**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

MONDAY, THE TWENTIETH DAY OF JULY
TWO THOUSAND AND TWENTY SIX

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WA.Nos.306 AND 325 OF 2026

WA.NO: 306 OF 2026

Writ Appeal under clause 15 of the Letters Patent Preferred Against Order Dated 21/01/26 in WP.No37524 of 2021 on the file of the High Court.

Between:

Amit Agarwal, S/o Sri Munnalal Agandat, Aged about 40 years, Occupation Business, R/o. E7, Mayur Kushal Complex, Gunfoundry, Hyderabad.

...APPELLANT/PETITIONER

AND

1. Southern Power Distribution Company of Telangana Limited, (A Government of Telangana Undertaking) (Formerly Central Power Distribution Company of A.P. Ltd.) Corporate Office # 6-1-50, Mint Compound, Hyderabad- 5000063. Rep. by its Managing Director.
2. The Divisional Engineer, Operation, Ibrahimbagh Division, TSSPDCL, Cybercity
3. The Superintendent Engineer, Operation Circle, Cybercity, TSSPDCL, Nanal Nagar 'X' Roads, Rethibowli, Hyderabad-28
4. The Assistant Divisional Engineer, Operation, Ibrahimbagh Sub-Division, TSSPDCL, Cybercity.

...RESPONDENTS/RESPONDENTS

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to restrain the respondents from disconnecting the appellant petitioner electricity connection vide SC No. 120701682, pending determination of the Writ Appeal.

I.A. NO: 2 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the respondents to restore the of electricity connection of the appellant/petitioner vide SC No. 120701682, pending determination of the Writ Appeal No. 306 of 2026.

Counsel for the Appellant: SRI ANAND KUMAR KAPOOR
Counsel for the Respondents: SRI N.SREEDHAR REDDY, SC FOR TGSPDCL

WA NO: 325 OF 2026

Writ Appeal under clause 15 of the Letters Patent preferred against the Order dated 21/01/2026 passed in W. P. No. 37524 of 2021 on the file of the High Court.

Between:

Amit Agarwal, S/o Sri Munnalal Agarwal, Aged about 44 years, Occupation . Business, R/o. E7, Mayur Kushal Complex, Gunfoundry, Hyderabad.

...APPELLANT/PETITIONER

AND

1. Southern Power Distribution Company of Telangana Limited, (A Government of Telangana Undertaking) (Formerly Central Power Distribution Company of A.P. Ltd.) Corporate Office 6-1-50, Mint Compound, Hyderabad -500 063. Rep. by its Managing Director.
2. The Divisional Engineer, Operation, Ibrahimbagh Division, TSSPDCL, Cybercity.
3. The Superintendent Engineer, Operation Circle, Cybercity, TSSPDCL, Nanal Nagar X Roads, Rethibowli, Hyderabad -28.
4. The Assistant Divisional Engineer, Operation, Ibrahimbagh Sub-Division, TSSPDCL, Cybercity.

...RESPONDENTS/RESPONDENTS

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to restrain the respondents from disconnecting the appellant/petitioner electricity connection vide SC No. 120701682, pending determination of the Writ Appeal.

Counsel for the Appellant: SRI ANAND KUMAR KAPOOR
Counsel for the Respondents: SRI N.SREEDHAR REDDY, SC FOR TGSPDCL

The Court made the following: COMMON JUDGMENT

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

<u>WRIT APPEAL Nos.306 and 325 of 2026</u>

<u>DATE: 20 .07.2026</u>

<u>W.A.No.306 of 2026</u>

Between:

Amit Agarwal

....Appellant

And

Southern Power Distribution Company of Telangana Limited and 3 others

....Respondents

<u>W.A.No.325 of 2026</u>

Between:

Amit Agarwal

....Appellant

And

Southern Power Distribution Company of Telangana Limited and 3 others

....Respondents

<u>COMMON JUDGMENT</u>

Since the issues that arise in the above writ appeals are integrally one and the same, the writ appeals are being disposed of by this Common Judgment.

2. These two writ appeals arise out of a common order dated 21.01.2026 passed by the learned Single Judge in W.P.Nos.37524 of

2021 and 16757 of 2025. By the said common order, the learned Single Judge dismissed both the Writ Petitions filed by the appellant herein, thereby upholding the actions of the respondents in disconnecting the electricity supply to the appellant's agricultural land on two separate occasions i.e., on 14.10.2021, in respect of a second connection sanctioned and installed on 25.09.2021; and on 16.06.2025, in respect of the first connection bearing Service Connection (S.C.) No.120701682, which had been subsisting since 2014.

3. Heard Mr. Anand Kumar Kapoor, learned counsel for the appellants; and Mr.N.Sreedhar Reddy, learned Standing Counsel for Telangana Southern Power Distribution Company Limited, appearing for the respondents and perused the record.

Factual matrix

4. The appellant is the owner and possessor of agricultural land admeasuring Ac.2-25 Gts in Sy.No.214/B of Janwada Village, Shankarpally Mandal, Ranga Reddy District. The appellant purchased the said property under a registered Sale Deed dated 21.05.2008, whereupon his name was mutated in the revenue records and Pattadar Pass Books were issued in his favour. According to the appellant, the property has remained an open agricultural land enclosed by a compound wall, without any industrial structure or electricity installation existing thereon.

5. In the year 2014, the appellant applied for and was granted an LT agricultural electricity service connection bearing S.C.No.120701682 under Category 2-B by the respondent-Corporation. The appellant claims to have been regularly paying the consumption charges in respect of the said service connection and asserts that no arrears were outstanding against it. In support thereof, reliance is placed upon the No Dues Certificate dated 22.10.2020 issued by the Assistant Accounts Officer (Ex.P4), apart from the electricity bills and payment receipts.

6. On 16.08.2019, the 3rd respondent issued a notice (Ex.P5) informing the appellant that HT Service Connection No.CBC353 (Old S.C. No.RRD353), originally standing in the name of M/s. Giridhar Ispat and subsequently transferred to M/s. Airan Comptrax Towers Pvt. Ltd., was in arrears to the extent of Rs.6,58,94,764/- as on 31.07.2017. By the said notice, the appellant was called upon to pay the aforesaid amount within fifteen days, failing which the respondents proposed to disconnect the appellant's service connection bearing S.C. No.120701682 and initiate recovery proceedings under the Revenue Recovery Act.

7. The appellant submitted a detailed reply dated 28.12.2019 (Ex.P6), disputing any liability towards the dues pertaining to the aforesaid HT service connection. The said reply dated 28.12.2019 is extracted hereunder for ready reference:

> *I am in receipt of the letter in the reference cited from your good office where in a demand of Rs.6,58,94,764/- is made from me to wards C. Charges arrears of H.T. SC.No.CBC353 (Old S.C.No.RRD.353) of Mr. Giridhar Ispat and Subsequently of M/s Airan Complex Towers private Limited Sir. I am at loss to understand as to how I am liable for the arrears of Giridhar Ispat or M/s Airan Comptrax Towers P Ltd. I am no way connected with the above said companies or the service connection H.T. S.C. No. CBC 353.*
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> *Sir I purchased Ac.2-25 gts of open Agricultural land in Sy.NO.214/B of Janwada Village, Shankarpally Mandal, Ranga Reddy District, from one Mr. Rajendr Prasad Goyal under a registered sale Deed dated 25-08-2009. The said vendor was holding the said agricultural land under Registered Agreement of sale cum GPA dated 10-04-2003. Therefore by 10-04-2003 itself the land was agricultural. There was no factory or any H.T Service connection to the land by 2003. If there was any factory and it was having H.T Service Connection then they were liable for any arrears of C.C. bills and I am not liable to pay the arrears of the companies who obtained the H.T Service and utilized the power, prior to the year 2003.*
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> *Sir after my purchase of the land in 2009 I applied to the Department for power supply for watchmen quarters and after inspection of the site the service with NO.S.C.No.120701682 under category 2-B was sanction and I have been paying the bills regularly and there are no arrears on the service. I therefore bring to the notice of your good self that the threat of disconnection of power supply to my service is unjust and unreasonable. Therefore I request your good self to withdraw the demand from me.*

According to the appellant, no further action was taken by the respondents pursuant to the said notice.

8. Subsequently, in the year 2021, the appellant applied for another electricity connection. By proceedings dated 18.03.2021 (Ex.P7), the respondents accorded permission for erection of three electricity poles subject to payment of an amount of Rs.25,913/-, which was duly remitted by the appellant (Ex.P8). Thereafter, by proceedings dated 17.09.2021 (Ex.P9), the 2nd respondent sanctioned LT supply of one 3-phase 25 KW domestic connection in favour of the appellant subject to payment of Rs.89,837/-. The said amount was paid by the appellant on 20.09.2021 (Ex.P10), whereupon an acknowledgment was issued by the respondents on the same day (Ex.P11).

9. On 25.09.2021, the respondents installed a transformer and completed the infrastructure required for the said connection by connecting it to the power line (Exs.P12 and P13). According to the appellant, on 14.10.2021, the respondents disconnected the power supply to the transformer without issuing any prior notice or initiating any proceedings.

10. Aggrieved thereby, the appellant instituted W.P. No.37524 of 2021 challenging the said action. During the pendency of W.P.No.37524 of 2021, the respondents disconnected the appellant's existing LT agricultural service connection bearing S.C.No.120701682 on 16.06.2025, which, according to the appellant, was also done without issuing any prior notice or initiating any proceedings. Challenging the said action, the appellant filed W.P.No.16757 of 2025.

11. In the counter affidavit filed in W.P. No.37524 of 2021, the respondents justified the impugned action, *inter alia*, on the following grounds:

i. Clause 10 of Regulation No.7 of 2013 (Second Amendment to Regulation No.5 of 2004) empowered the respondents to disconnect the supply;

ii. The appellant had submitted a reply dated 28.12.2019 disputing liability for the outstanding HT dues;

iii. Upon inspection of the site on 14.10.2021, the officials noticed that substantial arrears were outstanding in respect of HT S.C.No.CBC353 and, therefore, the connecting equipment was removed;

iv. Clause 5.9.6 of the General Terms and Conditions of Supply (GTCS) empowered the respondents to dismantle the service line;

v. Clause 8.4 of the GTCS entitled the respondents to refuse grant of a fresh service connection;

vi. The decision of the Hon'ble Supreme Court in ***TGSPDCL v. Srigdhaa Beverages***[1] governed the issue; and

vii. The respondents were entitled to withhold electricity supply until the outstanding dues were discharged.

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[1] (2020) 6 SCC 404

12. The appellant filed a reply affidavit dated 17.03.2022, traversing each of the aforesaid contentions raised in the counter affidavit and asserting that the respondents had no authority in law either to disconnect the existing service connection or to deny electricity supply on account of the dues allegedly payable by the previous HT consumer.

13. Upon hearing the parties, the learned Single Judge, by the common order dated 21.01.2026, dismissed W.P. No.37524 of 2021 and W.P.No.16757 of 2025. The portion of the said common order in so far as it is relevant for adjudication of the matters at hand is extracted hereunder for ready reference:

> *6. It is the specific case of Respondents that in the very same property i.e. land admeasuring Acs.2.25 guntas in Survey No. 214/B of Janwada Village, Shankarpally Mandal, Ranga Reddy District, there was earlier HT Service Connection No. CBC 353 (Old SC No. RRD 353,) and the name of M/s Giridhar Ispat initially and thereafter in the name of M/s Airan Comptrax Pvt. Limited. It is also contended that father of petitioner was the Managing Director of the said Companies. This fact is not specifically denied by petitioner, except vaguely stating that the said contention is without any evidence.*
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> *7. Further, the documents filed by petitioner in both the Writ Petitions show that he purchased the property from one Rajendra Prasad Goyal who is in fact not the owner of the property. The contents of Sale Deed dated 21.05.2008 shows that one Rachuri Pentaiah and Rachuri Mallaiah were absolute owners of the land admeasuring Acs.1.13 guntas in Survey No. 214/3/A and Acs.1-12 guntas in Survey No.214/3/B of Janwada Village and they sold the said property to M/s Giridhar Ispat Pvt. Limited through Registered Sale Deed dated 16.07.1985 vide Doc. No. 4852 of 1985. In*

turn, the said Giridhar Ispat Pvt. Ltd. sold the property to M/s Airan Comptrax Towers Pvt. Ltd through Registerd Sale Deed dated 04.08.2000 vide Doc. No. 6323 of 2000. It is seen that M/s Airan Comtrax Towers Pvt. Ltd. represented by its Managing Director, Agarwal M.L. (father of petitioner) entered into an Agreement of Sale and GPA dated 10.04.2003 with one Rajender Prasad Goyal in respect of the above property and that the said document was validated by the District Registrar & Collector under Indian Stamp Act, Ranga Reddy District on 28.10.2006 in File No. 981S/AR/06. Sri Rajender Prasad Goyal who was only a GPA Holder sold the property in favour of petitioner vide Registered Sale Deed dated 21.05.2008 which clearly shows that petitioner had become owner of the property which had electricity dues. Therefore, this Court is satisfied that the property claimed by petitioner having purchased through Registered Sale Deed dated 21.5.2008 had earlier HT SC No. CBC 353 (Old No. RRD 353) which had dues of Rs. 7,34,16,264/- as on 31.7.2022. Petitioner, having purchased the said property, is liable to pay the dues of previous owners. Therefore, Respondents have the right to deny power supply to the very same property which had dues by previous owners. Also, this Court is convinced that petitioner and his father, in order to avoid dues, seems to have transferred the property in the name of petitioner and have clandestinely obtained LT SC No. 120701682 for the very same property.

8. The Hon'ble Supreme Court in K.C. Ninnan's case while referring to earlier judgment in Hyderabad Wanaspathy Limited, held at Para 78 that even under Indian Electricity Supply Act, 1948, there is an obligation on the new owner to clear the arrears of previous owner, as a pre-condition to avail electricity supply which have statutory character. At para 89, while referring to earlier judgment in Paschimanchal Vidyut Vitharan Nigam, the Hon'ble Apex Court reiterated that distribution licensees can insist for clearance I arrears of electricity dues of previous consumer before resuming electricity supply to the premises, which is valid and permissible under Electricity Act, 2003- At Para 95 it was held that Electricity Supply Code requiring payment of electricity dues of previous owners as a condition for grant of electricity connections have a clear nexus to the scheme of the parent legislations and the objectives sought to be achieved and it is just and reasonable for distribution licensees to specify the conditions of supply requiring the subsequent owners or *occupiers of premises to pay the electricity dues of previous owner or occupier as a pre-condition for grant of electricity connection to protect their commercial interest as well as welfare of consumers of electricity.*

9. Also, Clauses 5.9.6 and 8.4 of General Terms & Conditions of Supply abundantly make it clear that no new Service Connection shall be provided to the premises unless the existing dues are cleared. As petitioner is the owner of property which had electricity dues of previous owner, he is liable to pay the same. In view of the above discussion, this Court sees no grounds to interfere with disconnection of power supply to the properly of petitioner. No grounds are made out for granting the relief as sought in the Writ Petitions.

14. Aggrieved by the said common order, the appellant has preferred the present writ appeals.

Submissions on behalf of the appellant

15. Learned counsel appearing for the appellant, advanced his submissions assailing the impugned common order dated 21.01.2026 as under:

i) That the impugned common order commences its discussion with the case of the respondents without first setting out the appellant's case, formulating the issues arising for consideration, or examining the appellant's pleadings. Such an approach is contrary to the settled principles governing judicial adjudication.

ii) That the learned Single Judge neither recorded nor considered the submissions advanced on behalf of the appellant. Placing reliance upon ***State of Karnataka v. Arun Kumar Agarwal***[2], learned counsel submitted that a judgment which merely notices the rival positions without analysing the petitioner's grievance or recording reasons on the issues arising for determination is legally unsustainable. It was further submitted that the absence of any discussion of the submissions advanced across the Bar reflects non-application of mind and renders the adjudication vulnerable.

iii) That the learned Single Judge erroneously applied the principles governing grant of fresh electricity connections or reconnections to a case concerning disconnection of subsisting electricity supply. According to the learned counsel, the legal principles governing grant of a fresh connection or reconnection are distinct from those regulating disconnection of an existing supply. It is contended that where the controversy pertains to disconnection of a subsisting service connection, the principles applicable to grant of a fresh connection cannot be imported.

iv) That the appellant's first LT Service Connection bearing S.C.No.120701682 had been subsisting since the year 2014 and no dues were outstanding against the said connection. Likewise, the second LT connection was sanctioned on

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[2] (2000) 1 SCC 210

17.09.2021, the requisite charges were paid, the transformer was installed on 25.09.2021 and the connection was completed. Both service connections, therefore, were existing and operative when they came to be disconnected. Consequently, the principles applicable to fresh connections or reconnections, particularly in relation to clearance of dues of previous consumers, had no application to the facts of the present case.

v) Reliance was placed upon Section 56 of the Electricity Act, 2003 (for short 'Electricity Act'), contending that the power of disconnection under the said provision is a special statutory power which can be exercised only in accordance with the conditions prescribed therein. In this regard, reliance was placed upon ***Prem Cottex v. Uttar Haryana Bijli Vitran Nigam Ltd.***[3], and ***K.C. Ninan v. Kerala State Electricity Board***[4].

vi) That Section 56(1) of the Electricity Act contemplates disconnection only where the person concerned neglects to pay charges for electricity or any other sum due from him. Likewise, the embargo contained in Section 56(2) is relatable only to such dues. Therefore, the statutory scheme makes the

[3] (2021) 20 SCC 200
[4] (2023) 14 SCC 431

liability personal to the consumer who has defaulted in payment.

vii) That admittedly no dues were outstanding against the appellant in respect of LT S.C.No.120701682. The alleged arrears pertained exclusively to the erstwhile HT S.C.No.CBC353, which, according to the respondents' own case, stood disconnected long prior thereto and whose HT agreement had already been terminated. Consequently, the respondents had no statutory authority to disconnect the appellant's subsisting service connections by invoking Section 56 of the Electricity Act.

viii) That every action of a statutory authority must be traceable to a statutory source of power. While the Electricity Act provides different remedies for different situations, the respondents could not invoke the power of disconnection where the statutory preconditions for its exercise were absent.

ix) That although the respondents were pursuing recovery of the alleged HT dues through proceedings under the Revenue Recovery Act, they simultaneously proceeded to disconnect the appellant's existing electricity supply despite there being no dues payable by him. Such action, according to the learned counsel, was wholly without authority of law.

x) That a subsequent purchaser does not automatically become liable for electricity dues payable by an earlier consumer merely by reason of purchase of the property. Liability under the Electricity Act is attached to the consumer and not to the ownership of the premises.

xi) That the appellant never sought reconnection of the erstwhile HT service. The appellant had an independent LT agricultural service connection granted in the year 2014, whereas the second LT connection was independently sanctioned in September, 2021. The earlier HT service connection had ceased to exist much earlier upon its disconnection and termination. In this regard reliance was placed upon ***K.C. Ninan***'s case (supra 4), wherein the Hon'ble Supreme Court held that supply of electricity is made to the consumer and not to the premises and that liability for payment of electricity dues rests upon the consumer alone.

xii) That the learned Single Judge erred in placing reliance upon Clauses 5.9.6 and 8.4 of the GTCS. That Clause 5.9.6 becomes applicable only after termination of an LT or HT agreement under Clauses 5.9.3.2 and 5.9.4.1. Since neither of the appellant's LT agreements had been terminated, invocation of Clause 5.9.6 was wholly misconceived.

xiii) Likewise, Clause 8.4 deals with refusal to grant a fresh service connection where outstanding dues remain unpaid by the seller. According to the learned counsel, the appellant purchased only open agricultural land from Mr.Rajender Prasad Goyal; no electricity connection existed in the name of the vendor at the time of purchase; the appellant's first LT connection was independently granted in 2014; and the second LT connection was independently sanctioned in September, 2021. Hence, Clause 8.4 had no application.

xiv) That both the disconnections, namely on 14.10.2021 and on 16.06.2025, were effected without issuance of any prior notice or affording the appellant an opportunity of hearing. Such action, according to the learned counsel, violated the principles of natural justice and also offended Articles 14, 19, 21 and 300-A of the Constitution of India.

xv) That the impugned common order incorrectly recorded that the District Collector had initiated proceedings under the Revenue Recovery Act and issued a distraint notice. According to the record, what had actually transpired was that the respondents addressed a communication dated 25.11.2019 requesting the Collector to initiate proceedings by issuance of Form-C under the Revenue Recovery Act, and that the impugned order referred to alleged communications addressed to various authorities, including the Tahsildar, HMDA and Pollution Control Board, although no such plea formed part of the respondents' counter affidavit.

xvi) That recovery of electricity dues and disconnection of electricity supply operate in different fields. While the respondents may be entitled to recover dues through legally permissible modes, such power does not automatically authorise disconnection of an existing service connection where no dues are payable by the concerned consumer. According to the learned counsel, since proceedings for recovery had already been initiated against the consumer of the HT connection under the Revenue Recovery Act, the respondents could not simultaneously resort to disconnection of the appellant's LT connection in the absence of statutory authority.

xvii) That liability under the Electricity Act is personal and statutory. Merely because the appellant's father was alleged to have been associated with M/s. Airan Comptrax Towers Pvt. Ltd., the appellant could not be fastened with liability for the dues allegedly payable by the said company. That the respondents proceeded on an erroneous assumption that liability could be imposed by reason of family relationship, though no statutory provision contemplated such vicarious liability.

xviii) That the finding recorded by the learned Single Judge that the appellant had "clandestinely" obtained LT Service Connection No.120701682 is unsupported either by the pleadings of the respondents or by any material available on record. The appellant had applied for the service connection through the prescribed procedure, whereafter the respondents themselves sanctioned the connection.

xix) That the respondents' never intimated the appellant about the outstanding liability of the previous consumer at the premises.

xx) That the erstwhile HT S.C.No.CBC353 had already been disconnected in the year 2002 and the corresponding HT agreement stood terminated. The appellant's LT service connection granted in the year 2014 was wholly independent and had no nexus whatsoever with the earlier HT service. Placing reliance upon ***K.C. Ninan***'s case (supra 4), learned counsel reiterated that electricity supply is made to the consumer and not to the premises and, therefore, the existence of the earlier HT service connection had no legal bearing upon the appellant's independent LT service connection.

Submissions on behalf of the respondents

16. Learned Standing Counsel appearing for the respondents supported the impugned common order and contended that the same does not warrant interference and advanced the submissions as under:

i) That the property in which the appellant's LT service connection was subsequently obtained originally belonged to M/s. Giridhar Ispat and was covered by HT S.C.No.CBC353 (Old S.C.No.RRD353). The said HT connection was thereafter transferred in the records of the respondents to M/s. Airan Comptrax Towers Pvt. Ltd. That the HT service connection came to be disconnected on account of non-payment of substantial electricity arrears and that the outstanding dues continued to remain unpaid.

ii) That the Managing Director of the aforesaid companies, namely M/s. Giridhar Ispat and M/s. Airan Comptrax Towers Pvt. Ltd., is one Sri Munnalal Agarwal, who is the father of the appellant. According to the respondents, the subject property was thereafter transferred in the name of the appellant and shown as agricultural land with the object of avoiding payment of the outstanding electricity dues. Reliance was placed upon Clauses 5.9.6 and 8.4 of the GTCS, which prohibit grant of a fresh service connection to premises in respect of which electricity dues remain unpaid. Since the premises carried outstanding dues relating to the earlier HT service connection, the appellant was liable to clear the same before seeking electricity supply.

iii) Reliance was placed upon the decision of the Hon'ble Supreme Court in ***K.C. Ninan***'s case (supra 4), wherein it was held that electricity utilities are entitled to prescribe, by statutory terms and conditions of supply, payment of arrears of the previous consumer as a pre-condition for grant of electricity connection to a subsequent owner or occupier.

iv) Reliance was also placed upon ***Srigdhaa Beverages***'s case (supra 1), wherein the Hon'ble Supreme Court held that electricity dues, being statutory in character and governed by the terms and conditions of supply, cannot be treated as purely contractual liabilities and that the distribution licensee is entitled to insist upon clearance of such dues before granting supply to the premises. On the strength of the aforesaid decisions, it was submitted that the appellant cannot claim supply to the premises without first discharging the outstanding dues relating to the earlier HT connection.

v) That Clause 10 of Regulation No.7 of 2013 (Second Amendment to Regulation No.5 of 2004) empowers the distribution licensee to disconnect power supply to all or any other services of a consumer who is in default of payment of electricity arrears within the area of supply of the licensee. According to the respondents, the appellant's LT service connection constituted a "link service" connected with the premises in respect of which the earlier HT dues were outstanding and, therefore, the respondents were entitled to invoke the power of disconnection under the said regulation.

vi) That the reply affidavit filed by the appellant was largely repetitive of the averments contained in the writ affidavit and did not specifically rebut the factual and legal contentions raised in the counter affidavit.

vii) That no legal or fundamental right of the appellant had been violated so as to warrant interference under Article 226 of the Constitution of India. According to the respondents, the appellant obtained the service connection without disclosing the subsisting dues relating to the earlier HT consumer and, therefore, was not entitled to equitable relief.

viii) That the appellant's predecessor-in-interest, Sri Rajender Prasad Goyal, was only a General Power of Attorney (GPA) holder and not the absolute owner of the property. It was alleged that the sale transaction was structured without disclosing the company to which the land originally belonged, with the intention of avoiding liability for electricity dues. According to the respondents, the vendor and vendee, who were stated to be associated in business activities, had executed transactions designed to defeat recovery of electricity dues payable to the distribution licensee.

ix) That the respondents had already initiated proceedings for recovery of the outstanding dues under the Revenue Recovery Act and that a communication dated 25.11.2019 had been addressed to the District Collector seeking initiation of recovery proceedings in respect of the subject property. That the recovery proceedings were independent of the action taken by the respondents in relation to electricity supply and that the existence of such proceedings demonstrated the continuing liability attached to the earlier HT dues.

x) That the HT agreement between the previous consumer and TSSPDCL had been terminated in accordance with the relevant provisions of the GTCS. According to the respondents, once an HT agreement is terminated, any subsequent request for supply to the same premises has to be treated as a fresh application and supply can be granted only upon clearance of all outstanding dues relating to the previous service connection. Since the dues pertaining to HT

S.C.No.CBC353 remained unpaid, the appellant was not entitled to obtain supply to the same premises.

xi) That the condition requiring clearance of previous electricity dues is intended to protect the commercial viability of the distribution licensee and the interests of the entire body of consumers. It was contended that electricity supply is a public utility service involving substantial investment in infrastructure and distribution networks. If consumers are permitted to obtain supply through transfers of property without clearing existing dues, the recovery mechanism available to the utility would be seriously undermined, thereby affecting the financial health and efficient functioning of the distribution system.

17. We have taken note of the respective submissions urged and the material placed on record.

Consideration by this Court

<u>Structural Infirmities in the Impugned Order</u>

18. On perusal of the record, it is evident that the learned Single Judge commenced the analysis by considering the stand of the respondents without first delineating the appellant's case or formulating the issues arising for adjudication in the writ petitions. The common order, after merely recording the appearance of the learned counsel for the parties, proceeds to examine the respondents' contentions without identifying the appellant's principal grievance requiring determination. In our considered view, a judgment is expected to first set out the rival cases, identify the issues arising for consideration, and thereafter, proceed to analyse the same. The absence of such an approach in the impugned order lends considerable force to the appellant's grievance that the adjudication suffers from structural infirmity.

19. In ***Arun Kumar Agarwal***'s case (supra 2), the Hon'ble Supreme Court observed that a judgment which merely reproduces the case of one party, without examining the case of the other party or recording findings on the issues arising for consideration, cannot be regarded as a reasoned adjudication. The Court held:

> *16. ......We think, the High Court has gone too far. We would not have made this comment at all had the High Court given due weight to the rival submissions made by the parties. The High Court has not at all analysed the contentions put forth by either party. Hardly any reasons are forthcoming in the order. What is stated by the writ petitioners and the respondents is summarised. When the High Court steers itself clear of expressing any opinion one way or the other even as to whether a prima facie case exists or not and whether there is a reasonable suspicion of any crime having been committed, it is difficult to accept the view taken by the High Court.*
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> *(Emphasis supplied)*

20. It is pertinent to note that a reasoned order/judgment must reflect that the Court has considered the rival pleadings, the submissions advanced by the parties and the material placed on record before recording its conclusions. Such an exercise enables the parties to understand the reasons which weighed with the Court and also facilitates effective appellate scrutiny. In the present case, the appellant filed a detailed reply affidavit dated 17.03.2022 traversing the counter affidavit filed by the respondents. The reply affidavit specifically dealt with the alleged incorrect reliance upon Clause 10 of Regulation No.7 of 2013, Clauses 5.9.6 and 8.4 of the GTCS; the applicability of ***Srigdhaa Beverages***'s case (supra 1); the alleged liability arising out of HT S.C.No.CBC353; and the respondents' asserted power to refuse electricity supply.

21. It is also pertinent to note that the record discloses that the appellant addressed each of the principal grounds urged by the respondents by way of a structured and point-wise rebuttal. The learned Single Judge, however, observed that in the reply affidavit *'petitioner almost reiterated the averments in the writ affidavit'*. Having compared the reply affidavit with the counter affidavit, we find that the said observation is not borne out by the record. Equally, the impugned common order does not indicate any consideration of the specific rebuttals advanced by the appellant to the respondents' principal contentions. The absence of any discussion on those aspects gives rise to the appellant's grievance that the material placed on record has not received due consideration.

22. In view of the above, it is to be noted that the impugned common order does not adequately consider the appellant's case or the submissions advanced on his behalf. The failure to formulate the issues in controversy and examine the appellant's principal contentions reflects non-consideration of the relevant pleadings and has materially vitiated the adjudicatory process.

Applicability of the Principles Governing Fresh Connections to Cases of Disconnection

23. The principal grievance of the appellant is that the learned Single Judge failed to appreciate the distinction between the legal principles governing the grant of a fresh electricity connection or reconnection and those applicable to the disconnection of an existing electricity supply. According to the appellant, the controversy before the learned Single Judge pertained exclusively to disconnection of subsisting service connections and not to the grant of a fresh connection. However, on perusal of the record it indicates that the learned Single Judge relied upon principles governing grant of fresh electricity connections, particularly those relating to liability for clearance of previous e lectricity dues, while examining the legality of the respondents' action in disconnecting the appellant's existing service connections.

24. It is to be noted that the legal considerations governing grant of a fresh connection or reconnection are distinct from those applicable to disconnection of an existing supply. While the former concerns the conditions subject to which electricity supply may initially be granted or restored, the latter concerns the legality of discontinuing an existing and subsisting supply already extended to a consumer. The statutory considerations applicable to these two situations cannot be treated as interchangeable.

25. It is a settled principle of public law that every action of a statutory authority must be supported by the source of power under which it is exercised. Consequently, where the validity of an order of disconnection is questioned, the action must be tested with reference to the statutory provisions and conditions governing disconnection and not by importing principles applicable to grant of a fresh connection.

26. In the present case, the first LT S.C. No.120701682 had been subsisting since the year 2014 and, admittedly, no dues were outstanding against the said connection. The second LT connection had also been sanctioned on 17.09.2021, the requisite charges had been paid, the transformer had been installed on 25.09.2021 and the supply infrastructure had been completed before the respondents disconnected the same on 14.10.2021.

27. It is pertinent to note that the power distribution company never disclosed or notified previous arrears or the past outstanding liability of the previous consumer of the premises at the time of granting the new LT connection and has granted LT connection.

28. Further, the controversy before the learned Single Judge was not whether the appellant was entitled to a fresh electricity connection or reconnection, but whether the respondents were justified in disconnecting the appellant's subsisting service connections by relying upon the outstanding dues relating to an earlier HT consumer. In this regard, it becomes evident that the principles governing refusal of a fresh connection or reconnection cannot, without more, be invoked to sustain the disconnection of an existing electricity supply. The legality of the respondents' action necessarily has to be examined and evaluated with reference to the provisions governing disconnection.

29. The learned Single Judge erred in applying the principles governing fresh connections and reconnections while adjudicating upon the legality of the impugned disconnections. The validity of the respondents' action ought to have been examined independently with reference to the statutory provisions governing disconnection of an existing supply.

<u>Legality of the Disconnection of the Appellant's Electricity Supply under Section 56 of the Electricity Act, 2003</u>

30. Before examining the issue under consideration, it is necessary to refer to the provisions of Section 56 of the Electricity Act. The said provision is extracted hereunder for ready reference:

> ***56. Disconnection of supply in default of payment.***
> *(1) Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days' notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer:*
> *Provided that the supply of electricity shall not be cut off if such person deposits, under protest,—*
> *(a) an amount equal to the sum claimed from him, or*
> *(b) the electricity charges due from him for each month calculated on the basis of average charge for electricity paid by him during the preceding six months,*
> *whichever is less, pending disposal of any dispute between him and the licensee.*
> *(2) Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity.*

31. The scope and ambit of Section 56 have been explained by the Hon'ble Supreme Court in ***Prem Cottex***'s case (supra 3) wherein it was held as under:

> *21. Coming to the second aspect, namely, the impact of sub-section (1) on sub-section (2) of Section 56, it is seen that the bottom line of sub-section (1) is the negligence of any person to pay any charge for electricity. Sub-section (1) starts with the words "where any person neglects to pay any charge for electricity or any some other than a charge for electricity due from him".*
>
> *22. Sub-section (2) uses the words "no sum due from any consumer under this section". Therefore, the bar under sub-section (2) is relatable to the sum due under Section 56. This naturally takes us to sub-section (1) which deals specifically with the negligence on the part of a person to pay any charge for electricity or any sum other than a charge for electricity. What is covered by Section 56, under sub-section (1), is the negligence on the part of a person to pay for electricity and not anything else nor any negligence on the part of the licensee.*

32. The aforesaid principle has also been reiterated in ***K.C. Ninan***'s case (supra 4), wherein the Hon'ble Supreme Court observed that supply of electricity is made to the consumer and not to the premises and that liability for payment of electricity dues is that of the consumer concerned. Tested on the above principles, the action of the respondents cannot be sustained.

33. It is not the case of the respondents that any electricity charges were due from the appellant in respect of LT S.C.No.120701682. On the contrary, the appellant relies upon the No Dues Certificate dated 22.10.2020 to demonstrate that the electricity charges relating to the said service connection had been regularly paid. Likewise, insofar as the second LT connection is concerned, the sanctioned charges had already been remitted before the respondents proceeded to disconnect the supply. The dues sought to be relied upon by the respondents admittedly pertain to the erstwhile HT S.C.No.CBC353, which stood in the name of M/s. Giridhar Ispat and thereafter M/s. Airan Comptrax Towers Pvt. Ltd. The appellant was not the consumer in respect of the said HT service connection. The respondents have also pleaded that the HT agreement stood terminated. Consequently, the outstanding dues relied upon by the respondents were not dues payable by the appellant in respect of the electricity supplied to him.

34. Moreover, in the absence of any amount due from the appellant in relation to the electricity supplied to him, the essential jurisdictional fact required for invoking Section 56 of the Electricity Act was absent. The statutory power of disconnection under Section 56 of the Electricity Act could not, therefore, have been exercised against the appellant's subsisting LT service connections merely on the basis of arrears allegedly payable by a different consumer.

35. Apart from the above, Section 56(1) of the Electricity Act expressly mandates issuance of prior notice not less than fifteen clear days' before disconnection of supply. However, the material on record does not disclose that any such notice preceded either the disconnection effected on 14.10.2021 or the subsequent disconnection on 16.06.2025. The statutory requirement having not been complied with, the impugned action cannot be sustained on this ground as well. Thus, the disconnection of the appellant's electricity supply was not in conformity with Section 56 of the Electricity Act and is unsustainable.

Liability of a Subsequent Purchaser for the Electricity Dues of an Earlier HT Consumer

36. The impugned common order proceeds on the premise that the appellant became the owner of a property burdened with electricity dues. However, the material on record indicates that the dues relied upon by the respondents relate to HT S.C.No.CBC353, which admittedly stood in the name of M/s. Giridhar Ispat and thereafter M/s. Airan Comptrax Towers Pvt. Ltd. It is also the respondents' case that the said HT agreement stood terminated. The appellant, on the other hand, purchased open agricultural land under a registered sale deed and was subsequently granted an independent LT S.C. No.120701682 after due processing by the respondents. The subsequent LT connection and the earlier HT service connection constitute distinct consumer accounts governed by separate contractual and statutory relationships. The distinction assumes significance since the impugned disconnections relate to the appellant's subsisting LT service connections, whereas the outstanding dues relied upon by the respondents pertain to an earlier HT consumer.

37. In regard to the observation that the appellant and his father had clandestinely obtained LT S.C.No.120701682 in order to avoid payment of the outstanding dues is concerned, it is unsustainable. A perusal of the pleadings does not disclose any specific allegation that the appellant had clandestinely obtained the LT service connection. On the contrary, the material placed on record indicates that the appellant applied for the connection through the prescribed procedure, the respondents processed the application, collected the requisite charges and sanctioned the service connection. In the absence of any pleading or material to support such a conclusion, the finding recorded by the learned Single Judge cannot be sustained.

38. The finding of the learned Single Judge that the appellant, by virtue of being the subsequent purchaser of the property, became liable for the electricity dues of the earlier HT consumer does not commend acceptance, on account of the fact that the appellant neither sought restoration of the earlier HT service connection nor claimed any right flowing therefrom. The appellant's case throughout has been that he was granted an independent LT service connection in the year 2014 and that the second LT connection was subsequently sanctioned in the year 2021 in accordance with law.

39. The settled legal position is that an electricity connection is granted to the consumer and not to the property itself. The Hon'ble Supreme Court in ***K.C. Ninan***'s case (supra 4) has held as under:

> *52. The definition of "supply" specifically states that supply means the sale of electricity to a consumer. The said definition does not indicate that supply of electricity is vis-à-vis the premises of the consumer. Considering the overall scheme of the 2003 Act, the supply of electricity is to the consumer and not the premises.*
>
> *56. Section 56 provides that it is the liability of the consumer to pay the charge for electricity in respect of the supply of electricity. Under Section 56, the duty of effecting the payment of charges for electricity is on a person, that is, the consumer. Further, Section 56(2) specifically contains the expression "no sum due from any consumer". Section 126 also uses the words "the electricity charges payable by such person or any other person benefited by such use". Thus, the overall scheme of the 2003 Act makes it evident that only a consumer can be held liable for default in payment of electricity dues or charges.*
>
> *62. In Isha Marbles [Isha Marbles v. Bihar SEB, (1995) 2 SCC 648], a three-Judge Bench of this Court held that an application for supply of electricity to the same premises is to be regarded as a reconnection. This Court, while interpreting the provisions of the 1910 Act, gave its reasoning on the assumption that the supply of electricity is with respect to premises and not the consumer. However, the 2003 Act has statutorily clarified the position that supply of electricity is with respect to the consumer. It necessarily follows that when a new owner or occupier of the premises applies for supply of electricity in terms of Section 43 of the 2003 Act, it will constitute a fresh connection, regardless of the fact that the premises for which the electricity is sought was being supplied with electricity previously. An application for supply of electricity can be categorised as reconnection only when the same owner or occupier of the premises, who was already a consumer, applies for supply of electricity with respect to the same premises in case the electricity supply is disconnected.*
>
> *(Emphasis supplied)*

In the present case, the outstanding dues admittedly relate to the earlier HT consumer. The appellant was neither the consumer under the said HT service connection nor a party to the HT agreement. Consequently, any liability arising out of that service connection cannot automatically be fastened upon the appellant merely because he subsequently purchased the property.

40. Further, the decisions relied upon by the learned Single Judge are distinguishable on facts and do not govern the controversy involved in the present case, for the following reasons:

i) In ***K.C. Ninan***'s case (supra 4) the Hon'ble Supreme Court considered the validity of the Conditions of Supply and the Electricity Supply Codes requiring a subsequent purchaser or occupier to clear the outstanding dues of the previous consumer as a pre-condition for grant of a fresh electricity connection. Upholding the validity of such conditions, the Apex Court held that a distribution licensee may insist upon clearance of the previous dues before granting a fresh connection. The present case, however, does not concern the grant of a fresh connection or reconnection, but the disconnection of the appellant's existing and subsisting LT service connections, against which no dues are admittedly outstanding.

ii) Likewise, ***Srigdhaa Beverages***'s case (supra 1) arose out of the purchase of property in an auction conducted under the provisions of the SARFAESI Act, where the auction notice specifically disclosed the outstanding electricity dues and the property was sold on an *'as is where is'* basis. The auction notice expressly notified the purchaser of the existing statutory liabilities, including electricity dues. In the present case, the appellant is not an auction purchaser but a purchaser under a registered sale deed in respect of open agricultural land. The sale deed contains no stipulation fastening liability for the outstanding electricity dues of the earlier HT consumer. More importantly, while ***Srigdhaa Beverages***'s case (supra 1) concerned the grant of a fresh electricity connection, the controversy in the present case relates to the disconnection of subsisting service connections.

41. Further, considerable emphasis was placed by the respondents on the fact that the appellant's father was associated with M/s. Airan Comptrax Towers Pvt. Ltd. It is to be noted that mere existence of a familial relationship cannot, by itself, furnish a legal basis to fasten upon the appellant the statutory or contractual liabilities of a company. A company is a distinct juristic entity, and its liabilities remain governed by the applicable statutory provisions and the contractual relationship between the licensee and the consumer. In the absence of any statutory provision creating such liability, the appellant cannot be made personally liable solely on account of his relationship with the persons associated with the earlier consumer. Thus, the appellant as a subsequent purchaser who obtained independent LT service connections, cannot be fastened with liability for the electricity dues pertaining to an earlier HT consumer merely on the basis of ownership of the property or his relationship with the persons connected with the erstwhile consumer.

Applicability of Clauses 5.9.6 and 8.4 of the General Terms and Conditions of Supply

42. The respondents and the learned Single Judge sought to justify the impugned disconnections by placing reliance upon Clauses 5.9.6 and 8.4 of the GTCS. It is, therefore, necessary to extract the relevant clauses hereunder for ready reference:

Clause 5.9.6 of the GTCS

> *Dismantlement of Service Line after Termination of Agreement: On the termination of the LT or HT Agreement, the company is entitled to dismantle the service line and remove the materials, Meter, cut out etc. After termination of the Agreement, the consumer shall be treated as a fresh applicant for the purpose of giving supply to the same premises when appliea for by him provided there are no dues against the previous service connection.*

A plain reading of the said clause makes it evident that its operation is attracted only upon termination of the agreement governing the service connection in question. In the present case, neither of the appellant's LT service connections had been terminated prior to their disconnection. The first LT service connection (SC No. 120701682) had been subsisting since the year 2014, while the second LT connection had been sanctioned and completed on 25.09.2021 and disconnected on 14.10.2021 i.e., within 19 days. Although the respondents contend that the earlier HT agreement for SC No. CBC353 stood terminated in the year 2002, the appellant was admittedly not a party to that agreement. Therefore, Clause 5.9.6 cannot be invoked to justify the disconnection of the appellant's subsisting LT service connections.

Clause 8.4 of the GTCS

> *Transfer of Service Connection*
> *The seller of the property should clear all the dues to the Company before selling such property. If the seller did not clear the dues as mentioned above, the Company may refuse to supply electricity to the premises through the already existing connection or refuse to give a new connection to the premises till all dues to the Company are cleared.*

The power contemplated under Clause 8.4 is one relating to refusal of electricity supply. The clause does not expressly confer power upon the licensee to disconnect an existing and subsisting service connection which is in operation. In the present case, the appellant purchased open agricultural land under a registered sale deed. Thereafter, an independent first LT service connection was granted in his favour in the year 2014 and remained in existence for several years. Subsequently, the respondents themselves sanctioned the second LT connection by proceedings dated 17.09.2021, accepted the requisite charges, installed the transformer and completed the supply infrastructure.

Once the respondents had granted the appellant independent LT service connections and those connections had become operational, the question was no longer one of refusing supply under Clause 8.4, but of disconnecting an existing supply. Such action could only be justified with reference to the statutory provisions and the applicable conditions governing disconnection and not by invoking a provision intended to regulate refusal of supply at the threshold. Therefore, neither Clause 5.9.6 nor Clause 8.4 of the GTCS furnishes the respondents with the authority to disconnect the appellant's subsisting LT service connections in the facts of the present case.

Compliance with Section 56(1) of the Electricity Act and the Principles of Natural Justice

43. It is a settled principle of administrative law that where the exercise of statutory power entails civil consequences, the person likely to be affected must ordinarily be afforded prior notice and a reasonable opportunity of being heard, unless the statute expressly excludes such requirement. In the present case, the material placed on record does not disclose that any notice preceded the disconnection of either of the appellant's service connections. The second LT service connection was disconnected on 14.10.2021 after the respondents had sanctioned the connection, accepted the requisite charges and completed the supply infrastructure. Likewise, the first LT service connection, which had been subsisting since 2014, was disconnected on 16.06.2025 without any prior notice or proceedings.

44. The respondents have not placed any material to demonstrate compliance with the statutory requirement contained in Section 56(1) of the Electricity Act before effecting the impugned disconnections. As already noticed hereinabove, Section 56(1) of the Electricity Act specifically mandates issuance of at least fifteen clear days' prior notice before disconnecting electricity supply. The admitted factual position is that no such notice was issued before either of the impugned disconnections. The absence of prior notice and opportunity to the appellant has resulted in denial of procedural fairness. Therefore, the action of the respondents cannot be sustained either on the touchstone of Section 56 of the Electricity Act or on the settled principles of natural justice.

<u>Accuracy of factual findings and reliance on matters beyond the pleadings</u>

45. It is appellant's contention that the impugned common order proceeds on certain factual assumptions which are not borne out by the pleadings and the material available on record. In this regard it is apposite to note that the impugned common order at Para 3.1 records that the District Collector had initiated proceedings under the Revenue Recovery Act and issued a distraint notice for sale of the subject property on 25.11.2019. However, a perusal of the Counter Affidavit discloses that the respondents had merely addressed a communication dated 25.11.2019 requesting the District Collector to initiate proceedings under the Revenue Recovery Act by issuing the requisite notice for recovery of the outstanding dues. The record does not indicate that the District Collector had, on that date, issued any distraint notice or initiated coercive proceedings. Therefore, the observation in the impugned common order does not accord with the pleadings placed on record.

46. The impugned common order further records that the respondents had addressed communications to the Tahsildar, the District Town and Country Planning Officer, the Commissioner, HMDA and the Environmental Engineer of the Pollution Control Board requesting them not to grant any permission in respect of the subject property. However, a careful perusal of the counter affidavit filed by the respondents reveals that the aforesaid assertions do not form part of their pleadings.

47. It is well settled that adjudication must proceed on the basis of the pleadings of the parties and the material placed on record.

In ***Bachhaj Nahar v. Nilima Mandal***[5], the Hon'ble Supreme Court has held that the findings founded on facts which neither form part of the pleadings nor are supported by the record cannot ordinarily be sustained, as they deprive the affected party of an opportunity to meet such case.

48. Since the aforesaid matters do not find place in the respondents' pleadings, the observations made in that regard do not appear to emanate from the pleadings or the material placed on record. Therefore, the impugned common order, to that extent, proceeds on certain factual assumptions which are neither supported by the pleadings nor borne out by the record.

49. It is to be noted that the Electricity Act contemplates distinct remedies for distinct situations. While a distribution licensee is entitled to recover its dues by adopting the remedies available in law, including proceedings under the Revenue Recovery Act or other permissible modes of recovery, the power to disconnect electricity supply is specifically governed by Section 56 of the Electricity Act and can be exercised only upon fulfilment of the conditions prescribed therein. In the present case, the respondents had already initiated proceedings for recovery of the outstanding dues relating to the erstwhile HT service connection. Those proceedings

[5] (2008) 17 SCC 491

are independent of, and distinct from, the power of disconnection under Section 56 of the Electricity Act.

50. As noted hereinbefore, the appellant was not in default of payment of any electricity charges in respect of either of his LT service connections. In the absence of any amount due from the appellant in respect of the electricity supplied to him, the statutory pre-condition for invoking the power of disconnection under Section 56 of the Electricity Act was not satisfied. Therefore, the power of disconnection cannot be invoked as a substitute for, or as an aid to, the recovery of dues unless the statutory conditions governing its exercise are fulfilled. The remedy of recovery and the power of disconnection operate in distinct fields and cannot be treated as interchangeable.

Conclusion

51. For the foregoing reasons, this Court is of the considered view that the impugned common order dated 21.01.2026 passed by the learned Single Judge in W.P.No.37524 of 2021 and W.P.No.16757 of 2025 suffers from material legal infirmities arising out of non-consideration of relevant aspects, misapplication of the governing statutory provisions and legal principles, and reliance on factual assumptions not borne out by the record, and therefore, warrants interference and is liable to be set aside.

52. Accordingly, the W.A.Nos.305 and 325 are allowed. The common order dated 21.01.2026 passed by the learned Single Judge in W.P.No.37524 of 2021 and W.P.No.16757 of 2025 is set aside. As a consequence, the action of the respondents in disconnecting, on 14.10.2021, the electricity supply pertaining to the sanctioned LT supply of 1 No. 3 Phase, 25 KW Domestic Load sanctioned *vide* Lr. No.DE/OP/IBRAHIMBAGH/F.No.178/2021-22, D.No.1398, dated 17.09.2021, is declared illegal. The respondents are directed to restore the said electricity supply within four (04) weeks from the date of receipt of a copy of this judgment. Further, the action of the respondents in disconnecting, on 16.06.2025, the appellant's electricity service connection bearing SC No.120701682 under Category-2(B), is declared illegal. The respondents are directed to restore the said service connection within four (04) weeks from the date of receipt of a copy of this judgment.

Consequently, miscellaneous petitions pending if any shall stand closed. No costs.

SD/- K.SRINIVASA RAO
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. Southern Power Distribution Company of Telangana Limited, (A Government of Telangana Undertaking) (Formerly Central Power Distribution Company of A.P. Ltd.) Corporate Officey 6-1-50, Mint Compound, Hyderabad- 5000063. Rep. by its Managing Director.
2. The Divisional Engineer, Operation, Ibrahimbagh Division, TSSPDCL, Cybercity
3. The Superintendent Engineer, Operation Circle, Cybercity, TSSPDCL, Nanal Nagar 'X' Roads, Rethibowli, Hyderabad-28
4. The Assistant Divisional Engineer, Operation, Ibrahimbagh Sub-Division, TSSPDCL, Cybercity.

5. One CC to SRI ANAND KUMAR KAPOOR, Advocate [OPUC]
6. One CC to SRI N.SREEDHAR REDDY, SC FOR TGSPDCL [OPUC]
7. Two CD Copies

PSK.
TKS

HIGH COURT

DATED: 20/07/2026

COMMON JUDGMENT

WA.Nos.306 AND 325 OF 2026

HIGH COURT FOR THE STATE OF TELANGANA
30 JUL 2026
★ DESPATCHED ★

ALLOWING THE WRIT APPEALS
WITHOUT COSTS

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28/7/26