

HIGH COURT FOR THE STATE OF TELANGANA : HYDERABAD

MAIN CASE NO: **W.P.No.34986 of 2025**

PROCEEDING SHEET

SL. NO	DATE	ORDER	OFFICE NOTE
	09.01.2026	<u>TMD,J</u> In this writ petition, the petitioner is challenging the demand raised by the respondent No.2 in letter No.SE/OP/SGR/SAO/AAO/JAO-HT/D.No.948/2025-26, dated 12.09.2025 and also further seeking disconnection of the power supply to the petitioner University bearing Service Connection Nos.SGR1436 and SGR1201, as illegal and arbitrary. It is stated that during the pendency of the writ petition, the respondents have disconnected the power supply on 19.12.2025 for SGR1436. The I.A.No.2 of 2025 is filed seeking restoration of the power supply for SGR1436, disconnected on 19.12.2025. The respondents have taken a preliminary objection about the maintainability of the writ petition. Learned Standing Counsel for the Corporation submitted that in W.P.No.22934 of 2020, the petitioner herein has challenged the demand raised by the respondent No.2 in (i)Lr.No.SE/OP/SGR/SAO/AAO/JAO/HT/D.No.206/2020; (ii)Lr.No.SE/OP/SGR/SAO/AAO/JAO/HT/D.No.207/2020; (iii)Lr.No.SE/OP/SGR/SAO/AAO/JAO/HT/D.No.20	Transferred to IO folder before corrections

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		8/2020; (iv)Lr.No.SE/OP/SGR/SAO/AAO/JAO/HT/D.No.20 9/2020, all dated 17.09.2020 and Lr.No.SE/OP/SGR/SAO/AAO/JAO/ HT/D.No.304/2020, dated 27.11.2020 and further seeking to disconnect the power supply to the petitioner bearing service connection Nos.SGR1436, SGR1254, SGR1253 and SGR1201, as illegal and arbitrary. It is stated that the said demand notice was in respect of the dues arising out of service connections in favour of M/s.VBC Ferro Alloys Limited, located at Rudraram and the dues were to the tune of Rs.108,11,06,157-00. It is stated that M/s.VBC Ferro Alloys Limited had availed power supply through the HT Sc.Nos.SGR1436, SGR1254, SGR1253 and SGR1201, without clearing the dues in respect of SGR No.129 and since the founders for both the petitioner University as well as M/s.VBC Ferro Alloys Limited were one and the same, the respondents sought to recover the due amounts from the petitioner herein under Clause 10 of Regulation No.7 of 2013. The writ petitioner has challenged the said notice stating that it has no relation whatsoever with M/s.VBC Ferro Alloys Limited, though it was admitted that the original founder for both was one and the same about forty to fifty years back, but the managements are now different. It is stated that the respondents have filed their counter affidavits bringing out the number of shares held by each of the founders and important persons associated with the petitioner company. Thus, it was brought out that the petitioner as well as	

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		M/s.VBC Ferro Alloys Limited both were companies linked to each other and hence Clause 10 of Regulation 7 of 2013 is squarely applicable and therefore, the respondent company is entitled to collect the electricity arrears of M/s.VBC Ferro Alloys Limited from GITAM University by treating the said connections as linked services of M/s.VBC Ferro Alloys Limited. It is stated that without agitating the same, the petitioner has withdrawn the aforementioned writ petition on 04.10.2024 without any liberty to file a fresh writ petition. Therefore, according to the learned standing counsel, the petitioner cannot now challenge the demand notice dated 12.09.2025, which is in fact for the very same service connections and also for the very same period. He placed reliance upon the judgment of the Hon'ble Supreme Court in the case of Sarguja Transport Service Vs. State Transport Appellate Tribunal, M.P.,Gwalior and Others, reported in (1987) 1 SCC 5. Therefore, according to the learned standing counsel, the writ petition is liable to be dismissed and does not warrant any interference, leave alone grant of an interim order in favour of the petitioner University. Learned counsel for the petitioner, on the other hand, submitted that though the founding members of both the organizations were common, the founding members do not have any major stake in M/s.VBC Ferro Alloys Limited at this stage and have filed a memo dated 06.01.2026 to submit that the percentage of the shareholding of the President and	

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		Secretary of the writ petitioner institution is only 0.43% and 1.74% respectively and total for both shareholding comes to 2.17% and the same is very small. It is stated that no other person except these two persons has any shareholding or any interest in the said company and none of the shareholders of the said company except these two persons are the governing body members of the petitioner University. He has drawn the attention of this Court to the impugned order dated 12.09.2025, to demonstrate that the amount claimed in the said notice also included a sum of Rs.6,88,17,000/-, which is 85% of the deemed energy charges for the Financial Year 2021-22 vide notice issued D.No.840/2025, dated 20.08.2025 and therefore, it is a fresh cause of action for the petitioner and therefore, the writ petition is maintainable. He also placed reliance upon the decision in the case of Meekin Transmission Limited and Another Vs. State of Uttar Pradesh and Others, reported in 2008 SCC OnLine All 161, about the maintainability of the writ petition as well as on merits submitting that the liability of another company cannot be fastened on the petitioner herein. He submitted that Clause 10 of the Regulation would apply where the petitioner has a number of connections, and if there is a default in respect of one connection, other connections can be disconnected, and therefore the said clause will not apply in the case of a party which is totally unrelated to the petitioner University. Having regard to the rival contentions and the material on record, this Court finds that in the earlier	

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		writ petition, the challenge was to the individual notices given in respect of each of the connections dated 17.09.2020 and the said notices are also filed at Page Nos.41 to 44 of the writ petition and each of the notices mention that a sum of Rs.108,11,06,157-00 is pending against HT Sc.No.SGR129, M/s.VBC Ferro Alloys Limited. The details of the breakup of the amounts due, to the tune of Rs.108 Crores and odd are not filed before this Court. However, in the impugned demand notice dated 12.09.2025, the total amount is mentioned as Rs.118,13,46,432/- and it also includes 85% deemed energy charges for the Financial Year 2021-22, whereas the earlier writ petition was for the dues till 2020. Therefore, this amount could not have been included therein. The other amounts included in the notice appear to be part of the earlier litigation and if the petitioner has not sought liberty to file a fresh writ petition with regard to the said demand while withdrawing the writ petition. By following the judgment of the Hon'ble Supreme Court, it is apparent that the petitioner has abandoned its claim against the said amounts. Merely because the earlier amounts are also mentioned in the impugned order, it cannot be said that the petitioner is entitled to challenge the entire order. The writ petition is therefore maintainable only against the amounts which are included in the impugned notice but was not part of the earlier proceedings i.e., to the extent of Rs.6,88,17,000/- and also other amounts. Therefore, this Court upholds the maintainability of the writ petition to the extent of Rs.10 Crore and odd i.e., more than Rs.108 Crores. However, it is only a	

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		preliminary observation and this Court would go into the maintainability of the writ petition with regard to the entire amounts during the course of hearing of the writ petition and these observations shall not come in the way of this Court. Notice before admission. N.Sreedhar Reddy, learned standing counsel takes notice on behalf of the respondents and waives further notice. Registry is directed not take out notices in view of this waiver. List this matter on 09.02.2026. TMD,J <u>I.A.No.2 of 2025</u> As regards the interim order to be granted in favour of the petitioner i.e., restoration of power supply, this Court finds that the words used in Clause 10 of Regulation 7 of 2013 are “right to disconnect power supply to all or any of the other services of the consumer within the area of supply of the licensee.” This Court is of prima facie opinion that there exists a right to disconnect the power supply connection of another service in connection of the same consumer and if it is a linked service, the respondent licensee would be entitled to disconnect the same as well. The link service is yet to be established in this case. Though the respondent has filed a counter affidavit in the earlier writ petition bringing out the relationship between the petitioner University and the M/s.VBC Ferro Alloys Limited, the same has not been	

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		adjudicated and as per the memo filed by the petitioner, only 2.17% of the entire shareholding of the M/s.VBC Ferro Alloys Limited is held by the President and Secretary of the petitioner University. Admittedly, the petitioner University is not due any payments for all four service connections and only one of the service connections has been disconnected on 19.12.2025. Therefore, subject to the undertaking given by the petitioner University that it would make payment of the entire amount with interest if the relationship between the petitioner University and M/s.VBC Ferro Alloys Limited is established, the service connection in respect of the SGR-1436 shall be restored. For counters of the respondents, list this matter after four weeks i.e., on 09.02.2026. TMD,J Note: Issue CC Today B/o.bak	

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