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

**LPA-1073-2025 (O&M)
Date of Decision: 06.08.2025**

MANJEET KAUR

... APPELLANT

VS.

PUNJAB STATE POWER CORPORATION LTD. AND ORS

.. RESPONDENTS

**CORAM: HON'BLE MR. JUSTICE ASHWANI KUMAR MISHRA
HON'BLE MR. JUSTICE ROHIT KAPOOR**

Present: Mr. B.S. Bhalla, Advocate,
for the appellant.

Mr. Vansh Malhotra, Advocate,
for respondents No. 1 and 2 (through V.C.).

ROHIT KAPOOR, J. (ORAL)

1. The present Letters Patent Appeal has been filed against the decision of the learned Single Judge dated 04.02.2025, whereby CWP-24895-2023, filed by the appellant has been dismissed.

2. The appellant in the aforementioned writ petition had sought quashing of order dated 13.07.2023, passed by the Corporate Consumers Grievances Redressal Forum ('CCGRF'), Ludhiana, whereby, an amount of Rs.17,09,942/- charged by the respondent-corporation was held to be correct and recoverable, and for the setting aside of order dated 21.09.2023 passed in appeal No. 22-2023, whereby her appeal, filed before the Ombudsman, was dismissed.



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3. The facts involved in the matter are not in dispute. The appellant submits that she is having DS connection, bearing account No. U41ZD410088M, with sanction load of 14.00 kilowatt (KW) under DS Suburban Division, PSPCL, Ludhiana. The appellant applied for installation of a Solar System (SPV) which was installed at her premises in May, 2017, but the master file of the connection was not sent to the concerned office by the Sub Division, due to which the billing of the connection could not start, post installation of the Solar Meter.

4. On 27.10.2022, the site was checked by AE/Op. (operations), and it was found that the billing of the connection was not being done from the date of its installation of SPV plant. Thereafter, the appellant was issued new account No. SJO No. 128/45285 on 27.10.2022 and her account was billed for 190856 units, due to non-billing and an amount of Rs.17,09,942/- was charged and a notice in this regard was issued on 18.11.2022. Later on, this amount was charged as sundry charges in the bill dated 28.03.2023.

5. Aggrieved by the act and conduct of the respondent-licensee to demand the bill charges as sundry charges for the period of past five years, the appellant filed a petition before the CCGRF, Ludhiana. The petition of the appellant was disposed of vide order 13.07.2023 with the following directions:-

“i. Amount of Rs. 1709942/- charged to petitioner for 190856 units vide notice no. 1282 dated 18.11.2022, which was later charged as sundry charges in bill dated 28.03.2023, is correct and recoverable, however due credit of units exported to PSPCL as per reading of 4953.80Kwh recorded in export register of the meter as depicted in the DDL, be ensured.

ii. CE/DS, Central Zone, Ludhiana, is directed to investigate the matter of non-billing for a long period of about five years and action be initiated against the



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delinquent officer(s)/officials(s) for recurring revenue loss to the PSPCL for such a long period.

iii. As required under Regulation 2.33 of the Punjab State Electricity Regulatory Commission (Forum & Ombudsman) (2nd Amendment) Regulations, 2021 the compliance of this decision shall be made within 21 days from the date of receipt of this order.

iv. If the petitioner is not satisfied with the decision of Corporate CGRF, he is at liberty to file a representation before the Ombudsman appointed/designated by the Punjab State Electricity Regulatory Commission within 30 days from the date of receipt of the order of the Forum, as required under Regulation 2.39 read with Regulation 2.37 of the Punjab State Electricity Regulatory Commission (Forum & Ombudsman) (2nd Amendment) Regulation, 2021.”

6. The appeal filed before the Ombudsman against the order passed by the CCGRF was also dismissed vide order dated 21.09.2023 by passing a detailed and reasoned order. The appellant filed CWP-24895-2023 under Article 226 of the Constitution of India, questioning the legality of the orders passed by the CCGRF and the Ombudsman, which was dismissed by the learned Single Judge, vide order dated 04.02.2025.

7. The solitary argument raised by the appellant before the learned Single Judge was that in view of the provisions of Section 56 (2) of the Electricity Act, 2003, (*hereinafter referred to as the 'Act of 2003'*), the respondent-Distributor Licensee cannot recover the amount beyond two years, since the said provision contains a *non-obstante* clause. The respondent-corporation controverted the argument raised on behalf of the appellant on the ground that the bar contained in Section 56 (2) of the Act of 2003, would not be applicable in the given facts and circumstances of the case and that the issue involved in the petition is no longer *res integra*, having been decided by the Supreme Court in Civil Appeal No. 7235-2009,



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titled as '*M/s Prem Cottex Vs. Uttar Haryana Bijli Vitran Nigam Ltd and others'* 2021(20) SCC 200, decided on 05.10.2021.

8. Learned Single Judge after examining the statutory provisions of the Act of 2003 and the observations of the Supreme Court of India in the case of *M/s Prem Cottex(supra)* came to the conclusion that the action taken by the Distributor Licensee was well within time and, accordingly, dismissed the writ petition filed by the appellant.

9. Learned counsel appearing on behalf of the appellant has assailed the correctness of the decision of the learned Single Judge on the ground that there is non-application of mind qua the statutory provisions as contained in Section 56(2) of the Act of 2003, which creates a complete bar against recovery of any amount from a consumer, after the lapse of a period of two years from the date, when such sum first became due unless such sum has been shown continuously as recoverable as arrears of charges for electricity supplied. It is further argued that the judgment of the Supreme Court of India in the case of *M/s Prem Cottex, (supra)* was not attracted to the facts and circumstances involved in the present case.

10. Per contra, learned counsel appearing on behalf of respondents No. 1 and 2 submits that the appellant has miserably failed to show that the decision of the learned Single Judge suffered from any illegality or perversity and prays for dismissal of the appeal.

11. We have heard learned counsel for the parties and perused the record with their able assistance.

12. The short question that arises in the present appeal is that whether the Respondent-Distributor Licensee was debarred from recovering



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the amount in question from the appellant, in view of the bar contained in Section 56(2) of the Act of 2003. It would be necessary to examine the provisions of Section 56(2) of the Act of 2003, which are extracted as under:-

“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 the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.”

13. Perusal of the aforesaid statutory provisions makes it abundantly clear that the same starts with a *non-obstante* clause and mandates that no sum due from any consumer shall be recoverable after the period of two years from the date when such sum became first due, unless such sum has been shown continuously as recoverable as arrears of charges for electricity supplied. It also imposes restriction that the licensee shall not cut off the supply of the electricity.

14. However, the moot question is that when would the period of limitation as prescribed under sub-Section 2 of Section 56 of the Act of 2003, shall start running. The said question stands answered by the Supreme Court of India in the case of *M/s Prem Cottex, (supra)*, wherein, it was, *inter alia*, held as under:-

“24. The matter can be examined from another angle as well. Sub-section (1) of Section 56 as discussed above, deals with the disconnection of electric supply if any person "neglects to pay any charge for electricity". The question of neglect to pay would arise only after a demand is raised by the licensee. If the demand is not raised, there is no occasion for a consumer to neglect to pay any charge for electricity. Sub-section (2) of Section 56 has a non-obstante clause with respect to what is



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contained in any other law, regarding the right to recover including the right to disconnect. Therefore, if the licensee has not raised any bill, there can be no negligence on the part of the consumer to pay the bill and consequently the period of limitation prescribed under Sub-section (2) will not start running. So long as limitation has not started running, the bar for recovery and disconnection will not come into effect. Hence the decision in Rahamatullah Khan and Section 56(2) will not go to the rescue of the appellant.”

15. In our opinion, the observations of the Supreme Court of India in the case of *M/s Prem Cottex, (supra)* as extracted above, would be applicable to the facts and circumstances of the present case, since in the present matter also no demand was raised prior to 18.11.2022 and the final amount was claimed in the bill dated 28.03.2023, well within time.

16. In view thereof, we are in agreement with the decision taken by the learned Single Judge vide order dated 04.02.2025. Consequently, the present appeal is hereby dismissed, being devoid of any merits.

17. Pending applications, if any, stand disposed of accordingly.

**(ASHWANI KUMAR MISHRA)
JUDGE**

**(ROHIT KAPOOR)
JUDGE**

06.08.2025

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Whether speaking/reasoned : Yes
Whether Reportable : No