



**IN THE HIGH COURT OF HIMACHAL PRADESH,  
SHIMLA**

**CWP No. 6705/2026  
Decided on: 05.05.2026**

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M/s Merion Care Private Ltd. ...Petitioner

**Versus**

H.P. State Electricity Board Ltd. & Ors.  
....Respondents.

.....  
**Coram**

**Ms. Justice Jyotsna Rewal Dua, Judge.**

**Whether approved for reporting?<sup>1</sup>**

**For the petitioner: Mr. Varun Thakur, Mr. Aakash Thakur and Mr. Manvinder Singh, Advocates.**

**For the respondents: Ms. Sunita Sharma, Sr. Advocate with Mr. Mohit Sankhayan, Advocate, for respondent No.1 & 3.**

**Ms. Seema Sharma, Deputy Advocate General, for respondent No.2.**

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**Jyotsna Rewal Dua, J.**

Notice. Mr. Mohit Sankhayan, learned counsel and Ms. Seema Sharma, learned Deputy Advocate General, accept notice on behalf of respondents No.1 & 3 and 2, respectively.

In view of the nature of grievance urged for the petitioner and the order being passed hereinafter, there is no necessity to call for the reply from the respondents. The matter has

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<sup>1</sup> *Whether reporters of the local papers may be allowed to see the judgment?*



accordingly been heard at this stage with the consent of learned counsel on both sides.

2. Respondent No.3-Assessing Officer-cum-Senior Executive Engineer, HPSEB Ltd., Baddi, H.P., issued a provisional assessment order to the petitioner on 24.05.2024 for alleged unauthorized use of electricity, under Section 126 of the Electricity Act, 2003 (hereinafter referred to as "the Act"). As per the provisional assessment, respondent No.3 on the basis of MRI records observed that load of 150.6 KVA was being used by the petitioner against the sanctioned contract demand of 95 KVA. The Assessing Officer provisionally assessed the payable electricity charges at Rs. 24,85,277/-. The petitioner filed objections to the provisional assessment. On considering the objections, respondent No.3 issued final assessment order on 08.07.2024 for Rs. 7,38,828/-.

3. Feeling aggrieved against the final assessment order dated 08.07.2024, the petitioner preferred an appeal under Section 127 of the Act before respondent No.2-Divisional Commissioner, Shimla. The petitioner urged before the Appellate Authority that the final assessment order was solely based upon MRI records; Petitioner had not been provided with a copy of the MRI records, which prevented it from effectively defending its case. In the absence of MRI records having been provided to the petitioner, it was not even in a position to challenge the accuracy of the said MRI data. The



principles of natural justice had been violated. The petitioner also argued that the provisions of Section 126 of the Act had been violated, as under the said provision respondent No.3 was required to conduct inspection of the place/premises in question. It is only thereafter that the Assessing Officer could come to the conclusion about the person in question indulging in unauthorized use of electricity. The petitioner alleged that no inspection was ever conducted of its premises by the Assessing Officer, therefore, the conclusion drawn by the Assessing Officer about the petitioner having unauthorizedly used electricity, was not justified.

The petitioner also raised a dispute with respect to the period for which the assessment in question could have been determined by the Assessing Officer. It was further submitted on behalf of the petitioner that it had applied for enhancement of power load from 100 KW to 150 KW, for which the Deputy Director of Industries, Solan had issued No Objection Certificate (NOC) to the respondent department.

The respondent Board defended the issuance of the final assessment order against the petitioner under Section 126 of the Act. According to the respondent Board, scrutiny of the MRI records had revealed petitioner having unauthorizedly drawn load in excess of the sanctioned load of 100 KW. Initially, the provisional assessment was made in the sum of Rs. 24,85,277/-, but upon



considering the objections raised by the petitioner, the amount was reduced to Rs. 7,38,828/-. The respondent Board asserted that due opportunity of hearing was granted to the petitioner for filing its objections to the provisional assessment order. The respondent Board also maintained that there was no need for inspection of any place or premises of the petitioner either before issuing the provisional assessment order or the final assessment order.

4. After noticing the above respective stand of the parties, the Appellate Authority held as under: -

*“ REASONS FOR FINDINGS:*

9. *I have gone through the record and also given thoughtful consideration to the arguments advanced by Ld. Counsels for the respective parties. On perusal of record placed on file, it is evident that the present appellant has been afforded due opportunity of raising objections to the provisional assessment order issued by the present respondent No.1 and Assessing Officer (Respondent No.1) has duly considered the objections raised by the present appellant and has charged only unauthorized usage of load in a particular month. Further, the argument of Ld. Counsel for the present appellant that respondent No.1 has not conducted an inspection of premises and place of present appellant thereby wrongly issued the provisional assessment order does not seem valid as inferred from the plain reading of Section 126 of the Act which says that Assessing Officer can come to the conclusion about unauthorized use of electricity by any person after the inspection of record maintained by any person. Further, issuing of NOC by Deputy Director of Industries, Solan, does not give license for unauthorized use of electricity to the present appellant.”*



In the backdrop of the objections taken by the petitioner, the above findings cannot be said to be reasoned. Petitioner's insistence upon the MRI data, which according to the petitioner had not been supplied, has not been considered by the Appellate Authority. Whether the MRI data was required to be supplied to the petitioner, and whether any prejudice has been caused to the petitioner by non-supply of the data, has not been deliberated in the impugned order. Petitioner's specific objection regarding the requirement of carrying out inspection in terms of Section 126 of the Act before issuance of the provisional assessment order has not been considered appropriately. The objection has been hurriedly brushed aside without giving adequate cogent reasons. Reasons for taking a particular view have not been properly reflected in the order.

Accordingly, without examining the respective stands of the parties, and considering that the impugned order is not well reasoned, the same, i.e. order dated 08.12.2025 (Annexure P-2), is set aside. Respondent No. 2 is directed to consider and decide petitioner's appeal afresh, in accordance with law, by passing a reasoned order. The parties, through their learned counsel, are directed to appear before respondent No. 2 on **14.05.2026**.



The instant petition to stand disposed of in above terms.  
Pending miscellaneous applications, if any, shall also stand disposed  
of.

**Jyotsna Rewal Dua**  
**Judge**

**05<sup>th</sup> May, 2026**<sub>(rohit)</sub>