

**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY**  
(Appellate Jurisdiction)

**APPEAL No. 243 of 2016**

Dated : 1<sup>st</sup> October, 2024

Present: Hon'ble Mr. Sandesh Kumar Sharma, Technical Member  
Hon'ble Mr. Virender Bhat, Judicial Member

**In the matter of:**

**Telangana Offset Printers Association**

6-2-1/7, View Towers,  
Opp. Saifabad Police Station,  
Lakadikapool,  
Hyderabad - 500004

...Appellant

*Versus*

- 1. Telangana State Electricity Regulatory Commission**  
5<sup>th</sup> Floor, Singareni Bhavan,  
Red Hills Hyderabad – 500004  
(Represented by the Registrar)
- 2. Northern Power Distribution Company of Telangana Ltd.**  
H.No: 2-5-31/2,  
Corporate Office, Vidyut Bhavan,  
Nakkalgutta, Hanamkonda,  
Warangal – 506001  
Represented by Chairman & Managing Director
- 3. Southern Power Distribution Company of Telangana Ltd.**  
#6-1-50, Corporate Office  
Mint Compound, Hyderabad – 500063  
Represented by Chairman & Managing Director ...Respondents

Counsel for the Appellant(s) : Ananga Bhattacharyya  
Krishanu Barua  
Devahuti Tamuli  
Rohin Singh Pande for App. 1

Counsel for the Respondent(s) : Somandri Goud Katam  
Rushda Khan for Res. 1

Rakesh Kumar Sharma for Res. 2

D. Abhinav Rao for Res. 3

## **JUDGMENT**

### **PER HON'BLE MR. VIRENDER BHAT, JUDICIAL MEMBER**

1. The Appellant is aggrieved by the tariff order dated 23<sup>rd</sup> June, 2016 passed by 1<sup>st</sup> Respondent Telangana State Electricity Regulatory Commission (hereinafter referred to as "Commission") whereby the Commission has refused to re-classify Offset Printing Press from the present LT II (B) (Commercial) to LT III-A1 (Industry).
2. The Appellant is a society registered under Telangana Registration Act, 2001. The society has been established in the year 2013 to voice the interests and concerns of the offset printers conducting business in Telangana region. They are the consumers of Respondent Nos. 2 & 3.

3. The 2<sup>nd</sup> and the 3<sup>rd</sup> Respondents are the Distribution Licensees responsible for purchase/distribution of power and retail supply of electricity to the consumers in the State of Telangana.

4. It appears that till 2011-12, the offset printing presses were categorized as LT III-A1 i.e. industry. However, erstwhile Distribution Licensee APCPDCL in its petition bearing O.P. No. 2 of 2011 proposed change of category of printing presses from LT III-A1 (Industry) to LT II (B) (non-domestic/commercial) from 2012-13 and such re-categorization was approved by the Commission in its order dated 30<sup>th</sup> March, 2011 vide which the said petition along with connected petitions bearing O.P. Nos. 03, 04 & 05 of 2011 were disposed off. Manifestly, the Appellant's association was not in existence at that time and, therefore, the said re-categorization was not objected to.

5. When the 2<sup>nd</sup> and 3<sup>rd</sup> Respondents filed O.P. Nos. 6 of 2016 & 7 of 2016 respectively before the Commission seeking determination of their respective Aggregate Revenue Requirement (ARR) for retail supply business and tariff for retail sale of electricity for the year 2016-17 under Section 64 of the Electricity Act, 2003, the Appellant association filed its objections with the prayer to re-classify printing industry from present LT II (B) to LT III-A1 category. However, the

Commission has rejected the prayer of the Appellant Association in the impugned order, the relevant portion of which is extracted herein below:-

**“2.38 Change of Category for Offset Printers**

*Telangana Offset Printers Association has suggested to reclassify printing industry from present LT II-B to LT III-A1 under industrial tariff, as the printing presses are registered under SSI act.*

**Reply from Licensees**

*As per the existing tariff order definition the Printing Presses comes under category LT-II Non-Domestic/Commercial. Hence the same has billed as per LT-II tariffs.*

**Commission’s view**

*The Commission after considering the facts carefully is of the view that offset printing does not qualify under the industry category.”*

6. The main argument raised on behalf of the Appellant is that the impugned order of the Commission on the aspect involved in this appeal is a non-speaking order and thus cannot be sustained. It is vehemently submitted by the Learned Counsel for the Appellant that the objections submitted by the Appellant’s association have neither been considered nor discussed by the Commission in the impugned order and even no reasons have been assigned for rejection of the objections.

7. On behalf of the Respondents, it is contended that the Commission, after considering the objections/suggestions of the Appellant has taken a view that the offset printing does not qualify under

the category LT III and the said view of the Commission is founded on the previous tariff order dated 30<sup>th</sup> March, 2011. It is further submitted that in the tariff order dated 30<sup>th</sup> March, 2011, the erstwhile Andhra Pradesh Electricity Regulatory Commission (APEREC) considered the request of Andhra Pradesh Printers Association, Hyderabad to re-categorize the printing process as LT III-A1 (Industry) at par with newspaper printing and to dis-continue to prevailing categorization of printing presses as LT II (non-domestic/commercial) but did not accept the said request of the association on the ground that there was difference in the nature of the activities of the printing presses and newspaper printing, both of which cannot be treated on the same footing.

8. We have considered the rival submissions made on behalf of the parties and perused the entire material on record.

9. The relevant portion of the impugned order has already been extracted herein above. Patently, the Commission has not given any reasons much less cogent reasons for rejecting the objections/suggestions of the Appellant association for re-categorization of offset printing presses from LT II (Commercial) to LT

III (Industrial) category. The Commission has even not referred to or discussed the objections/suggestions of the Appellant Association. Therefore, we have no hesitation in observing that the impugned order of the Commission is a non-speaking order bereft of reasoning upon which it is founded.

10. We have also gone through the previous tariff order dated 30<sup>th</sup> March, 2011 passed by the erstwhile APERC in which the printing activities other than the newspaper printing were categorized as LT II i.e. non-domestic/commercial. The relevant portion of the said order is reproduced herein below :-

*“147. The issue of classification of News paper printing & printing presses has been brought to the notice of the Commission by CPDCL and it stated that News paper printing units shall be classified under HT-I Industry and all other printing activities shall come under HT-II Others. Similar treatment shall be extended to LT consumers also i.e., News paper printing in LT-III Industrial & other printing activities in LT-II Non Domestic/Commercial.*

**Commission’s view:** *The Commission accepted the proposal of CPDCL and included the News paper printing units in HT-I Industry and LT-III Industrial as the case may be. All other printing activities shall come under HT-II others or LT-II Non Domestic/Commercial as the case may be.”*

11. A bare reading of the said order dated 30<sup>th</sup> March, 2011 also reveals that no reasons/grounds have been given for non-inclusion of

offset printing activity in LT III i.e. industrial category. This order also is a totally non-speaking order.

12. We may note that while passing tariff orders, the Commission exercises quasi judicial functions. Therefore, the Commission is bound to take note of every suggestions/objections raised before it by any stake-holder and to give reasons for accepting or rejecting such suggestions/objections. Reasoned order is the hallmark of judicial system. A reasoned order provides a clear understanding of the decision making process and ensures fairness, accountability and credibility. It reinforces fairness as well as rule of law and enables effective review/appeal process. It is the fundamental consideration in decision making process that the party or the parties must know why and on what grounds the order has been passed against him/them. A speaking order introduces fairness in the decision making and helps in minimizing arbitrariness. The purpose of recording reasons is also to serve wider aspect of principle of justice that justice must not only be done, it must also seem to be done. Reasons act as a bridge between the material facts on which conclusion is drawn and the actual order passed. Reasoning in a judicial order is necessary not only for the

satisfaction of the parties but also for the appellate court/forum which must know the reasons for arriving at the decision assailed before it.

13. The Hon'ble Supreme Court has also emphasized in several cases, the importance of reasoned orders. The requirement of indicating reasons has been judicially recognized as imperative. In *Raj Kishore Jha Vs. State of Bihar* (2003) 11 SCC 519, the Apex Court held:-

*“8. .... Right to reason is an indispensable part of a sound judicial system; reasons at least sufficient to indicate an application of mind to the matter before court. Another rationale is that the affected party can know why the decision has gone against him. One of the salutary requirements of natural justice is spelling out reasons for the order made;....”*

14. Similarly in *Asstt. Commissioner, Commercial Tax Deptt. Vs. Shukla & Brother* (2010) 4 SCC 785, it has been observed as under :-

*“23. We are not venturing to comment upon the correctness or otherwise of the contentions of law raised before the High Court in the present petition, but it was certainly expected of the High Court to record some kind of reasons for rejecting the revision petition filed by the Department at the very threshold. A litigant has a legitimate expectation of knowing reasons for rejection of his claim/prayer. It is then alone, that a party would be in a position to challenge the order on appropriate grounds. Besides, this would be for the benefit of the higher or the appellate court. As arguments bring things hidden and obscure to the light of reasons, reasoned judgment where the law and factual matrix of the case is discussed, provides lucidity and foundation for conclusions or exercise of judicial discretion by the courts.*



24. Reason is the very life of law. When the reason of a law once ceases, the law itself generally ceases (Wharton's Law Lexicon). Such is the significance of reasoning in any rule of law. Giving reasons furthers the cause of justice as well as avoids uncertainty. As a matter of fact it helps in the observance of law of precedent. Absence of reasons on the contrary essentially introduces an element of uncertainty, dissatisfaction and give entirely different dimensions to the questions of law raised before the higher/appellate courts. In our view, the court should provide its own grounds and reasons for rejecting claim/prayer of a party whether at the very threshold i.e. at admission stage or after regular hearing, howsoever concise they may be.

25. We would reiterate the principle that when reasons are announced and can be weighed, the public can have assurance that process of correction is in place and working. It is the requirement of law that correction process of judgments should not only appear to be implemented but also seem to have been properly implemented. Reasons for an order would ensure and enhance public confidence and would provide due satisfaction to the consumer of justice under our justice dispensation system. It may not be very correct in law to say, that there is a qualified duty imposed upon the Courts to record reasons.

26. Our procedural law and the established practice, in fact, imposes unqualified obligation upon the courts to record reasons. There is hardly any statutory provision under the [Income Tax Act](#) or under the Constitution itself requiring recording of reasons in the judgments but it is no more res integra and stands unequivocally settled by different judgments of this Court holding that the courts and tribunals are required to pass reasoned judgments/orders. In fact, Order 14 Rule 2 read with [Order 20 Rule 1 of the Code of Civil Procedure](#) requires that, the Court should record findings on each issue and such findings which obviously should be reasoned would form part of the judgment, which in turn would be the basis for writing a decree of the Court.

27. By practice adopted in all Courts and by virtue of judge-made law, the concept of reasoned judgment has become an indispensable part of

*basic rule of law and, in fact, is a mandatory requirement of the procedural law. Clarity of thoughts leads to clarity of vision and proper reasoning is the foundation of a just and fair decision. In Alexander Machinery (Dudley) Ltd. there are apt observations in this regard to say "failure to give reasons amounts to denial of justice". Reasons are the real live links to the administration of justice. With respect we will contribute to this view. There is a rationale, logic and purpose behind a reasoned judgment. A reasoned judgment is primarily written to clarify own thoughts; communicate the reasons for the decision to the concerned and to provide and ensure that such reasons can be appropriately considered by the appellate/higher court. Absence of reasons thus would lead to frustrate the very object stated hereinabove."*

15. Thus, reason is the heartbeat of every conclusion and without the same, it becomes lifeless. Giving reason furthers the cause of justice and avoids arbitrariness as well as uncertainty. A litigant has a legitimate expectations of knowing the reasons for rejection of his claim/prayer.

16. In the instance case, we have already noted that both the orders dated 30<sup>th</sup> March, 2011 as well as the impugned order of the Commission are bereft of any reasons and thus non-speaking orders. We feel it intensely regrettable that the Commission, while passing impugned order, has, for the reasons best known to it, chosen not to refer to the objections submitted by the Appellant's Association and to discuss the same. Such a cryptic order cannot be sustained. The

absence of reasons has rendered it not sustainable. We are of the firm view that passing of such non-speaking orders by the State Commissions like the present one needs to be deprecated so as to send a clear message to the Commissions that the orders passed by them need to be well-reasoned as well as speaking orders.

17. Hence, the impugned order of the Commission cannot be sustained. The same is hereby set aside. Accordingly, the case is remanded back to the Commission with the direction to pass a fresh speaking/reasoned order after hearing the parties. The needful shall be done by the Commission within two months from the date of this order positively.

18. The Appeal stands disposed of.

19. The Registrar/Dy. Registrar of this Tribunal is directed to transmit a copy of this order to all the State Electricity Commissions for their information and compliance.

Pronounced in the open court on this 1<sup>st</sup> day of October, 2024.

(Virender Bhat)  
Judicial Member  
*js*

(Sandesh Kumar Sharma)  
Technical Member (Electricity)