CONSUMER GRIEVANCES REDRESSAL FORUM, SHIMLA

Complaint No 1454/202505/09

M/s Emmbros Autocomp Ltd

Vs

Himachal Pradesh State Electricity Board Ltd and ors

Complaint No 1454/202506/10

M/s Timco Steel Company

Vs

Himachal Pradesh State Electricity Board Ltd and ors

Complaint No 1453/202506/13

M/s Purobien Lifesciences

Vs

Himachal Pradesh State Electricity Board Ltd and ors

Complaint No 1453/202506/14

M/s Medicef Pharma

Vs

Himachal Pradesh State Electricity Board Ltd and ors

BRIEF FACTS OF CASES–

(1) Complaints have been filed under regulation 16, 17 and 18 of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 by Large Industrial Power Supply (LIPS) consumers of the HP State Electricity Board Ltd -

(a) **Complaint No 1454/202505/09:** M/s Embros Autocomp Ltd – Village Bhud, Nalagarh Road, Baddi, District Solan, HP - 173205, bearing Account No 100012002937, (hereinafter referred to as complaint No ’09);

(b) **Complaint No 1454/202506/10:** M/s Timco Steel Company, Village Bhatian, Tehsil Nalagarh, HP-174101, bearing Account No 100012000919, (hereinafter referred to as complaint No ’10);

(c) **Complaint No 1453/202506/13:** M/s Purobien Lifesciences, Plot No. 53, EPIP, Phase-I, Jharmajri, Baddi, District Solan- 173205, bearing Account No 100012002094, (hereinafter referred to as complaint No ’13);

(d) **Complaint No 1453/202506/14:** M/s Medicef Pharma, Plot No 28, 29, 48, EPIP, Phase-I, Jharmajri, Baddi, District Solan- 173205, bearing Account No 100012002057, (hereinafter referred to as complaint No ’14);

(2) In the matter the HP State Electricity Board Ltd is the distribution licensee and the Respondent herein;

(3) Complainants are primarily aggrieved by the non-action of the Respondent to give rebates on approved energy charges, as provided in Tariff Orders passed by the Ld HPERC, to existing industries which have undergone expansion/ undergoing expansion (hereinafter referred to as expansion rebate);

(4) In all of the instant complaints, grievance of the Complainants is that pursuant to expansion carried out by them, the Respondent is liable to raise correct electricity bills after allowing expansion rebates in proportion to increase in Contract Demand and because the expansion and Tariff Order was well within the knowledge of the Respondent and because of the delay in allowing this rebate, the Respondent is liable to pay Interest as per Clause 5.7.3 of the HP Electricity Supply Code, 2009 ;

(5) Grounds for grievance raised by the Complainants are that the Respondent being bound by law is liable to issue bills as per tariff determined by the Ld HPERC under Section 62 of the Electricity Act, 2003 and therefore the distribution licensee is in breach of terms under the HPERC (General Conditions of Distribution Licensee) Regulations, 2004 and can even attract suspension / termination of distribution license. Further, Section 62(6) of the Act, clearly bars over recovery in terms of price or charge;

(6) Complainants have submitted claims of expansion rebates as follows:-

(a) **In complaint No '09:-** Claim of Rs 13,30,937.55 **(Annexure C-5)** for the period w.e.f August 2024 to May 2025, simpliciter based on Tariff Order **(Annexure C-4)** for FY25 dated 15.03.2024, on load reflected in electricity bill dated 24.08.2024 seen vis-à-vis bill dated 10.07.2024 **(Annexure C-2 Colly)** and on

Power Availability Certificate (PAC) dated 22.07.2022 **(Annexure C-1)** issued by the Respondent**;**

(b) **In complaint No '10:-** Claim of Rs 1,16,10,994.18 **(Annexure C-5)** for the period w.e.f March 2022 to February 2025, simpliciter based on Tariff Order **(Annexure C-4)** for FY22 dated 31.05.2021, on load reflected in electricity bill dated 22.03.2022 **(Annexure C-2)**, Respondent's load sanction Office Order dated 13.07.2021 **(Annexure C-2)** and Chief Electrical Inspector's tentative approval communicated vide letter dated 15.04.2022 **(Annexure C-1);**

(c) **In complaint No '13:-** Claim of Rs 15,06,693.31 **(Annexure C-4)** for the period w.e.f November 2021 to October 2024, based on Tariff Order **(Annexure C-3)** for FY22 dated 31.05.2021, details of energy consuming apparatus (HPSEBL Form CS-10) **(Annexure C-1)** and on load reflected in electricity bill dated 12.11.2021 seen vis-à-vis bill dated 07.10.2021 **(Annexure C-2 Colly);**

(d) **In complaint No '14:-** Claim of Rs 24,47,314.35 **(Annexure C-4)** for the period w.e.f September 2021 to August 2024, based on Tariff Order **(Annexure C-3)** for FY22 dated 31.05.2021, details of energy consuming apparatus (HPSEBL Form CS-10) **(Annexure C-1)** and on load reflected in electricity bill dated 08.09.2021 seen vis-à-vis bill dated 09.08.2021 **(Annexure C-2 Colly);**

(7) On foregoing grounds, facts and submissions, the Complainants have sought relief in terms of directions to the Respondent to revise / overhaul past bills during eligibility period of expansion rebate and to refund the difference on account of lower rates of energy charges for the past period and to continue to adjust the energy charges in future bills and also to direct Respondent to pay Interest in

accordance with Clause 5.7.3 of the HP Electricity Supply Code, 2009;

(8) On the other hand, it is the case of the Respondent that the Complainants have merged multiple issues. While the Complainants have enhanced their respective connected loads, the Complainants have not approached the Respondent for the expansion rebate but have come directly to the Forum. Further, the complaints No ’10, No ’13 and No ’14 are barred by limitation under regulation 19(c) of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013;

(9) Still further, that the non-payment of rebate is not wrong billing and that it takes time to verify record and that the Interest is to be paid from the date of filing the application for rebate and accordingly the contention of wrong billing raised by the Complainant is also liable to be rejected;

(10) Respondent has prayed for dismissing the complaints on foregoing facts and circumstances.

(11) Forum finds that the nature of complaints being similar, these are hereby disposed by common Order –

ORDER

(12) 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 in short referred as the ‘CGRF Regulations 2013’), HP Electricity Supply Code, 2009 (or in short referred as ‘the Supply Code 2009’) and amendments thereto, relevant Tariff Orders 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;

(13) At the outset Forum observes that while the Complainants herein have raised multiple issues with regard to expansion rebate as provided in Tariff Orders passed by the Ld HPERC however, the Respondent in any unambiguous terms, has also not raised any contention on the expansion of Industry by the Complainants nor on the entitlement or eligibility of this expansion rebate by them;

(14) Before the Forum delves into the issues of rebate raised in the instant complaints, it is imperative to reproduce for sake of convenience the provisions of expansion rebates contained under Schedule - Large Industrial Power Supply (LIPS) in various Tariff Orders passed by the Ld HPERC and which have been relied upon by the Complainant –

(a) Tariff Order passed on 31.05.2021 by the Ld HPERC for FY 2021-22 (applicable w.e.f 01.06.2021 to 31.03.2022)-

Quote

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13. Rebate for New and Expansion Industries:

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e. For existing industries which have undergone expansion during 01.04.2018 to 30.06.2019 and/or during 01.06.2020 to 31.05.2021, energy charges shall be 10% lower than the approved energy charges corresponding to the respective category for a period of three years for quantum of energy consumption corresponding to proportionate increase in contract demand.

Provided that such expansion if undertaken during 1.07.2019 to 31.05.2020 and/or shall be undergoing expansion on or after 01.06 2021, the energy charges shall be 15% lower than the approved energy charges for the respective category for a period of 3 years for quantum of energy consumption corresponding to proportionate increase in contract demand.

f. It is clarified that the above-mentioned rebate on energy charges shall be applicable during normal and peak hours. In case of night hours, night time concession shall only apply.

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Un-Quote

(b) Tariff Order passed on 15.03.2024 by the Ld HPERC for FY 2024-25 (applicable w.e.f 01.04.2024 to 31.03.2025) –

Quote

13. Rebate for New and Expansion Industries:

…...

……

c. For existing industries, which have undergone expansion during 01.06.2020 to 31.05.2021, Energy Charges shall be 10% lower than the approved Energy Charges corresponding to the respective Category for a period of three years for quantum of energy consumption corresponding to proportionate increase in Contract Demand.

Provided that such expansion, if undertaken during 01.06.2021 to 31.03.2024 and/or shall be undergoing expansion on or after 01.04.2024, the Energy Charges shall be 15% lower than the approved Energy Charges for the respective Category for a period of 3 years for quantum of energy consumption corresponding to proportionate increase in Contract Demand.

d. Example: In case of Contracted Demand is increased by an industry from 2 MVA to 3 MVA, the monthly units consumption for the purpose of lower Energy Charges shall be considered in proportion of the Original Contracted Demand and increased Contracted Demand. i.e., in case of the monthly consumption is 6 LUs, the lower Energy Charges shall be applicable on 2 LUs while 4 LUs shall be billed at the regular Energy Charge.

e. The above-mentioned rebate on Energy Charges shall be applicable during normal and peak hours. In case of night hours, night-time concession shall only apply.

f. For those industries having operation for more than three years in the State and are the electricity consumers of the HPSEBL, the energy charges shall be 15% lower than the approved Energy Charges for the respective category for quantum of energy consumption corresponding to additional energy consumption over and above that of maximum of the yearly consumptions of the last three financial years only. The quantity of additional energy consumption for the purpose of the rebate will be worked out at the end of the financial year. The amount of rebate will be calculated multiplying the quantum of additional energy consumption to the 15% rate of normal energy charges for the corresponding tariff category as determined by the Commission for the period applicable. It is also to clarify that in case any industrial consumer is availing the benefit of reduced energy charges in case of the increase in their contract demand shall not be eligible for availing the benefit of this new rebate introduced from 01.04.2024.

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Un-Quote

(15) From examination of the provisions of expansion rebates in Tariff Orders reproduced foregoing and after perusal of HPERC Supply Code, 2009 / Regulations notified by the HPERC, Forum observes

that these provisions on expansion are specific only to the Tariff Orders and are not covered in the Supply Code nor in other Regulations, which may regulate this rebate. This 'expansion' rebate is a tariff provision to be computed on the energy consumption corresponding to proportionate increase in Contract Demand (in kVA). However, before such rebate is computed it becomes incumbent upon the Respondent to first determine and decide expansion;

(16) Forum now proceeds to understand the term 'expansion' ibid. In the opinion of the Forum the term 'expansion' in the instant matters cannot be simpliciter. It is a known fact that the term 'expansion' implies physical increase of factors such as size, number, importance etc. Forum observes that what may constitute expansion in industry, has not been defined in the ibid Tariff Orders nor is it regulated by way of Supply Code / Regulations so as to enable the Respondent to assess the nature, fact and effective time of expansion for the purpose of allowing the said expansion rebate. This nature and fact may also be with regard to whether industries expansion is resulting from merging or undergoing increase/decrease in production or increase/decrease of capital/manpower with or without increase in capacity or the point of start/end of capital infusion or some yardstick which may be as per the electricity distribution licensee's technical standards.;

(17) Here, even the perception of expansion between the consumer and the distribution is bound to differ. For an electricity distribution licensee, obviously the addition of buildings, structures, manpower, capital infusion in company, investments in other companies etc cannot become the basis to give rebates on electrical consumption. A consumer may be inclined to consider factors like enhancement of maximum demand occurring in a month or enhancement in Contract Demand (Temporary or Permanent) or even a letter by the Industries

Department of the Government as expansion, whereas the distribution licensee may be inclined to consider some other factor of enhancement as expansion. Even the enhancement of any factor done in different time periods, may be construed differently by the two. A consumer may be inclined to consider an enhancement of any factor done during different time periods to mean expansion within each period whereas the distribution licensee may be inclined to consider some other effective date for the purpose of such enhancement, thus resulting in different perceptions of enhancement by the two;

(18) Forum finds here that the term ‘expansion’ in Tariff Orders passed by the Ld HPERC, has not been defined and is also not regulated by way of Supply Code / Regulations notified by the HPERC, so as to enable the Respondent to first decide on expansion and thereafter to allow rebates on the same;

(19) Thus, before the said expansion rebates are allowed by the distribution licensee to a consumer, at the outset it becomes imperative for it to conclusively confirm expansion and also its effective date for the purpose of entitlement/ eligibility of such rebates by the consumer. Forum finds that the Tariff Orders passed by the Ld HPERC do not define the term ‘expansion’ and neither do the Supply Code / Regulations notified by the HPERC regulate the said expansion for the purpose of allowing the expansion rebates specified in these Tariff Orders;

(20) Returning to the instant complaints, it therefore becomes clear to the Forum as to why has the Respondent in unambiguous terms, not raised any contention on the entitlement or eligibility of this expansion rebate by Complainants or conversely on the expansion of Industry by them;

(21) Further, Forum does not find anything on record that may show that the Complainants may have ever approached the Respondent for

settlement of their grievances as is also mandated under code 5.7.2 of the HP Electricity Supply Code, 2009 notified by the HPERC;

(22) Forum is of the considered view that it is incumbent upon a consumer to approach the distribution licensee accompanied with a claim for the rebates specified. This is on similar analogy of an electricity bill raised by the distribution licensee upon the consumer despite consumer being in knowledge or aware of the metered energy consumption done by it. Only on receipt of this claim can the distribution licensee decide on the entitlement, eligibility, effective date and validity of the expansion for the purpose of allowing such rebates as may be specified in Tariff Orders passed by the Ld HPERC;

(23) Accordingly, Forum finds that the arguments made by the Complainants that the Respondent is aware of the expansion carried out by it and therefore they are automatically entitled for the expansion rebates, are flawed, far-fetched and untenable. To approve of such arguments is analogous to suggesting or holding that a consumer without being raised an electricity bill ought to be bound and liable to pay for consumption of which it is already aware or similarly that a consumer should automatically be given electricity connection due to the presumed awareness by the distribution licensee of the advent of a consumer into its jurisdiction. Forum holds such arguments by Complainants to be flawed, far-fetched and untenable. Such arguments by the Complainants accordingly cannot garner the support of the Forum and are rejected. Forum holds that the Complainant is bound to submit a claim to the Respondent, which the Respondent is rightfully entitled to verify and validate for eligibility/ entitlement and effective date and this has not been done by the Complainants herein;

(24) Accordingly, as has been contended by the Complainant, it cannot be held by the Forum that the Respondent’s electricity bills raised

upon the Complainant are incorrect. No-where has the Complainant shown to the Forum that the bills paid by the Complainant contained undue charges and neither is any bill disputed by the Complainant which may be carrying undue charges. Non-inclusion of rebate in a bill by the Respondent does not make the bill to become not-due. It has to be shown by the Complainant that the charges included in the bill were not due but were paid by the Complainant. Merely the non-inclusion of rebate by the Respondent in a bill does not make the bill to become erroneous. This rebate is separate and it may be a case that such rebate is also computed and paid separately by the Respondent. Further, as has already been held by the Forum in paras supra, the eligibility/entitlement for Rebate and its effectiveness, has to be assessed, validated and verified by the distribution licensee on a claim which has to be raised by the Complainant and which the Forum finds as not having been done by the Complainants;

(25) Now coming to the contention of the Respondent with regard to complaints being barred by limitation under regulation 19(c) of the CGRF Regulations, 2013, which provides limitation period of 2 years from the date the cause of action arose to the Complainants. On this contention of Respondent, Complainant has contended that its cause of action is a continuous one. Forum from perusal of provisions of this regulation 19(c) and the Tariff Orders passed by the Ld HPERC, observes that these Tariff Orders in general remain in force for a period of 1 year and up to 31st March of an year and thus so do the tariff rates contained therein. However, the period of expansion rebates in these Tariff Orders is specified as three years. Thus, Forum finds that under regulation 19(c) of the CGRF Regulations, 2013, while it is unable to hold the expansion rebates specified for three years as a case of continuous cause with regard to the complaints however, at the same time Forum is also unable to apply the limitation clause specified in the instant complaints;

(26) Now coming to the grounds raised by the Complainants, Forum finds that these grounds have been raised on considerations of provisions of Section 62 of the Electricity Act, 2003 and the HPERC (General Conditions of Distribution Licensee) Regulations, 2004. As per the Complainants, the Respondent is liable and bound under law to issue bills as per tariff determined under the said section which clearly bars over recovery in terms of price or charge and therefore the distribution licensee is in breach of terms and can even attract suspension / termination of distribution license;

(27) Forum observes that when the Tariff Orders are passed by the Ld HPERC, these have to be implemented by the Respondent distribution licensee. When the implementation includes determining and deciding eligibility/ entitlement and effective date of expansion for purpose of rebates, then it is not for the Forum to suggest or direct the Respondent on the levy of a particular tariff or rebate or the manner in which to do so. Therefore, it becomes clear to the Forum, that it is for the Respondent to observe the Tariff Orders and to implement these and accordingly it has been left to the Respondent distribution licensee to interpret, determine and decide the term 'expansion' and thereafter to implement the rebates;

(28) On perusal of the Electricity Act, 2003, it further becomes clear to the Forum, that if any person finds violation or contravention, then it is empowered under the Act to raise complaint under Section 142 of the Act. In the grounds of complaints raised by Complainants, referring therein to Section 62, Forum observes that the Complainants have virtually raised the said contravention or violation under said Section 142, which Forum finds as being beyond the jurisdiction of this Forum to redress. Accordingly, on the grounds raised by the Complainants, Forum holds that the instant complaints get governed by section 142 of the Act and accordingly cannot fall within the jurisdiction of this Forum;

(29) In view of foregoing, Forum concludes that when the Electricity Act, 2003, the Regulations and the Codes notified by the HPERC under the Act are the basis for the Forum to determine and decide complaints and when these Regulations and the Codes do not regulate the term 'expansion' specified in Tariff Orders, then this Forum finds that it is unable to pass any directions in the instant complaints.

(30) Forum further concludes that due to the peculiar condition as stated in para supra, it is also unable to pass any directions in the instant complaints with regard to limitation under regulation 19(c) of the CGRF Regulations. 2013.

(31) Forum further concludes that on the grounds raised in the instant complaints, these complaints automatically get governed under section 142 of the Electricity Act, 2003 and thus cease to fall within the jurisdiction of this Forum and on this count too, this Forum is unable to pass any directions.

On aforesaid terms the Complainants are given liberty to approach the Ld HPERC. Accordingly, all of the instant complaints Nos 1454/202505/09, 454/202506/10, 1453/202506/13 and 1453/202506/14 respectively, are Dismissed;

Parties are left to bear their own costs.

Order is announced before the parties present today on 20.08.2025 at Shimla in open Forum.

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

Date: 20.08.2025
Shimla

--Sd-	**--Sd--**
Vikas Gupta	**Tushar Gupta**
(Member)	**(Chairperson)**

CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI, SHIMLA-9.

Complaint No.: - 1454/202505/09
Date of Admission: -04.06.2025
Quorum: - Er. Tushar Gupta, Chairman
Er. Vikas Gupta, Member

In ref:-

M/s Emmbros Autocomp Ltd.
Village Bhud, Nalagarh Road,
Baddi, Distt. Solan (HP). 173205 **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, Disstt. Solan(HP).

3. The Assistant Engineer,
Electrical Sub-Division
HPSEBL, Baddi
District Solan (H.P.)

Respondents

Final hearing:- 28.07.2025.

Counsels:-

Complainant 1. Sh. Rakesh Bansal Authorized Representative

Respondent 1. Sh. Rajesh Kashyap, Advocate

2. Sh. Kamlesh Saklani, U.S. Law

Date of Decision: -20.08.2025

<u>**Notice**</u>

Registered

<u>**CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI SHIMLA-171009.**</u>

No. CGRF/Complaint No. <u>1454/202505/09</u> **Dated:-**

M/s Emmbros Autocomp Ltd.
Village Bhud, Nalagarh Road,
Baddi, Distt. Solan (HP). 173205 **Complainant**

V/s.

HPSEBL & Others. **Respondents**

<u>**Complaint No. 1454/202505/09**</u>

1. The Executive Director (Pers.),
HPSEBL,Vidyut Bhawan,
Shimla-171004.

2. The Sr. Executive Engineer,
Electrical Division,
HPSEBL, Baddi, Disstt. Solan(HP).

3. The Assistant Engineer,
Electrical Sub-Division
HPSEBL, Baddi
District Solan (H.P.)

Respondents

The Certified copy of final order dated 20.08.2025 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.

<u>**DA:-As above.**</u>

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