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W.P.No.33923 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 06.02.2026

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THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No. 33923 of 2022

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W.M.P.No. 33418 of 2022

The Leigh Bazaar Merchants Association Ltd.

(Registration No.4/1935),

Represented by its Secretary,

M,Chandrasekaran,

Leigh Bazaar,

Salem – 636 009

...Petitioner

Vs.

1.The Tamil Nadu Electricity Ombudsman,
4th Floor, SIDCO Corporate Office Building,
Thiru-vi-ka Industrial Estate,
Guindy,
Chennai - 600 032.

2. The Consumer Grievance Redressal Forum,
Represented by its President,
Salem Electricity Distribution Circle,
Kamaraj Nagar Colony,
Udayampatti, Salem.



W.P.No.33923 of 2022

3. The Assistant Engineer / O&M/ Arisipalayam,
Salem Electricity Distribution Circle,
TANGEDCO,
301A, Rathinasamypuram,
Thammannan Road,
Salem - 636 009.

4. The Executive Engineer/O&M/West Salem,
Salem Electricity Distribution Circle,
TANGEDCO,
Valluvar Nagar, Annathanapatty,
Salem-636 009.

...Respondents

Prayer: Writ Petition is filed under Section 226 of the Constitution of India for issue of Writ of Certiorarified Mandamus, calling for the records of the 1st respondent relating to the order dated 22.11.2022 made in A.P.No.63 of 2022 and quash the same and consequently direct respondents 3 and 4 to consider the petitioner's application for waiver of BPSC dated 20.06.2016 filed under Samadhan Scheme.

For Petitioner : Mr. Kandhan Duraisami

For Respondents : Mr. I.Syed Sibghatulla



W.P.No.33923 of 2

ORDER

This writ petition is filed for the following relief:

“To call for the records of the 1st respondent relating to the order dated 22.11.2022 made in A.P.No.63 of 2022 and quash the same and consequently direct respondents 3 and 4 to consider the petitioner’s application for waiver of BPSC dated 20.06.2016 filed under Samadhan Scheme.”

2. The facts in brief are herein below set out.

3. This writ petition has been filed by Leigh Bazaar Merchants Association Limited. The petitioner would contend that nearly a century ago, merchants from Salem and its surrounding areas had been conducting business in bullock carts. As the State flourished, one Leigh, the then British Collector, Salem, allotted an extent of 20.75 acres of land to these merchants for conducting their business and the area was thereafter called Leigh Bazaar. The association consists of traders doing businesses in this area.



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4. The petitioner would further submit that it is an association that has laid roads inside the Leigh Bazaar for the benefit of the traders. The Electricity Department had installed electric poles and had provided street lights for the roads laid inside the Leigh Bazaar. It is the petitioner's case that they are provided with two service connections in SC.No.452-009-0286V and SC.No.452-009-557V. In the year 1990, the then Junior Engineer, Operations and Maintenance, TNEB Arisipalayam, Salem, had demanded payment of electricity charges under tariff - IX instead of tariff - II in respect of street lights in Leigh Bazaar. This demand was challenged by the petitioner in WP.No.1165 of 1990 and pending the said writ petition, the petitioner had the benefit of interim order of stay. By order dated 10.06.1999, the said writ petition was allowed and the demand notice was quashed.

5. Challenging the same, the respondents had filed writ appeal in WA.No.893 of 2001, which was allowed on 08.09.2008.



W.P.No.33923 of 2014

WEB COPY

6. Aggrieved by the same, the petitioner had filed SLP.(Civil). No.625 of 2009, before the Hon'ble Supreme Court. Once again pending SLP, the petitioner had the benefit of stay. Ultimately by Judgement dated 17.10.2013, the SLP filed by the petitioner came to be dismissed.

7. Thereafter, by order dated 27.11.2013, the department demanded a sum of Rs.2,99,327/-, towards arrears and a sum of Rs.10,77,273/- towards interest (BPSC). The petitioner association immediately remitted the arrears amount of Rs.2,99,327/-, in three installments i.e., on 13.12.2013, 10.01.2014 and 19.02.2014.

8. Thereafter, by a letter dated 14.05.2014, the 3rd respondent demanded payment of a sum of Rs.10,77,273/-. The petitioner would submit that since they had the benefit of stay throughout the earlier proceedings, the demand of arrears of interest was totally illegal.



W.P.No.33923 of 2014

WEB COPY

9. The demand was therefore challenged by the petitioner in WP.No.14024 of 2014. This Court was pleased to grant an order of stay on condition that the petitioner pays a sum of Rs.2,00,000/-, towards arrears without prejudice to their rights. The same was also remitted by the petitioner on 04.06.2014.

10. While the said writ petition was pending, the TANGEDCO had introduced a scheme of waiver of BPSC for certain categories as one time measure with a view to recover the long pending dues. This scheme was in force for a period of 6 months, from the date of the order. The petitioner had applied under the scheme on 20.06.2016 for waiver of the belated payment surcharge. Therefore, the writ petition in WP.No.14024 of 2014, was disposed of on 30.11.2021, giving liberty to the petitioner to approach the Consumer Grievance Redressal Forum and file an application under Regulation 18 of the Tamil Nadu Electricity Supply Code.



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11. The petitioner accordingly preferred a consumer complaint in Petition No.65 of 2021, before 2nd respondent, namely, the Electricity Consumer Grievance Redressal Forum, Salem, against the demand of arrears of interest of Rs.10,77,273/-, by the 3rd respondent and seeking waiver of the belated payment surcharge. The complaint was dismissed on 28.12.2021 and the petitioner was directed to pay a sum of Rs.13,08,313/- towards BPSC arrears.

12. Challenging the same, the petitioner had filed an appeal in AP.No.63 of 2022, on the file of the 1st respondent. The 1st respondent by impugned order dated 22.11.2022, had dismissed the appeal. Aggrieved thus, the petitioner is before this Court.

13. Heard the learned counsels on either side and perused the records.

14. A perusal of the impugned order would indicate that the 1st respondent / Ombudsman had framed the following issues:



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W.P.No.33923 of 2016

“1. What are the conditions for Claiming BPSC (interest) on Arrears when there is a legal dispute?

2. Whether the argument of the Appellant for waiver of BPSC is tenable?

3. Whether the Appellant's claim that he had paid the outstanding arrears amount of Rs 2,99,327/- (as charged by the respondent on 27-11-2013 to pay Rs 2,99,327/- and Rs 10,77,273/- as outstanding arrears and arrears of interest respectively) under three installments dated 13-12-2013, 10-01-2014, 19-02-14 is correct?

4. Whether the Appellant's claim of waiver of BPSC surcharge filed under the Samadhan Scheme from 20-06-2016 is correct?

15. This Court is particularly concerned with findings on the issue No.4. The Ombudsman had clearly understood that the waiver of BPSC was one time measure limits to a period of 6 months from the date of the commission. In paragraph No.11.4 of the order in question, the Ombudsman had clearly observed that the order commenced on



06.01.2016 and ended on 06.07.2016. However, the 1st respondent had proceeded on the basis that the petitioner would fall under category I.

Category I related to consumers / persons requiring re-connection.

Category II related to consumers / persons not requiring re-connection.

16. The scheme would read as follows:

“Category: I

In respect of consumers/persons requiring reconnection:

In respect of the eligibility conditions for considering any consumer/person shall not exceed the maximum period for reconnection as stipulated in Regulation 22 of the TNE Supply Code as on the date of application for waiver of BPSC made within the period of the scheme in force.

The minimum period of eligibility to apply for a waiver under the scheme is fixed as 3.5 (three and a half) years from the date of disconnection in respect of HT services and 1.5 (one and half) years from the date of disconnection in respect of LT services.



WEB COPY

W.P.No.33923 of 2017



Category II: In respect of Consumers /persons not requiring reconnection:

The minimum and maximum limit for eligibility to make an application for waiver of BPSC under the scheme may be 3.5 (three and a half) years and 25 (twenty-five) years respectively, from the date of disconnection of service for both HT and LT services and such application should be made within the period when the scheme is in force.

After payment of all dues except BPSC under the present scheme, such consumers are eligible for new service connection only.

17. In the case on hand, the petitioner does not seek re-connection as they have made alternate arrangements to lighten up the streets. Therefore, as per the above scheme, the minimum period to make an application for waiver was 3.5 years and maximum limit was 25 years, from the date of disconnection of both HT and LT services.



W.P.No.33923 of 2016

WEB COPY

18. The 1st respondent had clearly understood that the 6 month period for making an application commenced on 06.01.2016 and ended on 06.07.2016. However, the 1st respondent had proceeded to dismiss the petitioner's appeal for waiver under category I and not under category II. This has led to the erroneous order. As per the scheme, the request for waiver of BPSC had been made well within time. Therefore, the order in question cannot be sustained and accordingly quashed.

19. In the result, this writ petition is allowed and the respondents 3 and 4 are directed to consider the petitioner's application for waiver afresh in the light of the above observation. Consequently, the connected miscellaneous petition is closed. No costs.

06.02.2026

Index : Yes/No
Internet : Yes/No
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W.P.No.33923 of 2

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WEB COPY



W.P.No.33923 of 2022

P.T. ASHA, J

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W.P.No.33923 of 2022

06.02.2026