



WEB COPY



W.P.Nos.33630 of 2023 and batch.,

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.11.2025

CORAM

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

**W.P.Nos.33630, 34659, 35871, 34250 & 35603 of 2023 & 7924/2024
& WMP.Nos.35533, 35536, 35537, 34137 to 34139,
25866, 35867, 33466, 33468, 33471, 34609 to 34612,
35536 & 35865 to 35867 of 2023 & 8895, 8896 & 8900 of 2024**

WP/33630/2023

ARS Energy Pvt. Ltd.

Represented by its Deputy Director – Finance,

Mr.N.Prabhu Natraj,

th

D-109, 4 Floor, LBR Complex,

Anna Nagar East, Chennai – 600 102.

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution

Corporation Limited,

Represented by its Chairman and Managing Director,

NPKRR Maaligai,

144, Anna Salai,

Chennai – 600 002.

2.The Chief Financial Controller (Revenue)

TANGEDCO (Accounts Branch)

144, Anna Salai,

Chennai – 600 002.



W.P.Nos.33630 of 2023 and batch.,

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Superintending Engineer,
TANGEDCO, CEDC/North,
Chennai – 600 002.

5.The Accounts Officer/Revenue,
TANGEDCO (Accounts Branch),
Chennai – 600 002.

6.The Superintending Engineer,
TANGEDCO, Mettur EDC,
Mettur, Salem District – 636 401.

... Respondents

WP/33659/2023

MALCO Energy Limited,
Represented by its Director,
Mrs.A.Sumathi,
Post Box No.4,
Mettur R.S,
Mettur Dam – 639 402.

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
Rep by its Chairman,
NPKRR Maaligai,
144, Anna Salai,
Chennai – 600 002.



W.P.Nos.33630 of 2023 and batch.,

2.The Chief Financial Controller/ Revenue
TANGEDCO (Accounts Branch)
144, Anna Salai,
Chennai – 600 002.

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Accounts Officer/Revenue,
TANGEDCO (Accounts Branch),
144, Anna Salai,
Chennai – 600 002.

6.The Superintending Engineer,
TANGEDCO, Mettur EDC,
Mettur, Salem District

... Respondents

WP/35871/2023

Tanjore Power Limited,
(formerly known as Lanco Tanjore Power Company Ltd.)
Represented by its Authorised Signatory
Mr.Selvam

rd
3 Floor, G.N.Chetty Road,
T.Nagar, Chennai – 600 017.

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution
Corporation Limited,
Represented by its Chairman and Managing Director,
NPKRR Maaligai,
144, Anna Salai, Chennai – 600 002.



W.P.Nos.33630 of 2023 and batch.,

2.The Chief Financial Controller (Revenue),
TANGEDCO (Accounts Branch)
144, Anna Salai,
Chennai – 600 002.

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Superintending Engineer,
Thanjavur Electricity Distribution Circle (TANGEDCO),
No.1, Vallam Road,
Thanjavur – 613 007.

... Respondents

WP/34250/2023

TCP Limited
TCP Sapthagiri Bhavan,
No.4 (Old No.10), Karpagambal Nagar,
Mylapore, Chennai – 600 004.
Rep by its Director.

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution
Corporation Limited,
Represented by its Chairman and Managing Director,
NPKRR Maaligai,
144, Anna Salai,
Chennai – 600 002.

2.The Chief Financial Controller (Revenue),
TANGEDCO (Accounts Branch)
144, Anna Salai, Chennai – 600 002.



W.P.Nos.33630 of 2023 and batch.,

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Superintending Engineer,
TANGEDCO, CEDC/North,
Chennai – 600 002.

5.The Accounts Officer/Revenue,
TANGEDCO (Accounts Branch)
Chennai – 600 002.

6.The Superintending Engineer,
TANGEDCO, Mettur EDC,
Mettur, Salem District – 636 401.

... Respondents

WP/35603/2023

Kamachi Industries Limited
rd
ABC Trade Centre, 3 Floor,
Old No.50,
Anna Salai, Chennai – 600 002,
Rep by its Liquidator M Suresh Kumar

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution
Corporation Limited,
Represented by its Chairman and Managing Director,
NPKRR Maaligai,
144, Anna Salai,
Chennai – 600 002.



W.P.Nos.33630 of 2023 and batch.,

2.The Chief Financial Controller (Revenue),
TANGEDCO (Accounts Branch)
144, Anna Salai,
Chennai – 600 002.

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Accounts Officer/Revenue,
TANGEDCO (Accounts Branch)
Chennai – 600 002.

5.The Superintending Engineer,
TANGEDCO, Chennai EDC/North,
144, Anna Salai, Chennai – 600 002.

... Respondents

WP/7924/2024

Tulsyan NEC Ltd.
Represented by its Authorised Signatory
D.Eswaramoorthy, Registered office
at Apex Plaza, 3 Nungambakkam High Road,
Chennai – 600 034,
Power Plant at Sithurnatham Village,
Eguvarpalayam, Gummidipondi Taluk,
Thiruvallur – 601 201.

... Petitioner

Vs.

1.Tamil Nadu Generation and Distribution
Corporation Limited,
Rep by its Chairman and Managing Director,
NPKRR Maaligai,



W.P.Nos.33630 of 2023 and batch.,

144, Anna Salai,
Chennai – 600 002.

WEB COPY

2.The Chief Financial Controller (Revenue),
TANGEDCO (Accounts Branch)
144, Anna Salai,
Chennai – 600 002.

3.The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.

4.The Superintending Engineer,
Chennai Electricity Distribution Circle (CEDC/North),
5B Block, 144, Anna Salai,
Chennai – 600 002.

... Respondents

PRAYER in WP/33630/2023: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records comprised in Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 issued by the second respondent and the consequential current consumption bills for the month of Sept 2023 dated 06-10-2023 in so far as it relates to a levy demand towards compensation charges of low power factor in respect of petitioner's service connection and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC'S Open Access Regulations, 2014 and the consequent orders passed by the Hon'ble TNERC and consequently direct the respondents to adjust/refund the said charges collected and forbear the



W.P.Nos.33630 of 2023 and batch.,

respondents, their men, officers, subordinates, employees or any other person(s) claiming and/or acting under them from in any manner levying and/or demanding any sum(s) towards 'compensation charges for low power factor' in respect of the petitioner's Service Connection.

PRAYER in WP/34659/2023: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records comprised in 2nd Respondent Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 to the 5th respondent and consequential demand of the 5th Respondent in Lr.No.SE/MEDC/DFC/AO/R/AS/HT/F.MALCO/D.220/2023 dt. 05.10.2023 and the consequential current consumption bills in so far as it relates to a levy demand towards compensation charges for low power factor in respect of the Petitioner's Service Connection No.049094220360 and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC's Open Access Regulations 2014 and the consequent orders passed by the Hon'ble TNERC and consequently direct the Respondents to adjust/refund the said charges collected and forbear the respondents, their men, officers, subordinates employees or any other person(s) claiming and/or acting under them from in any manner levying and/or demanding any sum(s) towards 'compensation charges for lower power factor in respect of the Petitioner's Service Connection.



W.P.Nos.33630 of 2023 and batch.,

PRAYER in WP/35871/2023: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records in including Low Power Factor Penalty Charges in the Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 issued by the second Respondent and the impugned levies recovered through the 11 current consumption bills in respect of the Petitioner's service connection as of the date of the writ petition and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC's Open Access Regulations, 2014 and the consequent orders passed by the Hon'ble TNERC and consequently direct the Respondents to adjust/refund the said charges collected under the head penalty for low power factor as such charge is inapplicable to a generator and forbear the respondents, their men, officers, subordinates, employees or any other person(s) claiming and/or acting under them from in any manner levying and/or demanding any sum(s) towards 'compensation charges for low power factor' in respect of the petitioner's Service Connection.

PRAYER in WP/34250/2023: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records comprised in Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 issued by the second Respondent and the consequential current consumption bills in so far as it relates to a levy demand towards compensation charges for low power factor



W.P.Nos.33630 of 2023 and batch.,

in respect of petitioner's service connection and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC's Open Access Regulations, 2014 and the consequent orders passed by the Hon'ble TNERC and consequently direct the Respondents to adjust/refund the said charges collected and forbear the respondents, their men, officers, subordinates, employees or any other person(s) claiming and/or acting under them from in any manner levying and or/demanding any sum(s) towards 'compensation charges for lower power factor' in respect of the petitioner's Service Connection.

PRAYER in WP/35603/2023: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records comprised in Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 issued by the second

Respondent and the consequential demand of the 5th Respondent in Lr.No.SE/CEDC/N/HT/DFC/N/AO/AAO/F.Kamachi/D.307/2023 dated 21.11.2023 and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC'S Open Access Regulations, 2014 and the consequent orders passed by the Hon'ble TNERC and consequently direct the respondents to adjust/refund the said charges collected and forbear the respondents, their men, officers, subordinates, employees and any other person(s) claiming and/or acting under them from in any manner levying and/or demanding any sum(s) towards 'compensation charges for low power



W.P.Nos.33630 of 2023 and batch.,

factor' in respect of the petitioner's Service Connection.

WEB COPY

PRAYER in WP/7924/2024: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records in including low power factor penalty charges in the Lr.No.FC/REV/AO/REV/D.716/23 dated 26.09.2023 issued by the second respondent and the consequent impugned levy in the petitioner's current consumption bill for February 2024 in HTSC No.019094041981 and quash the same as arbitrary, illegal and contrary to the provisions of the Hon'ble TNERC's Open Access Regulations, 2014 and the orders passed by the Hon'ble TNERC and consequently direct the Respondents to adjust/refund the said charges collected under the head penalty for Low Power factor as such charge is inapplicable to a generator drawing startup power, and forbear the respondents, their men, officers, subordinates, employees or any other person(s) claiming and/or acting under them from in any manner levying and/or demanding any sum(s) towards 'compensation charges low power factor' in respect of the Petitioner's Service Connection.

In all Wps:

For Petitioner	:	Mr.Rahul Balaji
For Respondents	:	Mr.S.Wilson, Senior Counsel for Mr.D.R.Arun Kumar



W.P.Nos.33630 of 2023 and batch.,

WEB COPY

COMMON ORDER

These writ petitions are filed as against the impugned letter dated 26.09.2023, issued by the Chief Financial Controller to the concerned Superintending Engineer with regard to applicability of low power factor penalty charges for generator HT service and pursuant to which, the Superintending Engineer and other authorities are demanding low power factor penalty charges from the petitioners. Challenging the same, the present writ petitions are filed.

2.The learned counsel for the petitioners submits that the Tamil Nadu Electricity Regulatory Commission vide order in T.P.No.1 of 2017 had clearly stated that Power Factor compensation charges shall not be applicable for Start-up Power. The subsequent tariff orders dated 09.09.2022 in T.P.No.1 of 2011 and order no.S.M.T.No.6 of 2023 with effect from 01.07.2022 had not made any mention of low Power Factor Compensation Charges. However, the Respondents finding a mention of power factor



W.P.Nos.33630 of 2023 and batch.,

charges missing in the recent order, have adopted an untenable position in levying the same, which is in clear violation of the Tamil Nadu Electricity Regulatory Commission's Open Access Regulations, 2014. Further, the Regulations are subordinate legislation and thus the exercise of the power to pass Tariff Orders has to be done making sure they are in compliance with the Regulations. However, the present demand is contrary to the regulations, which is not acceptable one. On the sole ground, the present writ petitions are filed.

3.The learned counsel for the petitioners would submit that the respondent tried to implement the tariff orders 09.09.2022 in T.P.No.1 of 2022 and order no.S.M.T.No.6 of 2023 with effect from 01.07.2022, without obtaining appropriate permission from the Tamil Nadu Electricity Regulatory Commission, in respect of the present levy, in contrary to the directions issued by this Court in W.P.Nos.26266 of 2013 and etc., batch cases on 27.08.2021 and that prior to issuance of implementation order, the draft circular should be placed before the Tamil Nadu Electricity Regulatory Commission for its approval and on its website for public comments. If the



W.P.Nos.33630 of 2023 and batch.,

circular is made before the TNERC for its approval, then, opportunity is available before the petitioners to forth their claim before the TNERC.

Without doing so, implementing the circular directly is not sustainable and accordingly, he prays for appropriate orders. Accordingly, he prays for allowing the writ petitions.

4.Per contra, the learned Senior Counsel appearing for the respondents would submit that the impugned circular dated 26.09.2023 is an internal communication in between the Chief Financial Controller to the respective Superintending Engineer with regard to applicability of low power factor penalty charges for generator HT service as per the Tariff Order dated 09.09.2022 in T.P.No.1 of 2022 and order no.S.M.T.No.6 of 2023 with effect from 01.07.2022. Initially, the petitioners' company paid the start-up power charges to the respondent Board and later, they filed writ petitions and obtained interim order.

5.He would further submit that the issue raised in these writ petitions has to be raised before the Tamil Nadu Electricity Regulatory Commission



W.P.Nos.33630 of 2023 and batch.,

and with regard to the same, he relied upon a Judgment of this Court in

W.P.No.26266 of 2013 and batch., wherein this Court clearly held that the person who is facing the impugned order has to approach the Tamil Nadu Electricity Regulatory Commission challenging the impugned circular and the bills raised by the TANGEDCO. Without doing so, filing the present writ petitions is not sustainable.

6.A similar issue was also decided by the Hon'ble Apex Court in *Jaipur Vidyut Vitran Nigam Ltd Vs. MB Power (M.P.) Ltd.* Reported in (2024) 8 SCC 513, wherein the Apex Court in paragraph no.128 of the said Judgment has clearly held that under the Electricity Act, all the issues dealing with electricity have to be considered by the authorities constituted under the said Act and also held that the Constitution Bench of the Apex Court, the State Electricity Commission and the learned APTEL have ample powers to adjudicate in the matters with regard to electricity. Hence, he submits that the petitioners have to approach the Tamil Nadu Electricity Regulatory Commission for appropriate orders and prays for dismissal of the writ petitions.



W.P.Nos.33630 of 2023 and batch.,

WEB COPY

7. In view of the decision of the Hon'ble Apex Court in *Jaipur Vidyut Vitran Nigam Limited* case as cited supra, entertaining the present writ petitions as against the impugned letter and consequential demand is not sustainable and accordingly, the writ petitions are dismissed, with liberty to the petitioners to approach the Tamil Nadu Electricity Regulatory Commission for appropriate orders. The respondents are directed not to take any coercive action as against the petitioners for a period of four weeks from the date of receipt of a copy of this order, to enable the petitioners to approach the Tamil Nadu Electricity Regulatory Commission for appropriate remedy. No costs. Consequently, the connected miscellaneous petitions are closed.

06.11.2025

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



W.P.Nos.33630 of 2023 and batch.,

To

1. Tamil Nadu Generation and Distribution Corporation Limited,
Represented by its Chairman and Managing Director,
NPKRR Maaligai,
144, Anna Salai,
Chennai – 600 002.
2. The Chief Financial Controller (Revenue)
TANGEDCO (Accounts Branch)
144, Anna Salai,
Chennai – 600 002.
3. The Director (Finance), TANGEDCO
144, Anna Salai,
Chennai – 600 002.
4. The Accounts Officer/Revenue,
TANGEDCO (Accounts Branch),
Chennai – 600 002.
5. The Superintending Engineer,
TANGEDCO, CEDC/North,
Chennai – 600 002.
6. The Superintending Engineer,
TANGEDCO, Mettur EDC,
Mettur, Salem District – 636 401.
7. The Superintending Engineer,
Thanjavur Electricity Distribution Circle (TANGEDCO),
No.1, Vallam Road,
Thanjavur – 613 007.



WEB COPY



W.P.Nos.33630 of 2023 and batch.,

M.DHANDAPANI, J.

Tsg

**W.P.Nos.33630, 34659, 35871,
34250 & 35603 of 2023 & 7924/2024
& WMP.Nos.35533, 35536, 35537, 34137
to 34139, 25866, 35867, 33466,
33468, 33471, 34609 to 34612,
35536 & 35865 to 35867 of 2023
& 8895, 8896 & 8900 of 2024**

06.11.2025