

CONSUMER GRIEVANCES REDRESSAL FORUM, SHIMLA

Complaint No 1454/202406/17

M/s Milestone Gears Pvt Ltd Unit IX

Vs

HP State Electricity Board Limited and ors

Brief Facts of Case–

- (1) Complaint has been filed under regulation 16, 17 and 18 of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 by M/s Milestone Gears Private Ltd. Unit IX, Village Katha, PO Baddi, Distt. Solan, Himachal Pradesh- 173205, bearing Consumer ID No 200012000301;
- (2) Complainant is a Large Industrial Power Supply (LIPS) consumer of the Respondent HP State Electricity Board Ltd who is a distribution licensee;
- (3) As per Complainant it is entitled to rebate of Rs 22,67,514.54 as available to new industries in accordance with Tariff Order passed by the Ld HPERC for financial year FY 2021-22. Complainant is primarily aggrieved by the by the non-action of the Respondent to allow the said rebate.

Complainant -

- (4) That the Respondent has contravened the provisions of Tariff Order by issuing wrong bills;
- (5) That it set up new industrial unit and commenced commercial production since 30.11.2021 (**Annexure C1**).
- (6) That in accordance with Tariff Order for FY2021-22 (**Annexure C2**), rebate for 3 years is allowed to new units that came into production after 01.06.2021 but Respondent carried out billing without giving rebate ;
- (7) That the rebate of Rs 22,67,514.54 was to be allowed upto bill for the month of May 2024 and for further six months i.e upto bill for

the month of May 2024. Consequently the Respondent also overcharged electricity duty amounting to Rs 1,58,579.15;

- (8) That in addition to the said rebate amount, it is entitled to consequential refund of Electricity Duty and Interest on amount excess billed as per clause 5.7.3 of the Supply Code, 2009;
- (9) Per Rejoinder: That Respondent has admitted the eligibility of such rebate to extent of Rs 24,40,073/- and refunded the said amount in energy bill dated 17.01.2025 (**Annexure C4**);
- (10) That it admits that there is no amount pending. However, Respondents have not allowed electricity duty and interest;
- (11) The Complainant has sought relief in terms of refund of rebate amount of Rs 22,67,514.54 along with Electricity Duty and Interest.

Respondent-

- (12) That it has refunded the rebate on new industries amounting to Rs 24,40,073/- in energy bill of January 2025;
- (13) That Complainant's contention for rebate on electricity duty cannot be given. Moreover clause 5.7.3 of Supply Code is not attracted for the purpose of Interest and therefore these contentions of the Complainant are liable to be rejected;
- (14) On foregoing grounds, the Respondent has prayed for dismissing the complaint.

ORDER

- (15) Forum has examined the relevant provisions of the Electricity Act, 2003, various relevant Regulations framed by the Ld HP Electricity Regulatory Commission (or the HPERC) including relevant provisions of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 (or the CGRF Regulations), HP Electricity Supply Code, 2009 and amendments thereto, various Tariff Order passed by the Ld HPERC and record as facts along with

pleadings of the parties. 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;

- (16) Forum observes that the Respondent, has simply without citing any reason or justification, submitted in its Reply that it has made the payment of rebate in the electricity bill for January 2025 i.e after the complaint was filed. It is expected of the Respondent that the said refund may have been given by it after ascertaining the Complainant's eligibility for the same. Forum is constrained to observe that if an action to make the payment of rebate could have been taken during the pendency of complaint, then such action could also have been taken by the Respondent ab-initio so as to prevent this litigation. However, because the contention and issue of the Complainant with regard to its entitlement of rebate admissible to New Industries has been settled by the Respondent which is also acknowledged by the Complainant with further statement that no amount is pending, thus nothing survives on this contention and issue for further determination by the Forum. The issue raised by the Complainant with regard to its entitlement for rebate admissible to New Industries is accordingly disposed;
- (17) Thus the only issues of refund of Electricity Duty and Interest raised by the Complainant, remain for determination by the Forum, which are dealt hereinafter--
- (18) On the issue of refund of Electricity Duty (ED) raised by the instant Complainant, Forum is inclined to specifically look into the facet of the Electricity Duty –
- (19) Forum, from bare perusal the HP Electricity (Duty) Act, 2009 finds that Electricity Duty (ED) is a levy by the Government. This is collected by the Respondent on behalf of the Government on actual consumption of electricity made by consumer or supply of

electricity by the licensee in accordance with the HP Electricity (Duty) Act, 2009. No-where in the Tariff Orders passed by the Ld HPERC has the rebate on expansion or excess consumption, been considered to have the net effect of reduction in actual consumption or on reduction of ED. Other-wise also, such a proposition would be absurd for the simple reason that actual consumption remains actual and not nominal and also because the Electricity Duty is the specific domain of the Government as well as property of the government and not the Respondent's or the HPERC's. This Electricity Duty while being applicable on electricity consumption or supply is simply to be calculated on energy charges. Further, the Complainant has no-where shown that it has not consumed the electricity which has been billed to it. Thus any monetary rebate cannot have any effect what-so-ever on reduction of Electricity Duty nor can these entitle the Complainant for its refund;

- (20) In view of foregoing, Forum holds that while the Electricity Duty is the specific domain of the Government however, the Complainant is still not at all eligible for any refund of Electricity Duty by the Respondent that may have arisen from rebates being claimed by it or rebates that may have been passed on to the Complainant by the Respondent or allowed by the HPERC. The arguments and contentions raised by the Complainant for refund of Electricity Duty is thus rejected and accordingly disposed.
- (21) On the issue raised by the Complainant for payment of Interest in accordance with code 5.7.3 of the HP Electricity Supply Code, 2009, Forum does not find any reference to payment of Interest on rebates in the Tariff Orders passed by the HP Electricity Regulatory Commission. The Forum now proceeds to look into the specific facet of payment of Interest arising from the non-payment of said rebates, in accordance with regulations notified by the HPERC –

- (22) Forum observes that on a claim raised for rebates raised by the consumer, at the outset the quantum and question of its eligibility and entitlement has to be assessed and established by the Respondent distribution licensee based on Tariff Orders passed by the Ld HPERC and Codes / Regulations notified by the HPERC. Once the same has been assessed, established, determined and paid by the distribution licensee, shall the question of payment of any Interest arise on the principle amount so determined. At the same time, such shall have to be permitted by the HPERC through its Regulations or Tariff Orders;
- (23) On bare examination of code 5.7.3 of the HP Electricity Supply Code, 2009, Forum finds this to be with regard to Interest on excess payment made by the Complainant due to erroneous billing. Forum holds that mere non-inclusion of the said rebate by the Respondent in a bill does not make the bill to become erroneous;
- (24) Forum from examination of Tariff Orders passed by the Ld HPERC and Code / Regulations notified by the HPERC, further observes that no provision has been made therein with regard to payment of Interest on delayed payment of the said rebate. This rebate is separate which is to be paid or not by the Respondent after ascertaining whether the industry is a new one;
- (25) In view of foregoing, the Forum holds that the payment of Interest to the Complainant by the Respondent on delayed payment of Rebates by the Respondent has not been provided in Tariff Orders passed by the Ld HPERC and neither is it specified in Code / Regulations notified by the HPERC. In view of foregoing discussion, Forum holds and concludes that the Complainant is accordingly not entitled for any Interest in accordance with ibid code 5.7.3 of Supply Code, 2009 arising from delayed payment of the said rebate applicable for new industries. Thus, the contention raised by the Complainant with regard to refund of Interest on rebate is also rejected by the Forum and is accordingly disposed.

(26) In view of foregoing discussion, Forum finds and holds that there is no contravention of Tariff Orders by the Respondent;

On aforesaid terms, the complaint is **Disposed**;

Parties are left to bear their own costs.

Order is announced before the parties present today on 28.02.2025 at Shimla in open Forum.

Registry of Forum is directed to supply certified copies of this Order to the parties and the complaint along with this Order be consigned to record room for safe custody.

Date: 28.02.2025
Shimla

--Sd--
Vikas Gupta
(Member)

--Sd--
Tushar Gupta
(Chairperson)

**CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI,
SHIMLA-9.**

Complaint No.: - 1454/202406/17

Date of Admission:- 24.06.2024

**Quorum: - Er. Tushar Gupta, Chairman
Er. Vikas Gupta, Member**

In ref:-

M/s Milestone Gears Pvt. Ltd.
Unit IX, Village Katha, P.O. Baddi,
District Solan (HP).

Complainant

V/s.

HPSEBL & Others.

Respondents

1. The Executive Director (Pers.),
HPSEBL, Vidyut Bhawan,
Shimla-171004.
2. The Sr. Executive Engineer,
Electrical Division, HPSEBL,
Baddi Distt Solan.
3. The Assistant Engineer,
Electrical Sub-Division
HPSEBL, Baddi,
District Solan (H.P.)

Respondents

Final hearing:- 06.02.2025.

Present for:-

Complainant	1. Sh. Rakesh Bansal, Authorised Representative
Respondent	1. Sh. Kamlesh Saklani, Under Secretary Law 2. Sh. Rajesh Kashyap, Advocate

Date of Decision:- 28.02.2025

Notice

Registered

CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI
SHIMLA-171009.

No. CGRF/Complaint No. 1454/202406/17

Dated:-

M/s Milestone Gears Pvt. Ltd.
Unit IX, Village Katha, P.O. Baddi,
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HPSEBL, Baddi,
District Solan (H.P.)

Respondents

The Certified copy of final order dated 28.02.2025 passed by the Hon'ble Forum in the aforesaid complaint is enclosed find herewith for further necessary action at your end please. The compliance be reported/ intimated within one month after the receipt of order in the office.

Secretary,
Consumers Grievances Redressal Forum,
HPSEBL, Kasumpti Shimla-9.