

**IN THE HIGH COURT OF JUDICATURE AT PATNA**  
**Civil Writ Jurisdiction Case No.11221 of 2025**

Sai Vandana Associates a Partnership Firm, having its registered office at 202, Kashi Place, dak Bungalow Road, Patna- 800001, through one of its Partners namely Kushagra Gautam, aged about 35 Years, S/o Vijay Kumar, resident of 304, Durga Acro Polis, Khaitan Lane, West Boring Canal Road, P.O. G.P.O., P.S. S.K. Puri, District Patna- 800001.

... .. Petitioner/s

Versus

1. The South Bihar Power Distribution Company Limited Vidyut Bhawan, Bailey Road, Patna, through its Managing Director.
2. The General Manager (Revenue), South Bihar Power Distribution Company Limited, Vidyut Bhawan, Bailey Road, Patna.
3. The Electrical Executive Engineer, Electric Supply Division, Khajpura, Patna.
4. The Assistant Electrical Engineer, Electric Supply Division, Khajpura, Patna.
5. The Bihar State Cooperative Marketing Union Limited (BiSCOMAUN), West Gandhi Maidan, Patna- 800001, through its Managing Director.

... .. Respondent/s

**Appearance :**

|                      |   |                                                                                                                                                                    |
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| For the Petitioner/s | : | Mr. Suraj Samdarshi, Advocate<br>Mr. Abhilasha Jha, Advocate<br>Mr. Avinash Shekhar, Advocate<br>Mr. Vijay Shanker Tiwari, Advocate<br>Ms. Simran Kumari, Advocate |
| For Power Company    | : | Mr. Anand Kr. Ojha, Sr. Advocate<br>Mr. Abhishek Raj, Advocate                                                                                                     |
| For the Respondent/s | : | Mr. Vivek Prasad, Advocate                                                                                                                                         |
| For the Res. No. 5   | : | Ms. Riya Giri, Advocate                                                                                                                                            |

**CORAM: HONOURABLE MR. JUSTICE ANIL KUMAR SINHA**  
**ORAL ORDER**

6      16-12-2025                      Heard learned counsel for the parties concerned.

2. The petitioner is a partnership, firm which has filed the present writ application for a direction to the respondents, South Bihar Power Distribution Company Limited (in short 'SBPDCL') to grant fresh electric



connection to the petitioner under Section 43 of the Electricity Act, 2003, read with Clause 4.1 of the Bihar Electricity Supply Code 2007 amended as on 19.05.2015.

3. The brief facts giving rise to the present writ application is that on 18.09.2023, the BISCOMAUN came out with advertisement to lease out building and structure on a long term lease basis. The building and structure was decided to give on lease to the petitioner vide resolution of allotment taken by BISCOMAUN on 05.07.2023 having broader terms and conditions of allotment dated 05.07.2023.

4. Mr. Suraj Samdarshi, learned counsel for the petitioner referring to the allotment letter at Annexure P/1, submits that as per the terms of allotment, the premises would be utilized for commercial purposes on the rent payable @ Rs. eight lacs per annum with statutory taxes etc. Clause 11 of the allotment letter said that the outstanding dues of the Electricity Department over the respondent no. 6 was Rs. 43,95,770/-, wherein Rs. 30,22,154/- was the original outstanding demand and Rs. 13,73,616/- was the delayed payment surcharge over the principal outstanding demand. It has further been clarified in the said letter that



the petitioner would be at liberty to approach the Electricity Department for revision of the bill and after waiver of the delayed payment surcharge whatever amount would remain payable, the petitioner would make payment of the same in installments and the payment made to the licensee would be adjusted from the annual rent.

5. The allotment letter was formalized by lease agreement executed between the petitioner and respondent no. 5 on 18.09.2023 and in Clause 8 of the agreement, it has been reiterated that the previous dues of electricity on the leased land would be paid by the lessee to the extent of the settled amount. 50% of the lease rent was to be paid to the respondent no. 5 and 50% was to be adjusted against the payment of the settled amount in the Electricity Department.

6. It has further been submitted that earlier occupier of premise i.e. Shakti Cold Storage has dispute with the respondent no. 1 i.e. the licensee regarding unauthorized use of electricity by tampering of meter. Consequently, a punitive demand was raised amounting to Rs. 8,04,975.50/-, which Shakti Cold Storage had



challenged before this Hon'ble Court in C.W.J.C. No 9309 of 2008. The writ petition was allowed and the punitive demand was quashed by this Court vide order dated 12.08.2008, the L.P.A. bearing L.P.A. No. 798 of 2008 preferred by the licensee has been dismissed vide order dated 16.07.2013 and the S.L.P. preferred by the licensee in S.L.P. No. 35067 of 2013 was also dismissed by the Hon'ble Apex Court vide order dated 25.11.2013.

7. Referring to the provisions of Chapter-IV under the heading New Service Connection of Supply Code having Clause 4.1, 3<sup>rd</sup> proviso, substituted by 4<sup>th</sup> amendment dated 19.05.2015, learned counsel submits that the licensee has the obligation to supply even if there are arrears of electricity dues against the owner or occupier or tenant of premises as a consumer. New connection shall not be denied to subsequent owner, occupier or tenant and the arrears of electricity dues, on the premise shall be recovered from the defaulting consumer under the provisions of the Bihar & Orissa Public Demand Recovery Act, 1914, or alternatively the arrears may also be transferred to another running account of the defaulting consumer after adjustment of the



amount of security deposited and interest thereon, by giving fifteen days' notice.

8. Accordingly, the submission is that as per the amended provisions of Supply Code, the licensee is duty bound to grant new connection in favour of the petitioner. Prior to the allotment of premises in favour of the petitioner and the agreement entered into between petitioner and BISCOMAUN, a recovery proceeding under the PDR Act from the defaulting consumer i.e. Shakti Cold Storage, had been initiated by the licensee by filing a Certificate Case No. 302 of 2013-14 dated 20.08.2013. Admittedly, the allotment in favour of the petitioner was made on 05.07.2023 and the agreement was finalized on 18.09.2023.

9. However, learned counsel submits that honouring the term of allotment and the agreement, the petitioner is ready to pay a sum of Rs. 43,95,770/- to the licensee. He next submits that the licensee may be directed to provide the details of the amount of Rs. 43,95,770/- in order to maintain the transparency in its function and to verify as to whether a sum of Rs. 8,04,975/-, raised against the defaulting consumer lessor i.e. Shakti Cold Storage and



quashed by the High Court had been adjusted or not.

**10.** Mr. Anand Kumar Ojha, learned Sr. counsel for the licensee, on the other hand, submits that petitioner has made himself liable as per the terms and conditions of allotment and the agreement to pay the outstanding dues of the defaulting consumer. Referring to Clause 4.15 (ii) of the Supply Code, he submits that before sale of a premise is made, the outstanding dues will be cleared or alternatively the agreement/sale deed will specifically mention the outstanding dues and the method of its payment. “Outstanding dues” means all dues pending on a premises including late payment surcharge. The owner of the premises has allotted the premises in question in favour of the petitioner with specific condition that the petitioner shall deposit a sum of Rs. 43,95,770/- which shall be adjusted in the rent payable by the petitioner. Therefore, no direct liability has been fastened against the petitioner and it is the owner who has taken the liability as per Clause 4.15, read with Clause 8 of the lease agreement.

**11.** Clause 8(a) of the lease agreement is quoted herein below:-



*“That, there is previous dues of Electricity on the leased land. It has been agreed that the second party will pay the entire settled amount. The First party shall adjust the entire settled amount in installment wise from the monthly lease rent as 50% lease rent shall be paid to First party and balance 50% of Lease rent shall be adjusted in paid settled amount only after production of receipt of settled amount with BSEB.”*

**12.** Mr. Ojha, next argued that under Section 17 of the PDR Act, the interest upon the Public Demand to which the certificate relates @ 12% per annum is payable. If the defaulting consumer i.e. Shakti Cold Storage had been there, he would have been liable to pay the interest upon the certificate amount as per Section 17 of the PDR Act. Without prejudice to the aforesaid, learned counsel submits that if the petitioner pays a sum of Rs. 43,95,770/- in favour of the SBPDCL, fresh connection shall be given to the petitioner, however, the licensee reserves the right to recover the interest from the defaulting consumer. The licensee, after receipt of the payment from the petitioner,



shall amend the requisition amount for realization of interest from the defaulting consumer.

**13.** I have learned counsel for the parties and perused the materials on record including the letter of allotment and agreement made between the petitioner and the BISCOMAUN.

**14.** It is not in dispute that the premises in question was earlier occupied by Shakti Cold Storage. It is also not disputed that Shakti Cold Storage defaulted in payment of electricity dues for which a certificate proceeding has been initiated against the defaulter consumer Shakti Cold Storage. The petitioner has been allotted the premises earlier occupied by Shakti Cold Storage by virtue of an allotment letter dated 05.07.2023 and an agreement dated 18.09.2023. As per the terms of allotment and agreement, the outstanding dues of electricity over the Shakti Cold Storage to the tune of Rs. 43,95,770/- which includes the delayed payment surcharge was to be paid by the petitioner to the licensee and the payment made by the petitioner was adjustable in the rent payable by it to the lessor i.e. respondent no. 5.



**15.** As per the amended provision of the Supply Code, the new connection shall not be denied to subsequent owner, occupier or tenant, by the licensee on the ground of arrear of electricity dues on the premises, and arrears of electricity dues on the premises has to be recovered from the defaulting consumer under the provisions of Bihar and Orissa Public Demands Recovery Act. The licensee has already initiated the proceeding for recovery under the PDR Act from the defaulting consumer by filing a certificate case before Certificate Officer in 2013 itself.

**16.** However, other provisions of the Supply Code i.e. Clause 4.15 (ii), the outstanding dues of the licensee will be cleared by the owner of the premises before sale/lease and the outstanding dues is require to be cleared or alternatively mentioned in the agreement/sale deed. It appears the owner/lessor/premises in view of Clause 4.15 (ii) has allotted the premises in favour of the petitioner on lease, subject to the condition that petitioner would clear the outstanding dues upon the premises to the tune of Rs. 43,95,770/-. Clause 8 of agreement entered into between the petitioner and the the lessor further stipulates that the lessee



i.e. the petitioner shall be liable to pay the entire settled amount which shall be adjusted in the rent payable by the petitioner in favour of the lessor. By virtue of the terms of allotment and the agreement, the petitioner has agreed to pay the amount mentioned in the allotment letter, which is Rs. 43,95,770/-, to the licensee.

**17.** The limited contention of licensee is that since the petitioner is not an existing consumer and he is merely making payment on behalf of the owner i.e. respondent no. 5, therefore, he is not entitled to get the details of the amount payable by him as per the terms of agreement and allotment.

**18.** Considering the aforesaid discussion, this Court comes to the conclusion that the petitioner is entitled to get fresh connection upon payment of the agreed amount as per the terms of allotment and agreement to the tune of Rs. 43,95,770/- in favour of the licensee.

**19.** If the petitioner deposits the aforesaid amount to the SBPDCL within a period of two weeks, the SPBDCL shall grant electricity connection in the premises in question within a further period of one week. In order to maintain the



transparency in the functioning of the licensee and the fact that there is an agreement between the owner/lessor and the petitioner to pay the settled amount which the petitioner is ready and willing to pay, in the interest of justice, the licensee, SBPDCL is directed to give the details of the outstanding amount of Rs. 43,95,770/- to the petitioner preferably within a period of eight weeks.

**20.** It is made clear that the licensee shall be at liberty to claim interest from the defaulting consumer in accordance with law.

**21.** With the aforesaid observation and direction, this writ application stands disposed of.

**(Anil Kumar Sinha, J)**

Siwani/-

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