



BEFORE THE VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

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

**PRESENT : SRI MOHAMMAD NIZAMUDDIN
VIDYUT OMBUDSMAN**

TUESDAY THE ELEVENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FIVE

Appeal No. 27 of 2025-26

Between

Sri Abbineni Narayana Rao, s/o. Abbineni Jangarao, H.No.5-3-321,
Seshadri Nagar, Near Community Hall, Kukatpally, Hyderabad - 500072.
Cell: 9391182961.

.....Appellant

AND

1. The Assistant Engineer/OP/IDPL/TGSPDCL/Secunderabad.
2. The Assistant Divisional Engineer/OP/R.R.Nagar/TGSPDCL/Secunderabad.
3. The Assistant Accounts Officer/ERO/Bowenpally/TGSPDCL/Secunderabad.
4. The Divisional Engineer/OP/Bowenpally/TGSPDCL/Secunderabad.
5. The Senior Accounts Officer/OP/Secunderabad/TGSPDCL/Secunderabad.
6. The Superintending Engineer/OP/Secunderabad /TGSPDCL/Secunderabad

..... Respondents

This appeal is coming on before me for final hearing today in the presence of Sri Ravinder Prasad Srivatsava - authorised representative of the appellant and Sri Md.Akbar-AE/OP/IDPL, Sri B. Sathish - ADE/OP/RR Nagar, Smt. M. Sabita Rani - AAO/ERO/Bowenpally and Sri A. Jayaramulu-DE/OP/Bowenpally for the respondents and having stood over for consideration till this day, this Vidyut Ombudsman passed the following Award:-

AWARD

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - II (Greater Hyderabad Area), (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TGSPDCL') in C.G.No.74/2025-26/Secunderabad Circle dt.10.10.2025, rejecting the complaint.

CASE OF THE APPELLANT BEFORE THE FORUM

2. The appellant has given his house bearing No. 5-9-285/12 situated at Rajiv Gandhi Nagar, Kukatpally (in short 'the subject premises') on rent to M/s. Meghana Pharma (P) Ltd., (in short 'the subject company') who took electricity connection and utilised the same from 2009 to 2013. Respondent No.2 has issued notice vide Lr.No.ADE/OP/RR Nagar/City-VI/Tech/F.No.1/D.No.977/2025-26 dt.12.08.2025 (in short 'the impugned notice') to the appellant requiring him to pay CC arrears of Rs.72,05,224/- (as on 11.08.2025) in respect of H.T. Service Connection No. SEC-1677 of the subject company. In the said notice it is also mentioned that the Service Connection No. S6004023 of the appellant is the link service. It was accordingly prayed to set aside the impugned notice requiring the appellant to pay Rs.72,05,224/- and not to disconnect the Service Connection of the appellant.

WRITTEN SUBMISSIONS OF THE RESPONDENTS

3. In the written reply filed by respondent No.2 and 4 before the learned Forum, it is, inter-alia, submitted that the appellant-landlord of the premises is responsible to clear the dues of the electricity consumption of the defaulted tenant. After the first round of litigation, respondent No.2 has issued the impugned notice demanding the appellant to pay the amount mentioned in the said notice. The appellant is liable to pay the said amount.

4. In the written reply filed by respondent No.3, before the learned Forum, it is, inter-alia, submitted that the appellant is liable to pay the amount mentioned in the impugned notice.

AWARD OF THE FORUM

5. After considering the material on record and after hearing both sides, the learned Forum has rejected the complaint.

6. Aggrieved by the Award passed by the learned Forum, the present appeal is preferred, contending among other things, that the impugned Award is not correct and that the claim is barred under Sec.56(2) of the Electricity Act (in short 'the Act') and accordingly it is prayed to set aside the impugned order and also the impugned notice.

GROUND OF APPEAL

7. The respondents are entitled to claim the dues of electricity on the subject Service Connection only from the subject company (tenant) and not from the appellant (land-lord). It is prayed to set aside the impugned Award and impugned notice and also to direct the respondents to restore power supply to the Service Connection of the appellant.

WRITTEN SUBMISSION OF RESPONDENTS

8. In the written reply filed by respondent Nos. 1 to 3 separately, before this Authority, they have reiterated the contents of their written replies filed before the learned Forum.

ARGUMENTS

9. The learned authorised representative of the appellant, has submitted that M/s. Meghana Pharma (P) Ltd., is the consumer of the respondents and tenant of the appellant; that the appellant is the owner of the subject premises who let out the same to the subject company; that for default of payment of electricity bills of tenant-M/s. Meghana Pharma (P) Ltd., the appellant-owner of the premises bearing H.No. 5-9-285/12, is not responsible to pay the said arrears; that his Service Connection No.S6004023 at the subject premises is not the link service to the Service Connection of the tenant and that the claim of the respondents is barred under Sec.56(2) of the Act. It is

accordingly prayed to set aside the impugned Award and impugned notice and to direct the respondents to restore power supply to the Service Connection of the appellant.

10. On the other hand, the respondents have supported the impugned Award of the learned Forum. It is accordingly prayed to reject the appeal.

POINTS

11. The points that arise for consideration are:-

- i) Whether the demand of the respondents under the impugned notice to pay the arrears of electricity charges of M/s. Meghana Pharma (P) Ltd., from the appellant is illegal ?
- ii) Whether the Service Connection of the appellant is not the link service to M/s. Meghana Pharma (P) Ltd.,?
- iii) Whether impugned Award is liable to be set aside?
- iv) Whether the appellant is entitled for reconnection of his Service Connection without payment of arrears of M/s. Meghana Pharma (P) Ltd.,? and
- v) To what relief?

POINT Nos. (i) to (iv)

ADMITTED FACTS

12. It is an admitted fact that the respondents have released Service Connection in the name of M/s. Meghana Pharma (P) Ltd. and later converted from LT to HT with HT Service Connection No. SEC1677 (Old HDN 1677) in April 2013. The appellant is the owner of the subject premises. The respondents have also released the Service Connection No. S6004023 to the

appellant at the same premises to a room. It is also an admitted fact that the respondents have now disconnected the Service Connection of the appellant on the ground that the arrears of electricity charges pertaining to the subject company were not paid to the respondents and the Service Connection of the appellant is the link service.

FIRST ROUND OF LITIGATION

13. The appellant has filed copy of the common Award of this Authority in Appeal No. 20 of 2024-25 and Appeal No. 23 of 2024-25 dt.09.09.2024. The material on record goes to show that earlier respondent No.3 has issued a notice similar to the impugned notice to the appellant to pay arrears due from M/s. Meghana Pharma (Pv) Ltd., Then the appellant has filed a complaint before the learned Forum. The learned Forum has rejected the complaint vide C.G.No.291 of 2023-24 on 07.06.2024. Aggrieved by the said Award the appellant has filed Appeal No. 20 of 2024 before this Authority. This Authority has allowed the appeal through common Award dt.09.09.2024. Aggrieved by the Award of this Authority, the respondents have preferred W.P.No.34539 of 2024 before the Hon'ble High Court. The Hon'ble High Court has allowed the Writ Petition in part and set aside the the Award of this Authority in Appeal No.20 of 2024. Aggrieved by the same, the appellant (land-lord) has preferred W.A.No. 657/2025 before a Division Bench of the Hon'ble High Court. The Hon'ble Division Bench vide common judgement dt.06.08.2025 set aside the

judgement passed in W.P.No.34539 of 2024 and directed the respondents to restore the Service Connection of the appellant by holding that the issue raised in the appeal was left open to be decided in the appropriate case. Respondents in compliance of the common judgement dt.06.08.2025 restored the power supply to the Service Connection of the appellant on 12.08.2025 and issued the impugned notice for making payment of Rs.72,05,224/-.

SETTLEMENT BY MUTUAL AGREEMENT

14. Both the parties have appeared before this Authority virtually and physically. 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

15. The present appeal was filed on 23.10.2025. This appeal is being disposed of within the period of (60) days as required.

CRUX OF THE MATTER

16. From the record it is clear that the respondents have been demanding the appellant to clear the arrears of electricity charges etc., of M/s. Meghana Pharma (P) Ltd., from the appellant. The appellant claims that there is no privity of contract between himself and the respondents in respect

of M/s. Meghana Pharma (P) Ltd., as such he is not liable to pay such arrears. M/s. Meghana Pharma (P) Ltd., is the tenant of the appellant. The respondents claimed that the appellant is the owner of the premises where M/s. Meghana Pharma (P) Ltd., was existing and as such he is liable to pay the electricity arrears etc., of M/s. Meghana Pharma (P) Ltd., on the ground that the Service Connection of the appellant is the link service.

17. From the material on record it is clear that M/s. Meghana Pharma (P) Ltd., fell due an amount of Rs.72,05,224/- to the respondents towards arrears of electricity charges. Admittedly the said company which was a tenant of the appellant in the subject premises was closed. As already stated, the respondents have also released one more Service Connection in the name of the appellant in the subject premises to a room. Here it is necessary to refer Clause 10 of Regulation 7 of 2013 (2nd amendment to Regulation 5 of 2004). This Regulation specifies the rights of the Licensee to disconnect the link services of the consumer who defaults in payment of charges for supply of electricity.

Clause 10: Where any consumer defaults in payments of charges for the supply of electricity and or any other sums payable to the company under the contract of supply agreement, the company may without prejudice to its other rights cause to disconnect all or any of the other services of the consumer within the area of supply of the licensee, though such services be distinct and are governed by separate agreements and though no default occurred in respect thereof.

The said Regulation envisages right to the licensee to disconnect all or any of the other services of the consumer within the area of supply of the licensee. Here, prima facie, the consumer is M/s. Meghana Pharma Company Ltd., and not the appellant.

CONSUMER IN THIS APPEAL

18. Sec. 2 (15) of the Electricity Act (in short 'the Act') defines "Consumer". The said provision reads as under:-

"Consumer" means any person who is supplied with electricity for his own use by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving electricity with the works of a licensee, the Government or such other person, as the case may be;

In the present case, the subject Service Connection for getting electricity to M/s. Meghana Pharma (P) Ltd., was not obtained by the appellant. He did not file any application before the respondents. But the said company itself obtained such Service Connection. No doubt premises belong to the appellant. Therefore strictly speaking M/s. Meghana Pharma (P) Ltd., is the consumer of the respondents in respect of the subject Service Connection of the said company, even though the electricity is not consumed at present. The

respondents have released the Service Connection on the application of M/s. Meghana Pharma (P) Ltd., only. The agreement is also between M/s. Meghana Pharma (P) Ltd., and the respondents. The Service Connection in the name of the appellant is a separate one. Both these Service Connections are distinct. Thus the Service Connection in the name of the appellant installed to a room in the subject premises is not a link service to the subject Service Connection. The appellant is the consumer in respect of the Service Connection released in his name.

ROLE OF OWNER OF THE PREMISES TO PAY ARREARS OF TENANT

19. The main argument of the appellant is that he is the owner of the subject premises and M/s. Meghana Pharma (P) Ltd., was his tenant and as such he is not liable to pay its arrears of electricity of the company to the respondents. The argument of the respondents is that since M/s. Meghana Pharma (P) Ltd., is situated in the premises of the appellant, the appellant is the consumer of the respondents and is bound to pay the said arrears. At the cost of repetition, the appellant is not the consumer of the respondents representing M/s. Meghana Pharma (P) Ltd..

CASE LAW

20. In view of the factors discussed above it is clear that the appellant is not the consumer representing M/s. Meghana Pharma (P) Ltd., Service

Connection. My view is fortified in the 3-Judge Bench judgement of the Hon'ble Supreme Court reported in K.C.NINAN v. KERALA STATE ELECTRICITY BOARD¹ at paragraph 48, which reads as under:-

“We are unable to accept the submission of Electric Utilities that the second limb of Section 2(15) connotes a supply of electricity to premises, irrespective of a change in the owner or occupier. The 2003 Act provides an inclusive definition of ‘premises’ under Section 2(51). According to the definition, premises include land, building, or structure. The second limb goes only so far as to say that when electricity is supplied to any person at a particular land, building, or structure, such person will continue to remain a consumer, even though they are not consuming electricity, so long as the electricity connection exists. The expression ‘premises’ used in the second limb identifies the place where the supply of electricity has to be made.”

21. Further the authorised representative of the appellant has relied upon the judgement of our Hon'ble High Court reported in V.V.SATYANARAYANA MURTHY v. CENTRAL POWER DISTRIBUTION COMPANY OF A.P. Ltd., & Ors.², In this judgement, the Hon'ble High Court has directed the Licensee-respondents to reconsider the request of the petitioner therein (owner of the premises) for supply of power connection and gave liberty to the Licensee to recover the arrears of electricity charges from fourth respondent-tenant therein. Similarly the learned authorised representative of the appellant has also relied upon the judgement of the Hon'ble High Court of Tamilnadu in CLARA AMMAL v. TAMIL NADU ELECTRICITY BOARD³. In both these judgements it was held that the

¹ 2023 SCC Online SC - 663

² 2015 SCC Online Hyd -330

³ 2014 SCC Online Mad - 12283

landlord is not liable to pay the arrears of electricity of the tenant. But the respondents have relied upon a judgement of a Division Bench of our Hon'ble High Court in SUJATA GUPTA & (3) Others v. THE SUPERINTENDING ENGINEER, CENTRAL POWER DISTRIBUTION COMPANY, ANDHRA PRADESH & 3 others in W.A.No.922 of 2008 dt.22.07.2009 and batch. The Hon'ble High Court while confirming the judgement of a single Judge of the Hon'ble High Court held that unless the arrears of electricity are cleared, no electricity connection shall be given to the premises. The respondents have also relied upon the judgement of the Hon'ble Supreme Court reported in TELANGANA STATE SOUTHERN POWER DISTRIBUTION COMPANY LIMITED v. M/s. SRIGDHAA BEVERAGES⁴ wherein it was held that the auction purchaser of the property is liable to pay arrears of electricity of the previous owner of the property. In the said case, the tenant was not involved whereas in the present case the tenant is involved, as such, this case is not applicable in this appeal.

22. At this stage it is relevant to refer to the judgement of the Hon'ble Supreme Court (1 supra), upon which both the parties have relied upon. In the said judgement paragraph Nos. 50,51,52,61,92,101 and 102 are relevant.

They are extracted here under:-

“50. 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-a-vis the premises

⁴ (2020) 6 SCC - 404

of the consumer. Considering the overall scheme of the 2003 Act, the supply of electricity is to the consumer and not the premises.”

“51. Section 43 of the 2003 Act obligates a distribution licensee to supply electricity “on an application by the owner or occupier of any premises”. Under the provision, the right to obtain a supply of electricity is vested with the owner or occupier of the premises. Invariably, such owner or occupier means the consumer under Section 2(15). As held in Brihanmumbai Electric Supply & Transport Undertaking (supra), the duty to supply electricity comes into play only on an application made by the owner or occupier of the premises. Hence, the term “premises” has to be contextualised and understood with respect to the preceding portion, that is, the owner or occupier of the premises.”

“52. The duty to supply electricity under Section 43 is only with respect to the owner or occupier of the premises, and not the premises, as it is the owner or occupier who has the statutory right to “demand” electricity for the premises under their use or occupation. Further, it is the applicant who has to fulfil all the statutory conditions laid down under the 2003 Act to become entitled to get supply of electricity to their premises. The applicant has to pay the necessary charges and comply with all terms and conditions as determined by the appropriate commission for the supply of electricity.”

“61. We need to highlight that the 2003 Act contemplates a synergy between the consumer and premises. Under Section 43 of the 2003 Act, the owner or occupier of premises can seek a supply of electricity for particular premises. Perforce, when electricity is supplied, the owner or occupier becomes a consumer only with respect to those particular premises for which electricity is sought and provided. For example, when a person owning an apartment in a residential complex applies for supply of electricity to such an apartment, they become a consumer only with respect to the apartment for which the application is made and to which electricity is supplied. Such a person may own another apartment to which electricity may already be supplied, but they will be considered a separate consumer with respect to the second apartment. For an application to be considered as a ‘reconnection’, the applicant has to seek supply of electricity with respect to the same premises for which electricity was already provided. Even if the consumer is the same, but the premises are different, it will be considered as a fresh connection and not a reconnection.”

“92. The next issue that arises for our consideration is whether arrears of electricity can become a charge or encumbrance over the premises. An ancillary issue is whether such arrears can become a charge on the property only through an express provision of law. Before we embark upon our analysis, we clarify that it is unnecessary to deal with the submission of the auction purchasers regarding registration under Section 17 of the Indian Registration Act 1908 for the conditions of supply contained in a contract to constitute a charge. The decision of this court in *M.L. Abdul Jabbar Sahib v. M.V. Venkata Sastri & Sons*,⁴⁴ was limited to the extent that it holds that a charge created by an act of parties under Section 100 of the Transfer of Property Act 1882 does not attract the provisions of Section 59 of the Indian Registration Act 1908.”

“101. In *Isha Marbles* (supra), this Court observed that under the provisions of 1910 Act read with 1948 Act, electricity arrears do not create a charge over the property. It observed:

“56. From the above it is clear that the High Court has chosen to construe Section 24 of the Electricity Act correctly. There is no charge over the property. Where that premises comes to be owned or occupied by the auction-purchaser, when such purchaser seeks supply of electric energy he cannot be called upon to clear the past arrears as a condition precedent to supply. What matters is the contract entered into by the erstwhile consumer with the Board. The Board cannot seek the enforcement of contractual liability against the third party. Of course, the bona fides of the sale may not be relevant.”

“102. Similarly, in *Paschimanchal Vidyut Vitran Nigam* (supra), this Court held that in the absence of any contract to the contrary, the amount payable towards supply of electricity does not constitute a charge on the premises.”

These propositions make it very clear as to the word ‘Consumer’ and also liability of such consumers.

CONCLUSION

23. In the present case, having regard to the facts and circumstances and also the law laid down by the Hon’ble Supreme Court in the judgement

(1 supra) the appellant herein being owner of the premises is not liable to pay the arrears of electricity of M/s. Meghana Pharma (P) Ltd., as he is not consumer in respect of the said company and such demand made by the respondents from the appellant under impugned notice is illegal. Like-wise the Service Connection of the appellant is not the link service of the Service Connection of M/s. Meghna Pharma (P) Ltd.,

IMPUGNED AWARD

24. The learned Forum has rejected the complaint. Para No. (10) of the impugned Award reads as under:-

“Therefore the Forum felt that the respondents had issued notice as per Hon’ble High court directions and at present the Forum can’t interfere in this matter. At this stage if any order in respect of the electricity Service Connection is passed it may create more legal complications. Hence the Forum felt that the present complaint is not maintainable at this stage and the same is liable to be rejected with a direction to the complainant to approach proper Forum for redressal of his grievance.”

As per the above said paragraph the Forum felt that it cannot interfere in this matter on the ground that it may create more legal complications. This approach of the learned Forum is not correct. As on the date of the impugned Award no case pertaining to this matter was pending before the Hon’ble High Court. When once the impugned notice was issued and when once the said notice was challenged before the Forum, it is the duty of the Forum to decide the said dispute. The learned Forum has not considered the material on

record properly and came to the in-correct conclusion. Accordingly, I hold that the demand of the respondents to pay the arrears of electricity charges etc., of M/s. Meghana Pharma (P) Ltd., from the appellant under the impugned notice is illegal, the Service Connection of the appellant is not the link service to M/s. Meghana Pharma (P) Ltd., and the impugned Award of the learned Forum is liable to be set aside. Consequently the appellant is entitled for reconnection of the Service Connection without payment of arrears of M/s. Meghna Pharma (P) Ltd., These points are accordingly decided in favour of the appellant and against the respondents. However, having regard to the facts and circumstances of the case, I hold that Sec. 56 (2) of the Act is not applicable in this case.

POINT No. (v)

25. In view of the findings on point Nos. (i) to (iv), the appeal is liable to be allowed.

RESULT

26. In the result, the appeal is allowed and the impugned Award of the learned Forum is set aside. The demand of the respondents to pay the arrears of electricity charges etc., of M/s. Meghana Pharma (P) Ltd., from the appellant (owner of the subject premises) is illegal. The Service Connection No.S6004023 of the appellant is not the link service to M/s. Meghana Pharma

(P) Ltd.,. The appellant is entitled for reconnection of his Service Connection without payment of arrears of M/s. Meghana Pharma (P) Ltd.,. The respondents are directed to reconnect it. The respondents are directed to comply with this Award within fifteen days from the date of receipt of copy of the Award and file compliance report.

C.M.P is closed.

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 the 11th day of November 2025.

**Sd/-
Vidyut Ombudsman**

1. Sri Abbineni Narayana Rao, s/o. Abbineni Jangarao, H.No.5-3-321, Seshadri Nagar, Near Community Hall, Kukatpally, Hyderabad - 500072. Cell: 9391182961.
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6. The Senior Accounts Officer/OP/Secunderabad/TGSPDCL/Secunderabad.
7. The Superintending Engineer/OP/Secunderabad /TGSPDCL/Secunderabad

Copy to

8. The Chairperson, Consumer Grievances Redressal Forum of TGSPDCL- 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.