



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

CWP-4155-2000

Date of decision: 11.07.2025

M/s Shiv Shankar Rice & General Mills

.... Petitioner

Vs.

Uttar Haryana Bijli Vitran Nigam (HSEB) and others

.... Respondents

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Ms. Sarita, Advocate, for
Mr. Abhilaksh Grover, Advocate,
for the petitioner.

Mr. Vinod Kumar Kaushal, Advocate,
for the respondents.

KULDEEP TIWARI, J (Oral)

1. The respondent-distribution licensee, come up with a Voluntary Disclosure Scheme through a circular NO.7/99 dated 27.9.1999. The scheme was launched for voluntary disclosure of unauthorized load for all categories of consumer, and a simplified procedure was to be followed. As per the circular (supra), and as per the previous practice, the load shall be regularized on the date of consumer making disclosure of extended load and pay A.C.D. charges. Further, no checking of premises will be carried out during the period of scheme.

2. The circular was further amended by issuance of sale circular No.10 of 1999, and some new conditions were inserted, like the extension of declared connected load will be allowed only if the existing system permits the connection of additional load, and no service connection charges will be payable particularly in the case of industrial consumer. Further, second condition was imposed that in such cases, where the existing system cannot



take up the additional load and needs augmentation, the extension will be allowed only when the applicant declaring the unauthorized load, and comes forward to bear the cost of augmentation of system, or deposit service connection charges as applicable. This circular was further modified vide sale circular No.11 of 1999, dated 29.11.199, wherethrough, it was decided that service connection charges wherever applicable, shall be charged from those consumers who have come forward/availed the said scheme as per the existing norms. Concerning those consumers who have already availed the said scheme, these charges shall be recovered in five equal installments along with the current energy bills.

3. The petitioner availed the voluntary disclosure scheme, and applied for extension from 160.505 KW to 225.505 KW. In view of the sale circular No.11 of 1999 (supra), the distribution licensee served a notice dated 19.01.2000, upon the petitioners to deposit Rs.57,750/- as service connection charges. The said notice has caused grievance to the petitioner and propelled it to institute the instant petition under Article 226 of the Constitution of India, wherethrough, a challenge is thrown to the demand notice dated 19.01.2000, and also to the sale circular No.11 of 1999.

4. The challenge is thrown to the sale circular (supra) on the ground that it cannot be made effective from retrospectively, and there is no justification for asking for a service connection charges especially when there is no requirement of any augmentation of system. Learned counsel for the petitioner submits that initially only ACD charges were required to be paid, but now an addition of service connection charges by modification of the earlier notifications is purely unjustifiable. He further submits that the petitioner has already installed its own transformer, and therefore, its



existing infrastructure including transformer and wires could bear the extended load, as sought by the petitioner, and no augmentation of system is required so as to call for deposit of service connection charges.

5. The petition was opposed by filing a detailed written statement by the respondent which voices about the extension of unauthorized load, having effect on the existing system, which necessarily require augmentation, may be subsequently. Even otherwise, the service connection charges are being charged from the new consumers, as well as for extension of load. Though initially it was decided to charge only ACD charges, but subsequently, when it was realized that the extension of unauthorized load would effect the existing system, and the same would require augmentation, may be subsequently, therefore, vide impugned circular No.11 of 1999, the service connection charges were levied even from those consumers who had voluntarily disclosed their unauthorized load and requested for regularization.

6. This Court has heard learned counsel for the parties, and find that there is no merit in the instant petition and the same is amenable to be dismissed for the hereinafter extracted reasons:

1. That the initial sale circular No.7 of 1999, was modified twice. Firstly, vide sale circular No.10 of 1999, and secondly, vide sale circular No.11 of 1999. It is not in dispute that the sale circular No.10 is not under challenge before this Court. The condition No.3, as mentioned in circular No.10 of 1999, clearly spells out that the service charges are required to be paid in case where the existing system cannot take up the additional load, and needs augmentation, and extension will be allowed



only when the applicant declaring the unauthorized load come forward to bear the cost of augmentation of system on deposit of service connection charges as applicable. The relevant portion is hereinafter extracted below.

S.No.	Issue	Comments
1 & 2	Xx	Xx
3	Will the service connection charges be leviable on the declared extended load	a) The extension of declared connected load will be allowed only if the existing system permits the connection of additional load and no service connection will be payable particularly in the case of industrial consumers. b) In such cases where the existing system cannot take up additional load and needs augmentation, the extension will be allowed only when the applicants declaring the unauthorized load comes forward to bear the cost of augmentation of system or deposit service connection charges, as applicable. c) xxxx
4 to 8	Xx	xx

2. In the instant case, the petitioner applied for extension of load from 160.505 KW to 225.505 KW, under voluntarily disclosure scheme. The petitioner has failed to produce any material on record to substantiate that such a huge extension of load would not require any augmentation.

3. Further, the plea of the petitioner that the respondent-distribution licensee cannot give retrospective effect to the circular (supra), also finds no merits as it is not the case of giving effect to any new circular from the previous date, rather it is only a modification/clarification in the existing circular.

4. The circular No.10 of 1999 is not under challenge before this Court, and the petitioner, in pursuance of the said circular, is required to pay the service charges, and same is the stand of the respondent-distribution licensee, which is clear from the



written statement, that augmentation is required, may be subsequently, for granting extension of such a huge load.

7. In summa, the instant petition is dismissed being bereft of any merits.

(KULDEEP TIWARI)
JUDGE

11.07.2025
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Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No