

RAJASTHAN HIGH COURT, JODHPUR

SKV Law Offices secures interim relief for Altra Xergi (JSW Group) before Rajasthan High Court Against Charges amounting to Rs. 22.50 crores Levied Under Rajasthan's Renewable Energy Policies for Supply of Power Outside the State

SKV Law Offices successfully represented Altra Xergi Power Private Limited ("**Altra Xergi**") 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 and Rajasthan Renewable Energy Corporation Limited ("**RRECL**").

Notably, Altra Xergi had filed a writ petition as Energy Department had levied charges on solar project of Altra Xergi for supplying power to entities other than State DISCOMs under Clause 22 of the Solar Energy Policy, 2019, Clause 24 of the Renewable Energy Policy, 2023 and Clause 22 of the Integrated Clean Energy Policy, 2024 (collectively referred to as "**Subject Policies**").

Altra Xergi challenged the Subject Policies under Article 226 on the grounds that the charges levied by these policies were beyond the powers of the Energy Department, as such a levy effectively imposed restrictions on inter-state supply of electricity, which was otherwise within the legislative purview of CERC or the Central Government.

Further, the Subject Policies were in violation of the Electricity Act, 2003, as they imposed licensing conditions on generation of electricity, which was otherwise delicensed. That apart, it was Altra Xergi's case that the Subject Policies violated the right to equality under Article 14 as well as Article 265 of the Constitution, which states that no tax can be levied except by the authority of law.

On the 16.10.2026, the petition was heard by the Hon'ble Rajasthan High Court. It was, inter-alia, argued by Altra Xergi before the Hon'ble High Court that the Subject Policies were *prima facie* illegal considering that no tax can be levied by the State without a legislation and since inter-state supply of electricity could not be regulated by the State Government.

Noting the same, the Hon'ble High Court has directed that no coercive action shall be taken against Altra Xergi 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, Altra Xergi's solar plants are protected from coercive actions by relevant State Authorities to enforce payment of the impugned charges.

Altra Xergi was represented by Ashutosh Srivastava, Partner, Siddharth Nigotia, Counsel, and Ananya Dutta, Associate.

FOR FURTHER INFORMATION PLEASE CONTACT

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