IN THE HIGH COURT OF TELANGANA AT HYDERABAD

WRIT PETITION No.14618 OF 2022

Between:

M/s Sri Sai Raja Rajeshwari Spinning Mills Pvt.Ltd.

... Petitioner

And

Northern Power Distribution Company of Telangana Ltd. And others.

... Respondents

JUDGMENT PRONOUNCED ON: 03.06.2024

THE HON'BLE MRS. JUSTICE SUREPALLI NANDA

1.	Whether Reporters of Local newspapers may be allowed to see the Judgment?	:	Yes
2.	Whether the copies of judgment may be	:	Yes
	marked to Law Reporters/Journals?		
3.	Whether Their Lordships wish to see the fair copy of the Judgment?	:	Yes

MRS. JUSTICE SUREPALLI NANDA

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> Head Note:

! Counsel for the Petitioner : Sri Vimal Varma Vasireddy

^ Counsel for Respondent Nos.1 to 4: Sri Zakir Ali Danish

^ Counsel for the Respondent No.5 : G.P. for Revenue

? Cases Referred:

HON'BLE MRS JUSTICE SUREPALLI NANDA WRIT PETITION No.14618 OF 2022

ORDER:

Heard Sri Vimal Varma Vasireddy, the learned counsel appearing on behalf of the petitioner, Sri Zakir Ali Danish learned standing counsel appearing on behalf of respondent Nos.1 to 4 and the learned Government Pleader for Revenue appearing on behalf of the 5th Respondent.

2. <u>The petitioner approached the Court seeking prayer</u> as under:

"....to issue a writ order or direction more particularly one in the nature of Writ of Mandamus:

a) declaring the high handed action of the respondents in issuing Notice in Form-A under Rule4(1) A.P/T.S. Electricity Board (Recovery of Dues) Rules, 1985 in Lr.No.SE/OP/KNR/SAO/AAO/HT/AAO(HT)1A/D No.465/21, dated 21.01.2022 (served on 02.03.2022 to the security guard) demanding to pay an amount of Rs.6,57,128-97/- for SC.No.KRN086 and Rs.3,46,07,471/- for SC.No.KRN 087 towards electricity and delayed payment charges as wholly illegal, untenable arbitrary, unjust, without jurisdiction, contrary to the provisions of

Electricity Act, 2003 supply code Regulation No.3 of 2004, General Terms of Supply Conditions,

 b) consequently, direct the respondents to forthwith restore power supply to the aforementioned service connection of the petitioner."

3. <u>The case of the petitioner in brief, as per the</u> averments made in the affidavit filed in support of the present writ petition:

a) The petitioner Mill was established as a spinning Mill during the year 2006 and was carrying cotton business since then. Initially the petitioner had applied to the respondent DISCOM requesting to provide a service connection of power supply for 600 KVA at 33KV line erected and stationed nearby the unit and the same has been provided with Service Connection bearing No. KRN/87.

b) However, there is a dispute with respect to the liability of amount payable to the respondents. The respondents have demanded the liability as arrears with huge variation to the bills issued and the amounts paid to them without credence of the benefits given by State Government incentives, discounts etc., as policy. Due to the power cuts as well the other business constraints, the unit turned to be a sick Industry and was closed for certain period. As such, a dispute was raised before the Consumer Grievance Redressal Forum, Warangal in C.C.No. 195/2019.

c) While the billing dispute is pending for adjudication before the Forum, the respondents by issuing a demand notice date 13.12.2019 disconnected the power supply. Aggrieved by the action of the respondents, WP.No.27922 of 2019 was filed before this court and the court has interim direction dated 16.12.2019 for restoring the power supply on the condition that the appellant shall pay an amount of Rs.33,00,000/-out of total amount of arrears shown as outstanding levied from the appellant. Therefore, payment was made as per directions and the power supply was restored.

d) While the things stood thus, the respondents have again issued another Notice dated 21.01.2020, stating the amounts shown under the demand notice shall be paid within three (3) days or else, the power supply will be disconnected. But, the respondent Discom even without waiting till schedule mentioned time under demand notice, have disconnected the power supply at about 2.30PM on the same day of Notice. Aggrieved by the same, W.P No. 1352 of 2020 was filed by the Petitioner unit before this Court and an interim order dated 22.01.2020 was

passed directing to restore the power supply to the petitioner unit subject to payment of Rs.23,60,617 /-.

e) Subsequently,Covid-19 pandemic situation has set-in and the entire business activities and transactions of the Petitioner came to a grinding halt and both the writ petitions filed before this Court were disposed off by a common order dated 06.04.2021 directing the Forums below to decide the dispute raised by the unit and pass necessary orders. In pursuance of the order dated 06.04.2021 of this Court the CGRF in C.G.No. 195/2019-20 dated29.06.2021 held that TSNDCL have reviewed the revival of sick industry as per the procedure contemplated by APERC/TSERC. Wherein, it also held that for the purpose of restoration of power supply as on June, 2021, the Petitioner is required to pay an amount of Rs. 3,05,86,942/-.

f) Aggrieved by the same, the petitioner carried the matter in appeal before the Vidyuth Ombudsmen in appeal No. 11 of 2021 and orders dated 05.10.2021 were passed in the interim application directing the power supply to be restored to the petitioner unit subject to condition of payment of amount of Rs.30 lakhs in addition to the amounts already paid by the petitioner unit.

g) Subsequently, the petitioner has approached the respondents and requested the respondents to receive the amounts and restore power supply through representation dated 22.10.2021. However, the respondents were not inclined to implement the order of Ombudsmen dated 05.10.2021 and have got the order of Ombudsman stayed through WP No. 30719 of 2021.

h) It is the case of the petitioner that, on petitioner's visit to the unit a copy of Form-A dated 21.01.2022 was handed over by the persons claiming to be staff of respondents, wherein it is stated that it is issued under the provisions of the AP/TS Electricity Board (Recovery of Dues) Rules, 1984 purported to have been exercised under Rule 4 of the said Rules demanding an amount of Rs.6,57,128.97.ps for SC.No. KRN086 (closed connection) & Rs.3,46,07,471/- for SC.No. KRN087 stated to be as Electricity delayed payment charges, which petitioner contends are absolutely false and incorrect.

i) However, the entire issue is based upon the Memo date 14.10.2015 issued by the respondents, showing the outstanding arrears of Rs.93,94,976/-. As such the respondents have granted six (6) installments to pay the same. Subsequently, the

petitioner unit was closed and power was disconnected from February 2016 and supply was restored on 01.09.2018 under Sick Industrial Scheme. However, after supply was given a Memo dated 18.04.2018 showing arrears as Rs.2,90,08,2020/was issued to the petitioner, which was seriously disputed by unit and 1st respondent issued proceedings dated 26.06.2018 providing twenty (20) installments which was never communicated or came to light till date.

j) Moreover, the respondents have received the payments towards the bills issued and have been adjusting the same towards the amounts described under the Memo dated 18.04.2018.Despite the long passage of time, all the bill payments are being shown as outstanding amounts and are continued with miscalculations by not giving credit to the payments made by the petitioner from time to time as received by the respondents under various heads from various authorities, but not limited only to Government.

h) Aggrieved by the Form-A dated 21.01.2022 issued by the respondents, the present Writ Petition is filed.

PERUSED THE RECORD :

4. The counter affidavit filed on 20.03.2023 on behalf of respondent Nos.1 to 4 and in particular para Nos. 4 to 8, read as under:

4. It is submitted that CG No.195/2019-20 Karimnagar Circle was disposed by order dated: 29.06.2021 holding that the consumer is liable to pay а sum of Rs.2,88,13,451/- as on February, 2020 and in addition, interest @ 18% p.a. on Rs.2,88,13,451/- and monthly minimum charges for a period from 03/2020 to 06/2021 has to be paid for restoration of supply to the service connection. The CGRF also held that the TSNPDCL have reviewed the revival of sick industry as per the procedure contemplated by the Hon'ble APERC/TSERC from time to time and hence sick industry revival order issued by the CGM/Commercial/Corporate Office/Warangal is in order.

5. It is submitted that aggrieved by the orders dated: 29.06.2021 in CG No.195/2019-20, Karimnagar Circle, the Writ Petitioner filed Appeal No.11/2021-22 before the Vidyut Ombudsman for the State of Telangana and same was pending adjudication. The Vidyut Ombudsman for the State of Telangana in IA No.1/2021 in Appeal No.11/2021-22 passed interim orders dated: 05.10.2021. Aggrieved by the same, the TSNPDCL filed WP No.30719/2021 and the same was disposed by order dated: 18.08.2022 allowing the Writ Petition and setting aside the orders dated: 05.10.2021 passed in IA No.1/2021 in Appeal No.11/2021-22 and restoring IA No.1/2021 and the Vidyut Ombudsman was requested to dispose of the appeal within a period of

30 days from the date of receipt of copy of the order. This Hon'ble Court also directed status quo, obtaining as on that date, to be maintained by both the parties pending disposal of the appeal. On the very same day in the present WP No.14618/2022, this Hon'ble Court granted status quo obtaining as on date and directed the matters to be listed on 22.09.2022.

6. It is submitted that, the Vidyut Ombudsman for the State of Telangana after hearing both the parties passed award dated: 01.02.2023 in Appeal No.11/2021-22. The Hon'ble Ombudsman while upholding the orders passed by the CGRF further held that the Writ Petitioner / Appellant is not entitled for the revision of the bills. Accordingly, the appeal was rejected.

7. It is submitted that in view of the orders passed by the Vidyut Ombudsman for the State of Telangana in Appeal No. 11/2021-22, this Respondent is entitled to recover the dues in accordance with the provisions of Act, 28/1984 read with rules framed in GO Ms.No.50 Energy, Environment, Science & Technology Department, dated: 01.10.1985. This Respondent further have issued notice of demanding Form В in terms of Rule-4(3) dated: 06.06.2022 for a sum of Rs.3,80,68,218/- and same was acknowledged by the Writ Petitioner on 13.06.2022. As the Writ Petitioner has not deposited/ paid the said amount, further steps are to be taken in accordance with Rule-4(4) of the Rules. As on 20.03.2023, the total dues payable by the Writ Petitioner are quantified as Rs.4,06,80,043/-. In view of the status quo granted by this Hon'ble Court dated: 18.08.2022, this Respondent is unable to take further action in accordance with the Act, 28/1984 and the rules framed thereunder.

8. It is submitted that, status quo which was granted on 18.08.2022 is in view of the disposal of the WP No.30719/2021 and remanding the matter to the Vidyut Ombudsman for the State of Telangana for consideration of the Appeal No.11/2021-22 on merits. Since the Appeal No. 11/2021-22 has been dismissed by its award dated: 01.02.2023 and same has attained finality and the status quo is liable to be vacated.

DISCUSSION AND CONCLUSION

5. The respondent Nos. 2 to 4 herein on an earlier occasion approached this Court by filing W.P.No.30719 of 2021 seeking prayer as under:

"....to issue an order direction or Writ more particularly one in the nature of Writ of Certioraris or any other appropriate writ after calling for the records quash the orders passed in I.A. No. 1 of 2021 in Appeal No. 11 of 2021-22 dated 05/10/2021 on the file of the 2nd Respondent Vidyut Ombudsman for the State of Telangana Hyderabad and pass....." 6. The said W.P.No.30719 of 2021 was disposed of vide its order dated 18.08.2022 and in particular at para No. 3, this Court observed as under:

"3. In view of the above, the writ petition is allowed. The order dated 05.10.2021 passed in IA.No.1 of 2021 in Appeal No.11 of 2021-22 is set aside and IA.No.1 of 2021 is restored to file. The Ombudsman is requested to dispose of the appeal within a period of thirty (30) days from the date of receipt of a copy of this order. However, in the facts and circumstances of the case, no coercive steps shall be taken. Status quo, obtaining as on today, shall be maintained till the disposal of the appeal."

7. The petitioner filed the present writ petition challenging Form A notice dated 21.01.2022 served on 02.03.2022 to the Security Guard for SC No.KRN9086 and SC No.KRN087 situated at Peddur Village, Siricilla Mandal, Rajanna Siricilla District.

8. This Court vide its order dated 18.08.2022 granted status quo to be maintained by both parties obtained as on today and the same is in force as on date since the same had been extended until further orders vide orders of this Court dated 28.09.2022.

9. <u>A bare perusal of the material on record and the</u> averments made in the counter affidavit filed on behalf of respondent Nos.1 to 4, it is evident that the status quo which was granted on 18.08.2022 is in force in view of disposal of W.P.No.30719 of 2021 and remanding the matter to Vidyut Ombudsman for the State of Telangana for consideration of the Appeal No.1 of 2021-22 on merits. But in view of the facts borne on record and as specifically stated at para Nos. 6 to 8 of the counter affidavit filed on behalf of respondent Nos.1 to 4 that Appeal No.11 of 2021-22 had been dismissed, this Court opines that the petitioner is not entitled for the relief as prayed for in the present writ petition.

10. The Vidyut Ombudsman for the State of Telangana after hearing the petitioner and the respondents passed Award on 01.02.2023 in Appeal No.11 of 2021-22 and the same is filed along with the counter affidavit by respondents Nos.1 to 4.

11. <u>A bare perusal of the said award clearly indicates</u> that the Vidyut Ombudsman while upholding the orders passed by the Consumer Grievance Redressal Forum-I of TSNPDCL further held that the writ petitioner is not

entitled for the revision of the bills. Para 27 of the said order reads as under:

"27. The learned counsel for the respondents has also relied upon the judgement of a Division Bench of the Hon'ble High Court of Andhra Pradesh reported in NAVA BHARAT FERRO ALLOYS LTD., HYDERABAD v. A.P.S.E.B & ORS, wherein it was held that the electricity consumers cannot be absolved of the liability to pay interest or late payment surcharge in respect of the bills issued during the period of operation of stay or injunction order etc., It was also held that the petitioners therein, as business concerns, must have utilised the money withheld by them gainfully in their commercial activities all these years, whereas the Board (Licensee) must have suffered financial loss considerably. These principles equally apply in the instant case. Therefore this Judgement is helpful to the respondents and the appellant is liable to pay the interest/surcharges claimed by the respondents. The respondents have calculated and claimed the bill amounts as per the Rules and regulations in force properly. At the cost of repetition the learned Forum has considered all the factors into consideration and passed impugned Award legally. Accordingly, I hold that the appellant is not entitled for revision of the bills as prayed for and the Award of the learned Forum is not liable to be set aside. These points are decided against the appellant and in favour of the respondents."

12. Taking into consideration the averments made at para Nos. 4 and 8 of the counter affidavit filed on behalf of respondent Nos. 1 to 4 and the fact as borne on record that the appeal itself had been dismissed by its award dated 01.02.2023 very clearly observing that the petitioner is not entitled for the revision of bills and since the same had attained finality, this Court opines that the respondents are entitled to recover the dues, in accordance with the provisions of Act 28 of 1984. In the light of discussion and conclusion as arrived at as above since there are no merits in the present case, hence interim orders granted by this Court on 18.08.2022 stand vacated and W.P.No.14618 of 2022 stands dismissed. However, there shall be no order as to costs.

Miscellaneous petitions, if any, pending in this Writ Petition, shall stand closed.

MRS. JUSTICE SUREPALLI NANDA

Dated: 03.06.2024 Note: L.R. copy to be marked b/o yvkr/ktm