

**BEFORE THE HON'BLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

**AT ITS OFFICE AT TGERC, VIDYUTH NIYANTRAN BHAVAN,
GTS COLONY, KALYAN NAGAR, HYDERABAD – 500045**

O.P. No. 08 of 2026

OBJECTIONS / REPRESENTATION

CAUSE TITLE

In the matter of: Petition / application seeking amendment of the Distribution and Retail Supply Licence of TGNPDCL so as to include the territorial jurisdiction / services / consumers presently covered by CESS, Sircilla, Rajanna Sircilla District.

In the matter of: Objections / Representation by Sri Chikkala Rama Rao, Chairman, CESS Limited, Sircilla.

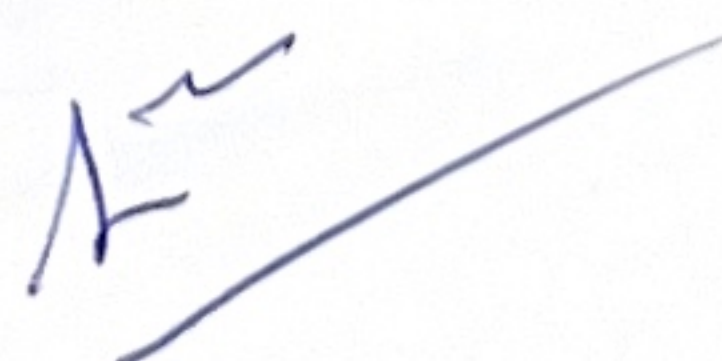
Subject

Objections to the proposed takeover / absorption of CESS by TGNPDCL; prayer for continuation of CESS and consideration of renewal / extension as already sought by CESS before the Hon'ble TGERC.

Authorities Relied Upon

Electricity Act, 2003 – Sections 12, 13, 14, 15, 16, 18, 61, 62, 64, 82, 86, 181 and 185.

1. TGERC Distribution Licence Regulation, 2016 – Clause 17 / Regulation relating to amendment of licence, read with the parent Act.
2. CESS Exemption Order dated 31.03.2021 – Recognises CESS as a Rural Electricity Co-operative Society and records extension of exemption up to 31.03.2026.
3. Mohinder Singh Gill v. Chief Election Commissioner, (1978) 1 SCC 405 – A statutory order must stand or fall on the reasons contained in it; subsequent explanations cannot cure foundational defects.
4. Siemens Engineering & Manufacturing Co. of India Ltd. v. Union of India, (1976) 2 SCC 981 – Administrative and quasi-judicial authorities must record reasons.
5. S.N. Mukherjee v. Union of India, (1990) 4 SCC 594 – Recording reasons is a facet of fairness and enables judicial review.
6. Kranti Associates (P) Ltd. v. Masood Ahmed Khan, (2010) 9 SCC 496 – Reasoned orders are integral to natural justice, transparency, accountability and effective appellate review.
7. Maneka Gandhi v. Union of India, (1978) 1 SCC 248 – Procedure affecting rights must be fair, just and reasonable.
8. There can be no estoppel against statute – A transitional arrangement or executive position cannot override the statute or substitute the statutory process.



Submissions

I, Sri Chikkala Rama Rao, Chairman of the Co-operative Electric Supply Society Limited, Sircilla, submit these objections / representation against the petition filed by TGNPDCL seeking amendment of its licence so as to include the CESS area, services and consumers.

9. The petition of TGNPDCL, if allowed, would in substance result in takeover, functional substitution and eventual extinguishment of the existing co-operative electricity distribution structure of CESS. Therefore, the Commission is required to examine the real legal effect of the petition and not merely the form in which it is presented.
10. CESS has existed and functioned under law, served a defined area and built a direct local institutional relationship with consumers. The earlier exemption granted to CESS and the pending prayer already made by CESS before the Hon'ble Commission for renewal / extension / continuation of protection under law cannot be bypassed or rendered infructuous by an indirect route.
11. A transitional supply arrangement, even if made from 01.04.2026 for continuity of power, cannot by itself amount to a permanent transfer of the CESS field of operation to TGNPDCL. There is no estoppel against statute; executive arrangements cannot override the statutory scheme of the Electricity Act, 2003.
12. Section 18 of the Electricity Act, 2003, read with the applicable TGERC Distribution Licence Regulation, 2016, cannot be construed as a carte blanche to effect a de facto takeover of an existing co-operative distribution institution. Where the practical result of amendment is structural displacement, the Commission must apply the strictest standards of legality, proportionality, transparency and public interest.
13. The Hon'ble Supreme Court in Siemens Engineering, S.N. Mukherjee and Kranti Associates has held that authorities exercising administrative or quasi-judicial power must record reasons. Mohinder Singh Gill makes it clear that the validity of a statutory order must be judged by the reasons stated in the order itself. Hence, the final decision in the present matter must contain clear findings on all material issues.
14. The Commission must specifically consider: (i) the pending request of CESS for renewal / extension / continuation; (ii) the legal status and consequences of non-extension of exemption; (iii) the treatment of CESS assets, liabilities, receivables, infrastructure, records and contractual relations; (iv) consumer rights and local grievance redressal; (v) employee implications; and (vi) whether less drastic alternatives can preserve public interest without extinguishing CESS.
15. If any audit report, study, administrative recommendation, expert evaluation or financial analysis is relied upon for the proposed action, the same must be disclosed to CESS to the extent relied upon. Without disclosure, there can be no meaningful defence and no real hearing.



16. CESS is a rural co-operative electricity institution with local accountability and historical significance. The law itself recognises co-operative participation in electricity distribution through the exemption framework. Therefore, continuance of CESS is itself a legitimate statutory and public-interest option requiring serious consideration.
17. I respectfully submit that I am not opposing the continuity of electricity supply or lawful regulation. I oppose only the proposed takeover and replacement of CESS without a distinct, transparent and legally sustainable process and without fair consideration of CESS's own prayer for continuation and renewal / extension.
18. The Hon'ble Commission ought to consider conditional continuation of CESS, regulatory supervision, escrow/payment-security mechanisms, subsidy discipline, independent audit-based corrective measures, operational reforms and phased compliance rather than allowing immediate takeover by TGNPDCL.
19. For these reasons, the TGNPDCL petition deserves rejection or, in the alternative, should be kept pending until the prayer of CESS for renewal / extension / continuation is adjudicated on merits after full disclosure and hearing.

Prayer

- a) reject / decline approval to the proposed takeover / absorption of CESS by TGNPDCL through licence amendment;
- b) hold that a transitional arrangement cannot be treated as a substitute for the statutory process;
- c) direct disclosure of all relied-upon audit / study / financial / administrative material;
- d) consider independently and favourably the prayer already made by CESS for continuation and renewal / extension of legal protection / exemption / licence arrangement before TGERC;
- e) protect continuity of supply, subsidy, billing safeguards, deposits, pending complaints and local grievance redressal; and
- f) pass such other order or orders as may be just and proper.

Verification

I, **CHIKKALA RAMARAO, CHAIRMAN CESS LTD, SIRICILLA** do hereby verify that the above contents are true and correct to the best of my knowledge, information and belief.

Place: SIRICILLA

Date: 04-05-2026

Signature:  25/2698494 56410