IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.03.2026

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.Nos.9891 and 9909 of 2026
And
W.M.P.Nos.10676, 10677, 10678, 10704,
10705 and 10707 of 2026

M/s.Chiranjilal Spinners (P) Ltd.,
HTSC No.049094240178,
Attayampatti Road, Kakapalayam,
Salem – 637 504
Repd. by its Authorised Signatory
R.Jagadheeswaran ... Petitioner in W.P.9891/2026

M/s.Chiranjilal Spinners (P) Ltd., Unit II
HTSC No.049094240257,
No.12/62, E. Brindavan Road, 1st Cross
Fairlands Salem – 636 016
Repd. by its Authorised Signatory
R.Jagadheeswaran ... Petitioner in W.P.9909/2026

Vs.

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

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

3.The Chairman,
Tamil Nadu Power Distribution Corporation Limited,
144, Anna Salai,
Chennai – 600 002.

4.The Superintending Engineer,
Salem Electricity Distribution Circle,
TNPDCL,
Salem. ... Respondents in both the W.Ps.

Common Prayer:

Petitions filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records of the first respondent comprised in G.O.(Ms.)No.121 Energy (B1) Department dated 23.12.2010 and published in Tamil Nadu Government Gazette No.3, dated 26.01.2011 and quash the same as arbitrary, illegal and is violative of 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 from including the E-Tax component on Captive Generating Plants.

For Petitioners : Mr.R.S.Pandiyaraj
For Respondents : Mr.T.M.Rajangam for R1
Government Advocate
Mr.I.Syed Sibghatulla for R2 to R4

COMMON ORDER

These writ petitions have been filed seeking issuance of Writ of Certiorarified Mandamus calling for the records of the first respondent comprised in G.O.(Ms.)No.121 Energy (B1) Department dated 23.12.2010 and published in Tamil Nadu Government Gazette No.3, dated 26.01.2011 and quash the same as arbitrary, illegal and is violative of 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 from including the E-Tax component on 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 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 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, the connected miscellaneous petitions are closed.

11.03.2026

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

M.DHANDAPANI,J.
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To

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Rep by the Secretary to Government,
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