

SATURDAY | 30 NOVEMBER 2024

Case Update



RAJASTHAN HIGH COURT GRANTS INTERIM RELIEF TO TATA POWER (RENEWABLE) AGAINST CHARGES LEVIED UNDER RAJASTHAN'S SOLAR POLICIES FOR SUPPLY OF POWER OUTSIDE THE STATE



SKV Law Offices successfully represented Tata Power Renewable Energy Limited (“TPREL”) in securing an interim relief before the Hon'ble High Court of Rajasthan, Jodhpur in a writ petition filed against the Dept. of Energy, State of Rajasthan (“DoE, RJ”) and Rajasthan Electricity Distribution Companies (“DISCOMs”).

Notably, TPREL had filed a petition as DoE, RJ had levied charges on solar projects for supplying power to entities other than State DISCOMs under Clause 14 of the Solar Energy 2014, Clause 22 of the Solar Policy, 2019 and Clause 24 of the Solar Policy, 2023 (collectively referred to as “Subject Policies”).

TPREL challenged the Subject Policies under Article 226 on the grounds that the charges levied by these policies were beyond the powers of the DoE, RJ as such a levy effectively imposed restrictions on inter-state supply of electricity which was otherwise within the legislative purview of CERC or Central Government. Further, the Subject Policies were in violation of Electricity Act, 2003 as it imposed licensing conditions on generation of electricity which was otherwise delicensed. That apart, it was TPREL's case that the Subject Policies violated the right to equality under Article 14, the right to practice any profession under Article 19(1)(g) as well as Article 265 of the Constitution, which states that no tax can be levied except by the authority of law.

On the 27th November, 2024, the petition was heard for admission by the Hon'ble Rajasthan High Court. It was, inter-alia, argued by TPREL before the Hon'ble High Court that on 25.10.2023, the Ministry of Power issued a circular, stating that additional charges / fees imposed on generation of electricity is illegal and unconstitutional. In view of MOP's circular, as well as the fact that State Government cannot levy restrictions on inter-state supply of electricity, it was contended that TPREL ought to be granted interim relief.

Noting the same, the Hon'ble High Court has issued notice in the petition and directed that no coercive action shall be taken against TPREL till the next date of hearing.

This interim order ensures that while the challenge to the Subject Policies is pending before the Hon'ble High Court, TPREL's Solar Plants are protected from coercive actions by relevant State Authorities to enforce payment of the impugned charges.

The order can be accessed by clicking on the link [here](#)

TPREL was represented in the Rajasthan High Court by Senior Advocate Manoj Bhandari, and assisted by Shri Venkatesh, Managing Partner; Ashutosh K. Srivastava, Counsel; Suhael Buttan, Counsel; Siddharth Nigotia, Senior Associate; Vineet Kumar, Senior Associate and Kshitij Pandey, Trainee Associate of SKV Law Offices.