THE HON'BLE SRI JUSTICE A.ABHISHEK REDDY

WRIT PETITION Nos.10573 and 11928 of 2021

COMMON ORDER:

Heard the learned counsel for the petitioners, the learned Government Pleader for Energy, the learned Government Pleader for Industries & Commerce, and Sri R.Vinod Reddy, learned Standing Counsel, for the respondents. With their consent, the Writ Petitions are disposed of at the stage of admission itself.

Aggrieved by the action of the respondents in not reimbursing the surcharge on actual charges, surcharge on FSA, minimum charges, development charges, to the tune of Rs.8,97,01,100/- in case of petitioner No.1 and Rs.3,29,23,949/- in case of petitioner No.2, to respondent No.2-DISCOM and the action of respondent Nos.3 and 4 in demanding payment of entire amount, as illegal and arbitrary, the present writ petitions are filed.

Learned counsel for the petitioners contends that the petitioners-Companies have established the industry basing on the incentives/subsidies provided by the State Government and the final product pricing structure was also fixed taking into consideration the subsidy amounts, which the petitioners will receive from the Government as per G.O.Ms.No.28, Industries and Commerce (IP&INF) Department, dated 29.11.2014. Therefore, the action of the Government in not reimbursing the incentives/subsidies and disconnecting the power supply to the Companies of the petitioners, is unjust and illegal. Learned counsel has further stated that under similar circumstances, this Court has allowed the Writ Petition filed by Roxy Roller Flour Mils Private Limited and issued certain directions to the respondent authorities *vide* order dated 05.07.2021 passed in W.P. No.10897 of 2021. Therefore, the same relief may be granted in favour of these petitioners also and the present writ petitions may be allowed.

Per contra, the learned Government Pleader, on instructions, has stated that the incentives/subsidies sanctioned to the petitioners Companies are conditional and the Department is exploring to release the said amounts as and when the petitioners' units turn comes as per seriatim for disbursement of available funds.

The learned Standing Counsel for respondent Corporation has stated that the relief sought for in these writ petitions can only be granted against respondent No.1 and this respondent, being an independent Corporation, has nothing to do with the same. The petitioners have to abide by the terms and conditions of the power supply agreement entered and pay the monthly CC bills and they cannot take a stand that the power bills may be adjusted against the subsidy amounts due from the Government.

Heard and perused the record.

This Court, while taking into consideration the incentives envisaged in G.O.Ms.No.28, Industries and Commerce (IP&INF) Department, dated 29.11.2014, has allowed W.P. No.10897 of 2021 *vide* order dated 05.07.2021 and also made the following observations:

> "The Government having commenced a scheme by offering incentives/concessions to the entrepreneurs who wanted to establish/set up new industries or expansion or diversification of the existing industries in the State of Telangana, cannot shy away from paying the said incentives/concessions to the entrepreneurs who establish new industries or expand or diversify the existing industries as and when the amounts are due or by the end of the financial year. The Government should stick to its promise of paying the incentives/concessions within a fixed time frame, otherwise, the very purpose of setting up the new industries, expanding or diversifying the existing industries will be defeated as the entrepreneurs who have established these industries will not be in a position to run the industries in efficient and profitable manner, if these incentives/ concessions are not paid within the reasonable time".

In view of the above observations and for the reasons alike passed in W.P.No.10897 of 2021, dated 05.07.2021, the present writ petitions are also allowed with the following directions:-

1) The respondent No.6 shall endeavour to clear the dues payable to the petitioners, as expeditiously as possible, preferably, within a period of three months from the date of receipt of a copy of this order; and

2) The petitioners will have to pay the monthly CC charges or any other dues to respondent No.2 levied by the Department. The request of the petitioners to direct respondent Nos.2 to 5 not to insist for payment of electricity consumption charges till the subsidy amounts are released cannot be considered and the same is hereby rejected. However, the petitioners are granted liberty to file appropriate representations before respondent No.2 authorities for paying the arrears of amounts due in instalments and the same shall be considered sympathetically by respondent No.2 authorities duly taking into consideration the fact that the petitioners cannot be faulted for non-payment of the subsidy amounts by the Government within time.

The miscellaneous petitions pending, if any, shall stand closed. There shall be no order as to costs.

A.ABHISHEK REDDY, J

Date : 15.02.2022.
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