



**BEFORE THE VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA**

First Floor 33/11 kV Substation, Hyderabad Boat Club Lane  
Lumbini Park, Hyderabad - 500 063

**PRESENT : SRI MOHAMMAD NIZAMUDDIN  
VIDYUT OMBUDSMAN**

SATURDAY THE TWENTY NINTH DAY OF OCTOBER  
TWO THOUSAND AND TWENTY TWO

**Appeal No. 06 of 2021-22**

Between

M/s. Aditya Imperial Heights Flat Owners Welfare Association, Aditya Welfare Heights, Flat No. 1110, Block - H, Manjeera Pipeline Road, Hafeezpet, Hyderabad- 500049, represented by its President, Sri Kanaparthi Suresh, Cell: 9866105579. **.....Appellant**

**AND**

1. The Assistant Divisional Engineer / Operation / Chanda Nagar / TSSPDCL/ Ranga Reddy District.
2. The Divisional Engineer / Operation / Gachibowli / TSSPDCL/ Ranga Reddy District.
3. The Senior Accounts Officer / Cyber City Office / TSSPDCL/ Ranga Reddy District.
4. The Superintending Engineer / Operation / Cyber City Circle / TSSPDCL/ Ranga Reddy District. **..... Respondents**

This appeal is coming on before me for final hearing on 22.09.2022 in the presence of Kumari Nishtha, authorised representative of the appellant and Sri M.P.Ravi Kumar - SAO/Cyber City Circle and Sri G. Shyam Prasad - ADE/OP/Chanda Nagar representing the respondents and having stood over for consideration till this day, this Vidyut Ombudsman passed the following:

## **AWARD**

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - Greater Hyderabad Area (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TSSPDCL') in C.G. No.120/ 2020-21/ Cyber city Circle dt.15.03.2021, closing the appeal holding that the appellant has to pay Development Charges.

### **CASE OF THE APPELLANT BEFORE THE FORUM**

2. The case of the appellant-association is that they have applied for change of name to Aditya Imperial Heights Flat Owners Association (in short 'AIHFOA') on 18.08.2022 vide HT Reference No. HT 21327070 and for Category Change on 27.10.2020 with HT Reference No. H.T.2132 7832, to the respondents. The respondents are delaying the matter. Respondent No. 1 is insisting to pay arrears of M/s. Infra Max (P) Ltd., for HT S.C. No.CBC 1567 (Old S.C.No.RRN1567) which is in their premises in Survey No. 83. The flats of the appellant-association were constructed by M/s. Aditya Construction Company Ltd., who obtained a temporary connection of electricity. Therefore it is prayed to direct the respondents to change the name and category change of the Service Connection, without insisting on any payment.

### **CASE OF THE RESPONDENTS BEFORE THE FORUM**

3. In the written submissions of respondent No.1, it is inter-alia, stated that an outstanding amount of Rs.23,63,065/- is due on Service Connection No. CBC1567(Old S.C.No.1567) of M/s. Infra Max (P) Ltd., Hence unless that amount is paid the name and category cannot be changed.

4. In the written submission of respondent No.4, also it is stated that unless the due amount of the earlier consumer is cleared, no change of name and category will be effected.

### **AWARD OF THE FORUM**

5. After considering material on record and after hearing both sides, the learned Forum has rejected the complaint holding that unless the payment of arrears of HT S.C.No.CBC 1567 is paid the applications for name change and category change cannot be processed.

6. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the learned Forum has passed the Award without properly analysing the facts on record and without properly considering the relevant provisions.

### **GROUND OF THE APPEAL**

7. In the grounds of appeal, it is, inter-alia, submitted that the demand of Rs. 23,63,065/- is barred by limitation. Further under Section 56(2) of the

Electricity Act (in short 'the Act') unless the arrears due is shown continuously, such amount cannot be recovered exceeding two years period. Therefore it is prayed to set aside the claim of Rs. 23,63,065/- and direct the respondents to change the name and category as requested by the appellant.

### **WRITTEN SUBMISSION OF THE RESPONDENTS**

8. In the written submissions and additional written submissions of respondent No.4, it is reiterated that unless arrears are paid in respect of link service the request of the appellant-association cannot be considered.

9. In the rejoinder filed by the appellant, it is, inter-alia, submitted that Clause 4.8.1 of General Terms and Conditions of Supply (in short 'GTCS') is not applicable in this case.

### **ARGUMENTS**

10. In the written arguments and additional written arguments of the appellant, it is submitted that the claim is barred by limitations under S.56(2) of the Act and that the release of Service Connection to Aditya Construction Company (P) Ltd., is a violation of Clause 8.4 of GTCS for which the respondents cannot make Aditya Construction Company (P) Ltd., or the appellant-association responsible. Hence it is prayed to allow the appeal and direct the respondents to change the name and category of the Service Connection of the appellant-association.

11. In the written arguments submitted by the respondents, it is, inter-alia submitted that the arrears are pending on the Bill Stopped, Outstanding Ledger (in short 'OSL') in respect of link service. In view of Clause 10 of Regulation No. 7 of 2013 (Second Amendment to Regulation No. 5 of 2004), M/s. Adithya Constructions Company Pvt. Ltd having stepped into the shoe of previous builder/developer M/s. Inframax (P) Ltd., in respect of the property where service connection bearing SC No. RRN1567 of M/s. Inframax (P) Ltd is located, the service connection of the M/s. Adithya Constructions Company Pvt. Ltd is treated as a link service and therefore the respondents are entitled to disconnect the same for non-payment of dues of the said service connection; that M/s. Adithya Constructions Company Pvt. Ltd is therefore liable to pay Rs. 23,63,065/- immediately along with surcharge as on 31.01.2021 as on the date of payment and on failure to do so the service connection (Link Service) which stands in the name of M/s. Adithya Constructions Company Pvt. Ltd is liable to be disconnected and that merely because the office concerned failed to demand the arrears of CC charges in respect of SC No. RRN1567 at the time of release of a new temporary connection in the name of the M/s. Adithya Constructions Company Pvt. Ltd, the appellant cannot disown its liability to clear off the dues.

## **POINTS**

12. The points that arise for consideration are:-

- i) Whether the respondents are liable to change the name and category of the Service Connection of the appellant-association without insisting to pay old arrears due as prayed for ?
- ii) Whether the impugned Award of the learned Forum is liable to be set aside? and
- iii) To what relief?

### **POINT No. (i) and (ii)**

#### **SETTLEMENT BY MUTUAL AGREEMENT**

13. Both the parties have appeared before this Authority on 22.09.2022. Efforts were made to reach a settlement between the parties through the process of conciliation and mediation. However, no settlement could be reached. The hearing, therefore, continued to provide reasonable opportunity to both the parties to put-forth their case and they were heard.

#### **REASONS FOR DELAY IN DISPOSING OF THE APPEAL**

14. Since I took charge as Vidyut Ombudsman on 01.07.2022 and since there was no regular Vidyut Ombudsman earlier, the appeal was not disposed of within the prescribed period.

#### **ADMITTED FACTS**

15. It is an admitted fact that M/s. Mysore Structures Pvt. Ltd/ owner of the land entered into registered Development Cum General Power of Attorney vide document Nos. 7007 of 2008 with M/s. Inframax (P) Ltd., for the

development of the land in Sy.Nos.83 to 87. The said M/s. Inframax (P) Ltd., applied for HT Service Connection and the same was released vide HT SC. No.CBC1567 (old SC.No.RRN1567). HT SC. No.CBC1567 (old SC.No.RRN1567) had committed default in payment of electricity charges and the same was informed to the consumer through CC bills. Later M/s. Adithya Constructions Company Pvt. Ltd, who stepped into the shoe of M/s. Inframax (P) Ltd applied for a new temporary connection in its name to the premises covered by Sy.Nos.83 to 87 and the same was released without collecting the dues either from the previous developer M/s. Inframax (P) Ltd., or M/s. Adithya Constructions Company Pvt. Ltd. When M/s. Aditya Constructions Company Pvt. Ltd., applied for change of name to that of Aditya Imperial Heights Flat Owners Association (AIHFOWA) on 18.08.2020 and for change of category on 27.10.2020 to that of domestic category, the office of respondent No.1/ADE, Chandanagar demanded dues. The respondent No.4 SE/OP/Cybercity issued notice dt. 08.01.2021 to M/s. Adithya Constructions Com Ltd to pay the arrears of Rs.23,63,065/- with surcharge as on 31.01.2021 within (15) days from the date of receipt of notice and failing to do so HT service vide SC.No.CBC1567 (old SC.No.RRN1567) will be disconnected and necessary steps will be taken to recover the amount under Revenue Recovery Act.

### **CRUX OF THE MATTER**

16. As already stated the appellant has requested name change of HT.SC.No. CBC T026, applied vide Reg.No. HT 21327070 dt.18.08.2020 from

M/s. Aditya Construction Company Ltd., to M/s. Aditya Imperial Heights Flats Owners Association (AIHFOA). The application was rejected by the respondents in view of pending dues for an amount of Rs. 23,63,065/- as on 31.01.2021 existing in the same premises against the Service Connection HT SC No. CBC 1567 in the name of M/s. Inframax Pvt. Ltd. Though stricly not relevant recently fresh directions were issued by the CMD/TSSPDCL on 17.03.2022 in regard to the documents to be required for title transfer which is reproduced here under:-

**\*\*\*Amendment as per the note approval of the CMD/TSSPDCL dated:17.3.2022\*\*\***

**Documents to be collected from consumers for Title Transfer/Name Change:**

- a) ID proof of the applicant with self attestation.
- b) Indemnity bond in a prescribed format on a Non-Judicial stamp paper worth Rs.100/- **with photo of the applicant.**
- c) Self attested Copy of registered sale deed (or) partnership deed (or) will deed (or) any other registered ownership document in the name of present applicant.
  - ❖ Condition 1: In case of a Company, Memorandum of Understanding & Articles of Association/ Partnership deed along with Company authorization letter to the applicant is to be uploaded additionally.
  - ❖ Condition 2: In case of Joint ownership of the property (or) partnership in the Company, No-Objection Consent (NOC) in a prescribed format on a Non-judicial stamp paper worth Rs.10/- is to be uploaded additionally.
  - ❖ Condition 3: In case of transfer to any legal heir is required, self attested copies of death certificate of previous owner and legal heir certificate are to be uploaded.
- d) Payment mode as per the prevailing rates of application fee inclusive of GST through online/DDs/payment receipt at ERO counters.

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17. The format of the indemnity bond which is a mandatory document to be produced for title transfer is reproduced here under:-

**INDEMNITY BOND (For Title Transfer)**  
**(To be executed on Rs 100/- Non- Judicial stamp paper)**



- I. The Deed of Indemnity bond executed this day the ----- by Sri/ Smt -----(Name)S/o, D/o, W/o Resident at house No. -----here after called the indemnifier (which term shall mean and include its Executors, administrators, heirs, successor and assignees) to in favour of the Southern Power Distribution Company of Telangana Ltd., Hyderabad hereinafter called the TSSPDCL. (Which term shall mean and include its successors in office and assigner).
- II. Whereas the indemnifier has requested TSSPDCL to change a service connection bearing No. \_\_\_\_\_ in his/her name. And whereas, the indemnifier declares that the documents submitted by him/ her for the purpose of transfer of service are true and correct and the same do not suffer from any legal obligations and liabilities.
- III. Therefore the indemnifier hereby undertakes to indemnify the TSSPDCL against any damages or loss caused to the TSSPDCL in respect of the said service connection in his name.
- IV. The indemnifier further undertakes that the responsibility in connection with the correctness of the documents submitted by him for the purpose of transfer of service which sand in the name of \_\_\_\_\_ and executed in his/her favour”.
- V. The indemnifier further undertakes to make good any sum that may be found to be done payable to the TSSPDCL with regards to all liabilities and claimers personally as well as by means of both movable and immovable properties and the TSSPDCL shall be at liberty to disconnect the service connection which is changed in his name.
- VI. The indemnifier further undertakes the responsibility for all purpose and any legal obligations and liabilities which may arise due to transfer of service in his/her favour and the transferring authority is at liberty to cancel the above said transfer executed in his/ her favour and may be continued in the previous title without any further transaction.
- VII. In witness where of Sri/ Smt. \_\_\_\_\_. The indemnifier has signed this deed on the day, month and year wherein before first mentioned.

SIGNED AND DELIVERED BY

In the Presence of  
Witnesses (Name and address)

1.

2.

18. The Clause V of the above given document indemnifies the appellant in regard to all the liabilities and claim personally as well as by means of both movable and immovable properties. Subject to the given condition the title transfer is maintainable. There is no dispute that the previous H.T. Service Connection CBC 1567 M/s. Inframax Pvt. Ltd., existed in the same premises, Sy.No. 83. As per the registered development agreement cum general power of attorney document No. 7007/09, M/s. Inframax Pvt. Ltd., is the consenting party and M/s. Aditya Construction company is the developer of the residential complex. As per the above document the **First Party** (M/s. Mysore Structurals Pvt. Ltd.) / Land Owner and the **consenting party** M/s. Inframax Pvt.Ltd., represented by its Director, Sri M. Ravinder entered into a Development Agreement-cum-G.P.A dt.21.12.2006 which is registered its document No. 26045 of 2006 in the office of the Joint Sub-Registrar-II, R.O.Ranga Reddy in respect of the schedule property. Subsequently both the parties due to their personal reasons have mutually decided and cancelled the said Development Agreement cum G.P.A and got relieved of their respective liabilities arising out of the said deed vide Cancellation deed of Development and GPA agreement dt.23.12.09 which is registered as document No. 7004 of 2009 in the office of the Joint Sub Registrar, Ranga Reddy District. Subsequently M/s. Aditya Construction Company India Pvt. Ltd.,(**second party**) has taken over the project as a developer and agreed to undertake the construction and development of the proposed development complex over the

scheduled property, the **consenting party M/s. Inframax Ltd.** accepted the transaction without any objection.

19. In view of the aforementioned agreement between the three parties where the development/construction of the residential building was first initiated by the consenting party M/s. Inframax Ltd. which was later on transferred to the second party M/s. Aditya Construction Company Ltd.,. The liabilities of the previous HT Service Connection shall be borne by M/s. Aditya Construction Company Ltd., who has obtained a new H.T. temporary Service Connection CBC T026, in spite of having one H.T. Service Connection taken by M/s. Inframax Ltd., CBC 1567. Ideally the H.T. Service Connection CBC 1567 should have been taken over by the M/s. Aditya Construction Company Ltd.

20. Further, the Clause 22 of the above said document is reproduced here under:-

“For all flats of First and Second party, the expenses and deposits pertaining to development and construction payable to any Central/State Government shall be paid by the Second party/Developer. The Service Tax, VAT, Registration charges, fees and taxes shall be collected from the prospective buyers by the First party and the Second party for their respective share and the same shall be deposited with the concerned authorities before the due date. The deposits made by the Second party on account of APSEB, HMWSSB and other government departments towards electrical, water and sewerage connection and maintenance charges of the complex and club house etc., shall be recovered/collected from all the prospective buyers by the Second party.

21. In view of the aforementioned discussion it is clear that the liabilities of M/s. Inframax Ltd., were transferred to M/s. Aditya Construction Company Ltd., and the Clause 5 of the indemnity bond towards the title transfer mandates that the liabilities are to be taken over by the indemnifier (the applicant for title transfer). Hence the title transfer is conditional subject to payment of the dues pending on the subject premises. This is also in line with the Clause 8.4 of the GTCS which is reproduced here under:-

“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 Clause 4.8.1 of the Regulation 7 of 2013 also reiterated responsibility of the dues pending on M/s. Aditya Construction Company Ltd., even though they have different agreements or Service Connection.

22. **Category Change:-**The appellant preferred Category change of HT.SC.No. CBC T026, M/s. Aditya Construction Company Ltd., applied vide Reg.No. HT 21327832 dt.27.10.2020 H.T. Category - VII to H.T. Category - VI. The application was rejected by the respondents in view of pending dues for an amount of Rs. 23,63,065/- as on 31.01.2021, existing in the same premises against the Service Connection HT SC No. CBC 1567 in the name of M/s. Inframax Pvt. Ltd. Before going to the dispute the Classification of H.T. Category - VII and H.T Category is placed below as given in the Tariff Order:-

“9.22.1:-This tariff is applicable exclusively for (i) Townships and Residential colonies or Cooperative group housing societies who own the premises and avail of supply at single point for making electricity available to the members of such society residing in the same premises at HT, (ii) any person who avails of supply at single point at HT for making electricity available to his employees residing in contiguous premises, the supply in all cases being only for domestic purposes, such as lighting, fans, heating etc., provided that the connected load for common facilities such as non-domestic supply in residential area, street lighting and water supply etc., shall be within the limits specified hereunder.”

<b>Water Supply &amp; Sewerage and Street Lighting put together</b>	<b>10% of total connected load</b>
<b>Non-domestic/Commercial &amp; General purpose put together</b>	<b>10% of total connected load</b>

23. Since, the subject Service Connection CBC T026 is a separate connection other than the service connection available for the dwelling units of the residential complex, the Category change is not tenable as per the conditions given in the above said clause of the Tariff Order. The request of the appellant does not fit in the ambit of the H.T. Category VI category. In view of the above discussion, I hold that the respondents are not liable to change the name and Category of the Service Connection of the appellant-association without payment of old arrears due and the impugned Award is not liable to be set aside. These points are accordingly decided against the appellant and in favour of the respondents.

24. The appellant has relied upon the judgement of the Hon'ble Supreme Court in TSSPDCL v. SRIGDHAA BEVERAGES (C.A.No. 1815 of 2020) out of

Spl. Leave Petition (C) No. 19292/2018) dt.01.06.2020, wherein it is held that the licensee TSSPDCL is having a right to demand the arrears of the last owner from the purchaser. Relying on the said judgement at part 'B' of paragraph 15, the authorised representative of the appellant has argued that the subsequent purchaser of the company is not liable to pay the electricity arrears due. But part 'A' of paragraph (15) makes it clear that the electricity dues are statutory in character and cannot be waived, it is applicable in this case. Therefore this judgement is not helpful to the appellant.

25. In the judgement relied on by the authorities representative of the appellant reported in M/s. PREM COTTEX v. UTTAR HARYANA BIJLI VITRAN NIGAM LTD., in Civil Appeal No. 7235 of 2009 dt.05.10.2022 also it is held that the claim of the Licensee to pay the arrears due after the mistake was detected is maintainable.

26. In view of the latest judgement of the Hon'ble Supreme Court in TSSPDCL v. SRIGDHAA BEVERAGES (C.A. No. 1815 of 2020) (cited supra) the judgement of the Hon'ble Supreme Court reported in HARYANA STATE BOARD v. M/s. HANUMAN RICE MILL DHANAURI in Civil Appeal No. 6817 of 2010 dt.20.10.2020 is not helpful to the appellant.

27. There is a serious lapse in performing the duties by those officers present during such period, by releasing the supply to the residential building in spite of having arrears pending, which resulted in the present dispute. Therefore

those employees/officers are liable to compensate the appellant for such lapse by recovering the amount from those officers responsible for the present dispute through adjustments in the dues.

**POINT No. (ii)**

28. In view of the findings on point No. (i) and (ii) the appeal is liable to be rejected.

**RESULT**

29. In the result, the appeal is rejected, without costs, confirming the impugned Award passed by the learned Forum. However, a sum of Rs.25,000/- (Rupees twenty five thousand only) is awarded as compensation to the appellant by way of adjustment in the future bills of the appellant immediately. That amount is to be recovered from the officers/employees who were responsible for releasing the electricity supply to the residential building in spite of arrears due.

A copy of this Award is made available at <https://vidyutombudsman-tserc.gov.in>.

Typed to my dictation by Office Executive-cum-Computer Operator, corrected and pronounced by me on this the 29th day of October 2022.

Sd/-  
**Vidyut Ombudsman**

1. M/s. Aditya Imperial Heights Flat Owners Welfare Association, Aditya Welfare Heights, Flat No. 1110, Block - H, Manjeera Pipeline Road, Hafeezpet, Hyderabad- 500049, represented by its President, Sri Kanaparthi Suresh, Cell: 9866105579.
2. The Assistant Divisional Engineer / Operation / Chanda Nagar / TSSPDCL/ Ranga Reddy District.
3. The Divisional Engineer / Operation / Gachibowli / TSSPDCL/ Ranga Reddy District.
4. The Senior Accounts Officer / Cyber City Office / TSSPDCL/ Ranga Reddy District.
5. The Superintending Engineer / Operation /Cyber City Circle / TSSPDCL/ Ranga Reddy District.

**Copy to**

6. The Chairperson, Consumer Grievances Redressal Forum of TSSPDCL- Greater Hyderabad Area, Door No.8-3-167/E/1, Central Power Training Institute (CPTI) Premises, TSSPDCL, GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad - 45.