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Electricity Law

Central Electricity Regulatory Commission ("CERC" / "the Commission")

In **Ganeko One Energy Pvt. Ltd. & Anr. v. Central Transmission Utility of India & Anr. [Petition No. 728/MP/2025]**, the Commission has held that a Letter of Award (LoA) or Power Purchase Agreement (PPA) once utilised for conversion of connectivity from Land-BG route to LoA/PPA route stands exhausted and cannot be reused by another entity, even if amended to change project location, as such amendment does not create a fresh eligibility document. The Commission further held that failure to maintain continuous eligibility conditions and breach of undertakings regarding exclusive use of eligibility documents constitute valid grounds for revocation of connectivity, and that absence of fraud or mala fide intent does not negate regulatory non-compliance under the CERC GNA Regulations, 2022. However, exercising its powers under Regulations 41 and 42 of the GNA Regulations (power to relax and power to remove difficulty), the Commission set aside the revocation letters subject to conditions including payment of compensation and one-time charges, submission of verified land documents, and restoration of bank guarantees. [Order dated 04.05.2026] **[Petition No. 728/MP/2025]**

In **Airpower Windfarms Private Limited v. Central Transmission Utility of India Limited [Petition No. 809/MP/2025]**, the Commission has held that revocation of connectivity for delay in rectifying deficiencies in land documents is not legally unsustainable where the delay was only in adhering to the timeline specified for removal of deficiencies, and the doctrine of substantial compliance applies to prevent hardship when the substance of the regulation has been achieved and the land documents ultimately found in order. The Commission further held that the power to relax and remove difficulty under Regulations 41 and 42 of the CERC GNA Regulations, 2022 can be exercised to condone such delay, subject to payment of compensation equivalent to 5% of the Land Bank Guarantee. Regarding invocation of bank guarantees, the Commission held that a status quo order does not interdict invocation of an unconditional bank guarantee unless vitiated by fraud or special equities. [Order dated 04.05.2026] **[Petition No. 809/MP/2025]**

In **Madhya Pradesh Power Management Company Limited (MPPMCL) & Anr. [Petition No. 739/MP/2025]**, the Commission has held that the procurement of power through Pump Storage Projects under a complementary seasonal arrangement between two States

constitutes a “composite scheme” under Section 79(1)(b) of the Electricity Act, 2003, thereby attracting the jurisdiction of the Central Electricity Regulatory Commission. The Commission further held that under Clause 5.1 of Part A of the Tariff Based Competitive Bidding Guidelines for Procurement of Storage Capacity/Stored Energy from Pump Storage Plants dated 06.02.2025, prior approval of the Appropriate Commission is required only for deviations from the process defined in the Guidelines, and not for approval of the tender documents themselves. [Order dated 04.05.2026] **[Petition No. 739/MP/2025]**

In **Udupi Kasargode Transmission Limited v. Catalyst Trusteeship Limited & Ors. [Petition No. 87/MP/2026]**, the Commission has held that under Sections 17(3) and 17(4) of the Electricity Act, 2003, a transmission licensee must obtain prior approval of the Appropriate Commission for assigning its licence or transferring its utility or any part thereof by sale, lease, exchange or otherwise, and any agreement relating to such transaction without prior approval shall be void. The Commission further held that the transmission licence cannot be assigned in favour of the Security Trustee or nominee of the lender without prior approval of the Commission at the time of creating rights in favour of such nominee, and before agreeing to such assignment, the Commission will evaluate the nominee’s expertise in development, design, construction, operation, and maintenance of transmission lines. [Order dated 05.05.2026] **[Petition No. 87/MP/2026]**

In **VEH Jayin Renewables Private Limited v. Central Transmission Utility of India Limited [Petition No. 148/MP/2026]**, the Commission has held that under Regulation 37(10)(d)(ii) of the CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2025, failure to furnish Conn-BG1 and Conn-BG3 for additional generation capacity approved under Regulation 5.2 within the prescribed timeline (two months from the date of effectiveness of the amendment) renders such approval liable to revocation. However, the Commission, exercising its power to relax under Regulation 41 of the GNA Regulations, 2022, condoned the delay of 31 days in submission of the bank guarantees where the delay was unintentional and inadvertent, the compliance was subsequently made, and the project was at an advanced stage of commissioning, subject to payment of compensation @5% of the required Conn-BG amount (Rs. 7 lakh). [Order dated 07.05.2026] **[Petition No. 148/MP/2026]**

In **Damodar Valley Corporation v. Punjab State Power Corporation Limited [Petition No. 346/MP/2020]**, the Commission has held that a dispute relating to payment of fixed/capacity charges (which form a component of the two-part tariff under the 2014 Tariff Regulations) constitutes a tariff-related dispute falling within the adjudicatory jurisdiction of the Central Commission under Section 79(1)(f) of the Electricity Act, 2003, and is not liable to be referred

to arbitration. The Commission further held that disputes which impact tariff either directly or indirectly are non-arbitrable, notwithstanding the existence of an arbitration clause in the PPA. [Order dated 13.05.2026] **[Petition No. 346/MP/2020]**

In **Prerak Greentech Solar Private Limited v. Central Transmission Utility of India Limited, [Petition No. 7/MP/2026]**, it was held that under Regulation 11A(2) of the GNA Regulations, 2022, the firm start date of Connectivity (28.02.2026) as intimated in the final grant of Connectivity is determinative for computing the financial closure deadline (six months prior, i.e., 28.08.2025), and this deadline is not linked to the operationalisation or effectiveness of Connectivity (which is contingent on commissioning of the Common Transmission System). The Commission held that an "In-Principle sanction letter regarding line of credit commitment" does not meet the requirement of a loan sanction letter under Regulation 11A(2). Where the petitioner submitted an undertaking on 28.08.2025 stating financial closure through a loan (Rs. 175 crore), it could not later contend that a Board Resolution dated November 2025 (funding through equity) was merely a minor deficiency; such documents constituted fresh documents changing the entire basis of financial closure, submitted after the due date. However, exercising powers under Regulations 41 and 42 (power to relax and remove difficulty), and considering that the petitioner had acquired 94% land and the project was at an advanced stage, the Commission quashed the revocation letter dated 31.12.2025, directed CTUIL to scrutinise the documents submitted on 27.11.2025, and imposed compensation equivalent to 5% of total Conn-BGs, to be adjusted from the Rs. 11.5 crore deposited by the petitioner. [Order dated 13.05.2026] **[Petition No. 7/MP/2026]**

In **ACME Cleantech Solutions Private Limited (ACME) v. Central Transmission Utility of India [Petition No. 856/MP/2025]**, the Commission held that under Regulation 9.3 of the GNA Regulations (inserted by the Third Amendment effective 09.09.2025), an entity with in-principle Connectivity (not yet a connectivity grantee) may apply for change of source, and CTUIL is required to process such application within 30 days, without awaiting completion of transition of all entities to solar/non-solar access. The Commission rejected CTUIL's interpretation that source change could not be processed before finalising solar/non-solar capacities of all grantees. However, the Commission held that an entity applying under LAND BG route must be prepared to furnish land documents as per the original source, and converting an application from full solar to full wind indicates lack of due diligence. [Order dated 13.05.2026] **[Petition No. 856/MP/2025]**

In **NER Expansion Transmission Limited v. Central Transmission Utility of India Limited & Ors. [Petition No. 65/MP/2026]**, it was held that under Sections 17(3) and 17(4) of the Electricity Act, 2003, a transmission licensee must obtain prior approval of the Commission

for assigning its licence or transferring its utility, and any agreement relating to such transaction without prior approval shall be void. Where the licensee approached National Bank for Financing Infrastructure and Development (NaBFID) for a Rupee Term Loan of Rs. 1503 crore with a letter of credit facility of Rs. 400 crore, and executed a Facility Agreement dated 30.9.2025 and a Security Trustee Agreement dated 30.9.2025 appointing Catalyst Trusteeship Limited as Security Trustee, the Commission accorded in-principle approval for creation of security interest by way of mortgage/hypothecation over all movable and immovable assets, project accounts, and project documents in favour of the Security Trustee for the benefit of the lender. The approval is conditional upon the transmission licence not being assigned to the Security Trustee or nominee of the lender without prior Commission approval, and any assignment shall be considered on a joint application by the licensee, lender, security trustee, and nominee, evaluating the nominee's expertise in development, design, construction, operation, and maintenance of transmission lines, in accordance with Regulation 8 of the CERC (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2024. [Order dated 20.05.2026] **[Petition No. 65/MP/2026]**

In **Indian Energy Exchange Limited & Ors. v. Grid Controller of India Limited [Petition No. 674/RC/2025]**, it was held that for Term Ahead Market (TAM), High Price TAM, and Green TAM (Hydro) contracts, pre-specified time slots shall be structured on national-level Solar and Non-Solar hours as declared by Grid India, rather than region-wise peak/off-peak hours, to avoid liquidity fragmentation and impracticality arising from varying regional peak hours and lack of visibility for forward contracts (up to 90 days or more). The Commission approved RTC Contracts (00-24 hrs), Solar Contracts (06-18 hrs) further classified as Morning Contracts (06-09 hrs) and Day Contracts (09-18 hrs), and Non-Solar Contracts (18-06 hrs) further classified as Evening Contracts (18-24 hrs) and Night Contracts (00-06 hrs). For GTAM (other than Hydro), RE generators are permitted to create their profiles within these pre-specified time slots based on their generation technology. [Order dated 21.05.2026] **[Petition No. 674/RC/2025]**

In **India Power Corporation Limited v. National Load Despatch Centre [Petition No. 841/MP/2025]**, it was held that under Regulation 4(4) of the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, a distribution licensee's eligibility for issuance of Renewable Energy Certificates (RECs) is determined solely by the procurement of renewable energy in excess of the Renewable Purchase Obligation (RPO) as determined and certified by the concerned State Commission, and not by the Renewable Consumption Obligation (RCO) targets notified by the Ministry of Power under the Energy Conservation Act, 2001. The Forum of Regulators Rules, which

provide for RPO compliance monitoring based on the higher of State-notified obligation or Central-notified target, are confined to monitoring compliance and do not override the statutory REC Regulations that explicitly link REC eligibility to State Commission-determined RPO. Where the West Bengal Electricity Regulatory Commission certified excess RE procurement of 440.127 MU (4,40,119 RECs) for FY 2024-25, but NLDC issued only 3,20,826 RECs based on the Revised REC Procedure incorporating MoP's RCO target of 29.91%, the Commission directed NLDC to issue the remaining 1,19,293 RECs to the Petitioner. [Order dated 24.05.2026] **[Petition No. 841/MP/2025]**

In **Indian Energy Exchange Limited v. National Load Despatch Centre [Petition No. 338/MP/2025]**, it was held that Green Contracts on power exchanges must be revised to align with the Ministry of Power's Renewable Consumption Obligation (RCO) notification dated 27.09.2025, replacing the existing Solar/Non-Solar/Hydro classification with Wind, Hydro, Distributed Renewable Energy (DRE), and Other RE categories. Eligibility conditions for sellers shall be as per the RCO notification, with sellers required to provide NOC/standing clearance specifying the category. NLDC (Grid India) was directed to make corresponding changes to the NOAR portal and T-GNA procedures for issuing standing clearance endorsing RE categories, and to submit a compliance report within four weeks. In case of portfolio sale by DISCOMs, the power exchange must include the name and source of RE plants to ensure true visibility of RE power. Fungibility conditions shall be strictly as per the RCO notification: Wind, Hydro, and Other RE components are fungible (shortfall in one may be met by surplus from others); DRE is non-fungible for its shortfall but its surplus may offset other components. For hilly and North-Eastern States/UTs, the DRE obligation shall be 50% of the specified level; for distribution licensees serving exclusively urban consumers, the DRE obligation shall be 75% of the specified level. The minimum volume quotation in Green-IDC and Green-DAC contracts was reduced from 0.220 MW to 0.1 MW to align with other Green Contracts. [Order dated 25.05.2026] **[Petition No. 338/MP/2025]**

In **JSW Renew Energy Ltd. v. Central Transmission Utility of India Limited & Ors. [Petition No. 42/MP/2024]**, it was held that under Regulation 13(3) of the Sharing Regulations, 2020, where COD of a generating station has not been achieved on or before the start date of Connectivity and the Associated Transmission System (ATS) has achieved COD, the Connectivity grantee shall pay Yearly Transmission Charges for the ATS corresponding to the Connectivity capacity which has not achieved COD. The Commission rejected the Petitioner's contention that the date of operationalisation of LTA should be aligned with the revised SCOD of the project as approved by SECI, holding that PPA and LTA Agreement are distinct agreements with distinct liabilities, and the MoP orders under Section 107 (waiver of ISTS charges) apply only to "electricity generated" and do not provide relief from payment of

transmission charges prior to COD. The Commission determined the deemed COD of KTL's transmission system as 7.12.2023 (7 days after completion of all prerequisite elements on 29.11.2023), not 24.09.2023 as claimed by KTL. The Petitioner was held liable for proportionate transmission charges corresponding to 100 MW (out of the 1000 MW system) for the capacity delayed, following the principle in Petition No. 187/MP/2022 (Powerica Ltd.). The balance transmission charges of KTL shall be recovered from charges collected under Regulations 11 and 12 of the Sharing Regulations, 2020 until the system is included under Regulations 5 to 8. [Order dated 26.05.2026] **[Petition No. 42/MP/2024]**

In **Solapur Transmission Limited v. Central Transmission Utility of India Limited & Ors. [Petition No. 147/MP/2026]**, it was held that under Sections 17(3) and 17(4) of the Electricity Act, 2003, a transmission licensee must obtain prior approval of the Commission for assigning its licence or transferring its utility, and any agreement relating to such transaction without prior approval shall be void. Where the licensee approached Axis Bank Limited for a Rupee Term Loan of Rs. 360 crore (project cost Rs. 485 crore, sponsor contribution Rs. 125 crore), and executed a Facility Agreement dated 25.9.2025 and a Security Trustee Agreement dated 25.9.2025 appointing Axis Trustee Services Limited as Security Trustee, the Commission accorded in-principle approval for creation of security interest by way of hypothecation/mortgage/charge/pledge/assignment over all movable and immovable assets, project accounts, and project documents in favour of the Security Trustee for the benefit of the lender. The approval is conditional upon the transmission licence not being assigned to the Security Trustee or nominee of the lender without prior Commission approval, and any assignment shall be considered on a joint application evaluating the nominee's expertise, in accordance with Regulation 8 of the CERC (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2024. [Order dated 30.05.2026] **[Petition No. 147/MP/2026]**

In **Damodar Valley Corporation v. BSES Yamuna Power Limited [Petition No. 319/MP/2019]**, it was held that Damodar Valley Corporation (DVC) could not unilaterally change the long standing payment appropriation mechanism followed with BSES Yamuna Power Limited (BYPL), under which payments were adjusted first towards principal dues and then towards Late Payment Surcharge (LPSC). Since the Power Purchase Agreement (PPA) was silent on appropriation and the parties had consistently adopted this practice for over a decade, any change required mutual consent and could not be imposed by DVC. Accordingly, CERC directed that payments made up to 22 February 2021 be appropriated first towards principal and thereafter towards LPSC, while payments made thereafter would be governed by the Electricity (Late Payment Surcharge and Related Matters) Rules, 2021, which mandate adjustment first towards LPSC and then towards principal dues. [Order dated 31.05.2026] **[Petition No. 319/MP/2019]**

In **M/s Datta Power Infra Private Limited v. Central Transmission Utility of India Limited & Ors, [Petition No. 1015/ MP/2025]**, it was held that where a connectivity grantee under the LOA route could not achieve Financial Closure because the PPA remained unsigned and the final grant of connectivity was delayed by 4.5 months by CTUIL without justifiable reason, the timeline for achieving Financial Closure under Regulation 11A(2) of the CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 was extended. The Commission exercised its powers under Regulations 41 and 42 of the GNA Regulations, 2022 and granted 30 days from the date of the order to furnish the Financial Closure document, setting aside the revocation letter dated 11.2.2026. Submission of FC documents after 30 days but within 60 days shall attract a delay penalty of 5% of the Conn-BGs amount, and non submission beyond 90 days shall result in revocation under Regulation 11B(2). CTUIL was directed to restore the connectivity and return any cash deposited in lieu of Conn BGs. [Order dated 31.05.2026] **[Petition No. 1015/ MP/2025]**

Appellate Tribunal for Electricity ("APTEL")

In **M/s Everest Power Private Limited v. Punjab State Electricity Regulatory Commission & Ors. [Appeal No. 430 of 2019]**, it was held that under Regulation 8.1(b) of the PSERC MYT Regulations, 2014, the State Commission is mandatorily required to consider multiple factors (including audited accounts, industry benchmarks, and project-specific parameters) while determining baseline O&M values, and mechanical escalation of previous year's approved figures by WPI without conducting a comprehensive multi-factor analysis is legally infirm. The Tribunal further held that the proviso to Regulation 18.2(e) cannot be extended to expenditure falling under Regulation 18.2(d), and that the true-up stage is not an occasion to revisit or reverse allowances principally made at the capital investment plan stage. [Order dated 04.05.2026] [**Appeal No. 430 of 2019**]

In **GRIDCO Limited v. Vedanta Limited & Ors. [Appeal No. 107 of 2022 & 312 of 2022]**, it was held that a review petition is maintainable only upon (i) discovery of new and important matter or evidence which despite due diligence was not within the petitioner's knowledge, (ii) mistake or error apparent on the face of the record, or (iii) any other sufficient reason analogous to those specified, following Order XLVII Rule 1 CPC and the principles laid down in Kamlesh Verma v. Mayawati (2013) 8 SCC 320. The Tribunal further held that an error which has to be detected by a process of reasoning cannot be described as an error apparent on the face of the record, and that the power of review cannot be exercised to substitute a view or rehear the appeal, as a review petition cannot be permitted to be an appeal in disguise. The

Tribunal also held that a judgment cannot be assailed in review merely because every argument advanced by a party has not been expressly dealt with, so long as the final conclusion is based on consideration of the issues arising in the matter. [Order dated 05.05.2026] **[Appeal No. 107 of 2022 & 312 of 2022]**

In **Global Energy Private Limited v. Maharashtra Electricity Regulatory Commission & Anr. [Appeal No. 88 of 2017]**, it was held that under Section 5 of the Limitation Act, 1963 read with Order XLI Rule 19 CPC, the applicant seeking condonation of delay in filing a restoration application must demonstrate "sufficient cause" for the entire period of delay, and mere reference to the moratorium under the Insolvency and Bankruptcy Code, 2016 does not automatically justify delay post-approval of the resolution plan. The Tribunal further held that if the Resolution Professional was not discharging his duties, the correct course for the Successful Resolution Applicant (SRA) would have been to approach NCLT, and failure to do so indicates that the restoration application was an afterthought. The Tribunal also held that a plea of ill-health of the SRA, unsupported by any medical records or details of the specific ailment, cannot constitute sufficient cause for condoning inordinate delay, especially when the application was filed by the Monitoring Committee and not by the SRA. [Order dated 05.05.2026] **[Appeal No. 88 of 2017]**

In **NTPC Limited v. West Bengal State Electricity Distribution Company Limited & Ors. [Appeal No. 23 of 2018]** it was held that a force majeure clause must be interpreted narrowly, and an event to qualify as "act of God" must be direct, violent, sudden, irresistible, and so unexpected that no reasonable human foresight could anticipate it. The Tribunal further held that the Indo-Bangladesh Water Sharing Treaty, 1996, being known to the appellant since 1996, cannot constitute a force majeure event in 2016. Additionally, where the appellant was fully conscious of steps to mitigate water fluctuation at least since 2009 (having proposed lift pumps in a tariff petition) but failed to implement them, the resulting shutdown is attributable to the appellant's own delay, and it cannot take benefit of its own fault. The Tribunal also held that a marginal rainfall deficiency (12-14%) without comparative historical data does not establish an unprecedented natural event justifying force majeure. [Judgment dated 11.05.2026] **[Appeal No. 23 of 2018]**

In **Rajasthan Urja Vikas Nigam Ltd & Ors. v. Central Electricity Regulatory Commission & Ors [Appeal No. 248 of 2020]**, it was held that the term "Change in Law" under Article 10.1.1 of the PPA is concerned with the operative effect and actual enforcement of a law, not with a mere unimplemented or dormant notification existing on the statute book. The Tribunal further held that a bidder can only factor in those levies which are real, operative, and actually recovered as on the cut-off date, following the restitutionary principle laid down in Energy Watchdog v. CERC (2017) 14 SCC 80 and GMR Warora Energy Limited v. CERC (2023) 10 SCC 401. The Tribunal also reiterated that parties are bound by their pleadings, and a new factual

foundation (2002 Notification) cannot be introduced belatedly at the final hearing stage. [Judgment dated 11.05.2026] **[Appeal No. 248 of 2020]**

In **Tamil Nadu Spinning Mills Association v. Tamil Nadu Electricity Regulatory Commission & Anr. [Appeal No. 356 of 2017]**, it was held that under Section 65 of the Electricity Act, 2003, subsidy is not a statutory right of the consumer but a policy concession granted by the State Government, and the surrender of subsidy by a distribution licensee to create fiscal space for debt takeover under the UDAY scheme does not violate the Act, especially where no actual tariff increase has been demonstrated. Regarding T&D losses, the Tribunal held that non-sharing of a study report with stakeholders, though an irregularity, does not vitiate the impugned order where no substantive challenge to the methodology was raised and no prejudice was shown. [Judgment dated 11.05.2026] **[Appeal No. 356 of 2017]**

In **Tripura State Electricity Corporation Ltd. v. North Eastern Electric Power Corporation Ltd. & Ors. [Appeal No. 184 of 2020]**, it was held that under Regulation 12 of the CERC Tariff Regulations, 2014, "delay in execution of the project on account of contractor, supplier or agency of the generating company" is classified as a controllable factor, and therefore cost escalation impacting contract prices, Interest During Construction (IDC), and Incidental Expenditure During Construction (IEDC) arising from such delay cannot be allowed. The Tribunal further held that a D.O. (Demi Official) letter does not constitute a binding executive instruction, and that contractual issues between a generating company and its contractor/supplier (including BHEL and ONGC) are bilateral in nature, and the beneficiary/consumer cannot be burdened with additional tariff on account of such delays. Regarding force majeure, the Tribunal held that non-supply of gas by ONGC does not constitute a force majeure event under the PSA or the Tariff Regulations. [Judgment dated 14.05.2026] **[Appeal No. 184 of 2020]**

In **Uttrakhand Power Corporation Limited v. M/s. India Glycols Limited & Ors. [Appeal No. 190 of 2018]**, it was held that a dispute involving interpretation of open access regulations, specifically regarding liability to pay cross subsidy surcharge, is not a mere billing dispute and falls within the exclusive jurisdiction of the State Electricity Regulatory Commission, not the Consumer Grievance Redressal Forum, following Maharashtra State Electricity Distribution Company Ltd. v. MERC (Appeal No. 36 of 2011). On interpretation of the second proviso to Regulation 22 of the UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015, the Tribunal held that the proviso creates two distinct exempted classes: (i) long-term/mid-term open access consumers, and (ii) persons who have established a captive generation plant for their own use. Accordingly, no cross-subsidy surcharge is leviable on long-term and mid-term open access consumers. [Judgment dated 18.05.2026] **[Appeal No. 190 of 2018]**

In **Damodar Valley Corporation v. Jharkhand State Electricity Regulatory Commission & Ors. [Appeal No. 163 of 2017]**, it was held that under Rule 8 of the Electricity Rules, 2005, the tariff determined by the Central Commission under Section 79 of the Electricity Act, 2003 shall not be subject to re-determination by the State Commission, and the State Commission is bound to give effect to such determination. Regarding Pension & Gratuity and Sinking Fund contributions under Section 40 of the DVC Act, 1948, the Tribunal held that while 100% contributions are recoverable through tariff, their recovery is governed by the availability-based tariff framework, and delinking them from plant availability would undermine the cost-reflective character of tariff determination. On T&D losses, the Tribunal held that fixation of loss levels must be grounded in rational methodology and empirical data, and where a MYT order expressly stipulated that normative loss targets are subject to true-up on actuals, the State Commission must conduct a prudence check of actual losses rather than mechanically applying the normative ceiling. [Judgment dated 18.05.2026] **[Appeal No. 163 of 2017]**

In **Punjab Development Energy Agency (PEDA) v. Punjab State Electricity Regulatory Commission & Ors. [Appeal No. 280 of 2017, Appeal No. 371 of 2017 & Appeal No. 398 of 2017]**, it was held that while a force majeure notice under Article 10.4 of the Implementation Agreement is generally mandatory, where the force majeure event (connectivity delay due to RFP-Respondent No. 2's insistence on 220 kV instead of 66 kV) was within the knowledge of PEDA through contemporaneous communications from 05.03.2015 to 12.05.2015, and PEDA actively participated in resolving the issue, the purpose of the notice requirement is fulfilled, and non-compliance with the five-day timeline cannot disentitle the developer from relief. The Tribunal also held that where PEDA waived its contractual remedy under Article 9 for land document delay by not invoking cancellation and continuing to deal with the developer, it cannot subsequently rely on land-related delay to resist force majeure relief. [Judgment dated 18.05.2026] **[Appeal No. 280 of 2017, Appeal No. 371 of 2017 & Appeal No. 398 of 2017]**

In **Tata Power Delhi Distribution Limited v. Delhi Electricity Regulatory Commission [Appeal No. 213 of 2019]**, it was held that a quasi-judicial authority cannot pass an order disallowing expenses based on material not disclosed to the affected party, following Kothari Filaments v. Commr. of Customs (2009) 2 SCC 192 and T. Takano v. SEBI (2022) 8 SCC 162. Where an auditor's report formed the basis for disallowance of Rs. 17.43 crore claimed as direct Other Business expenses (on the ground that such expenses were already subsumed within normative O&M charges), the State Commission must disclose the relevant findings to the Appellant and afford an opportunity of hearing. Regarding water charges of Rs. 1.6 crore paid under an Amnesty Scheme to Delhi Jal Board for liabilities pending since the DVB period, the Tribunal held that while O&M charges under MYT Regulations, 2011 are a normative construct not subject to true-up, such charges cannot be denied altogether when they pertain to a period prior to the licensee's takeover and were not factored into base-year O&M. [Judgment dated 18.05.2026] **[Appeal No. 213 of 2019]**

In **Bangalore Electricity Supply Company Ltd. & Anr. v. M/s Brics Renewable Energy Pvt. Ltd. & Ors. [IA No. 1262 of 2024 in Appeal No, 482 of 2024]**, it was held that a party seeking interim stay must approach the court expeditiously without undue delay, as the Latin phrase vigilantibus non dormientibus jura subveniunt (law helps those who are awake, not those who sleep on their rights) dictates that interim stay, being equitable relief, cannot be granted to a party that shows no urgency and commits delay in approaching the appropriate forum. Where the appellant accepted the impugned order for over 1.5 years, made payment of differential tariff to the respondent, then approached the High Court (wrong forum) without obtaining a stay, and thereafter filed an appeal before the Tribunal three months after the writ petition was withdrawn, the Tribunal held that existence of a prima facie case alone is insufficient for interim stay when the balance of convenience lies with the respondent and no irretrievable loss would be suffered. The Tribunal further observed that where a PPA is valid for 25 years, the appellant would have sufficient time to recover any differential tariff if successful in the appeal. [Order dated 20.05.2026] **[IA No. 1262 of 2024 in Appeal No, 482 of 2024]**

In **BSES Yamuna Power Ltd. & Anr. v. The Secretary Delhi Electricity Regulatory Commission & Ors. [Appeal No. 21 of 2020]**, it was held that once the duration of a Power Purchase Agreement (PPA) comes to an end by efflux of time, the obligations on the respective parties under the agreement also come to an end, and the generator is no longer bound to supply power nor the distribution licensee bound to receive power or pay for it, unless the PPA is renewed or extended on mutually agreed terms. The Tribunal further held that under Section 32(2)(a) of the Electricity Act, the State Load Despatch Centre (SLDC) is responsible for scheduling and dispatch of electricity in accordance with the contracts entered into between licensees and generating companies; therefore, the existence of a valid PPA forms the basis for scheduling, and SLDC cannot continue scheduling power after being informed of the expiry of a PPA. Where a government meeting decided to reallocate power but explicitly requested renewal of PPAs, and no renewal was executed, the distribution licensees cannot be held liable for energy bills beyond the expiry date. [Judgment dated 25.05.2026] **[Appeal No. 21 of 2020]**.

In **Suo-Moto action under Section 121 of the Electricity Act v. Forum of Regulators & Ors. [OP No. 1 of 2025]**, it was held that an application purportedly filed for correction of an inadvertent error or accidental slip under Section 152 CPC cannot be used to replace or substitute the Tribunal's conscious, considered, and reasoned decision with an alternative formulation preferred by the applicant. Where the applicants sought to replace the Tribunal's conclusion in para 39 of the original order (quashing the Lt. Governor's approval to CAG audit) with a different decision, the Tribunal held that such an application is not for correction of an error but in effect seeks setting aside of the order, which is not permissible under the guise of a correction application. The Tribunal further held that if a party is not satisfied with an order,

it may have recourse to remedies available under the Electricity Act, 2003, but cannot dictate to the Bench how the decision ought to be worded. [Order dated 27.05.2026] **[OP No. 1 of 2025].**

In **Delhi Electricity Regulatory Commission v. Forum of Regulators, Central Electricity Regulatory Commission & Ors. [Review Petition No. 7 of 2026 & Review Petition No. 8 of 2026 & IA No. 1047 of 2026 In Original Petition No. 1 of 2025]**, it was held that observations in earlier orders (dated 11.02.2026 and 26.09.2025) that the Tribunal refrained from examining the objection to CAG audit as no auditor had been appointed, and merely recorded the Commission's submission that it had approached CAG, do not constitute approval of the Commission's action to entrust the audit to CAG. On the Commission's reliance on Andhra Pradesh State Load Despatch Centre v. M/s KSK Mahanadi Power Company Ltd. (Civil Appeal Nos. 226-227 of 2021), the Tribunal held that Section 121 of the Electricity Act, 2003 empowers the Tribunal to issue directions to Commissions for performance of statutory functions, and where a Commission contravenes statutory provisions while complying with Supreme Court directions, the Tribunal is duty-bound to intervene. [Order dated 27.05.2026] **[Review Petition No. 7 of 2026 & Review Petition No. 8 of 2026 & IA No. 1047 of 2026 In Original Petition No. 1 of 2025]**

In **Chemplast Sanmar Limited & Ors. v. Tamil Nadu Electricity Regulatory Commission & Ors. [I.A. No. 448 of 2026 in DFR No. 114 of 2026]**, it was held that to claim benefit under Section 14 of the Limitation Act, 1963, the applicant must establish that the previous proceedings were prosecuted with due diligence and good faith, and that the failure of the prior proceeding was due to a defect of jurisdiction or other cause of a like nature. Where the appellants challenged a clarificatory circular dated 29.07.2013 before the High Court by way of writ petitions instead of assailing the underlying Tariff Orders (2012, 2013, 2017) before the Appellate Tribunal, and continued with the writ petitions even after the 2017 Tariff Order explicitly clarified that "Deemed Demand Charges" stood withdrawn vide the 2012 Tariff Order, the Tribunal held that the appellants exhibited total lack of diligence and good faith, and were not entitled to exclusion of time under Section 14. The Tribunal further held that liberty granted by the Supreme Court to challenge the Tariff Orders before the appropriate forum, with all contentions including maintainability left open, does not prevent the Tribunal from considering the bar of limitation, as limitation is a matter of maintainability. [Order dated 27.05.2026] **[I.A. No. 448 of 2026 in DFR No. 114 of 2026]**

In **NTPC Limited v. AP Eastern Power Distribution Limited & Ors. [Appeal No. 10 of 2018]**, it was held that held that where a statute confers substantive jurisdiction or regulatory authority upon a statutory body like the CERC, it impliedly grants all incidental and ancillary powers reasonably necessary to make that jurisdiction effective, including the power to seek specific information and documents. Proceedings before the Commission are not strictly

bound by the technical rules of evidence under the Indian Evidence Act, 1872, as the Commission exercises quasi-judicial and regulatory functions under the Electricity Act, 2003 with powers of a civil court under Section 94 of the Act. Where Regulation 14(3)(x) of the CERC Tariff Regulations, 2014 (additional capitalization for modifications in fuel receiving system due to non-materialisation of coal supply) does not specifically require documentary evidence, the Commission cannot reject a claim on the ground of non-submission of documentary evidence without first exercising its power to seek such information from the petitioner. [Judgment dated 29.05.2026] **[Appeal No. 10 of 2018]**

In **Essar Power Limited v. Gujarat Electricity Regulatory Commission & Anr. [Appeal No. 692 of 2023]**, it was held that compound interest can be awarded only where there is a specific contractual stipulation or statutory provision to that effect. Article 5.3.4 of the PPA, which pegged Delayed Payment Charges to the interest rate charged by GUVNL's banks on working capital loans, constituted such a specific stipulation because the uncontroverted evidence established that those banks charged compound interest with monthly rests. The Tribunal held that the mechanism of incorporating banking norms by reference necessarily includes the compounding practice inherent in such charges. The Tribunal distinguished LIC v. Dharamvir (1998) 7 SCC 348, holding that the absence of the word "compounded" in Article 5.3.4 (while present in Article 5.4) did not negate compounding, as Article 5.4 specified a particular periodicity (semi-annual) whereas Article 5.3.4 left the periodicity to the banking practice incorporated by reference. The Tribunal further held that a respondent who has not filed an appeal may challenge adverse findings without filing cross-objections following Banarsi v. Ram Phal (2003) 9 SCC 606, but a factual narration in a Supreme Court judgment cannot be elevated to a binding determination on a contractual question never argued before it. [Judgment dated 29.05.2026] **[Appeal No. 692 of 2023]**

In **BSES Rajdhani Power Limited & Anr v. Delhi Electricity Regulatory Commission & Ors [Appeal No. 92 of 2016 and Appeal No. 93 of 2016]**, it was held that under Section 32(2) of the Electricity Act, 2003, the State Load Despatch Centre (SLDC) is the designated authority for optimum scheduling and dispatch of electricity, and its confirmation of plant availability is a substantive regulatory function, not a mere ministerial act. The SLDC's confirmation, when accepted by the State Commission, carries probative value and cannot be displaced by mere reference to administrative communications without cogent evidence to the contrary. Where the generating company placed on record evidence of fuel tie-ups exceeding the requirement for normative availability and the SLDC confirmed the declared availability, the State Commission's reliance on such certification was held to be consistent with the statutory scheme. On the issue of income tax recovery, the Tribunal held that under Regulation 6.28 of the MYT Generation Tariff Regulations, 2007, recovery of income tax shall be done directly by the generating company from the beneficiaries without making any application before the Commission, and in case of objection, the beneficiaries may make an appropriate application.

A party that has not assailed an adverse finding or order cannot claim relief in an appeal filed by the opposite party, following Banarsi v. Ram Phal (2003) 9 SCC 606. However, where both parties consented, the matter was remanded to the State Commission to compute income tax liability limited to Return on Equity for the period 2006-07 to 2011-12, with any excess recovery to be refunded along with carrying cost. [Judgment dated 29.05.2026] **[Appeal No. 92 of 2016 and Appeal No. 93 of 2016]**

In **M/s Tata Steel Ltd. v. The Secretary, Jharkhand State Electricity Regulatory Commission Ors. [Appeal No. 179 of 2021]**, it was held that in appellate proceedings, a respondent cannot be permitted to raise a new contention which was not urged before the court of first instance. Where the respondent-DVC had admitted before the State Commission that unpaid Delayed Payment Surcharge (DPS) on Additional Minimum Guarantee (AMG) bills was adjusted against advance monthly payments made by the appellant, the respondent could not later contend before the Tribunal that no DPS amount was ever realized or paid. For refund of DPS amounts, the Tribunal held that Clause 10.7.4 of the JSERC (Electricity Supply Code) Regulations, 2015 (pertaining to billing in case of disputed bills) was inapplicable as there was no disputed bill or registered complaint, and Clause 10.6 (advance payment of bills) was also inapplicable as the issue did not pertain to outstanding advance deposits. Instead, the Tribunal applied Section 62(6) of the Electricity Act which provides that if a licensee or generating company recovers a charge exceeding the determined tariff, the excess amount shall be recoverable along with interest equivalent to the bank rate, and directed interest at the State Bank of India prime lending rate applicable from time to time on the DPS realized on AMG charges. [Judgment dated 29.05.2026] **[Appeal No. 179 of 2021]**

Supreme Court

In **Delhi Electricity Regulatory Commission v. Tata Power Delhi Distribution Ltd. [Civil Appeal No. 6388 of 2025]**, it was held that under Section 61(d) of the Electricity Act, consumer welfare is a central and guiding statutory principle in tariff determination, and consumers cannot be required to pay for a service they no longer receive. Where the Power Purchase Agreement approved by the Commission restricted the operational period of the Plant to six years (till March 2018), and electricity was not supplied beyond that period, the generating utility cannot recover depreciation beyond the six-year period notwithstanding the technical useful life of the asset being fifteen years. Regulation 6.32 of the DERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2011, which provides for depreciation over the useful life of the asset, must be construed harmoniously with Regulation 4.1 of the same Regulations (tariff determined in accordance with the PPA) and with Section 61(d) of the Act, and does not confer an absolute right to recover depreciation for a period when the asset is not actually used to supply electricity to consumers. [Judgment dated 07.05.2026] **[Civil Appeal No. 6388 of 2025]**.

In **Indian Railways v. West Bengal State Electricity Distribution Company Limited and Ors. [Civil Appeal No. 4652 of 2024 and Civil Appeal Nos. 4653-4659 of 2024]**, it was held that the Indian Railways is not a deemed distribution licensee under the third proviso to Section 14 of the Electricity Act, 2003, as its electrical infrastructure exists entirely for captive self-consumption for traction purposes and not for supply to third party consumers, and a distribution licensee must operate and maintain a distribution system for supplying electricity to consumers in its area of supply. The Court further held that the Railways is a consumer under Section 2(15) of the Act as it purchases electricity exclusively for its own use, and is therefore liable to pay Cross Subsidy Surcharge and Additional Surcharge under Section 42 of the Act when availing open access. The non obstante clause in Section 11 of the Railways Act does not override the licensing framework under the Electricity Act, as there is no irreconcilable conflict between the two statutes. A proposed legislation (Draft Electricity Amendment Bill, 2025) seeking to exempt Railways from cross subsidies within five years cannot be relied upon to interpret the existing statute, as it indicates that no such exemption exists under the current law. [Judgment dated 08.05.2026] **[Civil Appeal No. 4652 of 2024 and Civil Appeal Nos. 4653-4659 of 2024]**

In **Punjab State Power Corporation Limited v. Talwandi Sabo Power Limited & Ors. [Civil Appeal No. 7432 of 2025]**, it was held that demonstration of declared capability under Regulation 11.3.13 of the Punjab State Grid Code, 2013 is a standalone provision imposing strict liability, distinct from gaming under Regulations 11.3.4 and 11.3.12, which requires mens rea and illegal enrichment. On issuance of a notice by the State Load Despatch Centre, the generating station must demonstrate its declared capability within the fourth time block (counting the time block in which the notice is received as the first), as mandated by Regulation 11.5(xi) which applies to demonstration of capability to ensure better system operation. The penalty for failure to demonstrate declared capability is a civil liability arising from breach of a contractual obligation, and does not require a finding of deliberate intention or motive to make money. The Supreme Court set aside the APTEL order and restored the SERC order, while modifying it to delete the finding that mens rea is necessary for imposing penalty under Regulation 11.3.13. [Judgment dated 20.05.2026] **[Civil Appeal No. 7432 of 2025]**

Arbitration Law

Delhi High Court

In **SLV Security Services Pvt. Ltd. v. North West Carrying Company LLP [Arb P. 496 of 2026]**, it was held that under Section 11(6-A) of the Arbitration and Conciliation Act, 1996, the scope of judicial scrutiny at the stage of appointment of an arbitrator is confined to a prima facie examination of the existence of an arbitration agreement and nothing beyond. The Referral Court's role is facilitative and procedural, to give effect to the parties' agreed mechanism of dispute resolution without embarking upon adjudication of contentious factual or legal issues such as "accord and satisfaction", which are reserved for the Arbitral Tribunal under the negative effect of kompetenz kompetenz. [Order dated 04.05.2026] **[Arb P. 496 of 2026]**

In **The Atlas Electric Industries Pvt. Ltd. v. M/s Polotrips India (P) Ltd. & Anr. [Arb P. 1742 of 2025]**, it was held that a confirming party who is a signatory to an agreement does not automatically possess the right to invoke the arbitration clause contained therein, where the arbitration clause in express terms does not include the confirming party within the category of parties entitled to invoke arbitral proceedings. The intention of the parties must be discerned from a holistic reading of the agreement, and the conspicuous non-inclusion of the confirming party within the ambit of the arbitration clause indicates that the parties consciously intended to exclude the confirming party from invoking the arbitral mechanism. Consequently, petitions under Sections 9 and 11 of the Arbitration and Conciliation Act, 1996 filed by a confirming party were held to be not maintainable. [Order dated 04.05.2026] **[Arb P. 1742 of 2025]**

In **Director General of Married Accommodation Projects v. RDS Project Limited [O.M.P (Comm.) 473 of 2024]**, it was held that where an application under Section 33(1) of the Arbitration and Conciliation Act, 1996 is filed beyond the prescribed period of thirty days from the receipt of the award, the arbitral tribunal becomes functus officio and the corrected award rendered pursuant to such time-barred application is non est. The only manner in which the period under Section 33(1) can be extended is through a prior agreement between the parties stipulating another period, as the expression "unless another period of time has been agreed upon by the parties" contemplates a conscious, unequivocal, bilateral consensus ad idem that must exist prior to the filing of the application and cannot be inferred by implication, acquiescence, silence, or deemed waiver under Section 4 of the Act. [Judgment dated 05.05.2026] **[O.M.P (Comm.) 473 of 2024]**

In **Jaksons Developers (P) Ltd. v. Delhi Development Authority [O.M.P. (Comm) 349 of 2023]**, it was held that where a Performance Bank Guarantee (PBG) is encashed conditionally pursuant to an interim order under Section 17 of the Arbitration and Conciliation Act, 1996 with a direction to keep the amount in a fixed deposit in a nationalized bank, and the arbitral award subsequently holds that the respondent was not entitled to invoke the PBG, the interest accrued on the fixed deposit partakes of the character of the principal amount and must be released along with the principal. The interest accrued on the fixed deposit is not governed by Section 31(7) of the Act, and the arbitrator has no basis to segregate the principal amount from the interest accrued thereon. The condition imposed under Section 17 that the amount along with interest shall abide by the outcome of the proceedings would be defeated if the respondent is permitted to retain the interest despite not being entitled to invoke the PBG. [Judgment dated 05.05.2026] **[O.M.P. (Comm) 349 of 2023]**

In **Pradeep Dass v. Splendor Landbase Limited & Ors. [O.M.P. (I)) (COMM.) 188 of 2026]**, it was held that there is no inflexible proposition of law that upon termination of a contract, the aggrieved party is necessarily relegated only to a claim for damages and can never seek protective relief under Section 9 of the Arbitration and Conciliation Act, 1996. Where a termination letter was issued immediately after service of a Section 9 notice and purported third party allotments were made thereafter upon receipt of only nominal amounts, prima facie the termination appeared retaliatory and mala fide. Where the parties continued to act under the contractual framework long after the alleged COVID-19 force majeure event (including execution of a Second Supplemental Agreement in February 2024 and issuance of transfer certificates on 31.03.2025), the Respondents could not invoke force majeure as a ground for termination in 2026. [Order dated 06.05.2026] **[O.M.P. (I) (COMM.) 188 of 2026].**

In **Allied Construction v. Engineering Projects India Limited [FAO(OS) (COMM) 114/2026 & CM APPL. 25929/2026, CM APPL. 25930/2026, CM APPL. 25932/2026, CM APPL. 25933/2026]**, it was held that the unilateral appointment of an arbitrator by a party who is ineligible under Section 12(5) of the Arbitration and Conciliation Act, 1996 read with the Seventh Schedule, is void ab initio, and the absence of an express waiver in writing under the proviso to Section 12(5) cannot be cured by participation in proceedings or by the fact that the appointing party itself made the appointment. The appointing party has the right to challenge the award on the ground of such ineligibility, and the waiver under the proviso must be express, in writing, and subsequent to the disputes having arisen. [Judgment dated 07.05.2026] **[FAO(OS) (COMM) 114/2026 & CM APPL. 25929/2026, CM APPL. 25930/2026, CM APPL. 25932/2026, CM APPL. 25933/2026].**

In **Cinda Engineering and Construction Private Limited v. CY Engineering India Private Limited [O.M.P. (COMM) 67/2025]**, it was held that an order rejecting an for production of

additional documents and for amendment of pleadings (Statement of Defence and Counter Claim) during pending arbitral proceedings does not constitute an "interim award" under Sections 2(1)(c) and 31(6) of the Arbitration and Conciliation Act, 1996, and is therefore not amenable to challenge under Section 34 of the Act. The Court reiterated the governing test for determining what constitutes an interim award: (a) whether the order finally adjudicates a substantive dispute or claim between the parties; (b) whether such adjudication attains finality and has a binding effect; and (c) whether the arbitral tribunal becomes functus officio qua that issue. An order that merely regulates procedure, even if it affects a valuable right, does not satisfy this test. [Judgment dated 12.05.2026] **[O.M.P. (COMM) 67/2025]**

In **M/s Red Bricks v. M/s Arvitis Bistro Private Limited [ARB. A. (Comm.) 38 of 2026]**, it was held that where an arbitral tribunal expressly clarified that its observations on ownership were only a prima facie view and not a conclusive determination, it could not thereafter issue directions permitting removal, delivery, retention on payment, and release of disputed items, as such directions would effectively amount to recognizing proprietary rights without adjudication. [Order dated 13.05.2026] **[ARB. A. (Comm.) 38 of 2026]**

In **M/s Technocrats Advisory Services Private Limited v. National Highways and Infrastructure Development Corporation Limited [OMP (I) (Comm.) 11 of 2026]**, it was held that where the parties mutually consented to adjudication of disputes by arbitration and to appointment of a Sole Arbitrator, the requirement of a separate notice under Section 21 of the Arbitration and Conciliation Act, 1996 and proceedings under Section 11 were dispensed with. The Court referred the disputes to a former Chief Justice as Sole Arbitrator, directed that the Section 9 petition be treated as an application under Section 17 before the Arbitrator, and ordered that interim directions granted earlier shall continue to operate until the Arbitrator considered the application. [Order dated 13.05.2026] **[OMP (I) (Comm.) 11 of 2026]**

In **Airports Authority of India v. Mssingla Construction Ltd. [OMP. (Comm.) 118 of 2026]**, it was held that unilateral appointment of an arbitrator by a party is void ab initio under Section 12(5) read with the Seventh Schedule of the Arbitration and Conciliation Act, 1996, in the absence of an express agreement in writing between the parties waiving the applicability of Section 12(5) after the dispute has arisen. The court followed Bhadra International (India) Pvt. Ltd. v. Airports Authority of India, 2026 INSC 6 and Mahavir Prasad Gupta & Sons v. GNCTD, 2025 SCC OnLine Del 4241, holding that participation in arbitral proceedings or the act of appointment itself does not constitute waiver. The objection to unilateral appointment can be raised for the first time in a Section 34 petition, including by the party that made the appointment. [Order dated 13.05.2026] **[OMP. (Comm.) 118 of 2026]**

In **M/s Dewan and Sons & Ors. v. M/s Harsh International [O.M.P. (Comm.) 237 of 2026]**, it was held that under Section 18(3) of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), where the Micro and Small Enterprises Facilitation Council refers a dispute to an arbitral institution (such as the Delhi International Arbitration Centre) after failure of conciliation, the arbitral institution and the learned Arbitrator acting under its aegis derive authority directly from the statute and are fully competent to adjudicate the dispute and render an arbitral award in accordance with the Arbitration and Conciliation Act, 1996. The Court rejected the contention that Rules 4(x) and (xii) of the DMSEFC Rules, 2007 require the institution to merely submit a report to the Council, holding that subordinate legislation cannot be interpreted to defeat or override the substantive statutory scheme under Section 18(3) of the MSMED Act. Regarding registration under the MSMED Act, the Court held that once a memorandum is filed under Section 8 of the Act, the enterprise becomes entitled to invoke the benefits under Sections 15 to 19 of the Act, and no separate registration certificate is mandatory for claiming the status of a "supplier" under Section 2(n) of the MSMED Act. [Order dated 13.05.2026] **[O.M.P. (Comm.) 237 of 2026]**

In **National Highways Authority of India v. Oriental Structural Engineers Pvt. Ltd. [OMP. (Comm.) 51 of 2016]**, it was held that where the Engineer had recommended Extension of Time (EOT) without levy of Liquidated Damages from as early as 13.07.2007 and ultimately recommended EOT up to the actual date of completion (31.08.2010), but the Petitioner failed to take any final decision on the EOT recommendation for more than five years, the Petitioner could not thereafter seek to prejudice the Respondent on the ground that the EOT had not attained formal approval. The Court followed the limited scope of interference under Section 34 of the Arbitration and Conciliation Act, 1996, as reiterated in OPG Power Generation (P) Ltd. v. Enexio Power Cooling Solutions (India) (P) Ltd., holding that a possible view by the arbitrator on facts must be respected as the arbitrator is the ultimate master of evidence, and a finding based on appreciation of evidence does not warrant interference unless it is perverse or based on no evidence. [Order dated 14.05.2026] **[OMP. (Comm.) 51 of 2016]**

In **Sarvesh Security Services Pvt. Ltd. v. Institute of Human Behaviour Resources and Allied Sciences [OMP (Misc.) (Comm.) 557 of 2025]**, it was held that an application under Section 29A(5) of the Arbitration and Conciliation Act, 1996 for extension of the mandate of the arbitrator is maintainable even after expiry of the time under Sections 29A(1) and (3) and even after rendering of an award during that time, following C. Velusamy v. K. Indhera, 2026 INSC 112. Where the mandate expired on 01.11.2024 but the award was to be pronounced at the DIAC premises, which remained closed from 31.10.2024 to 03.11.2024 on account of Diwali holidays, the delay in pronouncement was not attributable to any intentional inaction, constituting sufficient cause for extension. There is no period of limitation prescribed for filing a petition under Section 29A, and the filing of a Section 34 petition against the award does not constrict the court's power to extend the mandate. [Order dated 15.05.2026] **[OMP (Misc.) (Comm.) 557 of 2025]**

In **Indian Railway Catering and Tourism Corporation Limited v. Foodworld [OMP (Comm.) 51 of 2024]**, it was held that an arbitral award would be amenable to interference under Section 34(2)(b)(ii) and Section 34(2A) of the Arbitration and Conciliation Act, 1996 where it proceeds on a view that stands contrary to the binding legal position declared by the Supreme Court in a substantially identical dispute. Following Indian Railways Catering and Tourism Corp. Ltd. v. Brandavan Food Products (judgment dated 07.11.2025), the Court held that the policy directives issued by the Railway Board (Circulars dated 23.10.2013 and 06.08.2014) enjoyed primacy over contractual terms, and where the caterers submitted their bids based on the existing policy, entered into agreements with full knowledge of the revised policy, and did not successfully challenge the policy circulars, the Arbitrator could not interpret the contract contrary to those binding policy decisions. [Order dated 18.05.2026] **[OMP (Comm.) 51 of 2024]**

In **Mr. Bhanu Arora v. Mr. Aditya Bhutani & Anr. [OMP (I) 20 of 2025]**, it was held that where the Agreement to Sell in favour of the Petitioner derives its legitimacy, enforceability, and legal foundation from the Collaboration Agreement between Respondent No. 1 and Respondent No. 2, and the arbitral award dated 03.02.2026 in the disputes between Respondent No. 1 and Respondent No. 2 rejected the claims of Respondent No. 1 and negatived his alleged entitlement and authority to deal with, transfer, or create rights in respect of the subject property, the substratum of the Petitioner's claimed rights stands extinguished. The Court dismissed the Section 9 petition seeking interim protection of the property, holding that where the very source of authority claimed by Respondent No. 1 has been negatived by a binding arbitral award that has neither been stayed nor set aside, the Court cannot grant interim reliefs that would defeat or render ineffective the findings of that award. [Order dated 20.05.2026] **[OMP (I) 20 of 2025]**

In **Poorva Sanskritik Kendra Society v. G&S Sarovar Park Plaza Hospitality Pvt. Ltd. [OMP (Comm.) 84 of 2017]**, it was held that where the learned Arbitrator determined mesne profits by first computing the effective contractual monthly return (Rs. 8,11,000 based on guaranteed licence fee and share of gross receipts) and then enhancing it by 50% (to Rs. 12,16,500) due to increase in real estate prices, no computational inconsistency arose where the Arbitrator awarded only the differential enhancement component (Rs. 4,05,500 per month) for the period prior to March 2014, because the foundational contractual amount of Rs. 8,11,000 per month had already been paid by the Respondent up to March 2014. The Court rejected the Section 34 petition for modification of the award, holding that when the award is read harmoniously, the computation is logical and internally consistent, and no patent error or computational inconsistency exists. [Order dated 21.05.2026] **[OMP (Comm.) 84 of 2017]**

In **Budhiraja Electricals v. Public Work Department (Govt. of NCT of Delhi) [OMP (Enf.) (Comm.) 46 of 2018]**, it was held that an arbitral award granting escalation under Clause

10CC of the GCC for the extended contract period is patently illegal where the clause itself expressly bars escalation for work executed during the extended period, even if extension of time is granted. The Court further held that invoking Section 73 of the Indian Contract Act, 1872 does not cure the illegality, as damages must be proved through evidence of actual loss, and mere adoption of the contractual formula cannot substitute proof. Regarding loss of profits due to prolongation, the Court held that prolongation alone does not entitle a contractor to damages; the claimant must adduce credible evidence demonstrating actual loss of business opportunities and profitability. [Order dated 21.05.2026] **[OMP (Enf.) (Comm.) 46 of 2018]**

In **Nandini Enterprising v. Rajasthan Co. operative Group Housing Society Ltd. and Anr. [OMP (Comm) 448 of 2024]**, it was held that a claim for additional work beyond the contract value must be supported by cogent documentary evidence, including joint measurements, prior approval, tax invoices, and bills, and cannot rest solely on a self-serving, unsubstantiated chart. Where the work order provided for joint measurement of work done, the contractor admitted that no joint measurement register was maintained. A claim of over Rs. 2.58 crore against an original contract value of Rs. 48 lakh, raised after receiving Rs. 49 lakh against five running account bills, was held to be improbable. The arbitrator's finding that breach of contract was attributable to the contractor (failure to deploy sufficient labour, failure to provide insurance details of workers, delay in commencing work) being a plausible view based on evidence, did not warrant interference under Section 34 of the Arbitration and Conciliation Act, 1996, in the absence of perversity. [Order dated 25.05.2026] **[OMP (Comm) 448 of 2024]**

In **Kalpatru Projects International Limited v. JSW Infrastructure Limited [O.M.P.(I) (COMM.) 218 of 2026]**, it was held that an extension of time for completion of a contract without levy of liquidated damages does not, prima facie, bar the employer from subsequently levying liquidated damages where the contractor fails to complete the work within the extended period, particularly when the contract expressly stipulates that any extension granted for reasons not attributable to the employer shall not affect the employer's right to levy liquidated damages. The Court further reaffirmed that an unconditional and irrevocable bank guarantee can be invoked irrespective of underlying disputes between the parties, and an injunction restraining invocation is permissible only in cases of egregious fraud or irretrievable injustice, neither of which was pleaded or established (mere financial hardship being insufficient). [Order dated 25.05.2026] **[O.M.P.(I) (COMM.) 218/2026]**

In **Midpoint Commodeal Private Limited v. Fidatocity Homes Private Limited & Ors. [OMP (I) (Comm) 30 of 2026]**, it was held that the existence of a valid arbitration agreement is a foundational jurisdictional precondition for invoking Section 9 of the Arbitration and

Conciliation Act, 1996. Where the parties exchanged draft Share Purchase Agreement and Shareholders Agreement, suggested modifications, and never executed any final agreement, and the Petitioner itself sought execution of the agreements after exchange of legal notices, the Court held that there was no concluded consensus ad idem on essential contractual terms. Mere exchange of draft agreements, WhatsApp communications, or transfer of funds does not establish a binding arbitration agreement in the absence of clear mutual assent and finality. The doctrine of separability cannot create an arbitration agreement where the underlying contract itself was never concluded. [Judgment dated 29.05.2026] **[OMP (I) (Comm) 30 of 2026].**

In **Conscient Infrastructure Pvt. Ltd. v. Mr. Mahesh Kapoor & Anr. [OMP (I) (Comm.) 138 of 2026]**, it was held that a Binding Heads of Terms executed for development of immovable property, although contemplating a future detailed Collaboration Agreement, constitutes a concluded and enforceable commercial arrangement where the parties identified the land, recorded the development framework, stipulated reciprocal obligations, and acted upon the agreement over a prolonged period through multiple addenda, substantial payments, and engagement with statutory authorities. Following the Specific Relief (Amendment) Act, 2018, which made specific performance the general rule rather than an exception, the Court held that a development agreement conferring valuable rights in the developer is capable of specific enforcement. On an application under Section 9 of the Arbitration and Conciliation Act, 1996, the Court granted interim protection restraining the respondents from creating third-party rights, alienating, or encumbering the land, holding that the petitioner made out a strong prima facie arbitral claim, the balance of convenience favoured preservation of the subject matter, and irreversible prejudice would result if the project was altered pending arbitration. [Order dated 29.05.2026] **[OMP (I) (Comm.) 138 of 2026]**

Supreme Court

In **Elecon Engineering Company Limited v. Bhartiya Rail Bijlee Company Limited and Ors. [Civil Appeal No. 7116 of 2026]**, it was held that a collaborator who is not a signatory to the main contract containing an arbitration clause can invoke the arbitration agreement where the collaborator is a veritable party to the contract, inextricably connected through a Deed of Joint Undertaking (DJU) that imposes joint and several liability for successful performance of the contract. Where the bid documents required the collaborator's experience to qualify the contractor, the DJU was executed jointly, and upon the contractor's liquidation, the employer called upon the collaborator to fulfill its obligations under the DJU and entered into a tripartite agreement with the collaborator, the collaborator became an inseparable part of the contract entitled to invoke arbitration. [Judgment dated 07.05.2026] **[Civil Appeal No. 7116 of 2026]**

In **Hirani Develops v. Nehru Nagar Samruddhi CHS Ltd. and Ors. [SLP (C) Nos. 38407-38411 of 2025]**, it was held that under Section 7(5) of the Arbitration and Conciliation Act, 1996, where a later contract (Permanent Alternate Accommodation Agreement) expressly states that "all the terms and conditions of the Development Agreement shall be construed to form a part of these presents and all the clauses of the same shall be binding on the parties hereto," this constitutes incorporation of the arbitration clause from the earlier Development Agreement into the later contract by reference, following M.R. Engineers and Contractors Private Limited v. Som Datt Builders Limited and NBCC (India) Limited v. Zillion Infraprojects Private Limited. Such language indicates an intention to import the earlier document in its entirety, not a mere generic reference. [Judgment dated 13.05.2026] **[SLP (C) Nos. 38407-38411 of 2025]**

In **Gujarat Water Supply and Sewerage Board v. Saryu Plastics Pvt. Ltd. [Civil Appeal Nos. 769-770 of 2026]**, it was held that where a party participates in arbitration proceedings without objecting to the arbitrator's unilateral extension of mandate and fails to raise any objection even when a hearing is fixed after the alleged expiry, it tacitly agrees to the extension and is estopped from challenging the Award on that ground. The Court further held that under Section 33(1)(a) of the Arbitration and Conciliation Act, 1996, the power is confined strictly to correction of computational, clerical, or typographical errors and does not permit substantive modification of an Award. Substituting "compound interest" for "simple interest" for the pendente lite period is not a correction of an error but a substantive modification, and the Commercial Court exceeded its jurisdiction in doing so. [Judgment dated 26.05.2026] **[Civil Appeal Nos. 769-770 of 2026]**

In **Bhupesh Bhayana and Ors. v. Kunal Seth and Ors. [Civil Appeal Nos. 8192 and 8193 of 2026]**, it was held that where a contract contains a clause providing for payment of penalty on a day-to-day basis for delayed period, the damage suffered by the non-defaulting party is implicit therein, and it is not necessary to adduce separate evidence of actual damage. Where the agreement stipulated timelines for commencement of construction (date of providing vacant land) and the builder's uncontroverted assertion as to that date was accepted, the penalty period was computed from the expiry of 14 months (12 months plus 2 months grace period) till the date of termination of the agreement. Following the principle in Gayatri Balasamy v. ISG Novasoft Technologies Limited that modification of an award under Section 34(2A) of the Arbitration and Conciliation Act, 1996 is permissible when setting aside would impose significant hardship and lead to unnecessary delay. [Judgment dated 26.05.2026] **[Civil Appeal Nos. 8192 and 8193 of 2026]**

In **M/s Tarini Prasad Mohanty v. M/s Sunflag Iron and Steel Company Limited [Civil Appeal No. 8218 of 2026]**, it was held that under Section 16 of the Arbitration and Conciliation Act, 1996, the arbitral tribunal has the competence to rule on its own jurisdiction,

including objections regarding stamping of agreements, and the Constitution Bench in Re: Interplay Between Arbitration Agreements Under The Arbitration And Conciliation Act, 1996 and The Indian Stamp Act, 1899 has unequivocally held that non-stamping or inadequate stamping is merely a curable defect and does not render an agreement void, and any objection in relation to stamping falls within the ambit of the arbitral tribunal. Where the learned Single Judge in exercise of writ jurisdiction under Articles 226 and 227 of the Constitution of India undertook an exercise of interpreting the agreements to determine the true nature of the transaction and concluded that the agreements constituted "conveyance" rather than "agreement to sell", the Supreme Court held that this approach was impermissible as the determination of the nature of agreements touched the merits of the dispute, required interpretation of various terms, and was a matter of evidence, especially when arbitral proceedings were pending and the parties had yet to lead evidence. The Court reiterated that the party aggrieved by the rejection of a Section 16 objection must await the final award and may challenge the same under Section 34 of the Act, and that writ jurisdiction should not be exercised to interfere with an order under Section 16 unless there is a patent lack of inherent jurisdiction, which was not the case here. [Judgment dated 27.05.2026] **[Civil Appeal No. 8218 of 2026]**

In **Ashok and Ors. vs. Padam Chand and Ors. [SLP (Civil) No. 18146 of 2025]**, it was held that under Section 21 of the Arbitration Act, 1940, once a suit is pending between parties, the only permissible route for referring disputes to arbitration is by way of an application under Section 21 before the court where the suit is pending, and an arbitral award obtained without such order of reference cannot be enforced against the parties to the suit. The Court held that knowledge of pendency of the suit is not a condition precedent for applicability of Section 21; the determinative factor is the fact of pendency, not subjective awareness. Under the proviso to Section 47 of the 1940 Act, an award obtained without compliance with the Act may be taken into consideration as a compromise or adjustment of a pending suit only with the post-award consent of all parties interested. Where the plaintiffs consistently opposed the award and never consented to it being treated as a compromise, the award could not be set up as a defence against their suit for possession and mesne profits. [Judgment dated 29.05.2026] **[SLP (Civil) No. 18146 of 2025]**

In **Madhya Pradesh Road Development Corporation Ltd. v. M/s Jabalpur Corridor Pvt. Ltd. [Civil Appeal No. 10877 of 2018]**, it was held that under Sections 34 and 37 of the Arbitration and Conciliation Act, 1996, the scope of interference is narrowly circumscribed; the Court cannot reassess evidence or substitute its interpretation of the contract for that of the arbitral tribunal. Where the jurisdictional challenge regarding applicability of the Madhya Pradesh Madhyastham Adhiniyam, 1983 was previously raised under Sections 14 and 16, adjudicated by the High Court in Writ Petition No. 6557 of 2013, and affirmed by the Supreme

Court dismissing the SLP and review petition, the issue attained finality inter se the parties. Following Gayatri Project Ltd. v. M.P. Road Development Corpn. Ltd., where the Section 16 objection was filed after the statement of defence (beyond the time limit under Section 16(2)), and the award was passed prior to LG Chaudhary II, the award cannot be annulled on the ground of lack of jurisdiction alone. The appeal was dismissed. [Judgment dated 29.05.2026] **[Civil Appeal No. 10877 of 2018]**

Environment Law

National Green Tribunal (NGT)

In **Jai Singh v. State of Haryana & Ors. [Original Application No. 275 of 2026]**, held that where the applicant raised substantial environmental questions regarding water logging, soil salinisation, and groundwater depletion in Haryana, the Tribunal disposed of the application with a direction to the Chief Secretary to treat the Original Application as a representation to the Government of Haryana, place the matter before the Government for consideration of the prayers with suitable modifications, give opportunity of hearing to all stakeholders, and take remedial action within six months, with liberty to the applicant to move the Tribunal again if aggrieved. [Order dated 04.05.2026] **[Original Application No. 275 of 2026]**

In **Sameer Singh v. Ministry of Environment, Forest and Climate Change & Ors. [Original Application No. 276 of 2026]**, it was held that no appeal lies against approval of a District Survey Report (DSR) by State Environment Impact Assessment Authority (SEIAA) under the National Green Tribunal Act, 2010, and an original application challenging the validity of a DSR is subject to the limitation period of six months under Section 14 of the Act. Where the DSR was approved on 27.12.2024 and the application was filed after expiry of six months, the same was dismissed as barred by limitation. The Tribunal further held that since environmental clearance had not yet been granted to the project proponent and the application for clearance was pending before SEIAA, the original application challenging the e-tender notice and Letter of Intent based on the defective DSR was also premature. The applicant was granted liberty to make an appropriate representation regarding violations to SEIAA, U.P. [Order dated 04.05.2026] **[Original Application No. 276 of 2026]**

In **Smt. Gosia Khatoon v. State of Haryana & Ors. [Original Application No. 77 of 2026]**, it was held that where a Joint Committee report found the meat processing unit operating with valid statutory permissions, no evidence of illegal discharge of untreated effluent or violation of environmental norms was observed, treated effluent samples were within prescribed discharge standards, and groundwater quality parameters exceeding limits appeared attributable to geogenic conditions rather than the unit's operations, the Tribunal disposed of the application with directions to the Haryana State Pollution Control Board to carry out periodic inspections and take prompt action in case of violation, and to the project proponent to operate in due compliance with environmental laws. [Order dated 05.05.2026] **[Original Application No. 77 of 2026]**

In **Kapil & Ors. v. State of Uttar Pradesh & Ors. [Original Application No. 186 of 2026]**, it was held that where video clips produced by the applicant showed river stream mining which is not legally permissible, the authenticity of the pen drive can be ascertained in due course, but the video clips cannot be lightly brushed aside. The Tribunal ordered the Superintendent of Police, Baghpat to direct the concerned SHO to register an FIR regarding the alleged incident of illegal mining and conduct investigation expeditiously, following the precedent in O.A. No. 724/2023 (Bittu v. State of U.P.) where the Tribunal had directed registration of FIR for legally impermissible river stream mining. [Order dated 06.05.2026] **[Original Application No. 186 of 2026]**

In **Gajendra Singh Rana v. Shri Mahendra Singh Rawat, Employee, PWD, Resident of Barkot, Uttarkashi & Ors. [Original Application No. 287 of 2026]**, it was held that under the law laid down by the Supreme Court in Narender Bhardwaj v. M/s 108 Super Complex R.W.A. & Ors. (Civil Appeal No. 5921/2022), the Tribunal has no jurisdiction to direct removal of alleged encroachment or illegal construction raised in violation of laws not specified in Schedule I to the National Green Tribunal Act, 2010. Where the applicant raised grievances regarding illegal encroachment on National Highway right of way and willful damage to public infrastructure, the Tribunal held that such issues are not within its purview. Regarding obstruction of natural drainage, the applicant failed to provide evidence of any natural water channel or encroachment thereof. [Order dated 07.05.2026] **[Original Application No. 287 of 2026]**

In **Sanjeev Mishra v. State of Uttar Pradesh & Ors. [Original Application No. 213 of 2026]**, it was held that in view of the law laid down by the Supreme Court in Hinch Lal Tiwari v. Kamla Devi (2001) 6 SCC 496 (ponds are public utility meant for common use and must be protected for ecological balance under Article 21) and Jagpal Singh v. State of Punjab (2011) 11 SCC 396 (illegal occupants must be evicted and common land restored), and following the Tribunal's earlier directions in O.A. No. 325/2015 (Lt. Col. Sarvadaman Singh Oberoi v. Union of India) and O.A. No. 65/2020 (Sushil Raghav v. State of U.P.) for identification, protection, and restoration of water bodies, the Tribunal disposed of the application with specific directions to the District Magistrate, Raebareli to remove illegal encroachments, identify and demarcate all water bodies with geotagging and UID numbers, prepare an action plan for restoration with budgetary allocation and timelines, and ensure no untreated sewage flows into water bodies. [Order dated 07.05.2026] **[Original Application No. 213 of 2026]**

In **Vijay Kumar v. Govt. of NCT of Delhi & Ors. [Original Application No. 262 of 2025]**, it was held that 40 trees were illegally felled in 2023 in the Mangolpuri–Sultanpuri drain green belt/forest area in violation of the Delhi Preservation of Trees Act, 1994 (DPTA), though no

fresh felling was found in 2025. The Tribunal strongly criticized the Forest Department and authorities for prolonged inaction and failure to conclude proceedings initiated in 2023, observing such delay breached Article 48A of the Constitution. The Tribunal directed: (i) the PCCF to review and disclose all illegal tree-felling complaints from the past five years and ensure timely disposal; (ii) the DCF to conclude pending tree-offence proceedings within three months and ensure compliance with compensatory plantation of 400 native trees; (iii) the SHO, Sultanpuri to register FIR under Section 24 of DPTA and Section 379 IPC (theft) for felling of 40 trees and complete investigation; and (iv) the DPCC to initiate proceedings for recovery of environmental compensation from the persons found responsible. [Order dated 12.05.2026] **[Original Application No. 262 of 2025]**

In **Tausip Sheikh v. State of Jharkhand & Ors. [Original Application No. 264 of 2026]**, it was held that the allegations of large-scale illegal excavation of soil and sand from land adjoining the Ganga riverbed and floodplain in Sahibganj District, Jharkhand, resulting in environmental degradation, flood risks, ecological damage, threats to the habitat of the Gangetic Dolphin, and public nuisance, raised a substantial issue relating to compliance with environmental norms. Accordingly, the Tribunal impleaded the Jharkhand State Pollution Control Board and the District Magistrate, Sahibganj as respondents and directed them to file their responses. Since the cause of action fell within the territorial jurisdiction of the Eastern Zonal Bench, Kolkata, the Tribunal transferred the Original Application to the Eastern Zonal Bench for further adjudication and directed the transfer of the entire record. [Order dated 18.05.2026] **[Original Application No. 264 of 2026]**

In **Ashwani Kumar v. State of Uttar Pradesh & Ors. [Original Application No. 271 of 2026]**, it was held that the applicant raised substantial environmental issues regarding unauthorized excavation of agricultural land up to a depth of 50-60 feet, illegal cutting of trees, and dumping of untreated municipal solid waste and construction debris into the pits, which were producing methane gas and causing environmental hazard. A document signed by UPPCB officers indicated that the facility was being operated without Consent to Establish (CTE), Environmental Clearance was required under item 7(i) of Schedule 2 of the EIA Notification, 2006, no arrangement was made for safe disposal of residue/reject material, and Consent to Operate (CTO) was wrongly granted, with a recommendation for refusal of CTO. [Order dated 19.05.2026] **[Original Application No. 271 of 2026]**

In **Mr. Nitin Saxena v. National Highway Authority of India & Ors. [Original Application No. 53 of 2026-PB]**, it was held that the project for six-laning of the Ayodhya Bypass from Ashram Tiraha to Ratnagiri Tiraha (16.439 km) in Bhopal, Madhya Pradesh, requiring felling of 7,871 trees (reduced from 9,946 after redesign), was approved after due consideration by a High Level Centrally Empowered Committee, Environmental Impact Assessment, and

Detailed Project Report. The project was exempted from prior environmental clearance under the EIA Notification, 2006 as the length was less than 100 km. The Tribunal accepted the CEC report and directed compliance with the Madhya Pradesh Vrikshon Ka Parirakshan (Nagariya Kshetra) Adhiniyam, 2001, compensatory plantation of 80,000 trees (10,000 along the road and 70,000 in nearby areas) with 15-year maintenance, use of local species, deposition of CAMPA funds, and utilization of fly ash and legacy waste. The Tribunal rejected challenges regarding alternate alignment and non-compliance with natural justice, holding that expert reports are not to be lightly interfered with and that the CEC had applied its mind. [Order dated 20.05.2026] **[Original Application No. 53 of 2026-PB]**

In **Kavita v. State of Uttarakhand & Ors. [Original Application No. 01 of 2025]**, it was held that a letter petition treated as an original application challenging mining lease, Environmental Clearance (12.08.2021), Consent to Establish (02.11.2021), and Consent to Operate (03.02.2024) was barred by limitation under Section 14(3) of the National Green Tribunal Act, 2010 (six months extendable by 60 days) as it was filed on 11.11.2024, beyond the prescribed period from the date of the last statutory approval (CTO dated 03.02.2024). The Joint Committee reported that mining operations had not commenced, no environmental violation was observed, and allegations of environmental degradation were speculative. The Tribunal held that an original application challenging the validity of EC, CTE, and CTO is not maintainable as such grievances must be raised by way of appeal under Section 16(h) of the NGT Act or under Section 28 of the Water Act and Section 31 of the Air Act before the Appellate Authority. The Tribunal dismissed the application with liberty to file afresh if environmental violations occur after mining commences, and issued directions for the Registry to verify territorial jurisdiction, limitation, and pendency of similar matters before registering suo motu cases based on letter petitions, and to appoint Legal Aid Counsels if the letter writer does not appear. [Order dated 26.05.2026] **[Original Application No. 01 of 2025]**

In **Roshan Joshi v. State of Uttarakhand & Ors. [Original Application No. 739 of 2024]**, it was held that the siting criteria prescribed by the Central Pollution Control Board (CPCB) for new petrol pumps are mandatory and must be strictly complied with. The Tribunal clarified that a petroleum retail outlet must ordinarily maintain a minimum radial distance of 50 metres from schools, hospitals having 10 or more beds, and designated residential areas; where the distance is between 30 and 50 metres, additional safety measures prescribed by the Petroleum and Explosives Safety Organisation (PESO) are mandatory, while distances below 30 metres are prohibited. The Tribunal further held that the CPCB guidelines concerning hospitals apply only to human hospitals with 10 or more beds and not to veterinary hospitals. Since conflicting reports existed regarding the distance of the proposed petrol pump from a

nearby school and PESO had not yet granted approval due to unresolved deficiencies, the Tribunal directed PESO to independently verify the distances from the fill point/dispensing units/vent pipe to the school, canal and other relevant structures, and ensure full compliance with CPCB guidelines before granting any clearance. [Order dated 26.05.2026] **[Original Application No. 739 of 2024]**

In **Johnson Matthey Chemicals India Private Limited v. Uttar Pradesh Pollution Control Board [Appeal No. 25 of 2025]**, it was held that under Section 21 of the Water (Prevention and Control of Pollution) Act, 1974, where no prescribed form for notice under Section 21(3)(a) exists for non-Union Territory cases, oral intimation given by the Board officer to the agent of the appellant who was present at the time of taking the sample and raised no objection constitutes sufficient compliance, and the sample analysis report is admissible in evidence. The Tribunal reduced the environmental compensation from Rs. 42 lakhs (at Rs. 25,000 per day for 168 days) to Rs. 38,50,000 for the default period of 154 days (11.07.2024 to 12.12.2024), taking 12.12.2024 as the earliest date when the appellant applied for Consent to Establish, indicating that the default continued at least till that date. The Tribunal upheld the imposition of environmental compensation for non-compliance with discharge norms. [Order dated 29.05.2026] **[Appeal No. 25 of 2025]**

Supreme Court

In **Neetu Solvents and Ors. v. Vineet Nagar and Ors. [Civil Appeal No. 2881 of 2021 with batch]**, it was held that where formaldehyde manufacturing units were established and operating pursuant to Consent to Establish (CTE) and Consent to Operate (CTO) granted by the State Pollution Control Boards (PCBs) which were themselves unaware of the requirement of prior Environmental Clearance (EC) under the EIA Notification, 2006, and the units applied for ex post facto EC within the time stipulated by the PCBs, the NGT order directing closure of the units solely relying on Dastak N.G.O. (which was set aside in Pahwa Plastics Private Limited v. Dastak NGO) could not be sustained. Following Pahwa Plastics, the Court held that ex post facto EC should not ordinarily be granted, but cannot be declined with pedantic rigidity regardless of the consequences of stopping operations, especially where Screening, Scoping, and Terms of Reference have been granted, Public Consultation is exempted or completed, and only the Appraisal stage remains pending due to litigation (Vanashakti v. Union of India, later reviewed and clarified). [Judgment dated 06.05.2026] **[Civil Appeal No. 2881 of 2021]**

In **Re: Illegal Sand Mining in The National Chambal Sanctuary and Threat to Endangered Aquatic Wildlife [Suo Moto Writ Petition (Civil) No. 2 of 2026]**, it was held that effective environmental governance cannot be reduced to a reactive exercise undertaken only after

judicial intervention, and the constitutional obligations under Articles 21, 48A, and 51A(g) cast a continuing duty upon the State to anticipate environmental harm and prevent ecological degradation. The Court expressed serious displeasure at the lacklustre response of the State of Rajasthan and the abysmal state of compliance, observing that several crucial decisions were undertaken only after judicial intervention assumed a coercive character. [Order dated 26.05.2026] **[Suo Moto Writ Petition (Civil) No. 2 of 2026]**

In **Small Scale Entrepreneurs Association and Ors. v. The State of Maharashtra and Ors. [Civil Appeal Nos. 7318 of 2010]**, it was held that the TTC MIDC Industrial Area falls within the territorial jurisdiction of the Navi Mumbai Municipal Corporation (NMMC) as the final notification dated 17.12.1991 under Section 3 of the MMC Act declared the "local area" of 44 revenue villages (later reduced to 30) with specified boundaries that geographically cover the industrial area. The Court held that the expression "local area" refers to the whole area of the revenue villages, not part thereof, and the draft notification using "entire area" carries no significance once the final notification is issued. On the power to levy tax, the Court held that under Section 127 read with Section 128A of the MMC Act, the NMMC alone has the power to impose and collect property tax (including water tax, sewerage tax, general tax, education cess, street tax, and betterment charges), while the MIDC under Section 17 of the MID Act has no power to impose any tax but may levy fee or service charges only to cover expenses on maintenance of roads, drainage, water supply, and other amenities provided. Distinguishing between tax and fee, the Court held that tax is a compulsory exaction for public purposes without any element of quid pro quo, following Commr., Hindu Religious Endowments v. Sri Lakshmindra Thirtha Swamiar of Sri Shirur Mutt, whereas fee is characterized by quid pro quo and a reasonable relationship between the levy and services rendered. However, under Clause 7(1) of the First Schedule of the MRTP Act, where a relevant authority (MIDC) itself provides all or any of the amenities which the local authority provides, the relevant authority shall not be liable to pay taxes including property tax. The Court held that the exemption under Clause 7(1) applies not only to MIDC but also to all unit/plot holders within its jurisdiction, as the land vests in MIDC and buildings constructed thereon belong to or vest in the relevant authority. However, once the MIDC handed over maintenance of infrastructure facilities to NMMC under the agreement dated 01.12.2005, the exemption ceased to operate from the date of such transfer, and NMMC became entitled to realise property tax thereafter. [Judgment dated 27.05.2026] **[Civil Appeal Nos. 7318 of 2010]**

In **A. John Kennedy and Ors. v. State of Tamil Nadu and Ors. [Civil Appeal Nos. 6395-6397 of 2025]**, it was held that the protection of wildlife, forests, and ecological systems is not merely a statutory obligation but a constitutional imperative flowing from Articles 21, 48A, and 51A(g) of the Constitution of India, and that conservation must be eco-centric and not anthropocentric, following *T.N. Godavarman Thirumulpad v. Union of India.* The Court

noted that in the Srivilliputhur-Megamalai Tiger Reserve (SMTR) alone, 4,601 encroachers occupy 5,072.653 hectares of forest land, including 118 serving or retired government employees (Army, Police, Forest, Revenue, etc.), and only 1.8% of encroached forest land has been reclaimed. The Court expressed concern that despite the Madras High Court's order dated 17.03.2022 directing formation of a special task force, no FIRs or criminal cases have been registered for forest offences. In the Kalakad-Mundanthurai Tiger Reserve (KMTR), 99 families have encroached upon 10.16 hectares since the 1940s as dam construction workers, and have refused alternative rehabilitation sites offered multiple times (Aladiyur in 2004, Vellanguzhi in 2021, and Vikramasingapuram in 2025). The Court directed: (i) a time-bound division-wise encroachment eviction plan within one month; (ii) disciplinary and legal action against all 118 identified government employee encroachers with additional penalties and environmental restitution charges to be deposited with CAMPA; (iii) a blanket moratorium on welfare schemes, public utilities, electricity, and infrastructure support in encroached forest areas; (iv) complete prohibition on new non-forestry activities or diversion proposals under the Forest (Conservation) Act, 1980 until all encroachments are removed; (v) all illegal resorts in Megamalai to be made non-operational forthwith and dismantled; (vi) the Forest Survey of India to survey, demarcate, geo-reference, and digitise the entire boundary of KMTR, SMTR, and Kanyakumari Wildlife Sanctuary within six months; and (vii) the lease rent liability of Rs. 4,655 crores against BBTCL to be recovered expeditiously, with partial utilization towards CAMPA fund to be considered. [Order dated 29.05.2026] **[Civil Appeal Nos. 6395-6397 of 2025]**

Power and Energy Sector

A. Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 – Treatment of Connectivity granted on LoA basis where PPA not signed within 12 months (Petition No. 11/SM/2026):

The CERC, exercising powers under Regulations 41 and 42 of the GNA Regulations, 2022, has proposed a one-time mechanism for entities granted Connectivity based on LoA under Regulation 5.8(xi)(a) where the PPA has not been signed within 12 months from issuance of the LoA. CTUIL shall publish a list of such entities within 3 days of the final Order. Within one month, entities may opt for: (i) Option-I - Exit from LoA route without surrendering Connectivity, requiring PBG of Rs. 10 lakh/MW, fresh SCOD within 18 months, land documents within 12 months of revised grant or 9 months from tentative coordinates, financial closure within 15 months from revised grant or 6 months prior to firm start date, with Milestone Extension Charges for additional time (3 months for land/FC, 6 months for COD), and failure leading to revocation and encashment of Conn-BGs and PBG; (ii) Option-II - Substitution of LoA with PPA signed under another LoA (by applicant, subsidiary, parent company, or another subsidiary of same parent), with SCOD not exceeding 30 months from conversion, requiring NOC from both REIAs; (iii) Option-III - Surrendering Connectivity with return of Conn-BGs, with surrendered capacity first reallocated to entities with in-principle/final grant in same substation cluster at base price of Rs. 3 lakh/MW, and residual capacity auctioned through increasing price bids (bid application fee Rs. 5 lakh, EMD Rs. 15,000/MW). Successful bidder to deposit bid amount (cash) and PBG of Rs. 30,000/MW; SCOD for auctioned Connectivity: 12 months if substation and augmentation at COD, else 24 months. Balance auction amount (after adjusting exiting entity's Conn-BGs) credited to Deviation and Ancillary Services Pool Account. Entities not opting any option shall be deemed surrendered under Option-III. REIAs (NTPC, NHPC, SJVN, SECI) to furnish status of LOAs within 7 days; CTUIL to furnish Connectivity status within 3 days thereafter. Comments invited by 21.05.2026. [Draft Order dated 06.05.2026] **[Draft Order dated 06.05.2026]**

B. A.Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2026:

The CERC has released the draft Fourth Amendment Regulations to the GNA Regulations,

2022, effective from publication in the Official Gazette. Key proposed amendments include: (i) new Regulation 3.10 allowing withdrawal of full Connectivity without forfeiture of BGs where the gap between likely start date (in-principle) and start date (final) is two years or more, subject to application within 30 days of final grant; (ii) ESS to have minimum discharge twice the Connectivity quantum (Regulations 4.1(c), 5.2, and 5.4); (iii) new Regulation 4.7 permitting standalone non-solar hour access on locations not covered under Regulation 4.5(a); (iv) installed capacity for technical compliances at Point of Injection not to be counted for seeking Connectivity; (v) for multi-located REGS under Regulation 5.8(xi)(a), part quantum of LOA/PPA to be exhausted first at a location before balance can be utilized for another location; where LOA/PPA quantum is less than installed capacity, entity may apply through single application using LOA/PPA for part quantum and Land/LAND BG for balance; (vi) Bank Guarantee for ESS (excluding PSP) reduced to Rs. 5 lakh/MW; (vii) timeline for submission of technical data under Regulation 9.3.1 reduced from 18 months to 6 months prior to firm start date of Connectivity; (viii) second source change permitted with fee of Rs. 50,000/MW; (ix) conversion to PPA route under Regulation 11A(4) permitted where PPA entered into by the entity itself, its subsidiary, parent company, or another subsidiary of the same parent; (x) financial closure documents to be furnished within 15 days of effective date of GNA; (xi) new Regulation 23A permitting transfer of GNA to new entity owning the load after GNA is effective and dues cleared; (xii) new Regulation 17.5 allowing drawee entities connected to intra-State transmission/distribution system to seek direct ISTS connectivity with STU consent; (xiii) Conn-BG2 and Conn-BG3 to be returned within one week after expiry of one year from declaration of COD; (xiv) transition provision (Regulation 37.11) for return of Conn-BG2 and Conn-BG3 within one month where one year from COD has already expired as on effective date; (xv) Nodal Agency to issue revised Detailed Procedure within 60 days of notification after stakeholders' consultation. [Draft Notification dated 20.05.2026] **[Draft CERC (Fourth Amendment) Regulations, 2026]**

C. Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Third Amendment) Regulations, 2026:

The CERC has released the draft Third Amendment Regulations to the DSM Regulations, 2024, effective from 01.07.2026. Key proposed amendments include: (i) the definition of "weighted average ACP" for the Integrated-Day Ahead Market segments shall be substituted with "daily weighted average Area Clearing Price (ACP)" for the day; (ii) charges for Deviation for Wind-Solar (WS) Sellers shall be treated at par with General Sellers for projects under bidding route with tendering/bid submission dates on or after 01.01.2027, and for other projects with COD on or after 01.01.2029; (iii) charges for deviation for standalone pumped hydro storage plants under Section 62 shall be computed at the energy charge rate specified under Clause 3 of

Regulation 66 of the CERC Tariff Regulations, 2024; (iv) infirm power injected by standalone ESS from first synchronization up to successful completion of trial run shall be paid at Normal Rate of Charges for Deviations, subject to a ceiling of Rs. 2.00/kWh; (v) the timeline for payment of charges for deviation shall be as per the Detailed Procedure for the National Deviation and Ancillary Services Pool Account (replacing the existing 10-day timeline). [Draft Notification dated 26.05.2026] **[Draft Notification No. L-1/260/2021/CERC]**

Environment Sector

A.Ministry of Environment, Forest and Climate Change Notification S.O. 2461(E) dated 11.05.2026:

The Ministry of Environment, Forest and Climate Change (MoEFCC), through notification dated 11th May 2026, has amended the composition of the National Biodiversity Authority (NBA) constituted under the Biological Diversity Act, 2002. Exercising its powers under Section 8(4) of the Act, the Central Government has revised the members appointed on anannual rotational basisfrom State Biodiversity Boards. Accordingly, the Member-Secretaries of the State Biodiversity Boards of Madhya Pradesh, Tripura, Andhra Pradesh, and Odishahave been inducted as members of the NBA, replacing the earlier representatives occupying these rotational positions. The amendment substitutes Serial Numbers 14 to 17 in the principal notification establishing the Authority. The notification is part of the periodic rotation mechanism envisaged under the Act to ensure representation of State Biodiversity Boards in the national decision-making framework. Through this update, the Central Government seeks to maintain balanced state-level participation in the governance, conservation, sustainable use, and regulatory oversight of India's biological resources under the National Biodiversity Authority. [Notification dated 11.05.2026] **[Notification S.O. 2461(E)]**

B. Ministry of Environment, Forest and Climate Change Notification G.S.R. 371(E) dated 18.05.2026:

The MoEF&CC, in exercise of powers under Section 23 of the Environment (Protection) Act, 1986, and pursuant to the Hon'ble Supreme Court's order dated 05.05.2026 in Civil Appeal No. 6174 of 2023, has delegated the powers vested in the Central Government under Section 5 of the Act to all District Collectors across the country for a period of one year from the date of publication, exclusively for supervising, administering, and implementing the Solid Waste Management Rules, 2026, within their jurisdictional limits. The Central Government may revoke such delegation or invoke Section 5 itself if necessary, in public interest. [Notification dated 18.05.2026] **[Notification No. G.S.R. 371(E)]**

C. Draft Notification Amending the EIA Notification, 2006 to Rationalise Environmental Clearance Validity for Ports and Harbours:

The MoEF&CC has issued a draft notification proposing to amend the Environment Impact Assessment (EIA) Notification, 2006, to rationalize the validity period of Environmental Clearances (EC) granted to Ports and Harbors. The key proposed amendments include: (i) the validity period of EC for Ports, Harbors, Break Waters, and Dredging [item 7(e) of the Schedule] shall be revised to an initial period of 15 years, which may be extended for a maximum period of 5 years after due examination and recommendations of the sectoral Expert Appraisal Committee/SEACs (replacing the existing validity of 10 years extendable by 1 year); (ii) consequential amendments to paragraph 9, sub-paragraphs (ii)(b), (ii)(c), and (iii) of the EIA Notification, 2006 to include Ports and Harbors in the list of projects eligible for extended validity. The draft notification has been issued pursuant to recommendations of the sectoral Expert Appraisal Committee and the Expert Advisory Committee, considering the long gestation and phased development characteristic of Port and Harbour projects. Objections or suggestions may be submitted within 60 days from the date of availability of the Gazette. [Draft Notification dated 20.05.2026] **[Draft Notification No. S.O. 2593(E)]**

D. Draft Notification Amending ICRZ Notification, 2019 to Add Three Petroleum Products to Annexure-II for Storage in CRZ Areas (excluding CRZ-IA)

The MoEF&CC has issued a draft notification proposing to amend the Island Coastal Regulation Zone (ICRZ) Notification, 2019, to permit the receipt and storage of certain petroleum products within CRZ areas (excluding CRZ-IA). The key proposed amendment is the insertion of three new entries in Annexure-II of the ICRZ Notification, 2019, namely: (xxiv) Linear Alkyl Benzene (LAB), (xxv) N-Paraffin, and (xxvi) Carbon Black Feedstock (CBFS). The draft notification follows recommendations of the Expert Appraisal Committee (Industry-II), the sectoral EAC for CRZ Clearances, and the National Coastal Zone Management Authority (NCZMA), which considered the comparatively lower hazardous chemical characteristics of these products in relation to those already permitted. Objections or suggestions may be submitted within 60 days from the date of availability of the Gazette. [Draft Notification dated 26.05.2026] **[Notification No. S.O. 2664(E).]**

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