IN THE HIGH COURT OF JUDICATURE FOR THE STATE OF TELANGANA
HON'BLE SRI JUSTICE NAGESH BHEEMAPAKA

WRIT PETITION No. 25236 OF 2026
(CNR No. HBHC010519992026)

Between:

Baddam Srinivas Reddy & others

..... Petitioners

And

The State of Telangana,
Rep. by its Principal Secretary,
Energy Department & others

..... Respondents

Reserved on :: 20.08.2026 Pronounced on:: 21.09.2026

Uploaded on :: 21.09.2026

O R D E R:

Heard Sri P. Sri Raghuram, learned Senior Counsel assisted by Sri P. Sri Ram, learned counsel for Petitioners and Sri T. Rajiniikanth Reddy, learned Additional Advocate General and Sri A. Chandra Shaker, learned Standing Counsel for TGNPDCL on behalf of Respondents 1 and 4, Sri P.N. Arun Kumar, learned Standing Counsel for Respondent No. 2 and Sri N. Sreedhar Reddy, learned Standing Counsel for Respondent No. 3.

2. Petitioners, who are 11 in number, claim to be aggrieved by the public notice dated 23.06.2026 issued by the 2nd Respondent in I.A. No. 4 of 2026 in O. P. No. 24 of 2020,

proposing revision of the pre-fixed levelised tariff applicable under the PM-KUSUM Component-A Scheme from Rs. 3.13/kWh to Rs. 2.98/kWh, under change of law clause (change in applicable GST rate from 12% to 5% as recommended by the 56th meeting of the GST Council held in New Delhi in September 2025.

2.1. Learned Senior Counsel for petitioners contend that all the petitioners have entered into power purchase agreements with Respondents 3 and 4 pursuant to the order passed by the 2nd Respondent dated 22.04.2025 in OP No. 32 of 2025, wherein the 2nd Respondent - Commission has approved procurement of 4000 MW under Component-A Scheme of PM KUSUM. It is the contention of petitioners that originally, PM KUSUM (Pradhan Mantri Kisan Urja Suraksha evam Uttham Mahabhiyan) Scheme was launched by the Ministry of New and Renewable Energy, Government of India on 08.03.2019 to promote renewable energy, provide assured income to farmers and enhance energy security. It is submitted that under Component-A, eligible farmers and other entities are encouraged to establish grid-connected solar power plants and supply electricity to the Distribution Licensees under long term Power Purchase Agreements (PPAs). It is further contended that the 2nd

Respondent Commission initiated *suo-motu* O.P. No. 24 of 2020 for determination of a pre-fixed levelised tariff for solar power projects of 0.5 – 2 MW under Component-A of the PM KUSUM Scheme, with public notice dated 22.9.2020 inviting objections and by Order dated 02.01.2021, the Commission determined a pre-fixed levelised tariff of Rs. 3.13/kWh for 25 years for solar projects of 0.5 – 2 MW under Component-A based on normative parameters including 19% CUF, capital cost and financing assumptions. It is further contended that based on this tariff fixed by the 2nd Respondent Commission, petitioners and others (who are not before this Court) have ventured to invest huge amounts for setting up of their own solar power generating industries.

2.2. Learned Senior Counsel further contends that when the tariff of Rs. 3.13/kWh was fixed, the GST rate on solar modules was 5% and the same was thereafter increased to 12% w.e.f. October 2021. Therefore, petitioners and other ryots sought for enhancement of tariff in view of increase in GST, but however, the 2nd Respondent, while determining the pre-fixed levelised tariff in OP No. 24 of 2020, held that any alteration of tariff may upset either of the parties and therefore, the 2nd Respondent - Commission, in its wisdom, has not revised the

tariff nor altered the same, but retained at the same pre-fixed levelised tariff of Rs. 3.13/kWh.

2.3. Learned Senior Counsel further contends that Respondents 3 and 4 DISCOMs have filed I.A.No. 4 of 2026 in OP No. 24 of 2020 for revision of pre-fixed levelised tariff i.e. from Rs.3.13/kWh to Rs. 2.98/kWh under change of law clause in view of reduction of GST rate from 12 to 5%, as recommended by the GST Council in its 56th meeting. It is contended that the pre-fixed levelised tariff of Rs.3.13/kWh was fixed by the 2nd Respondent Commission on 02.01.2021, on which date GST was 5% on the solar modules and when the GST was increased from 5 to 12% in October 2021, the claim made by ryots for enhancement of tariff was not considered by the 2nd Respondent. However, when GST rate has now come down from 12 to 5%, the DISCOMs, taking advantage of the same, have filed the present interlocutory application for reduction of tariff from Rs.3.13/kWH to Rs.2.98/kWh. It is contended that a reading of the Application filed by the DISCOMs. in I.A. No. 4 of 2026 does not show that DISCOMs have sought for reduction of tariff from Rs.3.13/kWh to Rs.2.98/kWh, but the notice issued by the 2nd Respondent - Commission for its public hearing reflects the said price which shows that the 2nd Respondent has

pre-determined the price which was not mentioned in the Application filed by the DISCOMs. It is further contended by learned Senior Counsel that the 2nd Respondent does not have the foundation of jurisdictional fact to embark upon the enquiry to conduct the public hearing based on the Application made by the DISCOMs and insisted that the 2nd Respondent may file its counter. He therefore, prayed to allow the Writ Petition by declaring the action of the 2nd Respondent in proceeding with hearing of I. A. No. 4 of 2026 in OP No. 24 of 2020 as one without having foundation of jurisdictional fact and to set aside the proceedings in I.A. No. 4 of 2026. Learned Senior Counsel relied upon the judgment of the Hon'ble Supreme Court in ***Arun Kumar v. Union of India***[1] and the judgment of the High Court of Andhra Pradesh in Writ Appeal No. 383 of 2020 and batch dated 15.03.2022.

3. This Court, by order dated 03.08.2026, permitted the 2nd Respondent to go ahead with the public hearing but directed not to pass any final order. Thereafter, it is seen that the public hearing took place on the scheduled date and many public spirited persons and representatives of several solar power projects, including petitioners, have participated in the public

[1] (2006) SCC Supp. 290

hearing and objected for passing any orders, reducing the pre-fixed levelised tariff, as sought by the DISCOMs.

4. Learned Additional Advocate General contended that the 2nd Respondent, being the statutory authority constituted under the Electricity Act, 2003, has power not only to regulate but also to adjudicate upon issues within the parameters of the Act. It is contended that the 2nd Respondent being the adjudicatory authority having ample power under the Act, would take into consideration all the aspects that have been brought to its notice including the petition filed by the DISCOMs and the objections, if any, can be raised by petitioners in the public hearing fixed by the 2nd Respondent and not before this Court. It is contended that the 2nd respondent cannot be curtailed at the threshold from proceeding with the hearing of an application filed by the DISCOMS and adjudicate the said petition on merits.

5. Learned Standing Counsel for Respondent No.2 states that the Electricity Regulatory Commission being an adjudicatory authority on I.A. No. 4 of 2026 filed by the DISCOMs, would not be in a position to file its counter, inasmuch as the same would reveal the stand of the 2nd Respondent Commission even before taking any decision on

merits and the same would not be in the interests of the case to be decided by the 2nd Respondent.

6. Learned Standing Counsel for Respondent No.3 filed counter and raised preliminary objection regarding the maintainability of the Writ Petition which was filed challenging the notice issued by the 2nd Respondent proposing to fix/conduct public hearing on 04.08.2026. It is contended that there are more than 900 farmers, who have entered into Power Purchase Agreements with the DISCOMs for establishment of solar power projects under PM KUSUM Scheme and prayed that this Court may not interfere with the jurisdiction of the 2nd Respondent based on the Writ Petition filed by 11 persons, that too by approaching this Court one day before the scheduled date of public hearing. It is contended that the issue that is being dealt with by the 2nd Respondent is purely a technical issue which shall not be interdicted by this Court at the threshold. It is contended that there is no reason for the petitioners to apprehend that the 2nd Respondent would not follow the procedure while adjudicating I.A. No. 4 of 2026.

6.1. It is contended that petitioners have approached this Court only on apprehensions, and there is no other basis for them to maintain the Writ Petition. It is further contended

that after the DISCOMs have filed IA No. 4 of 2026 for reduction of pre-fixed levelised tariff, detailed calculations have been filed before the 2nd Respondent in view of reduction of GST from 12 to 5% and therefore, the 2nd Respondent has mentioned the price of Rs.2.98/kWh in its notice. It is contended that there is no illegality in the 2nd Respondent merely informing the price of Rs.2.98/kWh which is now sought by the DISCOMs and it does not amount to approval or adjudication of 2nd Respondent before hearing the Application. It is contended that the said figure was arrived at based on the calculations furnished by the DISCOMs and not *suo-motu* by the 2nd Respondent Commission. Therefore, the apprehension of petitioners is wholly unfounded and the 2nd Respondent should be allowed to decide the issue on merits and in case either the petitioners or the DISCOMs are aggrieved by any decision rendered by the 2nd Respondent, the same can always be questioned before the appropriate Forum and it is not a case where this Court would interfere at the threshold. It is contended that only in the absence of jurisdiction and authority, this Court would interfere in any matter that too if appropriate writ such as Writ of Prohibition is sought for, but in the case on hand, what is prayed for is a Writ

of Mandamus. Therefore, viewing from any angle, the Writ Petition is not maintainable and prayed to dismiss the same.

7. The entire case of petitioners is that I. A. No. 4 of 2026 filed by the DISCOMs in O.P.No. 24 of 2020 cannot be taken up for adjudication by the 2nd Respondent nor can the tariff be reduced by the 2nd Respondent from Rs. 3.13/kWh to Rs.2.98/kWh based on change in law i.e. reduction of GST. Learned Senior Counsel for petitioners does not dispute the jurisdiction of the 2nd Respondent to decide the issue on hand but contends that there was no foundation of jurisdictional fact to embark upon the enquiry undertaken by it in I A No. 4 of 2026. Once it is accepted that the 2nd Respondent Commission, under the Electricity Act, 2003, is empowered to decide the tariff under Sections 61, 62 & 64 of the Act, it would not be appropriate for this Court to interdict the 2nd Respondent from discharging its functions under the Act. The DISCOMs have filed I.A. No. 4 of 2026, to be adjudicated by the 2nd Respondent - Commission. The 2nd Respondent, in its wisdom, issued notice of public hearing for adjudication of the said Interlocutory Application. Therefore, petitioners can always participate in the public hearing and oppose the Application filed by the DISCOMs. Mere filing of Application by the DISCOMs or taking

up the said Application for hearing by the 2nd Respondent Commission itself cannot be a ground for petitioners to invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution, contending that the 2nd Respondent has pre-determined to reduce the tariff from Rs. 3.13/kWh to Rs.2.98/kWh as sought by the DISCOMs. The figure of Rs. 2.98/kWh, as explained by learned Standing Counsel for Respondent No 3, has come into picture in view of the calculations furnished by the DISCOMs to the 2nd Respondent, after filing the interlocutory application. Even though the same was specifically mentioned in the counter filed by the DISCOMs, the same was not rebutted by petitioners by filing any reply.

8. As rightly pointed out by learned Standing Counsel for Respondents 3 and 4 that as against more than 900 solar power projects who have entered into Power Purchase Agreements with the DISCOMs, only 11 are before this Court and at the instance of 11 persons, this Court is not inclined to interfere with the adjudication process being undertaken by the 2nd Respondent Commission. Moreover, petitioners have participated in the public hearing conducted by the 2nd respondent on 04.08.2026. This Court, therefore, holds that petitioners have not made out any case for this Court to

interfere with the adjudicatory authority of the 2nd Respondent. As it is accepted by petitioners that they have participated in the public hearing conducted by the 2nd Respondent, this Court has no doubt that the 2nd Respondent would take into consideration all the aspects including the objections raised by petitioners and others, before coming to a just conclusion and may render its decision. This Court sees no grounds to interfere in the matter. The above writ petition is therefore liable to be dismissed.

9. The Writ Petition is accordingly, dismissed. No costs.

10. Consequently, the miscellaneous Applications, if any shall stand closed.

NAGESH BHEEMAPAKA, J

21st September 2026

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