BEFORE THE ELECTRICITY OMBUDSMAN, HARYANA
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(Regd. Post)

Appeal No. : 11/2025
Registered on : 07.03.2025
Date of Order : 27.06.2025

In the matter of:

Appeal against the order dated 24.02.2025 passed by CGRF, DHBVN Gurugram in case No 4802/2024.

Smt. Suman Goel W/O Sudesh Goel R/o Siwani, Bhiwani, Haryana **Appellant**

Versus

1. The Executive Engineer Operation, DHBVN, Operation Division-II, Hisar
2. The SDO (Operation), DHBVN, Azad Nagar, Hisar **Respondent**

Before:
Shri Rakesh Kumar Khanna, Electricity Ombudsman

Present on behalf of Appellant:
Shri Sunil Kumar Nehra, Advocate
Shri Akshay Gupta, Advocate

Present on behalf of Respondents:
Ms. Sonia Madan, Advocate
Shri Vinit Patter, XEN
Shri Sandeep Kumar, SDO

ORDER

A. Smt. Suman Goel has filed an appeal against the order dated 24.02.2025 passed by CGRF, DHBVNL, Gurugram in complaint No. DH/ CGRF 4802/2024. The appellant has requested the following relief: -

1. That **Smt. Suman Goel** (hereinafter may be referred as appellant petitioner) W/o Sudesh Goel is the resident of House No. 273, Ward No. 03, Siwani, Bhiwani, Haryana.
2. That the appellant petitioner applied for a new connection of load in the NDS category under application number **H74-424-244** on **29-04-2024**, under the jurisdiction of the SDO (Operation) Sub Division, Azad Nagar, Hisar (Haryana).
3. That the appellant petitioner made the payment of **Rs. 3050 (Rupees Three Thousand Fifty Only).**
4. That the application for new connection of appellant petitioner was cancelled on **08-05-2024**, with remarks stating a defaulting amount of **Rs. 27,32,627 (Rupees Twenty-Seven Lakh Thirty Two Thousand Six Hundred Twenty Seven Only).**
5. That the appellant petitioner did not have any default amount as mentioned by the respondent, and no further details regarding the default amount of **Rs. 27,32,627** were provided by the respondent, resulting in the cancellation of the application.
6. That aggrieved consumer filed the complaint before the CGRF on 3-12-2024 and the same was registered as case number 4802-2024.

7. That the matter was heard by Ld. CGRF on 06.12.2024 but no reply was submitted by the respondent SDO.

8. That the respondent SDO vide his office memo number **5017 dated 09.12.2024** submitted his reply " in this connection it is submitted that Smt. Suman Goyal W/o Sh. Sudesh Goyal R/o Chaudhariwas applied for NDS connection vide A&A No H74-424-244 on dated 29.04.2024 with 1 KW load. Sh Lilu Ram JE visited the site and found that a HT connection in the name of Ms/ CWHT-0001 was running on the same premises and same was got effected PDCO on defaulting amount Rs. 2732627. The same new connection application was cancelled due to non-payment of defaulting amount on same premises.

9. But respondent didn't submit any breakup of defaulting amount and details along with the steps taken by the respondent for recovery of the defaulting amount.

10. That the Ld. CGRF vide interim order dated 7.1.2025 directed the respondent SDO to submit the below details:

A. Notices given to previous consumer for recovery of electricity dues.
B. Copy of bills issued to previous consumer from 1-Jan-2018 to PDCO.
C. Details of payment made by the previous consumer against these bills.
D. Detail of feeder from which the connection of previous consumer connected.

11. The respondent SDO never submitted the complete reply as per the directions given by the Ld. CGRF vide interim order dated 7.1.2025.

12. The respondent SDO vide his office memo number 6215 dated 05-2-2025 submitted the reply as below.

In continuation of this office memo number 5876- dated 16.01.2025, it is submitted that as per Hon'ble Forum's direction issued on 21.01.2025 via mail regarding case number 4802/2024, the details are provided below:

1. As per section no 56(2) of electricity Act, the energy bill itself is a notice & there is no required of law of serve separate notice & in case of nonpayment of energy bill, as per electricity code, the status of premises where the said connection is being release will be that of defaulting premises.

2. Energy bill (attached) and M&P report of PDCO dated 17.12.2019.

3. Energy bill (attached) wef 1/2019 to 04/2020.

4. Chaudhariwas Independent Feeder, Now, chaudhariwas industries feeder emanating from 33 KV Sub Station, Arya Nagar.

13. The reply submitted by respondent is not completer rather misleading.

1. The respondent in his reply submitted that no separate notice is required and give reference of Section 56(2). Section 56(2) is related with the recovery of arear, which may be read as

"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 a period of two years from the date when such sum has been shown continuously as recoverable as arrear of charges of electricity

supplied and the supplied and the licensee shall not cut off the supply of the electricity".

As per Section 56(1)- Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days' notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer:

Provided that the supply of electricity shall not be cut off if such person deposits, under protest, -

(a) an amount equal to the sum claimed from him, or

b) the electricity charges due from him for each month calculated on the basis of average charge for electricity paid by him during the preceding six months, whichever is less, pending disposal of any dispute between him and the licensee.

That as per sales manual 7.1 " **2. Every consumer is expected to make the payment of his dues by the "due date." In case he fails to discharge the liability, his premises will be liable for disconnection under Section-56 of the Electricity Act, 2003. Under the provisions of Section-56 of Electricity Act, 2003, a clear fifteen days' notice in writing is required to be given to such consumer before disconnecting the supply. The notice of disconnection of supply in the event of non-payment of bill is printed on the bill itself, as such, if the payment of bill is not received within 15 days after expiry of grace period (i.e. before expiry of notice period), the premises of consumer should be disconnected by the SDO without further notice or loss of time. The supply to the premises so disconnected should not be re-stored until full settlement of all outstanding dues and of the charges for reconnection of supply prescribed in the schedule of General and misc. charges are not made."**

That As per Sales Manual 2013- Section-VII-Instruction No. 7.2- Recovery of Arrears from Defaulting Consumers:

Discontinuance of supply of electric energy to a consumer who defaults in liquidating the electric energy bill is not an end in itself but is only the first step towards not only arresting further accumulation of arrears but even forcing him to make the payment. However, all out efforts should be made to recover the amount, and such efforts should not be relaxed as long as the recovery is not actually affected.

The disconnection of supply of the consumer, who defaults in liquidating the electricity energy bill shall be made according to the following pattern:

i. Defaulter in the Ist cycle – Disconnection from the pole may be made.

ii. Defaulter at the IInd cycle – Cable & energy meters may be removed.

iii. Defaulter for more than two cycles – The whole of the electrical system existing for the consumer may be removed/ dismantled.

In the event of nonpayment of a bill, the second bill should accompany pre-printed notice intimating non-payment of the first bill and requesting for timely payment of the second bill failing which either or both of the following actions could be taken:

a) temporary disconnection (removal of fuses from the pole keeping other installations intact) and

b) upward revision of the security/ACD to cover two unpaid bills on the basis of past 12 months average consumption rounded off to nearest Rs.100. The extra amount payable by the consumer on this account should be mentioned on this notice.

2. The respondent in his reply submitted the copy of PDCO dated 17.12.2019 and on perusal of this copy of MT-1 report. It has been clearly written over there in observation

i. Visited the premises on request of SDO op vide his office memo number 6751/6752 dated 29-7-2019 for effect PDCO on defaulting consumer.

ii. XXXXX

iii. Supply was already found disconnected by OP staff and accuracy of meter couldn't be checked.

iv. XXXX

Beside this no reading parameter was mentioned in the MT-1 report. Which smells a foul play at the end of the respondent.

3. The respondent in his reply submitted copy of bills from 1-1-2019 to 4-2020 while the Ld. CGRF directed the respondent to submit the bills from 1-1-2018 onwards.

On perusal of bills it has been found that.

A. The bill issued in the month of Jan 2019 reflecting the arear 1085793.

B. In the month of Feb-2019 a sum or Rs. 1231298 (Rupees Twelve Lakh Thirty One Thousand Two Hundred Ninety Eight) charged as sundry charges, that too without giving any detail.

C. Copy of bill issued in the month of Jul-2019 is having the arrear amount Rs. 1965405 (Nineteen Lakh Sixty-Five Thousand Four Hundred Five) while the reading is showing 0. Which means that the supply of Suresh pipe was disconnected from the pole in the month of June-2019 itself.

4. The respondent in his reply submitted that the connection of Suresh pipe was connected through independent feeder " Chaudhariwas" but respondent didn't provide any details of total connection connected on this independent feeder, along with the date of connection and copy of SCO.

14. The Ld. CGRF disposed of the case and the order held as under

"in view of above, as the case NO 3949/2022, already stands decided by CGRF of defaulting amount and it cannot be opened again. The premises being defaulting

premises of amount of Rs. 27,32,627, the SDO is directed not to release the connection on the same premises until the clearance of defaulting amount. The case is closed"

GROUNDS:

15. That the present appeal is filed on the following grounds:

a) **BECAUSE** the Impugned Order is passed in a mechanical manner and against the principles of natural justice and settled principles of law.

b) **BECAUSE** the Hon'ble CGRF has wrongly held "**view of above, as the case NO 3949/2022, already stands decided by CGRF of defaulting amount and it cannot be opened again. The premises being defaulting premises of amount of Rs. 27,32,627, the SDO is directed not to release the connection on the same premises until the clearance of defaulting amount. The case is closed"**

c) **BECAUSE** the order passed by the CGRF is not reasoned one.

d) **Because** CGRF failed to understand that the case no 3949/2022 was filed by MR. Ajay Kumar in the name of M/s Suresh Pipe PVT LTD that too for charging of line losses.

e) **Because Ld. CGRF** Failed understand that A company is a juristic person and is governed by Board of Directors and
any agreement entered into by a company is required to be supported by resolution of Board of Director. There is nothing on the record to show that case number 3949/2022 filed by the Suresh Pipe P Ltd. An individual act of a Director cannot bind the company in absence of a resolution passed by the Board of Directors. This issue is no more res- integra and Hon'ble Apex Court in Civil Appeal No. 5915-5916 of 2002decided on 13.09.2004 in case titled M/s. Dale and Carrington Invt. (P) Ltd. and another Vs P. K. Prathapan and others has held that – "it may be appropriate to consider the legal position of Directors of companies registered under the Companies Act. A company is a juristic person and it acts through its Directors who are collectively referred to as the Board of
Directors. An individual Director has no power to act on behalf of a company of which he is a Director unless by some resolution of the Board of Directors of the Company specific power is given to him/her. Whatever
decisions are taken regarding running the affairs of the company, they are taken by the Board of Directors".

f) **Because CGRF** failed to understand that the present case is filed by Ms. Suman Goel and matter is related to new connection while the case number 3949/2022 was total different.

g) **Because CGRF** didn't provide any opportunity to submit the reply against the submission submitted by the respondent on 5-2-2025 and pronounced the order without reserving it.

h) Because CGRF failed to understand that non submission of proper reply and details by respondent is serious concern, and smells foul play**.**

i) **Because CGRF failed** to understand that the respondent SDO never tried to recover the outstanding amount from previous owner i.e Suresh Pipe P LTD.

j) **That CGRF failed to** take the cognizance that the respondent SDO allow the part payment for so long time that too without taking approval from the higher authorities.

k) That the CGRF failed to understand that the appellant never denied in paying the legitimate due**.**

16. That no similar appeal has been filed against the Impugned Order.

17. That there no delay in filing the present appeal.

PRAYER

In view of the facts and circumstances as stated above, it is most humbly submitted and prayed that this Hon'ble Forum be pleased to:

a) Allow the appeal in favor of the Appellant and set aside the Impugned Order dated 24-02-2025 passed by the Ld. CGRF, DHBVN in Case No. 4802-2024.

b) Direct the Respondents to allow the connection of appellant without any cost.

c) Direct the Respondents to pay Rs.1,00,000/- towards cost of mental agony and harassment;

d) Pass any such other order(s) as this Hon'ble Forum may deem fit in the interest of justice.

B. The appeal was registered on 11.03.2025 as an appeal No. 11/2025 and accordingly, notice of motion to the Appellant and the Respondents was issued for hearing the matter on 27.03.2025.

C. Hearing was held on 27.03.2025 as scheduled. Both the parties were present during the hearing through video conferencing. During the hearing, the counsel for the respondent submitted that arguing counsel Ms. Sonia Madan engaged recently and requested for 2-3 weeks time to file the reply. The respondent SDO is directed to file point wise reply with an advance copy to the appellant by 09.04.2025.

Acceding to the request of respondent, the matter is adjourned for hearing on 16.04.2025.

D. The respondent SDO vide email dated 11.04.2025 has submitted reply, which is reproduced as under:

1. The present reply is being filed through Sh. Dinesh Kumar, presently working as SDO, 'OP', Balsamand Sub Division, Dakshin Haryana Bijli Vitran Nigam Ltd. (hereinafter referred to as 'DHBVN'), who is competent to file the present reply as well as fully conversant with the facts and circumstances of the case on the basis of knowledge derived from the record.
2. The present appeal has been filed by the Appellant under Section 42 (6) of the Electricity Act (hereinafter "EA, 2002") read with Regulation 3.16 of Haryana Electricity Regulatory Commission (Forum and Ombudsman) Regulations, 2020 (hereinafter "Regulations, 2020") against the order dated 24.02.2025 passed by Ld. Consumer Grievance Redressal Forum, DHBVNL in Case No. 4802/2024

filed by the Appellant herein. It is submitted that the Complaint was filed by the Appellant before Ld. CGRF seeking that the Respondents/officials of DHBVNL be directed release the Connection (NDS Category) for the premises - Chaudhariwas, Tehsil and District (hereinafter the "Premises").

Vide the order dated 24.02.2025, the Ld. CGRF had dismissed the complaint while holding that "The premises being a defaulting premises of amount of Rs.27,32,627/- the SDO is directed not to release the connection on the premises until the clearance of defaulting amount. The case is closed. No cost on either side."

3. All submissions are made in the alternative and without prejudice to each other. Nothing submitted herein shall be deemed to be admitted unless the same has been admitted thereto specifically.

PRELIMINARY SUBMISSIONS/OBJECTIONS:

4. At the outset, it is submitted that by way of the present appeal, the Appellant is, in essence, seeking release of the electricity connection while refusing the pay the defaulting amount due and payable as against the 'Premises' in question. It is submitted that such a relief, being contrary to the following provisions of law, cannot be granted and is liable to be rejected:

Electricity Act, 2003

"Section 56. (Disconnection of supply in default of payment):

(1) Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days' notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer:

Provided that the supply of electricity shall not be cut off if such person deposits, under protest, -

(a) an amount equal to the sum claimed from him, or

(b) the electricity charges due from him for each month

calculated on the basis of average charge for electricity paid by him during the preceding six months, whichever is less, pending disposal of any dispute between him and the licensee."

Electricity Supply Code, 2014 (hereinafter "Supply Code")

4.3 Conditions for Grant of Connection due to change of ownership/division/reconstruction of property.

4.3.1 Purchase of existing property

Where the applicant has purchased an existing property, whose supply has been disconnected, it shall be the applicant's duty to verify that the previous owner has paid all dues to the licensee and obtained a "no-dues certificate" from the licensee. In case such "no-dues certificate has not been obtained by the previous owner, the applicant shall request the previous owner to obtain a no dues certificate from the licensee and handover the same to him. On receipt of such request from the previous owner, the licensee shall either intimate in writing the dues outstanding on the premises, if any. or issue a "no-dues certificate" within thirty (30) days from date of receipt of request. If the licensee does not issue the no dues certificate or dispatch a letter intimating the dues to the previous owner within thirty (30) days of receipt of his request, the applicant shall be absolved of any liability on account of dues against the previous owner and the licensee shall have to seek legal recourse separately against the previous owner for recovery of such dues.

In case the licensee dispatches a letter intimating the dues to the previous owner within thirty (30) days of receipt of his request and in case these are not deposited by the previous owner, the applicant shall be liable to clear any dues against the previous owner before a new connection is released in his favour.

If however, subsequently at any stage, the audit points out any additional amount due on account of period of the previous owner, it shall be the liability of the new consumer to pay such amount.

4.4 Procedure for providing New Electricity Connection

4.4.1 Application for new connection

(5) Application form for new connection must be accompanied with a photograph of the applicant, identity proof of the applicant, proof of applicant's ownership or legal occupancy over the premises for which new connection is being sought, proof of applicant's current address and the no dues certificate mentioned in Regulation 4.3.1 or in its absence undertaking to pay outstanding dues of the previous owner and in specific cases, certain other documents as detailed in Regulations 4.4. (7) to 4.4.1 (11).

4.5 Procedure for Providing Temporary Supply

4.5.11 If there are outstanding dues against the applicant or the premises where temporary connection is required, temporary connection shall not be given till such dues are paid by the applicant."

It is humbly submitted that all actions have been taken in terms of the aforesaid provisions. The Appellant, however, is merely attempting to evade its statutory obligation to pay the arrears as mandated by law. Accordingly, the present appeal is liable to be dismissed on the sole ground that it is in contravention of the provisions of the EA, 2003 and the applicable Supply Code.

5. It is further submitted that the duty of the subsequent owner to pay the arrears, if any, relating to the same premises is also no longer res-integra and already stands settled in- Dakshin Haryana Bijli Vitran Nigam Ltd., v. M/s. Paramount Polymers Pvt. Ltd [2007 (1) RCR (Civil) 396) (Enclosure RJ-1) wherein the Hon'ble Apex Court held that if transferee (being the Appellant herein) desires to enjoy the service connection, he shall pay the outstanding dues, if any, to the supplier of electricity and a reconnection or a new connection shall not be given to any premises where there are arrears on account of dues to the supplier.

Similarly, in the case of Telangana State Southern Power Distribution Company Limited v. M/s. Srigdhaa Beverages [2020 (6) SCC 404) (Enclosure RJ-2) the Hon'ble Apex Court, in the concluding para of the judgement, held as under:

> "A. That electricity dues, where they are statutory in character under the Electricity Act and as per the terms & conditions of supply, cannot be waived in view of the provisions of the Act itself more specifically Section 56 of the Electricity Act, 2003 (in pari materia with Section 24 of the Electricity Act, 1910), and cannot partake the character of dues of purely contractual nature."

Further, the Hon'ble Punjab and Haryana High Court in the case of M/s Venus Real Con. LLP (Limited Liability) v. Dakshin Haryana Bijli Vitran Nigam Limited [2021 (3) RCR (Civil) 264] (Enclosure RJ-3), held as under:

17. It has been held that demand of clearance of arrears on account of electricity dues can be made and conditions can be imposed based upon statutory rules in force on date of application. Thus, it has to be held that the Nigam was justified in demanding payment of arrears of electricity dues.

24. Finally, it has been argued that Section 43 of the Electricity Act confers a right upon an applicant for electricity connection and a corresponding duty upon the Nigam to release a connection within a period of one month of the receipt of the application and thus, the Nigam was bound to release the electricity connection. This argument also deserves to be rejected. Section 43 of the Electricity Act cannot be construed as a stand alone provision. It has to be read in conjunction with other provisions of the said Act and Rules and Regulations framed thereunder. Thus, construed the duty imposed upon the Nigam under the said provision is subject to rights provided under the other provisions. This would also be in accordance with the accepted principles of interpretation of statutes one of which is harmonious construction."

In view of the law settled by the Hon'ble Courts, the Answering Respondent can insist upon fulfilment of the requirements of Rules and Regulations, including the payment of arrears of the premises.

6. Insofar, as the submissions of the Appellant with respect to the purported non-service of proper notice are concerned, the said submissions are misconceived, misleading, based on a wrong understanding of law and are bereft of merit owing to the following amongst other reasons:

a. The notice, prior to the disconnection, if any, was to be served upon the previous owner of the premises i.e. M/s Suresh Pipe before the passing of Permanent Disconnection Order (for brevity "PDCO"). As such, the argument with respect to the non-service of proper notice can only be raised by M/s Suresh Pipes and not by the Appellant. There was no requirement on the part of the Respondents to serve any such notice to the Appellant prior to the disconnection. The submissions with respect to the non-service of notice is merely an attempt on the part of the Appellant to mis-lead the Hon'ble Ombudsman while deviating the issue with respect to the admitted non-payment of arrears on the part of the Appellant. It is respectfully submitted that the issue before the Hon'ble Ombudsman is whether the Appellant is liable to pay the default amount in terms of Section 56 read with Regulation 4.3.1 and 4.4.1(5) of the Supply Code and not the validity of notices served upon the previous owner.

b. Be that as it may, M/s Suresh Pipes has already filed a complaint before the Ld. CGRF bearing Case no. 3949 of 2022 and Ld. CGRF has dismissed the complaint so filed vide its order dated 12.12.2022 while holding that the defaulting amount is payable. A copy of the order dated 12.12.2022 passed by the Ld. CGRF in Case No. 3949/2022 is annexed herewith as Annexure R-1. It is also pertinent to mention here that no appeal has been filed by M/s Suresh Pipes against the said order, as such, the order dated 12.12.2022 has attained finality and cannot be sought to be re-opened by the Appellant herein.

   Without prejudice to the foregoing, it is humbly submitted that the previous owner M/s Suresh Pipes is a stranger to the present proceedings and has not been arrayed as a party respondent. Any order concerning the validity of notice served upon the previous owner cannot be passed behind the back of M/s Suresh Pipes.

c. It is further submitted that as per Instruction 7.1 of the Sales Manual, which reads as under, the electricity bill itself is a notice and there is no requirement of service of a separate notice:

"2. Every consumer is expected to make the payment of his dues by the "due date." In case he fails to discharge the liability, his premises will be liable for disconnection under Section-56 of the Electricity Act, 2003. Under the provisions of Section-56 of Electricity Act, 2003, a clear fifteen day's notice in writing is required to be given to such consumer before disconnecting the supply. The notice of disconnection of supply in the event of non-payment of bill is printed on the bill itself, as such, if the payment of bill is not received within 15 days after expiry of grace period (i.e. before expiry of notice period), the premises of consumer should be disconnected by the SDO without further notice or loss of time. The supply to the premises so disconnected should not be re-stored until full settlement of all outstanding dues and of the charges for reconnection of supply prescribed in the schedule of General and misc. charges are not made."

d. Further, the last bill-cum-notice served upon M/s Suresh Pipes was dated 14.01.2019 which was not paid until the issuance of PDCO dated 17.12.2019. The said energy bill has not been paid till date. As such the argument raised by the Appellant regarding the non-service of proper notice is hopelessly time-barred.

7. At is stage, attention of the Hon'ble Ombudsman is brought towards Rule 7(2) of the Electricity Rules, 2005 reproduced below:

"(3) The Ombudsman shall consider the representations of the consumers consistent with the provisions of the Act, the Rules and Regulations made hereunder or general orders or directions given by the Appropriate Government or the Appropriate Commission in this regard before settling their grievances."

It is the case of the Respondents that in view of Rule 7(2) reproduced above, the provisions of the Supply Code are binding upon the Hon'ble Ombudsman and are liable to be followed, It is the humble submission of the Respondents that neither any relaxation of the Rules and Regulations is liable to be granted, nor any power has been conferred upon the Hon'ble Ombudsman to grant such relaxation. Thus, the present appeal is liable to be dismissed on the sole ground of being contrary to the object and mandate of Rule 7(2) of the Rules, 2005.

8. That apart from the above, the Appellant has contended that the order passed by the Ld. CGRF is not reasoned one and has been passed in ignorance of the submissions raised by the Appellant. In this regard, it is submitted that a bare perusal of the impugned order shows that the same is a detailed order wherein in reasons for the rejection of the claim raised by the Appellant had been clearly stated, which includes the reliance of the Ld. CGRF on the explicit provisions of law. Further, the order has been passed by the Ld. CGRF only- "After considering the reply of both the complainant and SDO and submissions made by them in the hearing...". As such, the order is plausible and it cannot be held that the order is non-speaking. The order touched upon the merits of the case, only after which the complaint was dismissed. In the case of Mohinder Pal Bali P.S.E.B. Patiala & Ors. [2006 (1) I.L.R. Punjab and Haryana 42], the Hon'ble Punjab and Haryana High Court held that:

"(7) Normally, when the matter is being decided at motion stage, it is not possible always to notice all the judgments cited by the learned counsel. We had considered the judgments cited by the learned counsel, but reference was not made to the aforesaid two judgments as the same were not applicable to the facts and circumstances of the case of the petitioner, It is not necessary that each and every argument raised by the counsel and each and every authority cited by the learned counsel, has to be considered, whether they are relevant or irrelevant."

Even otherwise, a summary procedure is adopted before the Ld, CGRF, there was no requirement of 'reserving' the order etc. as contended by the Appellant in the grounds of the present appeal.

In terms of the foregoing, the para-wise reply is as under:

PARA-WISE REPLY:

1.-4. That the contents of para no. 1 to 4 are a matter of record and do not call for any reply.

5. That the contents of para no. 5 are wrong and denied. It is denied that the Appellant did not have any default amount as mentioned by the Respondents. It is further denied that no details regarding the default amount of Rs.27,32,627/- was provided by the Respondents. It is submitted that the demand was rightly issued by the Answering Respondents in view of the arrears of the premises.

6.-8. That the contents of para no. 6 to 8 are a matter of record.

9. That the contents of para no. 9 are meritless, wrong and denied. It is humbly submitted that the Respondents had filed the reply to the complaint whereby allegations with respect to non-release of connection were made by Appellant. The reply was duly filed before the Ld. CGRF informing that the application of release of new connection was rejected in view of the arrears of electricity due and payable in relation to the Premises in question, as such, there was no requirement on part of the Respondents to give detailed explanation to the Appellant regarding the break-up of the amount due etc. Even otherwise, the break-up of the amount can be seen in the bills raised/ notices sent to the previous owner. However, the last bill in respect of the premises in question and the Permanent Disconnection Order are being appended herewith marked as Annexure R-2 and Annexure R-3 respectively.

10. That the contents of para no. 10 are a matter of record.

11. That the contents of para no. 11 are wrong and denied. It is denied that the Answering Respondents did not submit the complete reply in terms of the interim order dated 07.01.2025. Admittedly, the reply dated 05.02.2025 was submitted and the information given therein was in compliance with the Order. Be that as it may, at this stage, the order dated 07.01.2025 has merged into the final order dated 24.02.2025, as such, the allegations concerning the non-compliance of the order dated 07.01.2025 cannot be looked into at this stage. However, for full disclosure, the Respondent is still appending herewith bill statement from 01.10.2018 till PDCO in respect of premises in question which includes bill amount raised for consumption and amount paid by previous consumer.

12. That the contents of para no. 12 insofar as it relates to the reply submitted by the Answering Respondents before the Ld. CGRF, is a matter of record.

13. That the contents of para no. 13 are wrong and denied. It is vehemently denied that the reply submitted by the Respondents before the Ld. CGRF was incomplete or misleading. Further, the sub-para wise reply is as under:

    1. The contents of sub-para 1 insofar it relates to the provisions of the EA, 2003 as well as the provision of the Sales Manual, the same is a matter of record. It is submitted that the provisions of law were duly complied by the Answering Respondents.

    2. That in reply to the contents of sub-para 2, It is submitted that the Appellant is, once again, trying to mislead the Hon'ble Ombudsman and divert the issue

while raising unwarranted allegations regarding the correctness of PDCO, especially when the issue with respect to payment of arrears by M/s Suresh Pipes already stands decided by the Ld. CGRF vide order dated 12.12.2022, which has already attained finality. The issue cannot be re-opened in view of the principle of constructive res-judicata. Be that as it may, it is humbly submitted that PDCO has been rightly issued. It is submitted that no reading parameter was mentioned in the MT-1 report as the supply was already disconnected. During effecting PDCO, the M&P team found that the supply was already disconnected by the Operation Staff, so reading not taken, which is mentioned in MT-1 report. However, as per the last MT-1 report dated 06.06.2019 prior to disconnection of supply, the last reading is mentioned as 1482919. It is wrong and denied that there is any foul play at the end of the Respondents. A copy of MT-1 report dated 06.06.2019 is appended herewith marked as Annexure R-5.

3.-4. That the contents of sub-para insofar as it relates to the bills appended with the appeal, the same are a matter of record. However, it is wrong and denied that no details have been mentioned. It is submitted that detailed bifurcation of the amount due have been given under the table- "Bill Amount Details". Furthermore, no alleged detailed bifurcation has been demanded by the then consumer. Appellant cannot aver that there was no bifurcation at this stage, when he was not the beneficiary of the electricity. The alleged details, as is being sought in the present appeal, ought to have been taken by the Appellant from its seller, who was the consumer in the impugned bills. Regardless, the Respondent has provided all necessary information and shall provide any further necessary information, if so, ordered as necessary for adjudication.

14. That the contents or of plasa no. 14 are a matter of record.

Reply to "Grounds":

15. That in reply to the contents of para no. 15 it is humbly submitted that the present appeal being non-maintainable and also bereft of merit is liable to be dismissed in view of the preliminary submissions/ objections detailed hereinabove, However, for the convenience of this Hon'ble Court, the sub-para wise reply is as under:

A. That the contents of this para are wrong and denied. It is denied that the impugned order has been passed in a mechanical manner and against the principles of nature justice or the principles of law. It is submitted that a bare perusal of the order dated 24.02.2025 shows that both the parties were provided opportunity of hearing and only after consideration of the points raised by the Appellant, the order has been rightly passed by the Ld. CGRF.

B. That the contents of this para, insofar as it relates to the observation made by the Ld. CGRF, the same is a matter of record, However, it is wrong and denied that the observations were "wrong" in any manner.

C. That the contents of this para are wrong and denied. Detailed reply has already been given in the preliminary submissions/ objections.

D. That in reply to the contents of this para, it is submitted that vide order dated 12.12.2022, all the issues which had been raised had been decided further, all the issues which ought to have been raised at the relevant point in time also deemed to have been decided in view of the doctrine of constructive re-judicata.

E. That in reply to the contents of this para, it is submitted that the Appellant is seeking to challenge the earlier orders passed by Ld. CGRF in Case No. 3949 of 2022. However, it is humbly submitted that no appeal against the said order has ever been filed by any of the parties. The said order has attained finality and cannot be re-opened. Further, the ground being raised by the Appellant, can at best be of assistance to M/s Suresh Pipes. No benefit can be granted to the Appellant herein. Detailed reply has already been given in the preliminary submissions/ objections, the contents of which are not being repeated here for brevity.

F That the contents of this para are misleading in nature wrong and denied, as the provisions of the Supply Code cannot be bypassed by merely submitting an application for a fresh connection while falling to pay the amount due against the premises.

G. That the contents of this para are misleading in nature, wrong and hence denied. It is submitted that a bare perusal of the order itself shows that full opportunity of hearing was granted to the Appellant. Further, there was no requirement of "reserving" the order and pronouncing it subsequently.

H. That the contents of this para are wrong and denied. It is denied that there was non-submission of proper reply by the Respondents or that there was any foul play on the part of the Respondents. Such submissions raised by the Appellant are worthy of no credence.

I That in reply to the contents of this para it is submitted that, assuming without admitting that no action was taken by the Respondents, the same does not result in cessation of the liability of the consumer to pay the arrears. The arrears would continue to be payable and recoverable. However, it is wrong and denied that the Answering Respondents never tried to recover the outstanding amount from previous owner.

J. That the contents of this para are wrong and denied. Be that as it may, the scope of Ld. CGRF is limited to the adjudication of dispute between the individual consumer and the licensee. No action can be taken by the Ld. CGRF on account of the alleged act on the part of the Respondents.

K. That the contents of para are wrong and denied which is evident from the fact that till date, the Appellant has not made the payment of the amount due against the Premises in question.

16. That the contents of para no. 16 are denied for the want of knowledge.

17. That the contents of para no. 17 are wrong and denied.

E. Hearing was held on 16.04.2025, as scheduled. Both the parties were present during the hearing through video conferencing. During the hearing, appellant's counsel has requested for one week time for submitting his comments on the reply filed by the respondent counsel.

Accordingly, the matter is adjourned for hearing on 14.05.2025.

F. Hearing was held on 14.05.2025, as scheduled. Both the parties were present. During the hearing, appellant's counsel has submitted written arguments and the copy of same has also been provided to respondent counsel. Further appellant counsel has also requested to provide the details of defaulting amount i.e. Rs. 27,32,627/-, copy of bills from January 2018 till date of PDCO, copy of notice for recovery of amount charged through half margin/ short assessment. Also, the number of connections alongwith their sanctioned load on 11 KV Choudhariwas independent feeder, now 11KV Choudhariwas Industry feeder emanating from 33 KV sub-station Arya Nagar and amount for line losses charged to these connections. Further, respondent counsel was directed to submit his comments on written arguments alongwith all above details as requested by appellant counsel within 10 days with a copy to appellant counsel. Accordingly, the matter is adjourned for hearing on 09.06.2025.

G. Hearing was held on 09.06.2025, as scheduled. None on behalf of the appellant was present. Respondent counsel appeared and submitted that SDO 'Op' Sub Division, DHBVN, Gangwa, Hisar requested for adjournment for hearing as certain essential record relevant to the matter are currently untraceable despite sincere efforts and requested for another short date.

Accordingly, the matter is adjourned for hearing on 26.06.2025.

H. The respondent counsel vide email dated 25.06.2025 has submitted Written Submissions on behalf of the Respondent, which is reproduced as under:

A. RELIEF SOUGHT BY THE CLAIMANT -

a. Set aside the impugned Order dated 24.02.2025 passed by Ld. CGRF, DHBVN in Case No. 4802-2024**.**
b. Direct the Respondents to allow the connection of Appellant without any cost.
c. Payment of Rs. 1,00,000/- towards compensation for mental agony and harassment.

B. SALIENT FACTS –

Sr. No.	Details	Particulars
1.	Premises in Question	8 Kanal Land, Choudharywas, Tehsil and District Hisar
2.	Applicant/Appellant	Suman Goel w/o Sudesh Goel R/o House No. 273, Ward No. 03, Siwani, Bhiwani, Haryana
3.	Applicant Load and Category	NDS Connection with 1 KW load

4.	Earlier connection of premises in question	HT connection in the name of M/s Suresh Pipe, A/C No. CWHT- 0001
5.	17.12.2019	PDCO effected on December, 2019 with defaulting amount of Rs. 27,32,627/-.
6.	03.01.2022	Complaint filed by earlier owner of the premises in question i.e. M/s Suresh Pipes Ltd. before CGRF
7.	12.12.2022	After detailed assessment of the computation of the demand notice, the complaint was dismissed and the demand of Rs. 27,32,636/- was upheld.

C. ARGUMENTS OF THE RESPONDENT OBJECTING TO TENABILITY OF APPEAL –

1. Section 56(2) of the Electricity Act, 2003 entitles the Respondent to discontinue the supply until such pending arrears, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid.
2. Regulation 4.3.1 of the Electricity Supply Code, 2014 provides that ***"****Where the applicant has purchased an existing property, whose supply has been disconnected,* ***it shall be the applicant's duty to verify that the previous owner has paid all dues to the licensee and obtained a "no-dues certificate" from the licensee****."*
3. The legal issue to be considered in the present appeal is limited to **whether the Appellant is liable to pay the default amount in terms of Section 56 read with Regulation 4.3.1 and 4.4.1(5) of the Supply Code?** The **validity and legality of the demanded amount** is outside the purview of the present appeal and has been settled by the Order of the CGRF dated 12.12.2022, which has attained finality.
4. The correctness of PDCO, especially when the issue with respect to payment of arrears by M/s Suresh Pipes already stands decided by the Ld. CGRF vide order dated 12.12.2022, which has already attained finality. The issue cannot be re-opened in view of the principle of constructive res-judicata.
5. The Connection was discontinued prior to PDCO, as is explicitly mentioned in the MT-1 report, prepared on Permanent Disconnection (Annexure A-4) dated 17.12.2019. No reading parameter was mentioned in the MT-1 report as the supply was already disconnected. During effecting PDCO, the M&P team found that the supply was already disconnected by the Operation Staff, so reading was not taken, which is mentioned in MT-1 report. However, as per the last MT-1 report dated 06.06.2019 (Annexure R-5, page 42 of reply) prior to disconnection of supply, the last reading is mentioned as 1482919.

D. LEGAL POSITION AS REGARDS OBLIGATION OF THE NEW

OWNER TO CLEAR OUTSTANDING DUES -

6. Payment of arrears by subsequent owner on account of dues pending and payable from previous owner is legitimate, the same is a settled principle of law as laid down by the Hon'ble Supreme Court in the case of ***K.C. Ninan v. Kerela State Electricity Board, (2023) 14 SCC 431*** *(Date of decision 19.05.2023)***as follows:**

> "***It is just and reasonable for the distribution licensees to specify conditions of supply requiring the subsequent owner or occupier of premises to pay the arrears of electricity dues of the previous owner or occupier as a preconditions for the grant of an electricity connection to protect their commercial interests as well as the welfare of consumers of electricity Ss. 61 (b) and (d) of the 2003, Act."***

7. The above principle has also been dealt in the case of ***Dakshin Haryana Bijli Vitran Nigam v. M/s Paramount Polymers Pvy. Ltd., 2007 (1) RCR (civil) 396*** *(Date of decision 19.10.2006)* wherein the Hon'ble Apex Court held that if transferee (being the Appellant herein) desires to enjoy the service connection, he shall pay the outstanding dues, if any, to the supplier of electricity and a reconnection or a new connection shall not be given to any premises where there are arrears on account of dues to supplier.
8. The aforesaid case has also been relied by the Punjab Haryana High Court in the case of ***Navneet Kumar v. State of Haryana, CWP-7311 of 2018.***
9. Even in the case of ***Telangana State Southern Power Distribution Company Limited v. M/s. Srigdhaa Beverages*** [2020 (6) SCC 404] the Hon'ble Apex Court, in the concluding para of the judgement, held as u***"A. That electricity dues, where they are statutory in character under the Electricity Act and as per the terms & conditions of supply, cannot be waived in view of the provisions of the Act itself more specifically Section 56 of the Electricity Act, 2003 (in parimateria with Section 24 of the Electricity Act, 1910), and cannot partake the character of dues of purely contractual nature."***
10. Further, the Hon'ble Punjab and Haryana High Court in the case of ***M/s Venus Real Con. LLP (Limited Liability) v. Dakshin Haryana Bijli Vitran Nigam Limited*** [2021 (3) RCR (Civil) 264] held as under:

> *"17. ... ... It has been held that* ***demand of clearance of arrears on account of electricity dues can be made and conditions can be imposed based upon statutory rules in force on date of***
>
> ***application. Thus, it has to be held that the Nigam was justified in demanding payment of arrears of electricity dues***.

*24. Finally, it has been argued that Section 43 of the Electricity Act confers a right upon an applicant for electricity connection and a corresponding duty upon the Nigam to release a connection within a period of one month of the receipt of the application and thus, the Nigam was bound to release the electricity connection. This argument also deserves to be rejected. Section 43 of the Electricity Act cannot be construed as a standalone provision. It has to be read in conjunction with other provisions of the said Act and Rules and Regulations framed thereunder**. Thus, construed the duty imposed upon the Nigam under the said provision is subject to rights provided under the other provisions. This would also be in accordance with the accepted principles of interpretation of statutes one of which is harmonious construction."(Emphasis Supplied)***

E. RESPONSE TO THE CONTENTIONS OF THE APPELLANT–

A. Re: NO RECOVERY NOTICE WAS GIVEN TO THE PREVIOUS OWNER AND THE PAYMENT OF ANY ARREARS TANTAMOUNT TO UNJUST ENRICHMENT OF DHBVN-

i. The contention of the Appellant is contrary to the settled law, erroneous and mis-projected. Firstly, the issue of notice being served upon on the previous owner cannot be raised by the subsequent owner, more so, when the previous owner was well aware of the demand and raised a complaint against the same without any such averment. The principle of violation of natural justice are not even remotely attracted to instant case, in absence of any contention of the defaulting original owner regarding the notice having been served or they being not heard. In fact, a perusal of CGRF Order dated 12.12.2022 amply reveals that about 8 hearings were held, Respondent SDO was directed to submit all details of computation of demand, such details were assessed and were duly brought to the knowledge of the original owner. The said order was accepted by the Original Owner, meaning thereby there remained no grievance as regards the legality and validity of the demand. In that view, the contention of the Appellant is meritless.

ii. Secondly, Instruction 7.1 of the Sales Manual clearly provides that the electricity bill itself is a notice and there is no requirement of service of a separate notice. It is mentioned that ***The notice of disconnection of supply***

in the event of non-payment of bill is printed on the bill itself. This is also made explicit in the SALES CIRCULAR NO. D-2/2004 dated

04.02.2004.

iii. Thirdly, the last bill-cum-notice served upon M/s Suresh Pipes was dated 14.01.2019 which was not paid until the issuance of PDCO dated 17.12.2019. The said energy bill has not been paid till date. As such the argument raised by the Appellant regarding the non-service of proper notice is hopelessly time-barred.

iv. There is categorical stipulation by the Nigam that any new owner, seeking supply of connection, for a disconnected premises, has to be submit a No- Dues Certificate and clear pending arrears. The onus is therefore, on the Appellant to conduct due diligence of the premises and be aware of the pending dues. The presumption that holds good in this situation is that the previous owner is aware of the arrears and has accordingly either adjusted for the same in the Sale price or settled the issue with the previous owner. In that view, it is not open for the Appellant to contend that payment of arrears is to unjustly enrich the Nigam. The law of presumption in this case is against the Appellant and to aver that the payment would unjustly enrich the Nigam is untenable and without basis in view of the prevailing facts and circumstances. In fact, applying the law of presumption, non-payments of arrears, will unjustly enrich the Appellant and not the Nigam.

B. Re: Non-Compliance of Sales Instruction No. 11.6 –

i. At the outset, is submitted that the Appellant has raised afresh contentions in the Appeal, which were never raised in the original complaint. The said contentions are beyond the scope of present appeal and cannot be adjudicated afresh in the appeal. It is well trite law that new grounds cannot be raised in appellate stage and are to be dealt by the lower authority i.e. a question that was not raised in the first instance cannot be raised later on, in the appellate stage. The appellate court only decides the issues already dealt by the lower authority[1].

ii. Considerations of public policy require that a successful party should not, at the appellate stage, be faced with new grounds of attack after having repulsed the original ones. The proper function of an appellate court is to correct an error in the judgment or proceedings of the court below and not to adjudicate upon a different kind of dispute, a dispute that was never taken before the court below[2]. In this view, the contention of Appellant as regards non-refund of ACD and wrongful inclusion of sundry charges, though not even tenable otherwise, is beyond the scope

of present appeal. Without prejudice, it is submitted that in the event the Hon'ble Ombudsman deems it fit to hold that these issues must also be looked into, in that case, the matter has to be remanded back to CGRF. On this ground alone, the Respondent is not obligated to respond to these new allegations on merits, as they do not form part of the original pleadings.

iii. On the issue of adjustment of the ACD, the present case is a case of defaulting consumer. The question of notice not being served upon the original owner cannot be taken up by the subsequent owner as the original owner had never raised any grievance as regards no notice being served upon them. The original owner duly filed a complaint before CGRF and never raised any contention regarding not being served with notice. In fact, although ACD refund was not sought but in light of the Nigam Sales Circular No. D-45/2013 dated 10.09.2013, security deposit has to be re- appropriated towards the amount of arrears. The balance dues are thereafter, recoverable. The ACD anyhow, will be adjusted on payment of arrears by the subsequent owner.

iv. In all *bonafides*, it is submitted that the total ACD amount Rs. 3,74,475/- . The details of the ACD are also being submitted along with present written submissions for full disclosure, marked as **Annexure R-6.**

v. ACD adjustment has to be done provided the recovery is effected. The Appellant cannot be absolved from payment of the balance recoverable amount.

C. RE: DEMAND OF THE NIGAM IS TIME BARRED AND NON- RECOVERABLE -

i. The instant contention of the Appellant is *de hors* the settled law and based on incorrect understanding of the concept of 'debt' and the 'recovery'. It is the contention of Appellant that the amount payable has become time barred as the same was not recovered within a period of limitation. It is well trite law that while the remedy to recover a debt may be time-barred if not pursued within the statutory period, the debt itself isn't extinguished. In

[2]*Warner Hindustan Ltd. vs Collector Of Central Excise, Hyderabad on 3 August, 1999- (also cited in- Usha Industrial Corporation vs Commissioner Of C. Ex. on 2 November, 1999, Spasa Spares Services vs The Commissioner Of Central Excise, on 10 September, 2001*

K.C. Ninan v. Kerela State Electricity Board, (2023) 14 SCC 431, the SC held that the statute of limitation only barred a remedy, while the right to

recover the loan through 'any other suitable manner provided' remained untouched. Further, it was stated as under –

> **"***We therefore, reject the submission of the auction purchasers that the recovery of outstanding electricity arrears either by instituting a civil suit against the erstwhile consumer or from a subsequent transferee in exercise of statutory power under the relevant conditions of supply is barred on the ground of limitation under Section 56(2) of the 2003 Act. Accordingly, while the bar of limitation under Section 56(2) restricts the remedy of disconnection under Section 56, the licensee is entitled to recover electricity arrears through civil remedies or in exercise of its statutory power under the conditions of supply."*

ii. In the instant case, the demand has been well raised within period of limitation, for recovery against the same, the Nigam can recover the same from the subsequent owner in terms of the Electricity Act.

iii. If a demand was raised within the limitation period, the creditor can still pursue recovery through means other than a civil suit, like invoking a contractual right or a special statutory provision. Statute of limitation may bar a remedy to file a civil suit, it does not extinguish the underlying debt. The SC in the case of *K.P. Khemka v. Haryana State Industrial and Infrastructure Development Corporation* reaffirmed that legally recoverable debts, even if time-barred, remain eligible for recovery under specific statutory provisions, serving a public purpose.

iv. In the case of *Bombay Dyeing and Manufacturing Company Limited vs. The State of Bombay and Ors., 1958*, it was held that limitation laws only bars the remedy but didn't extinguish the debt. It was stated that *"a debt is not the same thing as the right of action for its recovery. While the debt is the right in the creditor with the corelative duty on the debtor the right of action for recovery is in the nature of a legal power. While the process of filing a civil suit may be barred because of the statute of limitation, the power to recover vested through Section 32-G of the State Financial Corporations Act read with Section 2(c) and Section 3 of the Recovery of Dues Act is a distinct power which continues notwithstanding that another mode of recovery through a civil suit is barred. Understood in that sense, it does appear that there is an additional right to enforce the claims of the financial corporations notwithstanding the bar of limitation*."

v. Thus, the instant contention of the Appellant is incorrect, misleading and liable to be rejected.

D. RE: OVERHAULING OF ACCOUNT – SUNDRY CHARGES HAVE BEEN WRONGLY CHARGED -

i. The contention of the Appellant, as is mentioned above, is firstly, beyond the scope of present appeal, as this issue was never raised before the CGRF. Detailed submissions on this aspect have been made above and the same shall be considered as part of instant response.

ii. Secondly, the issue of incorrectness of sundry charges cannot be raised by the subsequent owner when the same has been duly accepted by the original owner. It cannot be averred that no notice as regards the same was sent to the original owner as the original owner never raised any such grievance. The Appellant does not have any *locus standii* to aver wrongfulness in sundry charges being applicable. Detailed submissions on this aspect have been made above and the same shall be considered as part of instant response.

iii. Without prejudice to foregoing, on merits, it is submitted that the sundry charges have been rightly charged. An amount of Rs. 8,71,382/- has been rightly charged on account of excess refund wrongly issued to the consumer. The details of same, in all *bonafide*, and for full disclosure, is appended herewith marked as **Annexure R-7.**

iv. Similarly, details of amount of Rs. 12,31,298/-, also in all *bonafide*, and for full disclosure, is appended herewith marked as **Annexure R-8**. The same was on account of excess refund inadvertently wrongly given in the earlier bill.

v. Further, an amount of Rs. 16,21,661/- reflected in bill of November, 2018 is actually a sum of Rs. 8,71,382/- (which is referred above and Rs. 7,50,279/- which is the differential loss of meter at substation end and premises end, which is overhauled and charged in the bill. Details of amount of Rs. 7,50,279/-, also in all *bonafide*, and for full disclosure, is appended herewith marked as **Annexure R-9**.

vi. Suffice to state that the sundry charges have been rightly recovered, which was very well in the notice of the Appellant and were never disputed by them.

E. RE: RECOVERY FROM SDO/EMPLOYEE - RELIEF SOUGHT BY CLAIMANT IS CONTRARY TO PROVISIONS UNDER APPLICABLE LAW:

i. The proper procedure with respect to disconnection was followed as per

the guidelines. The Complainant is just shooting arrows in the dark hoping to hit some luck. However, the same is completely unnecessary as the Respondent had followed the due procedure. The Appellant cannot now raise averments as regards settled demand, more so, in absence of any grievance by the previous owner. The burden of proof of establishing the alleged new fact is also on the Appellant.

ii. Without prejudice, it is submitted that as to which provision of Regulation 10.1.1of the Haryana Electricity Regulations, Supply Code 2014 has been violated, has not been elucidated by the Appellant. It has further not been substantiated that the regulation has been violated in wake of there being no challenge from original consumer and also there being no impleadment of original consumer in the proceedings, which is paramount to substantiate the same.

iii. Appellant is seeking reconnection of the electricity connection while refusing the pay the defaulting amount due and payable as against the 'Premises' in question. Such a relief, being contrary to the following provisions of law cannot be granted.

a) **Section 56 of the Electricity Act, 2003**: The Clause states that when any person neglects making payment any charge for electricity or any sum, the licensee or generating company may cut off the supply for electricity and for that purpose cut or disconnect any electric supply line or others works being the property of such licensee. ***[Ref. Pg. 2 of Reply].***

b) **Electricity Supply Code 2014:** When an applicant purchases an existing property whose supply has been disconnected. It is the applicant's duty to verify that the previous owner has paid all dues to the licensee and obtained a "non-due certificate" from the licensee. ***[Ref. Pg. 2 of Reply].***

c) **4.4.1 Application for new connection:** Application from for new connection must be accompanied with a no dues certificate mentioned under Regulation 4.3.1 ***[Ref. Pg. 3 of Reply]***

Therefore, the Respondent is well within its right to seek recovery of electricity dues from the subsequent owner i.e. the Appellant in the present case and the same is not rendered time barred.

F. RE: DISTINGUISHING THE JUDGMENTS CITED BY THE APPELLANT:

Sr. No.	Title and citation of the judgment	Facts of the case	Distinguishing points
1.	Dakshin Haryana Bijli Vitran	Consumer had LT connection for his industrial plot. He	The instant judgment is not applicable to instant case as legality of sundry charges

	Nigam Limited v. Naveen Chaudhary RSA No. 3939 of 2019 (O&M) decided on 24.10.2019	received bills for Match- Oct 2016, wherein Nigam had debited the amounts under the head sundry charges., which was challenged by the Consumer. The Original decree was given by the Trial Court on 09.01.2018 in favour of consumer considering that SDO admitted in his statement that he never checked electricity connection of plaintiff and Nigam failed to prove that pursuant to audit report, any notice was served by them. In that view, Appeal was also dismissed holding that the findings of court below are correct.	have not been challenged by the original consumer. Appellant, cannot now beyond the period of limitation challenge the imposition of the sundry charges being without notice. The plea of notice can only be taken by the original consumer, who is not before the present forum. Further, the instant case deals with a situation where the sundry charges were levied as a form of "penalty" on account of using excess load than the sanctioned loan. The party against whom sundry charges were levied specifically contested the imposition of such charges at the relevant time. In stark contrast, in the present matter, the previous owner (M/s Suresh Pipe Pvt. Ltd) never raised any challenge to the invocation or imposition of sundry charges. Significantly, no such grievance was ever raised even before the CGRF, as is evident from the order dated 12.12.2022, which reflects that the previous owner was not only fully cognizant of the sundry charges but had accepted the same without demur.
			Therefore, it is essential that any challenge to the imposition of sundry charges must emanate from the party upon whom such charges were actually levied. The judgment relied upon does not address the issue at hand, namely, whether a subsequent owner even possesses the *locus standi* to contest sundry charges imposed by the department, particularly when no objection was ever raised by the previous owner at the relevant time. Given that the facts
			of the cited case do not pertain to the aforesaid issues and being materially distinct, reliance placed on the said judgment is entirely misplaced and of no assistance to the Appellant. Accordingly, the judgment relied upon by the Appellant is factually distinguishable and inapplicable to the present case.
2.	Dakshin Haryana Bijli Vitran Nigam Limited v. Ajay Mangla, RSA-5081-2019 (O&M), decided on 24.10.2019	Ajay Mangla had rented his commercial place to Religare Wellness Limited who had applied for electricity connection for the rented premises. The tenant vacated the premises on 10.08.2011 and cleared all electricity dues in month of December 2011. The premises stayed vacant for a period from 10.12.2011 to March 2013, when the premises was	The Appellant's reliance on the present case is wholly misplaced and premised on a factually distinct matrix that renders it inapplicable to the present case. In the cited matter, the core issue revolved around the imposition of sundry charges for billing periods during which the premises remained unoccupied and there was no actual electricity consumption. Moreover, a perusal of the excerpt from the judgment of the learned First

		rented out again. Ajay Mangla received a bill in July 2014 in which sundry charges of Rs. 3,77,473/- were added without any explanation and without any show cause notice. It was the case of the Nigam that meter remained defective from October 2011 to January 2013 and was billed on average basis. The meter was replaced on 02.03.2013 and on basis of preceding six month reading of new meter, defective period was over hauled from October, 2011 to January 2013. Consumer stand stood on the premise that no evidence showed that the meter was defective. On appraisal of the evidence of both parties, the Trial Court found the sundry charges in month	Appellate Court (reproduced at page 15 of the Appellant's written arguments) reveals **that the dispute specifically pertained to erroneous billing during the disputed period and did not concern the legality of levying sundry charges per se or the alleged absence of notice prior to such levy.** In fact, the First Appellate Court categorically held that the Nigam failed to establish that the electricity meter was defective, which was the alleged basis for the account's overhauling. Relevant extracts from the judgment clearly state: "……*All the evidences show that there is no cogent evidence on the file that the electricity meter remained defective during the disputed period. There is only oral evidence of the DW-1 in this regard which cannot be accepted in any manner*..... *The respondent–Plaintiff has been able to prove that the premises in question remained closed during the disputed period... ……it is the*
		of July 2014 to be illegal. When the matter went before the First Appellate Court, the findings of the Trial Court were upheld. HC upheld the findings of Court below.	*admitted case of the appellant–defendant that the average billing used to be deposited by the respondent–Plaintiff. All these facts were minutely considered by the learned Trial Court, which rightly observed that the demand made by the appellant–defendant is not legal and valid*." It is pertinent to note that no observation whatsoever was made by the Hon'ble High Court regarding the legality of levying sundry charges in the absence of notice, as is now being erroneously asserted by the Appellant. Furthermore, it is once again emphasized that in the cited case, the individual upon whom the sundry charges were imposed personally approached the department upon being made aware of the same. In ~~stark contrast, the present proceedings~~ have been initiated by a subsequent owner, who was neither the recipient of the original billing nor party to any contemporaneous dispute. This fundamental distinction further erodes the relevance of the judgment relied upon, and renders any such reliance wholly untenable.
3.	Dakshin Haryana Bijli Vitran Nigam Limited v. M/s	M/s B & C Textile Private Limited had obtained a HT connection. The working of	The subject matter and factual matrix of instant case are entirely distinct from the present case and do not support the

	B & C Textile Private Limited, RSA- 6091-2018 (O&M), decided on 11.07.2019	meter was found to be in order however, in the bill for January 2009 an amount of Rs. 1,49,267/- was claimed under sundry charges. Similarly, bill of February 2019 also contained amounts debited towards sundry charges. Consumer challenged the bill qua imposition of sundry charges. Nigam	proposition advanced by the Appellant. A careful examination of the judgment, as annexed at pages 18 to 25 of the written arguments filed by the Appellant, reveals that no finding or observation was made by the Hon'ble High Court with respect to the requirement of issuing prior notice before levying sundry charges. Further, specific attention is also invited to page 20 of the written arguments, where the issues framed by the Trial Court have been reproduced. A
		imposed a further penalty of Rs. 5,76,971/-. Consumer pleaded that an amount of Rs. 3,00,209/- was already deposited in 2009 but Nigam did not refund the amount and issued the bill with penalty of Rs.8,15,437/-, which led to the filing of the suit. Case of Nigam - meter was found defective as it was not showing the reading on display. The audit party, pointed out that the consumer was billed on average basis from 2006-2007 and average bill was found to be lesser side. Therefore, account was over hauled.	plain reading of these issues makes it evident that the question of levying sundry charges without proper notice was neither framed nor adjudicated upon. In fact, the crux of the case pertained to the methodology adopted by DHBVN in billing the consumer for the period during which the electricity meter was defective. The primary issue before the Trial Court was whether such billing, carried out by DHBVN, was in accordance with the applicable regulatory framework, namely Sale Circular No. 58 of 2006 and Sale Circular No. 68 of 2002. In fact the suit was initiated when the Defendant failed to refund the amount deposited by the Plaintiff in 2009 and instead issued the bill and imposed the penalty of Rs.8,15,437/- .
			The relevant portion of the judgment of the Trial Court is as follows *"….Thus it is clear that defendants have failed to prove on record that the amount assessed by defendants on the basis of half margin report Ex. DW2/B is in conformity of the circular 58/2006. Therefore, show cause notice dated 05.03.2014, as well as final assessment order dated 03.06.2014 of short assessment are not sustainable in the eyes of law and same are declared null and void….."*
			Thus, the said case exclusively addressed the legality of the billing methodology adopted in such circumstances and did not touch upon, let alone decide, the legality or validity of imposing sundry charges in the absence of prior notice. The reliance placed by the Appellant on the said judgement is wholly misplaced and the judgment has been erroneously cited in the present proceedings.
4.	Dakshin Haryana	Consumer filed writ	Appellant's reliance on the present
	Bijli Vitran	before Hon'ble Punjab and	case is clearly misplaced and misleading.

	Nigam Limited v. Lok Adalat Public Utility Services & Anr., CWP No. 2644 of 2016 **(** O&M), decided on 11.01.2017	Haryana High Court under Article 226 of the Constitution of India for quashing of the order dated 18.11.2015 passed by Permanent Lok Adalat. A petition was filed by the respondent under Section 22-C of 1987 Act on the ground that the bills were issued on the average basis for the months of April 2014 to November 2014 and in the month of November 2014, consumer moved an application for changing/replacement of the meter. In March 2015, Nigam changed the electric meter and thereafter, started issuing bills on consumption basis but on 08.06.2015 issued a bill including the amount of Rs. 74,104/- as arrears on the premise that at that time the reading of old meter was 17913 and the new meter was installed at 0 reading. After installation of the new meter, the consumer consumed 143 units and on the basis of the consumption, the account of the consumer was overhauled by taking the last reading 17913. Accordingly, the demand was raised. It was the case of Nigam that the consumer had made a request for checking of the meter replacing the same. When the meter reader reported 0 reading, it was replaced. The meter was got checked from M&T Lab and found dead stopped on its counter display vide lab report dated 13.03.2015. Therefore, no fault in overhauling existed.	The Appellant cannot be permitted to rely on isolated observations from a judgment without due regard to the underlying factual matrix and legal context of the case. In the aforesaid matter, the core issue concerned the inspection of the consumer's electricity meter carried out in the absence of the consumer, which was found to be in violation of the applicable regulatory framework, specifically Commercial Circular No. 45. Hence, the case solely revolved around the issue of procedural lapses in conducting the inspection and the consumer not being granted an opportunity to be present or even informed about such inspection. Pertinently, the judgment did not relate to the levy or validity of "sundry charges," nor did it deal with the requirement of issuance of notice prior to the imposition of such charges. The Hon'ble High Court after going through the submissions of the counsels stated that *".....It is settled law that inspection of the meter has to be done in 3 of 7 CWP No.2644 of 2016 (O&M) {4} the laboratory in the presence of the consumer. Having failed to do so, the alleged demand of arrears on the basis of checking by overhauling the account is fatal to the claim of the Board....."*. Hence, the case was squarely confined to the procedural irregularity concerning meter inspection and the denial of the consumer's right to participate in such process. Accordingly, the Appellant's attempt to rely on the said judgement to support an argument regarding notice requirements before levying sundry charges is entirely unfounded, factually erroneous, and legally unsustainable.
		It was ease of consumer that inspection was is in his absence and such an action was against principles of natural justice. High court help that inspection of the meter had to be done in the laboratory in the presence of the consumer.	

I. The Appellant Counsel vide email dated 09.06.2025 submitted additional arguments in Appeal, which is reproduced as under:

1. That the Respondent/SDO is acting in utter disregard to law and the conduct of SDO shows that he does not have any regard to statutory provisions as well as the order passed by the Ld. Ombudsman which is evident from submissions made hereunder as well as order dated 14.05.2025 vide which Ld. Ombudsman had directed the Respondent/SDO to provide the details of defaulting amount i.e. Rs. 27,32,627/-, copy of bills from January 2018 till the date of PDCO, Copy of notice for recovery of amount charged and number of connections alongwith their sanctioned load on 11 KV Chaudahrywas feeder and amount of line losses charged to these connections. Respondent SDO vide his request dated 07.06.2025 sought an adjournment on the ground that essential record pertaining to case is currently not traceable and despite seeking an adjournment, requisite information and record as directed vide order dated 14.05.2025 has not been produced in order to prevent the revelation of misdeed committed in respect or the instant case. A perusal of submission and annexures R-6 to R-9 does not reveal on what account the amount has been charged.

2. That there has been gross negligence and illegal omission on part of performing duty by the Respondent SDO owing to non compliance of Section 47 of Electricity Act, 2003. Section 47 empower the licensee to revise the Advance Consumption Deposits (ACD) for all monies which may become due. But there is nothing on record to show that ACD of consumer was ever revised and any loss on account of failure on part of SDO can not be attributed to consumer. Section 47 contemplate a situation that any amount which is liable to be recovered from any consumer is held as security in advance and therefore revision of security from time to time is very essential and this illegal omission on the part of SDO can not be imputed and attributed to consumer or the appellant. Section 47 is reproduced here for ready reference which is as under:

Section 47. (Power to require security): --- (1) Subject to the provisions of this section, a distribution licensee may require any person, who requires a supply of electricity in pursuance of section 43, to give him reasonable security, as may be determined by regulations, for the payment to him of all monies which may become due to him –

(a) in respect of the electricity supplied to such persons; or

(b) where any electric line or electrical plant or electric meter is to be provided for supplying electricity to person, in respect of the provision of such line or plant or meter, and if that person fails to give such security, the distribution licensee may, if he thinks fit, refuse to give the supply of electricity or to provide the line or plant or meter for the period during which the failure continues.

(2) Where any person has not given such security as is mentioned in subsection (1) or the security given by any person has become invalid or insufficient, the distribution licensee may, by notice, require that person, within thirty days after the service of the notice, to give him reasonable security for the payment of all monies which may become due to him in respect of the supply of electricity or provision of such line or plant or meter.

(3) If the person referred to in sub-section (2) fails to give such security, the distribution licensee may, if he thinks fit, discontinue the supply of electricity for the period during which the failure continues.

(4) The distribution licensee shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission, on the security referred to in sub-section (1) and refund such security on the request of the person who gave such security.

(5) A distribution licensee shall not be entitled to require security in pursuance of clause (a) of sub-section (1) if the person requiring the supply is prepared to take the supply through a pre-payment meter.

3. That in terms of Section 56 of Electricity Act, 2003 there can be dues of two types i.e. (i) Charge for Electricity and (ii) any sum other than charge for electricity and failure to make payment of these amount entails disconnection of supply and recovery of dues but at the same time, Section 56 also enjoin a duty upon the licensee to serve a notice for a period of not less than 15 days giving details of such due amounts and no such notice has been served upon the consumer and Respondent/SDO acted in violation of Section 56 and any loss on account of illegal omission on the part of SDO can not be attributed to consumer or the appellant.

4. That the perusal of R-6 to R-9 does not explain as to when amount 1st became due against the consumer and under what heads. There is no explanation to charging of amount of Rs. 871382 vide Annexure R-7. Similarly vide Annexure R-8 there has been shown refund of Rs. 12,31,298 but there is no reference to any bill, date of refund or any other document vide which refund was made to the consumer. Rather it has been mentioned in the R-8 that these refunds pertains to different account number. In same way R-9 does not explain on what account an amount of Rs. 750279/- has been shown due although at Page 8 of Written Submission dated 24.06.2025 it has been mentioned that it is differential loss of meter at sub station end and premise end as reflected in the bill on November 2018 (Page 24 of Reply). It is beyond the comprehension of a prudent person that energy charge shown in the same bill is of Rs. 3,60,496.50/- against 50,530 units line loss has been shown as Rs. 750279/- meaning thereby that line-loss is more than 200%. A perusal of R-7 to R-9 shows some foul play on the part of Respondent/SDO and as a consequence of which the requisite information and documents as directed to be produced vide order dated 14.05.2025 has not been produced. A licensee can charge only an amount which is legally chargeable and becoming due and not any amount with no justification. An overhauling/audit of record would reveal the illegal acts committed by the Respondent SDO and consumer or the appellant can not be burdened with unjustified amount as sought to be charged by the Respondent Nigam.

5. That the perusal of R-9 reveals that there are 8 connections on the Chaudhariwas feeder and it is a general feeder and no amount on account of line-loss can be charged and an amount of Rs. 750279/- sought to be charged on account of line-loss is wholly illegal and arbitrary.

6. That it is pertinent to mention here that Suresh Pipe was the first consumer when it was an independent feeder and on account of release of connection to subsequent consumers, Suresh Pipe was to be compensated upon release electricity connection to subsequent consumers. But no such amount was paid to Suresh Pipe and there is embezzlement of money by Respondent/SDO.

7. That the perusal of bills from July 2019 onward would show that reading is zero in all the bills (Page 32 to 41 of Reply) which means that electricity had been disconnected in the June 2019 and final bill was not prepared and kept inflating the bill and levying penalty which could not have been done and same is liable to be recovered from erring employee in terms of Regulation 10.1.1 of HERC Supply Code 2014.

Decision:

J. After hearing both the parties and going through the record made available on file and considering the written arguments filed by both the parties in the matter and the deliberations were made in length in hearing dated 26.06.2025.

In the Appeal, a challenge was raised by the Appellant to the payment of any outstanding arrears of the premises in question on legal grounds such as the same being against the principle of natural justice, time barred and non-recoverable. Detailed submissions in response to these legal issues were filed by the Respondent Nigam stating that in view of the settled law, the subsequent owner is liable to pay the defaulting amount in terms of Section 56 of the Electricity Act, 2003 read with Haryana Electricity Supply Code Regulations. In support of the same, certain judgments of the Hon'ble Supreme Court and Hon'ble High Court have been relied upon. During the course of the hearing, Ld. Counsels or the Appellant categorically submitted that they are agreeable to pay the legitimate outstanding arrears, however, the amount should be legitimate and shall be explained by the Respondent Nigam. Ld. Counsel for the Respondent Nigam contended that the validity and legality of the amount cannot be opened at this stage in view of the order of the CGRF dated 12.12.2022, passed in the complaint filed by the previous owner i.e. M/s Suresh Pipes. She argued that the said order has attained finality and therefore, the amount cannot be challenged by the subsequent owner both being barred by res-judicata as well as limitation. However, Ld. Counsels for the Appellant argued that the Nigam is duty bound to explain the arrears and cannot charge the amount, which is contrary to the law.

The Respondent Nigam had raised a demand of Rs. 27,32,636/- towards outstanding arrears. In the written submissions filed by them, it has been agreed that the total ACD amount of Rs. 3,74,475/- is adjustable against the same as the said amount had to be refunded to the consumer. Other than ACD, the Appellant had also contended that certain sundry charges have purportedly been charged against the regulations. The Respondent, in their written submissions has provided Annexure R-6 to R-9 in support of explanation of levy of such sundry charges. A perusal of Annexure R-9 shows that there were 8 connections connected on this

independent feeder, which means that that the feeder has become the general feeder and as such the line loss charges of on account of independent feeder cannot be charged. Evidently, there is necessity for clarification as regards the legitimate amount. Nigam cannot simply state that the amount demanded is payable because the same had not been challenged, more so when they themselves have conceded that the ACD ought to have been adjusted. Similarly, the sundry charges shall be explained to ensure proper justice.

Since the Appellant has categorically consented that they will pay the legitimate arrears payable as outstanding arrears towards the premises in question, what remains is the ascertainment of the exact payable amount, which shall be justified. The Appellant requested that the account of Suresh pipe may be overhauled for the period 2015 (date of erection of independent feeder) till June-2019 (date of PDCO).

I am of the considered view that the ascertainment of the disputed amount as regards ACD, interest on ACD and details of sundry charges along with overhauling of account from year 2015 (date of erection of independent feeder) till June 2019 (date of PDCO) should be decided by the CGRF after thoroughly checking and verifying the bills and the supporting documentation. In view thereof, the present matter is being remanded back to the CGRF to look into the issue of exact amount of ACD and interest on ACD adjustable against the arrears and also Sundry Charges levied by the Nigam and thereafter, ascertain the legitimate amount payable towards outstanding arrears for the premises in question by the Appellant for release of electricity connection.

This matter is therefore, remanded back to the CGRF along with direction that the same may be heard and adjudicated in a time bound manner preferably within 45 days of the first hearing.

The instant appeal is disposed of accordingly.

Both the parties to bear their own costs. File may be consigned to record.

Given under my hand on 27th June, 2025.

Sd/-
(Rakesh Kumar Khanna)
Electricity Ombudsman, Haryana

Dated: 27.06.2025

CC-

Memo. No. 767-773/HERC/EO/Appeal No. 11/2025 Dated: 27.06.2025

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