IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22.10.2025

CORAM:

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P No.24322 of 2023
and
W.M.P Nos.23764, 23765 & 23766 of 2023

Dindigul Renewable Energy
Private Limited
Represented by its Authorised Signatory
Mr.K.Praveen Kumar
No.34, Thirumalai Pillai Road
T.Nagar, Chennai-600 017. ..... Petitioner

Vs

1.State of Tamil Nadu
Rep. by the Secretary to Government
Energy Department
Secretariat, Fort St.George
Chennai-600 009.

2.The Chief Electrical Inspector to the Government
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai-600 032.

3.Electrical Inspector
45/1, Spencer Compound
Chidambaram Bankers 2nd Floor
Nagal Nagar, Dindigul-624 003.

4.Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
Rep. by its Chairman & Managing Director
No.144, Anna Salai
Chennai-600 002. ..... Respondents

PRAYER: This writ petition is filed under Article 226 of Constitution of India, to issue a Writ of Certiorarified Mandamus, calling for the entire records of the 2nd respondent in the impugned Demand in Letter No.3361/A3/2022-2 dated 28.12.2022 and quash the same as illegal, ultravires, without jurisdiction and contrary to the provisions of the Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 and consequently forbear the respondents, their officers, employees, subordinates, agents, men or any other persons claiming and/or acting under them from in any manner levying electricity tax on the petitioner.

For Petitioner	:	Mr.Rahul Balaji
For R1 to R3	:	Mr.P.Ganesan Additional Government Pleader
For R4	:	Mr.D.R.Arunkumar

<u>O R D E R</u>

Challenging the impugned demand letter dated 28.12.2022, which is contrary to the provisions of the Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 and consequently forbear the respondents, their officers, employees, subordinates, agents, men or any other persons claiming and/or acting under them from in any manner levying electricity tax on the petitioner.

2. Today, when the matter was taken up for consideration, the learned counsel appearing for the parties jointly submitted that the issue involved herein is no longer res integra. Earlier, this Court by order dated 01.12.2021 in WP.No.9437 of 2020 and etc batch, allowed those writ petitions and set aside

the impugned orders. This Court may pass the same order in the present writ petitions

3. The relevant passage of which, are profitably, extracted below:

"7. Heard the learned counsel on either side and perused the material documents available on record.

8. On a perusal of the records, it is seen that, Tamilnadu Solar Energy Policy, 2019, came into effect on 04.02.2019. As per Tamilnadu Solar Energy Policy, 2012, exemption on payment of electricity tax on the energy generated from solar power plants used for self-consumption/sale to utility has been granted for a period of five years. While so, as per Tamilnadu Solar Energy Policy, 2019, the exemption on payment of electricity tax on the energy generated from solar power plants used for self consumption/sale to utility is for a period of two years from the date of the said policy.

9. Though, according to the learned Additional Advocate General, there is no specific Government Order granting exemption from the payment of electricity tax on the energy generated from solar power plants insofar as Tamil Nadu Solar Energy Policy, 2019 is concerned, it is to be pointed out that, vide G.O.(Ms) No.121, dated 19.10.2012, the Government had introduced 'Tamilnadu Solar Energy Policy, 2012', which was introduced after it was drafted by an Expert Committee constituted by the Government.The Tamil Nadu Solar Energy Policy, 2019, is an off-shoot of Tamil Nadu Solar Energy Policy, 2012 and without the said policy, the present 2019 policy could not have been drafted. Therefore, the Tamil Nadu Solar Energy Policy, 2019 should be read in conjunction with Tamil Nadu Solar Energy Policy, 2012.

10. In the said backdrop, a perusal of clause 12.1 of Tamil Nadu Solar Energy Policy, 2019 reveals that 'consumer category solar energy will be exempted from electricity tax for two years from the date of this policy'. The crucial word in clause 12.1 is "from the date of this policy". From the above, it is abundantly clear that, the Government was conscious of the *exemption being given to the consumer category, who generate power for captive consumption/sale to utility and only with a view to encourage the same, exemption has been given. Merely because, a separate Government Order has not been issued, would not enable TANGEDCO to charge electricity tax on the consumption of electricity by captive consumers/sale to utility, as any such interpretation, if given by this Court, would render clause*

12.1 otiose.

11. Therefore, this Court is of the considered opinion that, in view of the reasoning aforesaid, the orders impugned in the above Writ Petitions are not sustainable and the same are liable to be set aside. Accordingly, orders impugned herein are set aside and the Respondents/TANGEDCO are directed to adjust the amount, if any, already paid by the Petitioners towards payment of electricity tax.

12. Writ Petitions are allowed on the above terms. No costs. Consequently, connected W.M.P.Nos.11532, 11533, 11534 and 11535 of 2020; W.M.P.Nos.23775, 23778 and 23781 of 2020 and W.M.P.No.2512 of 2021 are closed."

4.Therefore, following the aforesaid decision, this writ petition stands allowed, in the terms of the judgment dated 01.12.2021 in WP.No.9437 of 2020. No costs. Consequently, connected miscellaneous petitions are closed.

22.10.2025

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
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