D/L.33.
March 19, 2026.
KAUSHIK

WPA No. 17268 of 2024

Manoj Kumar Ghosh
Vs.
WBSEDCL & Ors.

Mr. S. N. Mukherjee
Mr. Soupal Chatterjee
Ms. Mekhala Kar
… for the petitioner

Ms. Soni Ojha
Ms. Sambrita B. Chatterjee
… for the respondent nos. 4 and 5

Mr. Sumit Kumar Panja
… for the WBSEDCL

The grievance of the petitioner is directed against the refusal of the WBSEDCL in providing a new electric connection in the premises, which belongs to the petitioner.

On behalf of WBSEDCL, it is submitted that the petitioner is an auction purchaser and has purchased the subject premises in a sale conducted under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI).

In such circumstances, the refusal of the petitioner to pay the outstanding dues of the previous consumer is unfounded and untenable in law. In support of such contention, the respondent-WBSEDCL relies on a decision in

K.C. Ninan Vs. Kerala State Electricity Board & Ors. 2023 SCC OnLine SC 663.

In view of the submissions made on behalf of the parties, the entire contention of the petitioner as auction purchaser is not entitled to pay the outstanding electricity dues in respect of the subject premises is legally, untenable and misconceived. In *K.C. Ninan* (Supra), it has been held as follows:

> *VII. Implication of the sale of premises on "as-is-where-is" basis, with or without reference to electricity arrears of the premises*
>
> ***137.*** *The Electric Utilities have urged that : (i) the auction-purchasers were put to notice of the requirement of the clearance of dues; (ii) the public auction-sales of premises were held on an "as-is-where-is" basis; (iii) this would include a condition of acknowledging all liabilities in respect of the premises, with or without a specific reference of payment of electricity dues; and (iv) in a sale arising out of commercial transactions, the auction-purchaser is required to undertake due diligence of outstanding dues which are premises specific. On the other hand, the auction-purchasers submitted that : (i) a condition such as "as-is-where-is" is a feature of physical property and does not extend to claims which are not charges or other encumbrances running with land; (ii) the argument finds support in the decisions in Punjab Urban Planning &Development Authority v. Raghu Nath Gupta [Punjab Urban Planning & Development Authority v. Raghu Nath Gupta, (2012) 8 SCC 197 : (2012) 4 SCC (Civ) 397] and DDA v. Kenneth Builders & Developers (P) Ltd. [DDA v. Kenneth Builders & Developers (P) Ltd., (2016) 13 SCC 561 : (2017) 2 SCC (Civ) 498] ; (iii) electricity dues cannot be ascertained merely by looking at a property; and (iv) there was no obligation on the applicants to ascertain the electricity dues payable, more so in view of the judgment in Isha Marbles [Isha Marbles v. Bihar SEB, (1995) 2 SCC 648].*
>
> ***146.*** *To conclude, all prospective auction-purchasers are put on notice of the liability to*

pay the pending dues when an appropriate "as-is-where-is" clause is incorporated in the auction-sale agreement. It is for the intending auction-purchaser to satisfy themselves in all respects about circumstances such as title, encumbrances and pending statutory dues in respect of the property they propose to purchase. In a public auction-sale, auction-purchasers have the opportunity to inspect the premises and ascertain the facilities available, including whether electricity is supplied to the premises. Information about the disconnection of power is easily discoverable with due diligence, which puts a prudent auction-purchaser on a reasonable enquiry about the reasons for the disconnection. When electricity supply to a premises has been disconnected, it would be implausible for the purchaser to assert that they were oblivious of the existence of outstanding electricity dues.

147. *In terms of the legal doctrine of caveat emptor, it becomes the duty of the buyer to exercise due diligence. A seller is not under an obligation to disclose patent defects of which a buyer has actual or constructive notice in terms of Section 3 of the Transfer of Property Act, 1882. However, in terms of Section 55(1)(a), in the absence of a contract to the contrary, the seller is under an obligation to disclose material defects in the property or in the seller's title thereto of which he is aware and which a buyer could not with ordinary care discover for himself.*

In view of the clear position of law, there is no enforceable legal right, which the petitioner as an auction purchaser can seek in not paying the outstanding electricity dues.

The contention of the petitioner is rejected. There are no grounds for any interference in this writ petition.

WPA 17268 of 2024 stands dismissed.

Liberty is granted to the petitioner to make necessary payments as per the bills raised by the WBSEDCL in accordance with law, if so advised.

If all such payments are made and all other statutory formalities are complied with, the WBSEDCL is directed to provide such electricity connection to the petitioner.

(Ravi Krishan Kapur, J.)