IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP No.19851 of 2026
Date of Decision: 3.11.2026

M/s CSA Infratech Pvt. Ltd.

.....Petitioner

Versus

Himachal Pradesh State Electric Board Limited and Ors.

.....Respondents

Coram

Hon'ble Mr. Justice Sandeep Sharma, Judge.
Whether approved for reporting?

For the Petitioner: Mr. Sunil Mohan Goel, Senior Advocate with Mr. Paras Dhaulta and Mr. Abhinav Mohan Goel, Advocates.

For the Respondents: Ms. Sunita Sharma, Senior Advocate with Mr. Shubham, Advocate.

Sandeep Sharma, J. *(Oral)*

By way of instant petition, petitioner has prayed for following main reliefs:

> "a) That this Hon'ble Court may be pleased to issue writ of certiorari quashing the impugned notice dated 14.07.2026 (Annexure P-5), Electricity Bill dated 10.09.2026 (Annexure P-6) and further the impugned notice dated 28.09.2026, 21.08.2026 alongwith the Audit and Inspection Report and Annexure thereof Annexure P-9 (Colly);
>
> b) That this Hon'ble Court may further be pleased to issue writ of mandamus directing the respondents not to disconnect the electricity connection of the petitioner during the pendency of the writ petition;

> c) That this Hon'ble Court may further be pleased to issue writ of certiorari quashing letter dated 27.10.2026 whereby the respondent HPSEBL has directed the petitioner to deposit the amount of Rs. 49,30,905.60 in five equal monthly installments and first were to be deposited on or before 31.10.2026 (Annexure P-11)"

2. Precisely the grouse of the petitioner as has been highlighted in petition and further canvassed by Mr. Sunil Mohan Goel, learned Senior Counsel representing the petitioner is that before issuing impugned notice of recovery dated 14.7.2026 (Annexure P-5), no opportunity of hearing was ever afforded to the petitioner. Mr. Goel states that otherwise also, bare perusal of Section 126 of the Electricity Act, 2003 (in short the "Act") clearly reveals that demand qua unauthorized use of electricity cannot be raised without conducting assessment in terms of Section 126 of the Act. He states that in the case at hand, respondent Electricity Board straightaway on the basis of CAG audit report, proceeded to conclude that there was unauthorized use of electricity by the petitioner and issued notice of payment of sundry charges of Rs. 49,30,905.60/-, which is not sustainable.

3. In support of his aforesaid submission, Mr. Goel invited attention of this Court to judgment dated 18.9.2026 passed by this Court in CWP No. 8118 of 2026, titled as **Superintending Engineer, Operation Circle, Himachal Pradesh State Electricity Board Limited** vs. **M/s Sunoxx International.**

4. Ms. Sunita Sharma, learned Senior Advocate, appearing on behalf of respondent-Electricity Board, on instructions, fairly admits that procedure as envisaged under Section 126 of the Act ought to have been followed before raising demand, as such, this Court may pass appropriate orders, with liberty reserved to them to proceed in accordance with law.

5. In view of aforesaid fair stand adopted by learned Senior Counsel arguing on behalf of respondent-Electricity Board, this Court sees no necessity to call for reply on behalf of the respondents and same is dispensed with.

6. Admittedly, in the case at hand, impugned notice of payment of audit charges dated 14.7.2026 (Annexure P-5) followed by subsequent notices (Annexures P-6 and P-9) has been issued on the basis of CAG audit. However, careful perusal of Section 126 of the Act, provides for physical inspection. Careful perusal of CAG audit report itself suggests that procedure under Section 126 of the Act ought to have been followed before raising any demand.

7. Consequently, in view of the above, present petition is allowed and impugned notices dated 14.7.2026 (Annexure P-5) along with Annexure P-6 and P-9 (colly.) are quashed and set aside, reserving liberty to the respondent Board to proceed in accordance with law.

In the aforesaid terms, present petition is disposed of along with pending applications, if any.

November 03, 2026 **(Sandeep Sharma),**
(manjit) **Judge**