



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Date of Decision: 04.09.2025

(1)

**LPA-1572-2023 (O&M)
PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
V/S
M/S DASHMESH ALLOYS AND ORS**

(2)

**LPA-1820-2023 (O&M)
PUNJAB STATE ELECTRICITY REGULATORY COMMISSION ETC.
V/S
M/S MITTAL CERAMICS AND ANR.**

(3)

**LPA-1823-2023 (O&M)
PUNJAB STATE ELECTRICITY REGULATORY COMMISSION ETC.
V/S
M/S BANSAL ALLOYS AND METALS PVT. LTD**

(4)

**LPA-1825-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED ETC
V/S
M/S DESHMESH ALLOYS AND ANR.**

(5)

**LPA-1830-2023 (O&M)
PSPCL AND ANOTHER
V/S
M/S BHAWANI INDUSTRIES AND ANOTHER**

(6)

**LPA-1831-2023 (O&M)
PSPCL AND ANOTHER
V/S
M/S RAMJI CONCAST ALLOYS AND ANOTHER**

(7)

**LPA-1833-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED ETC
V/S
S.G. MULTIMETALS AND ANOTHER**

(8)

**LPA-1834-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED ETC
V/S
M/S INDIAN ACRYLICS LIMITED AND ANOTHER**



- (9) LPA-1836-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED AND ANR.
V/S
M/S UNIPEARL ALLOYS AND ANR.
- (10) LPA-1838-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED
V/S
M/S ALWAR ALLOYS ETC
- (11) LPA-1841-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED ANR
V/S
AVANI TEXTILES LIMITED ANR
- (12) LPA-1842-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S
M/S NARINDRA CASTING PRIVATE LIMITED AND ANOTHER
- (13) LPA-1850-2023 (O&M)
PUNJAB STATE POWER CORPORATION LTD AND ANR
V/S
M/S VARUN STEEL CASTINGS PVT LTD AND ANR
- (14) LPA-1851-2023 (O&M)
PUNJAB STATE POWER CORPORATION LTD AND ANR
V/S
M/S M.R. ALLOYS PVT LTD AND ANR
- (15) LPA-1857-2023 (O&M)
PUNJAB STATE POWER CORP. LTD. AND ANOTHER
V/S
M/S A.R. CASTING PVT. LTD. AND ANOTHER
- (16) LPA-1861-2023 (O&M)
PUNJAB STATE POWER CORPORATION LTD AND ANR
V/S
M/S A.N.J METAL RECYCLING PVT LTD AND ANR
- (17) LPA-1856-2023 (O&M)
PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S
M/S P.P. CASTING AND ANOTHER



(18)

LPA-1849-2023 (O&M)

**PUNJAB STATE POWER CORPORATION LTD AND ANR
V/S
M/S ROSHA ALLOYS PVT LTD AND ANR**

(19)

LPA-1915-2023 (O&M)

**PUNJAB STATE POWER CORPORATION LTD. AND ANOTHER
V/S
RAJDHANI IRON PRODUCTS PVT. LTD. AND ANOTHER**

(20)

LPA-1917-2023 (O&M)

**PUNJAB STATE POWER CORPORATION LTD AND ANR
V/S
M/S DASHMESH CASTINGS PRIVATE LIMITED AND ANR.**

(21)

LPA-1681-2023 (O&M)

**PUNJAB STATE POWER CORPORATION LTD AND ANOTHER
V/S
M/S C.S. CASTING PVT LTD. AND ANOTHER**

(22)

LPA-786-2024 (O&M)

**PUNJAB STATE POWER CORPORATION LTD
V/S
M/S JCT LTD AND ANOTHER**

(23)

LPA-983-2024 (O&M)

**PSPCL AND ANR
V/S
M/S VARDHMAN SPECIAL STEELS LTD AND ANR**

(24)

LPA-1355-2024 (O&M)

**PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S
M/S MAHA LUXMI STEELS AND ANOTHER**

(25)

LPA-1356-2024 (O&M)

**PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S
M/S DIDAR STEEL COMPLEX PVT LTD AND ANOTHER**

(26)

LPA-1357-2024 (O&M)

**PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S
M/S MONGA BROTHERS UNIT II AND ANOTHER**



(27)

LPA-1358-2024 (O&M)

PUNJAB STATE POWER CORPORATION LIMITED AND ANOTHER
V/S

M/S PUNJAB ALKALIES AND CHEMICALS LIMITED AND ANOTHER

(28)

LPA-508-2025 (O&M)

PUNJAB STATE POWER CORPORATION LTD AND ANOTHER
V/S

M/S VARDHMAN INDUSTRIES LTD AND ANR

(29)

LPA-801-2025 (O&M)

PUNJAB STATE POWER CORPORATION LTD AND ANOTHER
V/S

M/S JAI MAA BALAJI STEEL INDUSTRIES AND ANOTHER

(30)

LPA-865-2025 (O&M)

PUNJAB STATE POWER CORP. LTD. AND ANOTHER
V/S

M/S SATLUJ SPINTEX LIMITED AND ANOTHER

(31)

CWP-18812-2024 (O&M)

M/S VAYU PRODUCTS PVT. LTD

V/S

PUNJAB STATE POWER CORPORATION LTD AND ORS

(32)

CWP-27737-2023

M/S UNIPEARL ALLOYS AND ORS

V/S

PUNJAB STATE POWER CORPORATION LTD AND ORS

**CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI
HON'BLE MR. JUSTICE VIKAS SURI**

Present:- Mr. Shivam Sharma, Advocate with Ms. Shruti Garg, Advocate for the petitioners in CWP-27737-2023 and CWP-18812-2024 & LPA Nos.1572, 1833, 1836, 1851, 1857, 1856, 1849, 1915 & 1681 of 2023.

Ms. Gargi Kumar and Ms. Bindu, Advocates,
for the appellants (in LPA-1572-2023)

Ms.Avin Sandhu, Advocate, for the appellant
(in LPA-786-2024).

Mr.Kunal Mulwani, Advocate, for the appellants
(in LPAs-1833, 1834, 1836, 1838 & 1841-2023)

Mr.Aditya Grover, Advocate
for the petitioners in CWP-347-2020.

Mr.Ishan Gupta and Ms.Muskan, Gupta, Advocates,
for respondent No.1 (in LPA-1841-2023)



Mr.Rangat Joshi, Advocate, for the PSPCL in LPA Nos.1681, 1915, 1856, 1842 and 1857 of 2023.

Mr. Manpreet S. Longia, Advocate,
for the appellants in LPA-1572-2023.

Mr. Karambir Singh Kharbanda, Advocate,
for the PSPCL in LPA-1358-2024.

Mr. Piyush Khanna, Advocate,
for PSPCL in LPA-1849-2023.

Mr.R.P.S. Bara, Advocate,
for PSPCL in LPA 801 and 508 of 2025, 1355, 1356, 1357, 983
of 2024 and CWP-27737-2023.

Mr. G.S. Bawa, Advocate,
for PSPCL in CWP-18812-2024.

HARSIMRAN SINGH SETHI, J. (ORAL)

Delay applications

The afore-mentioned appeals have been filed along with the separate applications under Section 5 of the Limitation Act for condonation of delay of 187 days, 191 days, 196 days, 199 days, 202 days, 203 days, 204 days, 205 days, 206 days, 337 days, 341 days, 375 days, 381 days, 384 days, 662 days, 685 days and 694 days, in filing the appeals.

For the reasons mentioned in the applications, supported by affidavit, the same are allowed and delay of 187 days, 191 days, 196 days, 199 days, 202 days, 203 days, 204 days, 205 days, 206 days, 337 days, 341 days, 375 days, 381 days, 384 days, 662 days, 685 days and 694 days, in filing the respective appeals is condoned.

CMs stand disposed of.

Main cases



1. In the present bunch of appeals, the challenge is to the order dated 17.03.2023 passed by the learned Single Judge, by which, the issue raised by the respondents, who were petitioners before the learned Single Judge, qua claim of deposit of security amount by the Punjab State Power Corporation Limited (hereinafter referred to as 'PSPCL'), which is providing the electricity to the respondents herein being a distribution licensee, was discussed and the said issue was resolved by the learned Single Judge by taking into consideration Section 47 of the Electricity Act, 2003 (for short 'Electricity Act') and certain directions have been given to the consumers so as to secure the interest of the appellants. The issue raised by the respondents, who were petitioners before the learned Single Judge, was qua demand of security deposit even though they had requested for installation of the prepaid meter bill, which does not require deposit of security amount from the consumers, i.e. the respondents. Not feeling satisfied with the direction of the learned Single Judge, present appeals have been preferred.

2. It may be noticed that as per Section 47 of the Electricity Act, which has been reproduced in paragraph 10 of the impugned judgment, Section 47(1) authorises the distribution licensee to demand for responsible security for payment qua all monies, which may become due to the said distribution licensee in respect of the electricity supplied to the consumers, but an exception to the said provision has been carved out in Section 47 (5) of Electricity Act which states that the right for demand the security money will not be available in case the supply of the electricity to the consumer



concerned is through a prepaid meter.

Respondent-consumers, aggrieved against the claim of security amount, approached this Court by filing writ petitions raising a plea that they are ready for installation of prepaid meters hence demand of security amount by the PSPCL is illegal.

3. Keeping in view the fact that the prepaid meters were not available to be installed within the within the respondent-consumers' facility in order to secure the interest of the distribution licensee i.e. the appellants, certain directions were given by the learned Single Judge in paragraphs 16, 17 and 18 of the impugned judgment while deciding the issue raised, which are as under:-

“16. Having held that the provision as contained in Section 47 (5) of the 2003 Act is mandatory and shall have a place of pride over Section 47 (1) of the 2003 Act, the practical difficulty being faced by Corporation also cannot be overlooked. Though it was for the Corporation to represent to the Central Government to invoke Section 183 of the 2003 Act and issue order for removal of this difficulty. However, now it being too late in the day this Court finds that the rights of the petitioners as borne out from Section 47 (5) of the 2003 Act and the practical difficulty being faced by the Corporation need to be harmoniously balanced. Thus in order to balance the same, it will be appropriate that the petitioner/s who is prepared to take supply through prepaid meter be asked to deposit advance amount equivalent to average monthly consumption based upon 12 months preceding the date of 01.04.2023. In the case of seasonal industry, the average monthly consumption



will be calculated for the months the industry is in operation and consumes energy. For example, for the plant working for 6 months, the average monthly consumption shall be for such six months and not annual.

17. The respondent-Corporation i.e. distribution licensee shall keep on supplying electricity to the petitioners by collecting such monthly energy charges in advance without insisting upon security as contemplated under Clause (a) of sub section 1 of Section 47 of the 2003 Act. Any amount of the petitioner, if lying as security with the respondent-Corporation shall be adjusted towards energy charges. The aforesaid arrangement shall continue till respondent-Corporation is equipped for providing prepaid meter to the petitioner.

18. Needless to say wherein the actual consumption charges are beyond the amount deposited at the beginning of the month, the differential shall be payable at the time of advance deposit for next month and likewise where advance exceeds consumption charges the residual will be adjusted for the next month's advance payment.”

4. A bare perusal of the above reproduction would show that in order to resolve the issue which was persisting between the parties, which was with regard to the claim of security amount by the appellant-PSPCL, the consumers i.e. the respondents were directed that they shall deposit the advance amount with appellants, which amount shall be equivalent to the average monthly consumption of electricity by the respective respondent-consumer so that the distribution licensee does not suffer in case the consumer fail to pay the electricity charges, in the absence of any security



amount deposited with the appellants so that there is no loss to the appellants and also to ensure that there is no default in payment by the consumers. The said decision reached upon by learned Single Judge has been made an issue, which has been raised in the present appeals.

5. Learned counsel appearing on behalf of the appellant submits that the security amount, which needs to be deposited by the consumers has to be deposited, whereas the learned Single Judge has substituted the same with advance payment of bill to the tune of one month average consumption of electricity by the particular consumer and therefore, the respondents, who are the consumers, should be directed to deposit the said security amount.

6. Learned counsel appearing on behalf of the respondents-consumers submit that once, no prepaid meter is being made available to them for use, the security amount could not have been charged to them and by making them pay one month average electricity consumption in advance, as has been stipulated, the learned Single Judge duly took care of the doubts/ensured payment to the distribution licensee, as the consumers i.e. the respondents have been made to pay in advance the electricity charges every month, there is no prejudice which is being caused to the appellant.

7. We have heard learned counsel for the parties and have gone through the case files with their able assistance.

8. Even if it is assumed for the sake of argument that the security amount is to be deposited by the consumers so as to ensure that there is no default at the hands of respondents i.e. consumers, the same has been calculated equivalent to one month's average consumption by a particular consumer, which assessed amount is to be paid by consumers as security



amount. Same amount has been directed by the learned Single Judge to be paid by the consumers to the appellant and that too, in advance so as to secure the interest of the appellant and also to ensure that despite consumption of electricity by consumer, there is no default which would cause prejudice to the distribution licensee.

9. In order to ensure that there is no default in payment by the respondents qua the electricity consumed, the interest of the distribution licensee i.e. the appellants has been secured by the learned Single Judge by directing the consumers i.e. the respondents to pay in advance the average monthly consumption, so that a detriment is created and there is no default on the part of the consumers and the same would also secure the interest of the distribution licensee. The said advance payment, is equivalent to the security amount, which could be demanded by the appellant under Section 47 of the Electricity Act, which secure the interest of the distribution licensee and the learned counsels for the appellant has not been able to show as to how, the said arrangement made by the learned Single Judge, in the facts and circumstances of the present case, is causing any prejudice to the appellant.

10. In the absence of any prejudice being caused to appellants, coupled with the fact that the interest of the distribution licensee has been secured by the said arrangement made by the learned Single Judge, no interference is called for by this court in the present bunch of appeals filed by the appellant. The appellants are getting the amount equivalent to the security amount and that too in advance, same secures the interest of the appellant for all intents and purposes.



11. Further, the argument has been raised by the learned counsel for the appellant that in case any consumer does not deposit the pre-deposit of the bill, as directed by the learned Single Judge, liberty is given to the appellants to disconnect the electricity connection of the defaulting consumer. It may be noticed that once a direction has been given by the Court to the Consumer to deposit the said amount, it becomes their responsibility of all such consumers to comply with the said order. In case any of the consumer does not deposit the amount as directed by the learned Single Judge in advance, the appellant will be free to take action of cutting off the electricity connection of such consumer, but the said action is only to be taken after giving a due opportunity/notice for a period of three days to deposit the advance amount and it is only, in case of failure of consumers to comply with the notice direction that the appellants will be free to take appropriate action so as to secure the interest.

12. The present appeals along with one writ petition are disposed of accordingly.

13. Pending applications are also disposed of.

14. Photocopy of this order be placed on the files of connected cases.

(HARSIMRAN SINGH SETHI)
JUDGE

(VIKAS SURI)
JUDGE

September 04, 2025

harish

Whether speaking/reasoned Yes



Whether reportable

No