



CWP-10412-2026

-1-

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

118

CWP-10412-2026

Date of Decision: 19.05.2026

M/s M.B. Rice & Gen. Mills

...Petitioner

Versus

Punjab State Power Corporation Limited and another ...Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Daman Dhir, Advocate,
Ms. Pushpanjali Bisht, Advocate and
Ms. Raman Dhir, Advocate for the petitioner
Ms. Shreya B. Sarin, Advocate for respondents

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking setting aside of order dated 23.02.2026 whereby respondent has raised demand of ₹37,18,076/- alleging application of incorrect multiplying factor for the period from September' 2014 to June 2017.

2. The petitioner is engaged in the business of milling rice. It secured electricity connection w.e.f. 10.09.2014. It paid electricity dues as demanded by respondent-Punjab State Power Corporation Limited. The respondent conducted inspection on 05.06.2017 wherein an opinion was formed that there is short payment of electricity dues to the tune of ₹17,48,486/- on account of application of incorrect multiplying factor. The respondent raised demand of aforesaid amount. The petitioner challenged aforesaid demand before Consumer Grievance Redressal Forum, Punjab State Power Corporation Limited as well as Ombudsman Electricity, Punjab.



CWP-10412-2026

-2-

Both the Forums upheld the demand. It preferred *CWP No.24564 of 2018* before this Court which was dismissed on 02.04.2024. It filed *LPA No.1930 of 2024* which was disposed of vide order dated 12.12.2025. The Division Bench held that respondents cannot take action under Section 56(1) of Electricity Act, 2003 (for short '**2003 Act**'), however, their other remedies are not curtailed.

3. Learned counsel for the petitioner submits that respondent, at this stage, is raising demand of aforesaid amount and is trying to take all possible coercive steps.

4. *Per contra*, learned counsel for the respondents assures the Court that aforesaid demand shall not be recovered in the manner as contemplated under Section 56(1) of 2003 Act, however, other remedies as permissible by law shall be availed.

5. Learned counsel for the petitioner agrees to the aforesaid arrangement.

6. In the wake of statement of both sides, the petition stands disposed of.

7. At the cost of repetition, it is made clear that respondents shall not take action against the petitioner under Section 56(1) of 2003 Act *qua* aforesaid demand.

(JAGMOHAN BANSAL)
JUDGE

19.05.2026
Mohit Kumar

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No