



CWP-16645-2024

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

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CWP-16645-2024

Date of decision:18.02.2026

M/S VARDHMAN LAMINATORS

...PETITIONER

VERSUS

PUNJAB STATE POWER CORPORATION LTD. AND ANOTHER

...RESPONDENTS

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present: Mr. Kanwar Abhay Singh, Advocate
for the petitioner.

Mr. Ashish Verma, Advocate
for the respondents.

SUVIR SEHGAL, J.

1. This petition has been filed, *inter alia*, for issuance of a writ in the nature of certiorari for quashing assessment orders dated 12.07.2022 and 26.12.2022, Annexures P-1 and P-3, respectively, as well as appellate order dated 18.01.2024, Annexure P-5, passed by respondent authorities under Sections 126 and 127 of Electricity Act, 2003 (for short “2003 Act”). Petitioner has also challenged the subsequent assessment orders dated 11.06.2024 as well as 19.06.2024, Annexures P-6 and P-7, respectively, passed by respondent No.2, whereby a demand of Rs.50,83,215/- has been

raised.



2. Counsel for the petitioner states that petitioner-firm has a shopping complex with five floors and electricity is drawn from a connection released by Punjab State Power Corporation Limited (hereinafter referred to as “PSPCL”) with a sanctioned load of 274.99 KW under the Non Residential Supply (NRS) category. Counsel submits that after inspection of electricity meter on 08.07.2022, a report was prepared that petitioner was supplying electricity to tenants on different floors and by impugned provisional assessment order, Annexure P-1, petitioner was asked to deposit charges for alleged unauthorized use of electricity. Petitioner filed objections and by impugned final assessment order, Annexure P-3, petitioner was found liable to deposit Rs.19,18,582/-. Counsel states that petitioner challenged the said order by filing an appeal upon deposit of 50% of the disputed amount, but appeal has been rejected vide order dated 18.01.2024, Annexure P-5, which is non-speaking. Consequent to the dismissal of the appeal, counsel asserts that fresh assessment orders, Annexures P-6 and P-7, have been passed, whereby a demand of Rs.50,83,215/- has been raised, out of which, 50% of the demanded amount has been deposited. Counsel has placed reliance upon the provisions of the Supply Code, 2014, as well as sale circulars to contend that position has undergone a change during the pendency of the writ petition and arrangement for supply of electricity to tenants has now been accepted by PSPCL. It is his argument that appellate authority has passed a cryptic order, which cannot be sustained as it has failed to support its order with any reasons.



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3. Opposing the petition, counsel for respondent(s)-PSPCL, has made a reference to response filed on behalf of respondents to urge that petitioner was found to be selling electricity to the tenants, which is evident from Annexure R-1. He submits that as per applicable provisions, a calculation was made and a demand has been raised vide impugned order, Annexure P-7. Counsel has taken an objection that petitioner has failed to avail the alternate remedy of filing an appeal under Section 127 of 2003 Act, against the subsequently passed final order of assessment, Annexure P-7.

4. Having heard counsel for the parties and considered their respective submissions, this Court is of the view that impugned appellate order, Annexure P-5, being bereft of reasons, deserves to be set aside.

5. While dismissing the appeal, appellate authority has recorded as under:-

“On 18-01-2024 during the meeting kept for hearing of this case, after hearing the consumer and department on the petition of the consumer the amount of UUE is recoverable as per Annexure-8 of Section 36 of Supply Code-2014 and the Lease deed of the Ice Cream Parlour is dated 1-7-2022 and so as per this agreement the amount of Ice Cream Parlour is recoverable after 1-7-2022.

Action be taken in the above case as per Section 36.3.5 of the Supply Code-2014.

Sd/-

*Deputy Chief Engineer/P & M Division
(Appellate Authority)
P.S.T.C.L., Jalandhar.”*

6. From the above reproduced extract, it is evident that appellate authority has not adverted to the contentions raised by the petitioner.

Appellate authority has merely referred to the supply code as well as lease



deed and has come to the conclusion that amount is recoverable from the petitioner. Such an order which sans any reasoning, cannot withstand judicial scrutiny. In **S.N. Mukherjee Vs. Union of India (1990) 4 SCC 594**, Supreme Court has observed that recording of reasons by an administrative authority serves a salutary purpose, namely, it excludes chances of arbitrariness and ensures a degree of fairness in the process of decision making. This purpose would apply to all decisions irrespective of the fact whether the decision is subject to appeal, revision or judicial review. Reasons are the heartbeat of every conclusion and introduce clarity in an order, without which it would become lifeless.

7. Emphasizing upon the need of passing reasoned orders, Supreme Court in **Siemens Engineering and Manufacturing Co. of India Limited Versus Union of India and another, (1976) 2 SCC 981**, held that where a quasi-judicial authority makes an order it must record its reasons in its support. It has been observed that it is not necessary that an authority should have made an elaborate order discussing the arguments in the manner of a Court of law. But the order should have been a little more articulate so as to lend assurance that the case of parties has been properly considered. Sufficiently clear and explicit reasons in support of the order must be given by a quasi-judicial authority. In **Kranti Associates Pvt. Ltd. and another Versus Masood Ahmed Khan and others, (2010) 9 SCC 496**, Apex Court has stressed that giving of reasons, has virtually become as indispensable component of decision making process and facilitate the process of judicial



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review by superior Courts. As the impugned order, Annexure P-5, sans any reason, it cannot be sustained.

8. For the reasons recorded above, impugned appellate order, Annexure P-5, is set aside and the matter is remitted to appellate authority to decide the appeal afresh by passing a speaking order.

9. Writ petition is disposed of.

10. Parties are directed to appear before appellate authority on 23.03.2026, at 10:00 A.M., for further proceedings in accordance with law.

11. Liberty is also given to the petitioner to file an appeal, if so advised, under Section 127 of the Electricity Act, 2003, to assail the final order of assessment, Annexure P-7, by raising all the pleas available to it in accordance with law.

18.02.2026

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(SUVIR SEHGAL)
JUDGE

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No