



RSA-34-1995 and RSA-345-1995

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

RSA-34-1995

Punjab State Electricity Board, Patiala and another

...Appellants

Versus

Hari Singh

...Respondent

RSA-345-1995

Punjab State Electricity Board, Bathinda

...Appellant

Versus

Hari Singh

...Respondent

Judgment Reserved on	Judgment pronounced on	Judgment uploaded on	Whether only the operative part of the judgment is pronounced	Whether the full judgment is pronounced
02.02.2026	06.03.2026	06.03.2026	NO	YES

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present:- Mr. Karanjeet Singh, Advocate, for
Mr. Amar Vivek Aggarwal, Advocate
for the appellant(s) in both cases.

None for the respondent in both cases.

...

SUVIR SEHGAL, J. (Oral)

1. This order shall dispose of both above noted appeals, as they involve common questions of law and fact.
2. For the sake of convenience, factual position is being taken from RSA-34-1995.
3. Appellants-defendants are in second appeal assailing concurrent finding recorded before Trial Court as well as First Appellate Court.

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4. Respondent-plaintiff filed a suit for declaration and permanent injunction averring that he is running a factory of cotton ginning and spinning and is entitled to all benefits of a seasonal industry as per sales manual instructions. It has been pleaded that plaintiff has been complying with all conditions of the instructions. Plaintiff has a contract demand of 300 KVA and a meter of HT type was installed in November, 1989. When plaintiff realized that meter was not working properly, he sent an intimation on 09.11.1989, Ex. P-1, which was followed by a reminder dated 21.11.1989, Ex. P-2, but defendants did not change the meter. Defendants sent an ad hoc bill for month of November 1989, on the basis of consumption for month of November 1988, which plaintiff deposited under protest. Challenging the ad hoc billing, plaintiff filed a suit for declaration. Upon notice, suit was contested by defendants, wherein seasonal nature of work carried by plaintiff was admitted. It was conceded that plaintiff had been informing defendants regarding operation of factory premises. It was averred that on receiving intimation, Ex. P-1, meter was tested by Mobile Meter Testing Squad on 22.02.1990, and it was found that counter of KWH meter was not moving due to an internal defect. KVAH meter was found to be 3.14% fast and MDI was running fast by 3.04%. It has been stated that bill has been issued on the basis of consumption of November, 1988. On basis of pleadings of parties, issues were framed by Trial Court and both parties led evidence in support of their respective stand. After hearing the parties, suit was partly accepted by Trial Court vide judgement and decree dated 30.07.1992. Defendants were restrained from making a recovery of disputed bill. Appeal filed by defendants was rejected by learned Additional District Judge vide judgment dated 14.05.1994. Hence, the present second



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appeal.

5. By making a reference to circular No.11/1990, Ex. P-6, counsel for the appellants has argued that appellants-defendants had specified schedule of rates and method of arriving at these rates, which had been charged from respondent. He urges that criteria for levying consumption charges has been laid down in sales manual as per which if one of meter component is not working, calculation through other methods, load capacity and power consumed can be arrived at. Counsel asserts that demand raised was valid as per regulations framed by appellants and findings recorded by both the Courts are erroneous.

6. There is no representation on behalf of respondent.

7. I have heard counsel for the appellants and considered his submissions besides examining requisitioned record.

8. The admitted case of parties is that there is a snag in the electricity meter. The stand taken by appellants in their written statement and also evidence laid by them is that counter of KWH meter was not moving due to an internal defect. KVAH meter and MDI were found to be running fast. It is, therefore, evident that meter was defective. Section 26 of The Indian Electricity Act, 1910 (for short "the Act"), casts an obligation of electricity board to ensure that electricity meter is functional and running normally. Sub Section (6) to Section 26 *ibid* lays down that in case of any dispute or difference as to whether any meter is serviceable or not, such a dispute shall be referred to an Electrical Inspector by either of parties by moving an application. Where an Inspector finds that meter has ceased to be functional, he shall estimate amount of energy supplied to consumer during the period of defect and shall levy charge for the



same for a period not exceeding six months. Relevant statutory provision reads as under:-

“26. *Meters –*
(1) to (5) *X X X*
(6) *Where any difference or dispute arises as to whether any meter referred to in sub-section (1) is or is not correct, the matter shall be decided, upon the application of either party, by an Electrical Inspector; and where the meter has, in the opinion of such Inspector ceased to be correct, such Inspector shall estimate the amount of energy supplied to the consumer or the electrical quantity contained in the supply, during such time, not exceeding six months, as the meter shall not, in the opinion of such Inspector, have been correct; but save as aforesaid, the register of the meter shall, in the absence of fraud, be conclusive proof of such amount or quantity.*
Provided that before either a licensee or a consumer applies to the Electrical Inspector under this sub-section, he shall give to the other party not less than seven days’ notice of his intention so to do.”

9. This provision came up for interpretation in ***Madhya Pradesh Electricity Board and others Versus Smt. Basantibai, (1988) 1 SCC 23.*** Hon’ble Supreme Court has held that dispute as to whether meter is or is not correct or it is inherently defective or faulty, not recording correctly the electricity consumed, can be decided by an Electrical Inspector under the provisions of the Act. Till the time decision is made, no supplementary bill can be prepared by Electricity Board estimating energy supplied to consumer as Board is not empowered to do so by the Act. It has been clarified that Board cannot threaten to disconnect electricity supply on account of non-payment of supplementary bill, in the case of a inaccurate meter. This view has been followed by a co-ordinate Bench of this Court in ***M/s Tej Alloys Limited Versus Punjab State Electricity Board and another, 2019 (3) PLR 655.*** The ratio of the judgments is fully applicable to the facts of present case. As electricity meter installed in the premises of plaintiff was defective, without



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getting dispute settled from an Electrical Inspector, appellants could not have raised a bill on ad hoc basis and demand charges from plaintiff-respondent.

10. As a result of the above discussion, this Court does not find any infirmity in findings recorded by Trial Court and First Appellate Court. However, it is clarified that till the time dispute is not referred to and adjudicated by an Electrical Inspector or any other officer/authority/forum competent to do so under The Electricity Act, 2003, appellants cannot raise any demand from respondent. Judgment and decree passed by both the Courts are modified to this extent.

11. Both the appeals are disposed of.

**(SUVIR SEHGAL)
JUDGE**

06.03.2026
Pardeep

Whether Speaking/Reasoned	Yes
Whether Reportable	Yes