



W.A.No.92 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.03.2025

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CORAM :

THE HON'BLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HON'BLE MR.JUSTICE K.RAJASEKAR

W.A.No.92 of 2024

1. The Chairman and Managing Director
TANGEDCO, No.825, Link Road
Anna Salai, Triplicane, Chennai 600 002
2. The Chief Engineer
TANGEDCO Distribution/Chennai North Region
Anna Salai, Chennai 600 002
3. The Executive Engineer
O & M/Anna Nagar North
TANGEDCO, Chennai 600 040
4. The Assistant Executive Engineer
TANGEDCO, O & M/Anna Nagar
CEDC West, 5th Street, H Block
Anna Nagar, Chennai 600 040 .. Appellants

v.

1. M.M. Mohiuddin
S/o.S.M.Darwaish Mohiuddin
Old No.97, New No.37, 3rd Main Road
R Block, Anna Nagar, Chennai 600 040



W.A.No.92 of 2024

2. Mrs.Shameem Mohiuddin

Old No.97, New No.37, 3rd Main Road
Block, Anna Nagar, Chennai 600 040
both rep.by Power of Attorney P.Kruthivas
S/o E.Panneerselvam, Director
M/s Pushkar Properties Private Limited
Flat No.1-A, Pushkar's K.V.Residency
Old No.3, New No.51, F Block
2nd Main Road, Anna Nagar East
Chennai 600 102

.. Respondents

Memorandum of Grounds of Writ Appeal filed under Clause 15 of the Letters Patent against the order dated 24.07.2023 passed in W.P.No.19383 of 2020.

For Appellants :: Mr.P.Kumaresan
Additional Advocate General
assisted by Ms.Sindhuza M.S
for Mr.L.Jaivenkatesh

For Respondents :: Mr.D.Stephen

JUDGMENT

(Judgment of the Court was made by S.M.SUBRAMANIAM,J.)

Under assail is the order dated 24.07.2023 passed in Writ Petition No.19383 of 2020. The official respondents in the writ petition are the appellants before this Court.



W.A.No.92 of 2024

2. The private respondents have instituted writ proceedings challenging the charges demanded by TANGEDCO for providing electricity service connections for the 12 dwelling units constructed by the respondents.

3. The writ Court allowed the writ petition on the ground that the charges demanded from the building contractors are exorbitant and directed the appellant-TANGEDCO to refund a sum of Rs.31,54,390/- from the deposit made by the respondents i.e., Rs.32,65,990/-.

4. Mr.P.Kumaresan, learned Additional Advocate General appearing on behalf of the appellants would mainly contend that the description of charges as demanded by the TANGEDCO is in accordance with the provisions of the Electricity Act and Regulations. TANGEDCO is empowered to collect the expenses met by the authorities for providing electricity service connections to the consumers. When the Act and Regulations permit the TANGEDCO to collect the expenses, the writ Court has erroneously issued a direction to refund the deposit already made by the

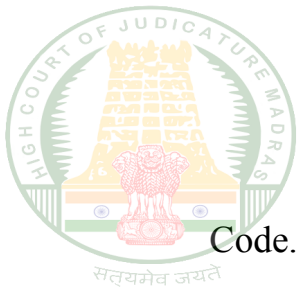


W.A.No.92 of 2024

respondents for providing electricity service connections to the 12 dwelling units constructed by them.

5. The learned counsel appearing on behalf of the respondents would oppose by stating that the charges collected are not in consonance with the ratio laid down by the Tamil Nadu Electricity Regulatory Commission. TANGEDCO has charged exorbitantly over and above the expenses met by the authorities. Thus the learned Judge is right in issuing a direction to refund the amount already deposited by the respondents for providing electricity service connections.

6. This Court considered the submissions made between the parties to the lis. The Tamil Nadu Electricity Regulatory Commission in the case of *Mrs.Tara Murali v. Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and others (M.P.No.2 of 2021 dated 9.11.2021)* elaborately considered the issue relating to service connection charges. The Regulatory Commission considered the provisions of the Electricity Act and the Regulations framed thereunder including the Electricity Distribution



W.A.No.92 of 2024

Code. In paragraph 8.7, the Commission, referring to the provisions of the Electricity Act and the Electricity Distribution Code, held as follows:-

“8.7. Section 46 (Power to recover expenditure) of the Electricity Act 2003 enables the Commission as follows:

“The State Commission may, by regulations, authorize a distribution licensee to charge from a person requiring a supply of electricity in pursuance of section 43 any expenses reasonably incurred in providing any electric line or electrical plant used for the purpose of giving that supply.”

8.8. Under Chapter 7: “Recovery of Charges” of the Tamil Nadu Electricity Distribution Code, the regulation 44 reads as follows:

“44. The Licensees are entitled to collect the charges from a person requiring supply of electricity any expenses reasonably incurred in providing any electrical line or electrical plant used for the purpose of giving that supply. These charges have also to be reviewed either periodically or at times of an urgent need for a revision. The consumers are liable to pay such charges as applicable and at the rates specified by the Commission from time to time through separate orders/ notifications. The various charges to be collected are furnished in the following clauses.

45(1) : Service Connection Charges: Regarding the recovery relating to service connection charges:



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W.A.No.92 of 2024

(i) For connecting up an installation, the Licensee shall be entitled to charge the consumer the actual cost of materials upto meter board, labour, transport plus overhead charges.

(ii) Extension, improvement or alteration to service lines to meet any additional demand will be charged on the same basis. In each case, the consumer will be furnished with an estimate of the cost of the work and this amount is payable in advance. On completion of the work, a bill for the actual amount payable will be forwarded to the consumer and any difference shall be paid by the consumer or will be refunded by the Licensee as the case may be.

(iii) The estimate for service connection charges may also include the service connection charges for metering referred to in regulation 45(2). The Licensee shall give due credit for the materials if any supplied by the consumers.

(2) Service connection charges for metering. The licensee is authorized to collect service connection charges for metering.

46. Meter Security Deposit: The Licensee is authorized to collect security for the price of meter from LT/HT consumers at the rates specified by the Commission from time to time and enter into an agreement for hiring of the meter. The Licensee may permit the consumer to install his/her own meter. However, it shall be calibrated by the Licensee.

Note : -

1. The above rate shall also apply to L.T.Temporary Supply.
2. Interest is payable on the above deposit at the rate specified by the Commission from time to time. The deposit shall be refunded after termination of service agreement, as per rules.



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W.A.No.92 of 2024

3. If a consumer elects to purchase his own meter, he is not required to pay Meter Security Deposit.

47. Development Charges: The Licensee is authorized to collect development charges from LT/HT consumers at the rates specified by the Commission from time to time.

Note:— (1) The above development charges (one time payment) shall be collected from all applicants both for new and additional loads.

(2) For additional loads applied in the existing service the same rates are applicable.

(3) In case of conversions from Single Phase to Three Phase the difference in the development charges shall be collected provided the initial development charges were paid while availing Single Phase Service.

(4) One fourth of the development charges shall be applied to temporary supplies.

48. Earnest Money Deposit (EMD) : The Licensee is authorized to collect Earnest Money Deposit from all applicants for HT and LT industrial applicants at the rates specified by the Commission from time to time. This will be adjusted against the quantum of initial Security Deposit payable by the applicants before availing supply.

49. Security Deposit : The Licensee is authorized to collect initial security deposit at the rates specified by the Commission from time to time. Wherever Earned Money Deposit has been adjusted against the initial security deposit the balance if any will be collected from the applicants before giving supply”.



W.A.No.92 of 2024

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7. Regulation 45(1) of the Electricity Distribution Code speaks about the service connection charges. Sub-clause (i) denotes that for connecting of any installation, the licensee shall be entitled to charge the consumer the actual cost of materials upto meter board, labour, transport plus overhead charges. Sub-clause (iii) stipulates that the estimate for service connection charges may also include the service connection charges for metering referred to in regulation 45(2). The licensee shall give due credit for the materials if any supplied by the consumers. Various other charges admissible under the Act and the Code are also considered by the Regulatory Commission.

8. Perusal of the description of charges demanded by TANGEDCO in the case of the respondents are in consonance with the provisions of the Electricity Act and the Electricity Distribution Code. If at all any discrepancy in the matter of assessment or otherwise, the respondents ought to have approached the Consumer Grievance Redressal Forum constituted under Regulation 18 of the Electricity Supply Code. The Consumer Grievance Redressal Forum consisting of expert members, will be in a



W.A.No.92 of 2024

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better position to assess the correctness of the charges demanded by TANGEDCO authorities. Contrarily the High Court, in exercise of the powers of judicial review under Article 226 of the Constitution of India, cannot adjudicate the disputed facts relating to certain technical assessments and such matters are to be left to the experts for forming a final opinion. The factual findings made by the Consumer Grievance Redressal Forum and the Ombudsman thereafter would be of greater assistance to the writ Court to exercise the powers of judicial review in an effective manner. Thus the writ petitions filed challenging such nature of demands are not entertainable in normal circumstances and in exceptional cases, where there is a glaring mistake, then, the writ Court would be in a position to intervene and grant necessary relief(s).

9. In the present case, the writ order impugned is bereft of relevant provisions of the Act and the Code. Thus this Court is inclined to interfere. Granting liberty to the respondents to approach the Consumer Grievance Redressal Forum and thereafter, if aggrieved, to the Ombudsman, the impugned writ order dated 24.07.2023 in Writ Petition No.19383 of 2020 is



W.A.No.92 of 2024

set aside and the writ appeal stands allowed. The respondents, in the event of approaching the Consumer Grievance Redressal Forum, the period in which the writ proceedings and writ appeals are pending before this Court is to be taken into account to condone the delay. Consequently, C.M.P.No.519 of 2024 is closed. No costs.

Index : yes

(S.M.S.,J.) (K.R.S.,J.)

Neutral citation : yes

06.03.2025

ss

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