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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 14th July, 2025

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LPA 743/2008

B.S.E.S. YAMUNA POWER LTD.

.....Appellant

Through: Mr. Buddy Ranganathan, Sr. Adv.
with Mr. Anupam Varma, Mr. Nikhil
Sharma & Ms. Simran Kohli, Advs.
(M: 9625648559)

versus

RAKESH MOHAN MITTAL

.....Respondent

Through: None.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE RAJNEESH KUMAR GUPTA

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present appeal had been filed challenging the order dated 24th August, 2006 passed by the Id. Single Judge in ***Writ Petition (C) No. 408 / 2005*** and the order dated 4th March, 2008 dismissing ***Review Petition No. 437 of 2006***.
3. There was a delay of 799 days in filing of the present appeal due to which the appeal was dismissed *vide* order dated 02nd December, 2008 by the Id. Division Bench of this Court. The said order was challenged before the Supreme Court in ***Civil Appeal No. 5954/2009*** and the same was set aside on 31st August, 2009 with the following directions:

“ This appeal is directed against the final order dated 02.12.2008 passed by the Delhi High Court in L.P.A. No. 743 of 2008 dismissing the appeal solely on the ground of delay.



The subject matter of the proceeding before the Single Judge was the payment of a sum of Rs.5,71,827.55/- which inadvertently was shown to be due to the private respondent, though the same is disputed by the private respondent, in the order of the learned Single Judge dated 24.08.2006. The learned Single Judge proceeded on the basis that the said amount was really due to the respondent while it is the case of the appellant that the same was due to the Government.

The said controversy was taken to the Division Bench which, however, dismissed the writ petition on the ground of delay alone.

We have heard learned counsel for the parties and we are of the view that the matter should be decided on merits because there appears to be some mistake in the interpretation of the letter dated 29th September, 2005 at page 52 of the Paper Book which is based on the internal note of the appellant, and is placed below:

BSES RAJDHANI

BSES RAJDHANI POWER LIMITED

ROAD OFFICE: BSES BHAWAN,

NEHRU PLACE, NEW DELHI- 110018.

Office of the OFO, SCNSTN.....SNL GRID, New Delhi- 110 018

No. DFO (DPCL)/265

Dated 29th Sep.2005

GENERAL MANAGER (DPCL)

Shakti Sadan,

Kotla Marg,

New Delhi.

Sub: REGARDING K.NO. 12101010019.

Sir,

The above said case has already been sent to you vide our letter No.DFO (DPCL) / 243 dated 26.08.2005 for obtaining the Approval of Credit to Rs. 5,71,825.55 bill for



July 2002 pertaining to DVB period, but still Approval of the same has not yet been received so far.

The Hon'ble Court has ordered to resolve the case as earliest.

You are therefore requested to do the needful to avoid any harsh action of the Hon'ble Court.

End.Copy of e-mail

Yours truly

*Copy to: Sr.Legal
Andrew Ganj*

*Officer(Ashok Ahuja)
DFO
CEO Support Cell.*

Received on 28.09.06

The appeal is accordingly disposed of. The impugned order of the Division Bench of the High Court dated 2.12.2008 is set aside with a direction to re-hear the appeal on merits. Since the case of the appellant is disputed by the complainant, he will be entitled to file fresh objections in respect thereof at the time of re-hearing of the appeal.”

4. Accordingly, the appeal was listed before the Court on 06th October, 2009, on which date the appeal stood admitted and the amount was also released to the Respondent.
5. On the last date of hearing i.e., 21st April, 2025, fresh notice was issued to both parties and the matter was listed before the Joint Registrar as there was no appearance on the said date. The Appellant Company was served and it entered appearance on 19th May, 2025 - however, as recorded in the order dated 10th July, 2025, the Respondent is not traceable as he has sold the subject property and left the given address.
6. On merits, the present appeal challenges the impugned judgment dated 24th August, 2006 by which the writ petition filed by the Respondent-Rakesh Mohan Mittal was disposed of in the following terms:



“The petitioner's meter was installed on 7th October, 1988. The supply was disconnected in April, 1992 and the position continued to be so till May, 1997. The permanent Lok Adalat recorded by its order as follows:

The petitioner in this case is aggrieved by the inaction of the respondent BSES in not complying with the order dated 11th December, 2003 by which Lok Adalat had directed the latter to give a corrected bill, after giving a credit of an amount of Rs. 5,71,827.55.

“Supply of this connection was admittedly disconnected on 03/12/02 at the final reading of 53769 units and meter has since been removed on 15/04/03. Since, the department is being given the benefit of raising fresh/supplementary demand for short charges of consumption without applying multiplication factor of $10 \times \frac{2}{3}$ instead of 1, it is the petitioner who will suffer rather than the department suffering in any way and, therefore, when the demand is being revised by applying the correct multiplication factor, misuse bills raised without any detection of misuse having been made by the enforcement staff and without any show cause notice, misuse bills cannot be allowed to be raised/substained. The petitioner has shown valid licence which was valid earlier upto 31/03/96 and that it was got renewed on 29/04/98 by making payment of Rs. 14,601 vide receipt No. 377091 being the licence fee and composition fee renewing the license from 01/04/96 upto 31/03/01. This license was subsequently renewed upto 32/03/02 and has now been renewed upto 31/03/04 by making payment of Rs. 1618/- vide receipt No. 214490 dt.

Applying the correct multiplication factor and so it is agreed to be revised from 8350 units of May, 1990 upto 02/04/92 when the reading found was 9108 units by applying multiplication factor



of 10 x 2/3 covering MG of 38 KW without misuse. The MG without misuse shall then be added for six months as supply was admittedly disconnected in April, 1992. Billing will thereafter be stopped upto May, 1997 and then demand shall be revised from May, 1997 onwards as per consumption shown by the meter book sheet again applying the correct multiplication factor of 10 x 2/3 on normal IP tariff basis. Rs. 500/- as presumed illegal restoration charges shall also be charged. Demand shall be revised ignoring the reading of March, 2001 as per actual consumption shown by the meter book sheet up to the final reading of 53769 units as on 03/12/02 applying the correct IP tariff applicable from time to time with MG of 38 KW upto April, 2003. Adjustment of all payments made by the petitioner for the consumption used from May, 1990 shall be given. Approved of the competent authority may be obtained before revising the bill. If bills raised even after removal of the meter, they can be ignored.

With these observations, the case is disposed as settled, subject to approval of the Competent Authority The petitioner shall withdraw the case if any if any, pending in any Court/Tribunal/Forum with regard to above.”

Having heard counsel for the parties, I am of the opinion that the stand of the respondent cannot be justified. The Lok Adalat had accepted the contentions of the parties and recorded an agreement. As per the agreement, the bill had to be revised by giving appropriate credit. The DSES does not despite that the petitioner is entitled to a credit of a specific sum of Rs. 5,71,827.55. As per the Section 227, Legal Service Authorities Act, 1987 the order of an authority or forum (as indeed in the permanent Lok Adalat is) is once it records settlement between the parties it is final and



binding. It cannot assailed in collateral proceedings less in judicial review under Article 226 of the Constitution of India. In view of this position the respondent cannot indefinitely postpone the implementation of the agreement arrived at on the ground that the “formal approval” of the holding company is not forthcoming.

It is not disputed by the counsel for the respondent that pursuant to the order of the Lok Adalat recording the agreement of the parties, petitioner has to be given credit in the sum of Rs.5,71,827.55. Its counsel, however, submits that as per the policies of the Delhi Power Corporation Ltd. the BSES has to obtain formal sanction of the his purpose.

In the light of the above discussion the writ petition is allowed. The respondent is directed to give credit to the petitioner for the sum of Rs.5,71,827.55 and ensure that the payment is made within eight weeks from today.

Petition is allowed to the extend Indicated above.”

7. As can be seen from the above order, various demands had been raised by the BSES which were ultimately settled vide the order passed by the permanent Lok Adalat on 11th December, 2003. The said order also reads as under:

*“This case pertains to correction and finalisation of demand of IP connection no.623-120835-F010 with sanctioned load of 37.30 kw. Meter of this connection was installed on 7/10/88 with initial reading of 4 unit with multiplication factor of $10 \times \frac{2}{3}$ (6.67). As per record shown by Sh. Sharma, bills were being raised manually up to June 1990 applying the correct MF of $10 \times \frac{2}{3}$. From June, 1990 up to April, 1992 bills were wrongly issued with multiplication factor 1 by the computer. Supply was disconnected **** about April, 1992 and it remained disconnected up to July, 1997. As*



per record, reading was recorded in June, 1997 but in the record of the department there is not record as to how supply was restored. It is, therefore presumed by the department that the supply must have been restored illegally. It is also admitted that on 2/2/2001 reading found was 41070 unit but on 1/3/2001 reading was noted wrongly as 414460 units instead of 41446 units. This mistake arose because the actual reading of 41446 units was multiplied by 10 instead of multiplication factor of $10 \times \frac{2}{3}$ being applied for the consumption recorded between 2/2/2001 and 1/3/2001. Thus as per the department, the reading of March, 2001 is to be ignored.

*The perusal of statement of account ***** the petitioner was making regular payment as per the bills raised upto February, 2001 by last making payment of Rs.11,630 and payments were then stopped as in March, 2001, demand was raised for consumption of 373390 units instead of 2600 units only. Thus when the petitioner was making payment regularly upto February, 2001, no LPSC can be charged since, demand for consumption of 373390 units was made instead of 2600 units in March, 2001 in the sum of Rs. 22,46,205.69p, this demand and all subsequent demands become illegal and exorbitant and, therefore, no LPSC can be charged from March, 2001 onwards also.*

Supply of this connection was admittedly disconnected on 3/12/2002 at the final reading of 53769 units and meter has since been removed on 15/04/2003. Since, the department is being given the benefit of raising fresh/supplementary demand for short charg of consumption without applying multiplication factor of $10 \times \frac{2}{3}$ instead of 1, it is the petitioner who will suffer rather than the department suffering in any way and, therefore, when the demand is being revised by applying the correct multiplication factor, misuse bills raised without any detection of misuse having been made by the



*Enforcement staff and without any show cause notice, misuse bills cannot be allowed to be raised/sustained. The petitioner has shown valid licence, which was valid earlier upto 31/03/1996 and then was got renewed on 29/04/98 by making payment of Rs. 14,401 vide receipt no. 377091 being the licence fee and composition fee *** the licence from 1/4/96 upto 31/03/2001. This licence was subsequently renewed upto 31/03/2002 and has now been renewed upto 31/03/2004 by making payment of Rs. 1618/- vide receipt no. 214490 dated 17/10/2003.*

*It is, therefore, confirmed that the demand upto May, 1990 i.e. upto the reading of 8350 units has been correctly raised by applying the correct multiplication factor and so it is agreed to be revised from 8350 units of May, 1990 upto 2/4/92 when the reading found was 9108 units by applying multiplication factor of $10 \times \frac{2}{3}$ covering MG of 38 KW without misuse. The MG without misuse shall then be added for six months as supply was admittedly disconnected in April, 1992. Billing will thereafter be stopped upto May, 1997 and then demand, shall be revised from May, 1997 onward as per consumption shown by the Meter book sheet again applying the correct multiplication factor of $10 \times \frac{2}{3}$ on normal IP tariff basis Rs. 500/- as presumed illegal restoration charges shall also be charged. Demand shall be revised ignoring the reading of March, 2001 as per actual consumption shown by the meter book sheet up to the final reading of 53769 units as on 3/12/2002 applying the correct IP tariffs applicable from time to time ***** . Adjustment of all payments made by the petitioner for the consumption used from May, 1990 shall be given. Approval of the competent authority may be obtained before revising the bill. If bills are, raised even after removal of the meter, they can be ignored. With these observations, the case is disposed as settled, subject to approval of the Competent Authority. The Petitioner shall withdraw the case, if any, pending in*



any Court/Tribunal/Forum with regard to above.”

8. Pursuant to the said order passed by the Lok Adalat, in the **(Case) No. 408/2005**, the BSES was directed to give credit to the Petitioner for a sum of Rs. 5,71,827.55/-.

9. When the present appeal was listed before this Court on 2nd December, 2008, the appeal had stood dismissed but was later restored as recorded above. Upon restoration, in order dated 6th October, 2009 it was recorded as under:

“Admit.

No orders are required in the stay application being CM No. 16954/2008 since the amount has already been released in favour of the respondent. The application is rendered infructuous and the same is disposed of accordingly.”

10. In effect, therefore, the Respondent has been given benefit of the order passed by the permanent Lok Adalat on 11th December, 2003.

11. Presently, the property itself to which the electricity meter is attached stands sold by the Respondent and the Respondent is not traceable.

12. Mr. Buddy A. Ranganathan, Id. Sr. Counsel appearing for the Appellant Company, submits the permanent Lok Adalat’s order was passed *qua* the dues which pertain to the period prior to the Appellant Company coming into existence, and at the relevant point in time, the said dues were of the Delhi Vidyut Board.

13. The issue presently is that the statement recorded of the Id. Counsel for the Appellant Company in the order dated 24th August, 2006 passed by the Id. Single Judge appears to have been made under a mistaken impression. Thus, the credit which was given to the Respondent herein, according to Mr. Ranganathan, Id. Sr. Counsel was wrongly given.



14. Be that as it may, the order itself is of 2006, almost 19 years ago and the Respondent is not traceable. Further, it is settled law that an order of the Lok Adalat is a deemed decree and the same attains finality unless any allegation of serious fraud or coercion is alleged. This Court in ***Rachana vs. Shreeram General Insurance Co. Ltd. & Ors., 2023:DHC:3260***, after considering Section 21 of the Legal Services Authorities Act, 1987 held as under:

“9. Section 21 of the Legal Services Authorities Act, 1987 reads as under:

“21. Award of Lok Adalat.—(1) Every award of the Lok Adalat shall be deemed to be a decree of a civil court or, as the case may be, an order of any other court and where a compromise or settlement has been arrived at, by a Lok Adalat in a case referred to it under sub-section(1) of section 20, the court-fee paid in such case shall be refunded in the manner provided under the Court-fees Act, 1870 (7 of 1870). (2) Every award made by a Lok Adalat shall be final and binding on all the parties to the dispute, and no appeal shall lie to any court against the award.”

10. A perusal of the above provision would show that whenever an award is passed by the Lok Adalat, it is deemed to be a decree of a civil court. Thus, unless and until any serious allegation of fraud or coercion is alleged, an award of the Lok Adalat attains finality and is intended to bring about a final resolution of disputes between the parties.”

15. For whatever reason, ld. Counsel appearing for BSES made a statement before the Ld. Single Judge which may have been erroneous or without instructions. But the order categorically records the said statement and the Respondent was given benefit of the same. After the order of the Ld. Single



Judge the Appellant Company preferred the **Review Petition No. 437 of 2006** which was dismissed *vide* order dated 4th March, 2008. Thereafter, the present appeal was filed which was also dismissed on the ground of delay on 2nd December, 2008. The said order was challenged before the Supreme Court and *vide* order dated 9th September, 2009, the matter was remanded back for deciding on merits. As recorded in order dated 6th October, 2009, during the pendency of the present appeal the amount had been released by the Appellant Company to the Respondent.

16. In this appeal, when the Respondent is not traceable, no useful purpose is served to reopen the entire matter on the interpretation of the settlement – that too after so many years.

17. In the opinion of this Court, considering the facts of the case the order of the Lok Adalat followed by the order of the Ld. Single Judge, has now attained finality between the parties, there is no ground for interference with the order of the ld. Single Judge.

18. The legal questions raised by the Appellant Company in this appeal are left open to be decided in an appropriate case.

19. The appeal is disposed of in these terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH
JUDGE

RAJNEESH KUMAR GUPTA
JUDGE

JULY 14, 2025/dj/msh

(corrected & released on 18th July, 2025)