



W.P.Nos.17665, 17666, 18143, 18850, 18851 and 19870 of 2012

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.10.2025

CORAM

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

**W.P.Nos.17665, 17666, 18143, 18850,
18851 and 19870 of 2012**

And

M.P.Nos.1 to 3 To 1 to 3 of 2012

Ambika Cotton Mills Ltd.

Represented by its Director

Dr.K.Venkatachalam ... Petitioner in W.P.17665/2012

Tamil Nadu Spinning Mills Association

Represented by its Chief Advisor

Dr.K.Venkatachalam ... Petitioner in W.P.17666/2012

The Southern India Mills' Association

Represented by

N.Selvaraj ... Petitioner in W.P.18143/2012

The Kadri Mills (CBE) Ltd.,

Represented by its General Manager (Accounts)

Mr.P.Venkataraman ... Petitioner in W.Ps.18850, 18851,
19870/2012

Vs.

1.The Secretary to Government,
Energy Department,
Government of Tamil Nadu
Fort St.George,
Chennai – 600 002.



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2.The Chairman cum Managing Director,
Tamil Nadu Generation and Distribution
Corporation Limited
144, Anna Salai,
Chennai – 600 002.

3.The Chief Financial Controller (Revenue)
Tamil Nadu Generation and Distribution
Corporation Limited
144, Anna Salai,
Chennai – 600 002.

... Respondents in W.Ps.17665, 17666,
18143/2012

1.The Secretary to Government,
Energy Department,
Government of Tamil Nadu
Fort St.George,
Chennai – 600 002.

2.The Chairman and Managing Director,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
144, Anna Salai,
Chennai – 600 002.

3.The Chief Financial Controller (Revenue)
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
144, Anna Salai,
Chennai – 600 002.

...Respondents in W.Ps.18850,
18851, 19870/2012

4.The Superintending Engineer,
Udumalpet Electricity Distribution Circle/ Metro,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)

... Respondent in W.P.18850/2012



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4.The Superintending Engineer,
Coimbatore Electricity Distribution Circle/ Metro,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
... Respondent in W.Ps.18851/2012

4.The Superintending Engineer,
Coimbatore Electricity Distribution Circle/ North,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
... Respondent in W.Ps.19870/2012

Prayer in W.P.No.17665 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the respondents 2 and 3 in so far as the impugned Memo No.CFC/FC/Rev/AAO/E.Tax/D.No. /12 dated 26.06.2012 in respect of demand and collection of self generation tax at the rate of 10 paise per unit on the units generated through the captive generating plants including windmills and DG sets in so far as the petitioner is concerned and quash the same as illegal and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and the Rules made thereunder for the realization of generation tax.

Prayer in W.P.No.17666 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the



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respondents 2 and 3 in so far as the impugned Memo No.CFC/FC/Rev/AAO/E.Tax/D.No. /12 dated 26.06.2012 in respect of

demand and collection of self generation tax at the rate of 10 paise per unit on the units generated through the captive generating plants including windmills and DG sets in so far as the members of the petitioner are concerned and quash the same as illegal and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and the Rules made thereunder for the realization of generation tax.

Prayer in W.P.No.18143 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the respondents 2 and 3 in so far as the impugned Memo No.CFC/FC/Rev/AAO/E.Tax/D.No. /12 dated 26.06.2012 in respect of demand and collection of self generation tax at the rate of 10 paise per unit on the units generated through the captive generating plants including windmills and DG sets in so far as the members of the petitioner are concerned and quash the same as illegal and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and the Rules made thereunder for the realization of generation tax.

Prayer in W.P.No.18850 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the third respondent's impugned Memo bearing No.CFC/FC/Rev/AAO/



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E.Tax/D.No. /12 dated 26.06.2012 culminating in the fourth respondent's impugned communication bearing Lr.No:SE/UEDC/UDT/

DFC/AO/R/HT/F.E.Tax/2012 dated 04.07.2012, quash the same and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and the Rules made thereunder for the realization of electricity tax.

Prayer in W.P.No.18851 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the third respondent's impugned Memo bearing No.CFC/FC/Rev/AAO/E.Tax/D.No. /12 dated 26.06.2012 culminating in the fourth respondent's impugned communication bearing Lr.No:SE/CEDC/M/CBE/DFC/AO/R/HT/F.E-Tax/D /12 dated 05.07.2012, quash the same and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and the Rules made thereunder for the realization of electricity tax.

Prayer in W.P.No.19870 of 2012:

Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the third respondent's impugned Memo bearing No.CFC/FC/Rev/AAO/E.Tax/D.No. /12 dated 26.06.2012 culminating in the fourth respondent's impugned communication bearing Lr.No:SE/CEDC/N/CBE/DFC/AO/Rev/HT/A2/F.HTSC 145/D. /12 dated 10.07.2012, quash the same and consequently direct the respondents to issue detailed guidelines in pursuance of various provisions of the Act 12 of 2003 and



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the Rules made thereunder for the realization of electricity tax.

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For Petitioners : Mr.R.S.Pandiyaraj
in W.P.Nos.17665, 17666, 18143/2012

Mr.N.L.Rajah
in W.P.Nos.18850, 18851, 19870/2012

For Respondents : Mrs.S.Anitha for R1
Special Government Pleader
Mr.D.R.Arun Kumar for R2 and R3
Standing Counsel
in W.P.Nos.17665, 17666, 18143/2012

Mrs.S.Anitha for R1
Special Government Pleader
Mr.D.R.Arun Kumar for R2 to R4
Standing Counsel
in W.P.Nos.18850, 18851, 19870/2012

COMMON ORDER

The writ petitions have been filed challenging the demand of self generation tax on the units generated through the petitioners captive generating plants.

2.The learned counsel appearing for the petitioners submitted that the petitioners are captive power generators and the Government decided to impose tax by invoking the power available under G.O.(Ms.) No.121 Energy (B1) Department dated 23.12.2010. The learned



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counsel further submitted that some of the captive generating companies filed W.P.Nos.4871 of 2022 etc., batch challenging G.O.(Ms.) No.55 Energy (D2) Department dated 20.10.2021 and G.O.(Ms.) No.121 Energy (B1) Department dated 23.12.2010 and this Court vide order dated 09.06.2025 quashed the Government Order in G.O.(Ms.) No.55 Energy (D2) Department dated 20.10.2021 and upheld the Government Order in G.O.(Ms.) No.121 Energy (B1) Department dated 23.12.2010. Aggrieved by the upholding of G.O.(Ms.) No.121 one of the petitioners therein filed writ appeal in W.A.No.2633 of 2025 and the Hon'ble Division Bench of this Court on 29.08.2025 passed the following interim order in the said writ appeal:

"There shall be an order of interim injunction restraining the respondent TANGEDCO from collecting electricity tax in respect of captive generation and consumption of the present appellant. It is also made clear that due to non-payment of such tax, electricity connection of this appellant shall not be disconnected, until further orders."

3.The learned counsel appearing for the petitioners further submitted that since interim injunction has been granted by the Hon'ble Division Bench of this Court in respect of G.O.(Ms.) No.121



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Energy (B1) Department dated 23.12.2010 in W.A.No.2633 of 2025, this Court may dispose of these writ petitions by granting the same relief to the petitioners herein, however, if the appellant in W.A. No.2633 of 2025 loses the case before the Hon'ble Division Bench of this Court, the petitioners herein are ready to pay the tax arrears as on date to the respondents.

4.In view of the above undertaking given by the learned counsel appearing for the petitioners, this Court extends the benefit of the interim order granted by the Hon'ble Division Bench of this Court in W.A.No.2633 of 2025, to the petitioners herein. It is made clear that if the appellant in W.A.No.2633 of 2025, loses the case before the Hon'ble Division Bench of this Court, the petitioners herein have to pay the tax arrears as on date to the respondents.

5.The writ petitions are disposed of with the above observations and directions. No costs. Consequently, connected miscellaneous petition are also closed.

06.10.2025

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Index: Yes/ No
Speaking Order: Yes/ No
NCC: Yes/ No

To

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- 2.The Chairman cum Managing Director,
Tamil Nadu Generation and Distribution
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M.DHANDAPANI,J.
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