Rulings: The Ld. Forum wrongfully dismissed the Complainant's reliance on Section 56(2) of the Electricity Act, 2003, by citing Supreme Court judgments and the Limitation Act."

17. Whereas in response to above **para-F** of the Representation of the Complainant, the Respondent has contended as under:

- a. That the contents of this para are denied as being a complete misreading of law. The Ld. Forum has correctly applied the law on limitation. It is humbly submitted that Section 56(2) of the Electricity Act 2003, does not extinguish the debt but only restricts the right of the licensee to disconnect the electricity supply after two years. It does not preclude the licensee from raising a supplementary demand or recovering the same through other modes of recovery.
- b. The Hon'ble Supreme Court of India in cases such as Assistant Engineer (DI) Ajmer Vidyut Vitaran Nigam Ltd. & Anr. Vs. Rahamutullah Khan @ Rahamjulaand Mis Prem Cottex Vs Uttar Haryana



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Bijli Vitran Nigam Ltd. has unequivocally held that the period of limitation of two years under Section 56(2) begins from the date the bill/demand is first raised on the consumer. In the present case, the demand notice was issued on 25.06.2025, and therefore, the recovery is well within the statutory period. Furthermore, as per Section 17(I) (c) of the Limitation Act, 1963, in case of a mistake, the limitation period begins to run from the date when the mistake is discovered for the first time. The billing error was discovered during the Special Audit and the demand was raised promptly thereafter.

18. After referring to the submissions made by the Complainant and reply submitted by the Respondent along with the judgements as referred above and further read with specific provisions of Act, it has been observed that there is a misconception on the part of Complainant on interpretation of prevalent provisions of Section 56(2) or clause 5.6.2 of the Supply Code on the issue of limitations, the relevant part of which reads as, *"no sum due from any consumer, shall be recoverable after the period of two years from the date when such sum become first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the license shall not cut off the supply of the electricity:"*
19. This authority conceives from above provisions that the first due is the day when the issue was pointed out irrespective of how old the issue might be i.e. when the demand note/bill is raised first time after the discovery of mistake, is considered as **first due** or otherwise if the first due date is considered as a normal date which cannot talk about arrears/differentials after the mistake occurs, the very purpose of this clause of supply code/Act is defeated.
20. Let us elaborate more on the terms "**due**" and "**first due**" in terms of said Judgements/findings of Hon'ble Apex Court. The word "due" has been used under Section 56(1) as well as under section 56(2) of the Act 2003. The term "due" refers to the amount for which the demand is raised by way of a bill. The term "first due" would therefore imply when the demand is raised for

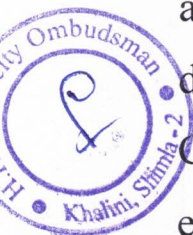


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the first time after the discovery of anomaly. The bill raised by the licensee company (Respondent Board) after discovery of the mistake would be the starting point for the exercise of power under sub-section (2) of Section 56 and the starting point of limitation would be from the date when the bill is raised by the licensee company (Respondent Board).

21. The facts are further supported by the Hon'ble Supreme Court of India Judgement dt.18.02.2020 in Civil Appellate Jurisdiction in "**Civil Appeal No. 1672 of 2020**" as cited under para-(53) of Order dt.24.02.2026 passed by the Id. CGRF wherein the licensee company raised an additional demand on 18.03.2014 for the period July,2009 to September,2011. The period of limitation would commence from the date of discovery of the mistake i.e. 18.03.2014. The licensee company may take recourse to any remedy available in law for recovery of the additional demand, but is barred from taking recourse to disconnection of supply of electricity under sub- section (2) of Section 56 of the Act.
22. After analyzing the averments in depth, this authority is convinced with the diligent findings made by the Id. CGRF in due cognizance to all judgements of Hon'ble Apex Court and other Hon'ble courts under para-(47) to (63) of its order dt.24.02.2026 (*refer para- 3above*) which may also be considered as part and parcel of the present findings and inclines to the fact that the said demand raised by the Respondent Board is just and legal and makes Complainant responsive for making payments as raised. The very relevant extract of **para-53** of the findings of Id. CGRF needs to be reiterated in the interest of justice for reference and clarity as under:



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Para (53) "After examining the record and facts in the matter, coupled with provisions of Section 56(2) of the Electricity Act, 2003 reproduced ibid, Regulations / Code notified by the Ld HPERC and as pointed out by the Respondent, the settled position of law laid down by Hon'ble Apex Court in judgments passed on 18.02.2020 and on 05.10.2021, in matters titled as Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah Khan alias Rahamjula in Civil Appeal No 1672/2020 and M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 respectively, Forum holds that the issue of recovery of past dues of arrears by the electricity Distribution Company (or Discom) can be decided by the Forum, such no more being res-integra;

23. Akin to above findings of Id. CGRF and the averments made, this Authority is convinced that the interpretation in the instant case is also of similar nature as held by Hon'ble Supreme Court in the above stated Civil Appeal as cited under para-22 above and in the instant case also the Respondent Board raised Demand Notice on dated 25.06.2025 amounting to Rs.5,71,412/- on the behest of special Audit regarding a left out bill component pertaining to past electricity bill of December, 2018/January, 2019 occurred during the technical process of data migration from the old HCL software to the new SAP ISU platform.
24. The period of limitation in the instant case, in line with above judgment of Hon'ble Supreme Court would commence from the date, the demand was raised i.e. 25.06.2025, hence not time barred and in terms of above judgment of Hon'ble Supreme Court, the Respondent Board is also within its legal jurisdiction to raise past arrears if not discovered earlier due to any mistake which construes as bona-fide mistake who may take recourse to any remedy available in law for recovery of the additional demand, but is barred from taking recourse to disconnection of supply of electricity under sub-section (2) of Section 56 of the Act. Hence, in terms of foregoing findings, the contention of the Complainant is **not tenable** in the instant case.



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25. This authority after attaining the legitimate pace on the contentions of **maintainability and limitation** feels free to proceed for further delving of contentions on merit.
26. After examining the submissions made by the Complainant, Rejoinder submitted thereafter the Reply submitted by the Respondents and arguments advanced, it has been observed that the Complainant has raised many contentions behind raising demand note dt. 25.06.2025 amounting to Rs.5,71,412/-, out of which very specific needs to be recapped for analysis as under:
- a. That the Respondent's HCL software was corrupted because it illegally applied standard monthly Late Payment Surcharge (LPSC) on the sub-judice Section 126 dues. As per Section 127(6) of the Electricity Act, 2003 and Clause 6.1.11.1 of the Supply Code, 2009, Section 126 defaults attract a specific statutory interest of 16% per annum compounded every six months, NOT standard monthly LPSC.
 - b. That as per their own admission in their Subsequent Notice dated 23.01.2026, the excess ED charged (11% instead of 1%) during this exact period amounted to Rs. 7,71,904/-. At the time of migration (Jan 2019), the arrears dropped from Rs. 41,64,894/- in December 2018 to Rs.33,97,944/- in January 2019—a reduction of Rs. 7,66,950/-. This reduction almost perfectly correlates with the admitted ED overcharge. The system rightly passed a credit to refund the excess ED. Calling this valid refund a "migration error" today is a fictitious attempt to reverse a legitimate adjustment.
 - c. That the Respondent has wrongly enlarged the scope of the dispute / disputed amount. It has also countered on various grounds that this reconciliation statement of Rs 44,71,845.10 (**Annexure R1**) includes certain amounts which pertain to section 126 of the Electricity Act, 2003 which matter is sub-judice before the Hon'ble High Court and are beyond the jurisdiction of this Forum to adjudicate while this amount also includes in it amounts against Electricity Duty (ED);
27. Whereas the Respondents also raised some mixed averments after raising the Demand Notice dt. 26.06.2025, a very relevant needs to be recapped in the interest of justice which are as under:
- a. That the impugned demand is based on an objective reconciliation of accounts conducted during a Special Audit, which identified a bona fide billing discrepancy of Rs.5,71,412 /- **arising from the "less carry forward" of arrears during the data migration from HCL billing software to SAP ISU billing software in January 2019.**





- b. That the following discrepancies were observed on reconciliation of ledger of complainant consumer:
- i. Less Electricity duty given to consumer from the month July 2018, November 2018, January 18 to May 2019 amounting to Rs. 7, 71,904.07.
 - ii. Excess Electricity duty given to consumer for the month March 2021 to Feb 2022 amounting to Rs.11, 88,474.40.
 - iii. Principal & surcharge of unpaid charged amount in energy bill 50% Amount under 126 with surcharge till Id. Divisional Commissioner order dated 14.03.2019 amounting to Rs.1,51,62,019.34.
 - iv. In erroneous adjustment done during November, 2019 amounting to Rs.47,78,031.52
 - v. Applicable interest from April 2019 to June 2020 (i.e. payment of remaining amount under section 126) after order of Id. Divisional Commissioner amounting to Rs 2, 22,050.59.
 - vi. **Less carry forward arrear from HCL to SAP** (i.e. mismatch of arrear of Dec 2018 and Jan 2019 bills) amounting to Rs 5, 71,412.00.

28. It has been observed from above contentions that the averments made by the Complainant are quite vibrant in nature and every contention appears to be related to the impugned demand notice dt. 25.06.2025 whereas the Respondent although has cited many reasons but in terms of arguments advanced and submissions, appears to be confining to the 'less carry forward' of arrear of Rs.5,71,412/- from HCL to SAP of Dec 2018 & Jan 2019 as pointed out during special Audit.

29. This authority after seeing with microscopic consideration, observes in an unambiguous manners that in view of above multiple permutations and combinations arising in analytical terms owing to one reason or the other so called reconciliation/calculations at respective ends or even to the extent that a part of averment reported by the Complainant appears to be sub-judice before the Hon'ble High Court, which may or may not engulf the real essence of the amount of Rs.5,71,412/- i.e. "less carry forward" of arrears during the data migration from HCL billing software to SAP ISU billing software in January 2019, **at first instance warrants examination of**



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“Scope” of present Representation for prudent justice before further perusal.

30. This calls for replication of para (30) & (31)&(32) of the order dt.24.02.2026 passed by Id. CGRF in the said matter which are as under:

a. **Para(30)**

Forum observes that when the Complainant’s original dispute was against the impugned Demand Notice dated 25.06.2025, then it itself had enlarged the scope of the dispute by introducing the analysis / calculation sheet (Annexure C7) into the dispute which depicted from September 2015 to September 2020 (5 years) an excess of Rs 1,95,836/- refundable by the Respondent and this prompted the Respondent to reconcile the accounts pertaining to the Complainant and correspondingly introduce into the dispute a reconciliation statement (Annexure R1) with an amount of Rs 44,71,845.10 payable by the Complainant for the period from FY 2014 to 2020, further enhancing the scope of the dispute;”

b. **Para (31)**

In the final hearing held in the matter, the parties agreed to limit the scope of the dispute only to the said impugned Demand Notice dated 25.06.2025 and with regard to other contentions arising from analysis / calculation sheet (Annexure C7) of Complainant or detailed reconciliation statement (Annexure R1) of the Respondent, parties agreed to raise separate grievances before appropriate authority;

c. **Para (32)**

Forum observes that the Complainant in the additional submissions made by it, has also prayed to restrict the adjudication to only the impugned demand of Rs 5,71,412/- raised in Demand Notice dated 25.06.2025

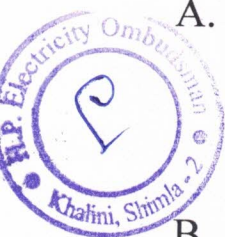
31. To arrive at judicious understanding on the issue of ascertaining the **scope of the present Representation**, the contentions asserted by the Complainant also needs to be reiterated as under:

A. Rejoinder-cum-Written arguments

a. MOST RESPECTFULLY SHOWETH:

1.“That the Complainant has filed the present Representation challenging the arbitrary and time-barred demand of Rs. 5,71,412/- (recovered as Rs. 5,80,423/-). -----”.

B. Para-2 of the prayer placed through Rejoinder-cum-Written arguments is very relevant and is recapped as under for judicious findings:



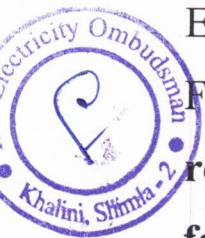
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“Prayer:

2. Strike off all calculations and submissions in the Respondent's Reply related to the severed Rs.44.71 Lakhs (including Annexure R-1) as being outside the restricted scope of this appeal.”

32. In view of above analysis, this authority gathers clear understanding and feels free to correlate that the parties **agreed to raise separate grievances** while the proceedings were under process of adjudication before the Id. CGRF which is also explicit from the para (30,31&32) of the order dt.24.02.2026, reproduced under **para-30** above and further it was also observed that the scope of the dispute was kept limited to the extent of impugned Demand Notice dt. 25.06.2025 only (*ref. para (31) of order dt.24.02.2026 of Id. CGRF*), construes that except for the contentions that arose due to “less carry forward” of arrears during the data migration from HCL billing software to SAP ISU in January 2019, the rest of the contentions arising out of reconciliation/calculations remained un-adjudicated at CGRF end owing to the accord between the parties to raise the grievances separately.
33. This authority after understanding the above austerity of the contentions, meticulously opines that in terms of Regulation-28 of Himachal Pradesh Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, **the grievances be first redressed at CGRF level and after exhausting the said channel if still found aggrieved, may approach this authority for further adjudication.**
34. After referring to the submissions made by the Complainant in conjunction with reply submitted by the Respondents and arguments advanced by both the parties read with para (31&32) of the order dt.24.02.2026 passed by the



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ld. CGRF, this authority also confines the scope of the instant dispute only to the said impugned Demand Notice dated 25.06.2025 and for other contentions arising from analysis / calculation sheet (Annexure C7) of Complainant or detailed reconciliation statement (Annexure R1) of the Respondent, either party in due cognizance to the hierarchy of adjudication system are at liberty to approach ld. CGRF for redressal of remaining grievances in totality in consonance with the consensus arrived at, as in para (31&32) of the order dt.24.02 2026 passed by the ld. CGRF in the instant matter.

35. After confining the scope of the instant Representation to the impugned Demand Notice dt. 25.06.2025 as per conclusive findings under para-34 above, this authority feels it legitimate to first ascertain the origin/sanctity of demand of Rs.5,71,412/-. After examining the relevant portion (**December, 2018**) of the ledger placed on record by the Respondent during final arguments read with bill for the month of January,2019, it has been observed that the ledger reflects **closing balance of Rs.39,69,356/-** and the electricity bill for January,2019 reflects **an arrear of Rs.33,97,944/-** with a difference of Rs. 5,71,412/- between the two which matches with the Demand dt.25.06.2025 raised by the Respondent.

36. For reference and analysis point of view, this authority also agrees with the contents of the para(45) of ld. CGRF order dt.24.02.2026 which is recapitulated as under for record:

"Para (45) Further, Forum has also examined the ledger for the month of December 2018, placed on record by the Respondent, which reflects a closing balance of Rs 39,69,356/-. Forum has correspondingly also examined the electricity bill for Jan 2019 which reflects an arrear of Rs 33,97,944/-. Forum finds that the difference between the two is Rs 5,71,412/-





which clearly is the impugned demand raised by the Respondent. Forum accordingly rejects the contention of the Complainant that the impugned amount corresponds to ED amount, and which was overlooked in the electricity bill for January 2019;

37. In view of forgoing findings, this authority draws considered opinion and perceives affirmative assertions that the amount of Rs.5,71,412/- reflecting in the demand notice dt.25.06.2025 cannot be ignored in terms of conclusive findings under para-34 being having limited scope of adjudication in the instant case, as the said amount may attribute to above 'contentions of differences' as laid by both Complainant and Respondent (*ref. para-26&27*) or may be exclusively due to transfer of arrears during the data migration from HCL billing software to SAP ISU billing software in January 2019. However, giving benefits of doubt to the contentions which appear to be inter-related, one **cannot quash** the said impugned demand note dt.25.06.2025 under the present circumstances which also caters fixed value as per record (*Ledger Dec.2018 & bill Jan.2026*), unless settlement is made in totality or otherwise quashing may prove to be fatal to the system of justice. **Hence, sustained.**

38. On the afore said terms the order is as appended below:

- a. The Orders dt. 24.02.2026 & dt. 26.02.2026 passed by Id. Chairperson and Id. Member-1 of Consumer Grievance Redressal Forum at Kasumpti respectively in Complaint No. 1453/202510/30 are upheld.
- b. In terms of conclusive findings under para-37 the Demand Notice dt.25.06.2025 amounting to Rs.5,71,412/- is sustained.
- c. The instant Complaint filed by M/s JSK International Village Gullarwala, Vardhaman Budh Road, P.O. Baddi, Tehsil Baddi, Distt. Solan (H.P.) – 173205. is hereby disposed of with liberty to either party to approach CGRF (Competent Court of Law) in due cognizance to the understanding arrived



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at by both the parties under para-(31&32) of the order dt.24.02.2026 read with conclusive findings of this order under para-34&37 with further liberty to approach this authority if still aggrieved.

- d. No cost to litigation.
- e. 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: 20/04/2026

Shimla



[Signature]
20/04/2026
Electricity Ombudsman