



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

202

CWP-2989-2016

Date of Decision: 22.05.2026

M/S GOYAL RICE MILL

...Petitioner

Vs.

LOK ADALAT & ORS.

...Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Naveen Kashyap, Advocate
for the petitioner

Ms. Anupam Bhanot, Advocate
for respondents No.2 and 3

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Article 226/227 of the Constitution of India is seeking setting aside of order dated 19.09.2015 whereby Ld. Permanent Lok Adalat (for short 'PLA') has rejected its application filed under Section 22C of Legal Services Authorities Act of 1987

2. Learned counsel for petitioner submits that petitioner purchased a rice mill in public auction conducted by State Bank of Patiala under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The petitioner was issued sale certificate. The petitioner applied for electricity connection which was granted by respondent. As per prescribed procedure, the petitioner

was asked to deposit a sum of ₹8,46,800/- towards tentative cost of new connection. The respondent prepared final cost of connection which was found ₹48,510/-. The petitioner became entitled to refund of differential amount i.e. ₹7,98,290/- (₹8,46,800 – ₹48,510). The cost of new connection was very less because there was infrastructure already in place. The previous owner of the rice mill was having electricity connection and at the time of issuance of connection to previous owner, the respondent has already set up transformer, wires and other ancillary equipments. The respondent had to just restart the connection.

3. Learned counsel for respondents No.2 and 3 submits that there were outstanding dues against previous owner and respondent has withheld amount deposited by petitioner on account of said dues.

4. Faced with this, learned counsel for petitioner submits that petitioner was never confronted with outstanding dues of previous owner. The respondent has raised a new plea at this stage.

5. Heard the arguments and perused the record.

6. The respondent has no authority to withhold any excess amount which was recovered towards tentative cost for setting up of new connection. The respondent is unable to dispute that cost of connection was found ₹48,510/- whereas a sum of ₹8,46,800/- was got deposited towards future cost of connection. The respondent is bound to refund differential excess amount, accordingly, respondent is hereby directed to refund ₹7,98,290/- within two months from today. The respondent, as agreed by petitioner, shall be liable to pay interest @ 6% p.a. with effect

from 20.04.2022 to the date of payment. The respondent, in accordance with law, shall be at liberty to recover outstanding dues of previous owner.

7. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

May 22, 2026
Deepak DPA

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