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# Electricity Law

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

In **Rajgarh Neemuch Power Transmission Limited v. Central Transmission Utility of India Limited & Ors. [Petition No. 387/MP/2026]**, the Commission held that a transmission licensee may create a security interest over its project assets in favour of a Security Trustee acting on behalf of its lenders, with the prior approval of the Commission under Sections 17(3) and 17(4) of the Electricity Act, 2003 ("Electricity Act"). The approval does not extend to assignment of the transmission licence or transfer of the assets to the Security Trustee or the lenders' nominee, which requires specific prior approval on a joint application by the licensee, lenders, Security Trustee and nominee. The Commission will then evaluate the nominee's expertise and ability to execute the project, in terms of Regulation 8 of the CERC (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2024. [Order dated 14.10.2026] **[Petition No. 387/MP/2026]**

In **AMPIN Energy Green Private Limited & Anr. v. Central Transmission Utility of India Limited [Petition No. 228/MP/2026]**, the Commission held that a renewable energy project is entitled to an extension of its Scheduled Commercial Operation Date ("SCOD") and a consequential waiver of Inter-State Transmission System ("ISTS") charges where the delay is attributable to non-availability of transmission infrastructure beyond the project developer's control, provided the conditions under Regulation 13(2)(h) of the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("2020 Sharing Regulations") are satisfied. It was held that such extension may be granted for up to six months at a time, not exceeding two extensions, and that the project must achieve its Commercial Operation Date ("COD") within the extended period. [Order dated 18.10.2026] **[Petition No. 228/MP/2026]**

In **GMR Warora Energy Limited v. DNH Power Distribution Corporation Limited [Petition Nos. 126/MP/2022 and 247/MP/2023]**, the Commission held that where the outstanding claims of a generating company against a distribution licensee, arising under a Power Purchase Agreement ("PPA"), are amicably settled and the agreed amount is paid in full and final discharge of such claims, the proceedings seeking execution of the Commission's orders and initiation of proceedings under Section 142 of the Electricity Act do not survive. [Order dated 26.10.2026] **[Petition Nos. 126/MP/2022 and 247/MP/2023]**

In **Tata Power Renewable Energy Limited v. Central Transmission Utility of India**

**Limited [Petition Nos. 168/MP/2026, 187/MP/2026, 193/MP/2026 and 289/MP/2026]**, the Commission held that renewable energy generating stations seeking extension of their SCOD for the purpose of waiver of ISTS charges under Regulation 13(2)(h) of the 2020 Sharing Regulations must achieve their COD within the extended period to remain eligible for the waiver. The maximum permissible extension is six months at a time, not exceeding two extensions, i.e., up to 30.06.2026. [Order dated 26.10.2026] **[Petition Nos. 168/MP/2026, 187/MP/2026, 193/MP/2026 and 289/MP/2026]**

In **Bijapur REZ Transmission Limited v. Central Transmission Utility of India Limited & Ors. [Petition No. 570/RC/2026]**, the Commission held that a change in the name of a transmission licensee consequent to its conversion from a public limited company to a private limited company, duly approved by the Regional Director and recorded in the Certificate of Incorporation issued by the Ministry of Corporate Affairs, may be taken on record by the Commission. The Commission directed that the name of the licensee be changed from "Bijapur REZ Transmission Limited" to "Bijapur REZ Transmission Private Limited" in its records and that the necessary endorsement be made on the transmission licence. It was clarified that the change in name would not alter the terms and conditions of the existing transmission licence, Transmission Service Agreement ("TSA") or the obligations under the Electricity Act and the licensee would remain bound by the same. [Order dated 26.10.2026] **[Petition No. 570/RC/2026]**

In **Pachora Power Transmission Limited v. Central Transmission Utility of India Limited & Ors. [Petition No. 571/RC/2026]**, the Commission held that a change in the name of a transmission licensee consequent upon its conversion from a public limited company to a private limited company, duly approved by the Regional Director and recorded in the Certificate of Incorporation issued by the Ministry of Corporate Affairs, may be taken on record by the Commission. The Commission directed that the name of the licensee be changed from "Pachora Power Transmission Limited" to "Pachora Power Transmission Private Limited" in its records and that the necessary endorsement be made on the transmission licence. It was clarified that the change in name would not alter the terms and conditions of the existing transmission licence, TSA or the obligations under the Electricity Act, and the licensee would remain bound by the same. [Order dated 26.10.2026] **[Petition No. 571/RC/2026]**

In **Mounting Renewable Power Limited & Ors. v. Central Transmission Utility of India Limited & Anr. [Petition No. 779/MP/2025 with IA Nos. 103/IA/2025 and 108/IA/2026]**, the Commission held that under Regulation 13(2)(h) of the 2020 Sharing Regulations, the SCOD of the Petitioners' 250 MW wind-solar hybrid project was eligible for

extension up to 30.06.2026, as the delay was not attributable to the Petitioners and the Committee had recommended the extension. The Commission noted that the project achieved COD for 174.9 MW by the extended date. [Order dated 26.10.2026] **[Petition No. 779/MP/2025 with IA Nos. 103/IA/2025 and 108/IA/2026]**

In **Adhunik Power and Natural Resources Limited v. Tamil Nadu Power Distribution Corporation Limited & Anr. [Petition No. 845/MP/2025]**, the Commission held that cancellation of the Ganeshpur captive coal block and the subsequent enactment of the Coal Mines (Special Provisions) Act, 2015 constituted a Change in Law event under Article 10 of the PPA. The Commission, relying on the Supreme Court's findings upholding the generator's entitlement to compensation for the additional cost of procuring alternate coal, recognised the entitlement to compensation along with carrying cost. However, applying the limitation period, the Commission allowed the additional coal cost claims only from 21.08.2022. Carrying cost on claims falling within the limitation period was allowed from the date of filing of the petition, at the lowest of the rates specified under Article 8.3.5 of the PPA, the actual interest paid by the Petitioner, or the applicable CERC working capital interest rate. [Order dated 30.10.2026] **[Petition No. 845/MP/2025]**

## Appellate Tribunal for Electricity ("APTEL" / "Tribunal")

In **M/s Devi Energies Pvt. Ltd. v. Arunachal Pradesh State Electricity Regulatory Commission & Ors. [Appeal No. 160 of 2023]**, it was held that where the State Electricity Regulatory Commission ("State Commission") agrees to reconsider the issues raised by a generating company concerning the determination of project-specific tariff (the tariff applicable to a particular power project), the matter may be remanded for fresh consideration. The issues concerned the reduction in the approved capital cost (the total cost of establishing the project) towards civil works, disallowance of additional costs incurred due to floods, and deduction of subsidy from the capital cost despite the appellant's claim of non-receipt. [Judgment dated 05.10.2026] **[Appeal No. 160 of 2023]**

In **Abundant Energy Private Limited v. Punjab State Power Corporation Limited & Ors. [DFR No. 243 of 2025]**, it was held that where an appellant's grievance against an order of the State Commission stood addressed by a subsequent review order in its favour, the period of limitation for challenging the original order would commence upon the review order being set aside and the original order being restored. It was further held that, being the forum of first appeal, it must endeavour to adjudicate appeals on merits rather than dismiss them on technicalities, particularly where the delay is neither contumacious nor deliberate. [Order dated 05.10.2026] **[DFR No. 243 of 2025]**

In **Tamil Nadu Generation and Distribution Corporation Limited v. Tamil Nadu Electricity Regulatory Commission & Ors. [Appeal No. 267 of 2025]**, it was held that review jurisdiction is narrow, but a direction in the original order that is contrary to a binding judgment of the Tribunal on the same issue is an error apparent on the face of the record, and can be corrected in review under Section 94(1)(f) of the Electricity Act read with Order XLVII Rule 1 of the Code of Civil Procedure, 1908 ("CPC"). The Tribunal had earlier held that, up to September 2010, excess demand and energy charges are computed on the quota communicated based on advance declaration, and the actual energy adjusted method applies only from 01.10.2010. The original order had applied the actual energy adjusted method to the earlier period, which was contrary to that judgment. The deletion of these directions in review was upheld and the appeal was dismissed. [Judgment dated 09.10.2026] **[Appeal No. 267 of 2025]**

In **Bihar State Power Transmission Company Limited v. Bihar Electricity Regulatory Commission [Appeal No. 329 of 2025]**, it was held that a State Commission cannot reduce approved depreciation as a penalty for non-submission of the Fixed Asset Register, as the regulations do not provide for such reduction and the remedy for non-compliance lies in Section 142 of the Electricity Act. Being a creature of statute, a Commission cannot convert its power of tariff determination into a penalty proceeding, following GUVNL v. Solar Semiconductor Power Company (India) Pvt. Ltd. Regulations 42 and 43 of the Bihar Electricity Regulatory Commission (Multi Year Transmission Tariff and SLDC Charges) Regulations, 2024 are saving clauses and do not permit alteration of substantive tariff elements. [Judgment dated 09.10.2026] **[Appeal No. 329 of 2025]**

In **RKM Powergen Pvt. Ltd. v. Chairman, UP Power Corporation Ltd. & Ors. [Appeal No. 109 of 2022]**, it was held that compensation for a Change in Law event under a PPA must include carrying cost (compensation for the time value of money and deferred recovery of additional expenses) to restore the affected party to the same economic position as if the Change in Law had not occurred. Accordingly, the Uttar Pradesh Electricity Regulatory Commission was directed to compute the impact of the two previously recognised Change in Law events, namely, increase in Goods and Services Tax ("GST") on Operations and Maintenance ("O&M") charges and increase in transportation costs due to the requirement of 100% fly ash disposal, along with applicable carrying cost. It was further held that omission to address carrying cost in its earlier judgment constituted an accidental omission capable of clarification, and that it was not functus officio (having exhausted its authority over the matter). [Order dated 13.10.2026] **[Appeal No. 109 of 2022]**

In **Tamil Nadu Generation and Distribution Corporation Limited v. Central Electricity**

**Regulatory Commission & Ors. [Appeal Nos. 56 and 329 of 2018]**, it was held that under Regulation 4(3) of the CERC (Terms and Conditions of Tariff) Regulations, 2014, the COD of a transmission asset depends on its regular service and not on its full utilisation. Low loading of a commissioned asset does not postpone it. It was further held that where an asset is planned and built as per the approved scheme, later under-utilisation does not make the planning imprudent, and the transmission licensee can recover its admissible fixed costs through the Point of Connection mechanism, subject to prudence check. [Judgment dated 13.10.2026] **[Appeal Nos. 56 and 329 of 2018]**

In **NTPC Renewable Energy Limited v. Rajasthan Electricity Regulatory Commission & Ors. [Appeal No. 400 of 2022 and IA No. 1590 of 2026]**, it was held that a substantive claim cannot be raised for the first time in appeal when it was not raised before the forum of original jurisdiction and a party which made no such claim cannot be aggrieved by the rejection of the same claim raised by others. It was further held that the notice under Article 12.3 of the PPA, required within 60 (sixty) days of the Change in Law event, is mandatory and cannot be waived. The Appellant claimed compensation for the increase in Grid Connectivity Charges from INR 2,00,000 (Indian Rupees Two Lakh) to INR 2,50,000 (Indian Rupees Two Lakh Fifty Thousand) per MW under the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff from Renewable Energy Sources) Regulations, 2020. The State Commission's view that grid connectivity costs are borne by the developer was prima facie not faulted, but its examination was left to the appeals of the other generators. [Judgment dated 22.10.2026] **[Appeal No. 400 of 2022 and IA No. 1590 of 2026]**

In **Gujarat State Electricity Corporation Limited v. Gujarat State Electricity Regulatory Commission & Anr. [Appeal Nos. 301 of 2026 and 317 of 2026]**,it was held that a State Commission, having framed regulations under Section 181 of the Electricity Act, is bound by the normative parameters therein and cannot dilute them by a tariff order or direction. The Return on Equity of 13% under Regulation 35.2 of the Gujarat Electricity Regulatory Commission Regulations, 2024 can be reduced only for deficiencies under Regulation 35.5 or where the generating company itself claims a lower rate under the provisos to Regulation 35.2. No provision allows a lower rate for projects that have completed their useful life, and the only lawful course is to amend the regulations under Section 181 after consultation and notification. The State Commission had approved the Supplementary PPAs extending power procurement from the transferred generating stations but restricted the Return on Equity to 11% and directed an unconditional undertaking forgoing the difference, although its Tariff Order dated 31.03.2025 had allowed 13% and attained finality. The restriction, the modification of the agreements and the undertaking were set aside. [Judgment dated 23.10.2026] **[Appeal Nos. 301 of 2026 and 317 of 2026]**

In **Jayamal Energy LLP v. Bangalore Electricity Supply Company Limited & Anr. [Appeal No. 78 of 2023]**, it was held that the effective date of a PPA is the date of its approval by the State Commission under Section 86(1)(b) of the Electricity Act, and not the date of signing, as none of its clauses can be enforced until it is approved. It was further held that once a distribution licensee has extended the Scheduled Commissioning Date, the State Commission cannot reopen the validity of that extension, but the extension must stay within the limits of the PPA, which allowed a maximum of three months for force majeure events. The nine-month extension granted to the Appellant's solar power project was therefore invalid, and the Scheduled Commissioning Date stood extended only till 25.05.2017. A notice of force majeure events is a condition precedent for relief, as held by the Supreme Court in Chamundeshwari Electricity Supply Company Limited v. Saisudhir Energy (Chitradurga) Pvt. Ltd. [Civil Appeal No.6888/2018], and as none was served, liability for liquidated damages was upheld. On tariff, following Smt. Sharada Doddi v. Gulbarga Electricity Supply Company Limited & Anr., the PPA tariff of INR 8.40 (Indian Rupees Eight and Forty Paise) kWh is to be protected despite delay if the capital cost was crystallised before the Scheduled Commissioning Date, failing which the lower varied tariff of INR 4.36 (Indian Rupees Four and Thirty-Six Paise) per unit applies. [Judgment dated 26.10.2026] **[Appeal No. 78 of 2023]**

In **GMR Kamalanga Energy Limited v. Central Electricity Regulatory Commission & Ors. [Appeal No. 324 of 2018 and IA No. 1710 of 2025]**, it was held that a Bank Guarantee is a separate and independent contract, which can be invoked only in strict compliance with its terms. The construction Bank Guarantee under Clause 6.0 of the Bulk Power Transmission Agreement ("BPTA") secures timely completion of the generating station and the dedicated transmission system. Once they are completed and commissioned, its purpose is fulfilled and it must be returned on expiry of six months from commissioning. It cannot be withheld until the Letter of Credit or Bank Guarantee for transmission charges under Clause 2.0 of the BPTA is opened. The Commission had correctly held that the two securities are independent, but erred in directing that the Bank Guarantee be returned subject to the satisfaction of Power Grid Corporation of India Limited on the Letter of Credit. [Judgment dated 26.10.2026] **[Appeal No. 324 of 2018 and IA No. 1710 of 2025]**

In **M/s Bhoruka Power Corporation Limited v. Haryana Electricity Regulatory Commission & Ors. [Appeal No. 55 of 2016]**, it was held that a hydroelectric project developer must validate the Full Supply Level ("FSL") and other project parameters through independent studies at the Detailed Project Report stage, and a developer which does not do so acts at its own peril. Where the tariff is fixed on the developer's own design parameters, the distribution licensee and consumers cannot be burdened with a higher tariff for non-achievement of those parameters, unless the PPA makes the tariff conditional on them. A tariff already re-determined by the State Commission and affirmed by the Tribunal attains finality

between the parties and cannot be re-determined again, in view of the sanctity of the PPA and the doctrines of finality and estoppel. The Appellant sought re-determination of the tariff of its 6 MW Small Hydel Power Project at Dadupur on account of non-availability of FSL of 916 feet The Tribunal also held that additional documents cannot be placed on record after the matter is reserved for judgment, but it examined them in the interest of justice and found that none assured FSL of 916 ft. [Judgment dated 30.10.2026] **[Appeal No. 55 of 2016]**

In **Southern Power Distribution Company of Telangana Ltd. v. M/s Hyderabad MSW Energy Solutions Pvt. Ltd. & Anr. [Appeal No. 302 of 2025]**, it was held that in a petition under Section 86(1)(b) of the Electricity Act, the State Commission ascertains only the discom's requirement of power, the reasonableness of the tariff, and compliance with the Electricity Act and regulations, and once satisfied, it must approve the PPA. A distribution licensee cannot withdraw such a petition on the ground of misrepresentation alone, unless it shows that the misrepresentation would unduly increase the tariff and prejudice consumers. A party which alleges misrepresentation but elects to proceed with the PPA, without serving notice to rescind or initiating proceedings, cannot seek withdrawal, as rescission lies through a petition under Section 86(1)(f) or a civil suit. [Judgment dated 30.10.2026] **[Appeal No. 302 of 2025]**

## Supreme Court

In **M/s. Mepco Industries Ltd. v. Commissioner of Income Tax, Madurai [Civil Appeal No. 8694 of 2012]**, it was held that the character of a subsidy as a capital or revenue receipt is determined by the "purpose test", that is, the object for which the subsidy is given, and the time of payment, its source and its form are not decisive. The purpose must be ascertained from the scheme as a whole and not from a general object clause such as fostering industrial growth. A subsidy which enables the assessee to run its business more profitably is a revenue receipt, whereas one granted to set up a new unit or expand an existing unit is a capital receipt, following Sahney Steel & Press Works Ltd. v. CIT and CIT v. Ponni Sugars and Chemicals Limited. The power subsidy under the Government of Pondicherry scheme was quantified as a percentage of the actual electricity charges for five years from the commencement of production and was not tied to any capital asset or capital outlay. [Judgment dated 07.10.2026] **[Civil Appeal No. 8694 of 2012]**

In **Dakshin Gujarat Vij Company Limited & Anr. v. Vaibhav Metal Crusher & Anr. [Civil Appeal arising out of SLP (C) Nos. 17868/2024 and 8778/2025]**,it was held that where electricity supply is disconnected on allegations of theft under Section 135(1A) of the Electricity Act, the amount required to be deposited for restoration of supply must be

assessed in accordance with the procedure under Section 126 of the Electricity Act and the applicable Supply Code. The consumer is entitled to object to the provisional assessment and avail the appellate remedy under Section 127. However, where criminal proceedings for theft are initiated, the assessment and appellate determination are subject to the final determination of civil liability by the Special Court under Section 154(5), with any excess deposit refundable under Section 154(6). It was further held that, where the provisional assessment is prima facie arbitrary, the High Court may, for reasons recorded, direct restoration of supply upon deposit of an amount not less than 50% of the demanded amount. [Judgment dated 26.10.2026] **[Civil Appeal arising out of SLP (C) Nos. 17868/2024 and 8778/2025]**

In **Damodar Valley Corporation v. Maithan Alloys Limited & Ors. [Civil Appeal No. 11106 of 2024]**, it was held that the power of review under Section 122(f) of the Electricity Act, which is in pari materia with Section 22(3)(f) of the Administrative Tribunals Act, 1985, is confined to the grounds in Order XLVII Rule 1 of the CPC. An error which is not self-evident and needs a long process of reasoning is not an error apparent on the face of the record, and an erroneous decision cannot be corrected in the guise of review. A review of an order which is contrary to a binding decision of the Supreme Court breaches judicial discipline and Article 141 of the Constitution of India ("Constitution"). The Tribunal had reviewed, after five years, its judgment dated 17.05.2019 upholding the tariff of the Appellant for 2009 to 2014, on the ground that allowing both depreciation and the Sinking Fund contribution as a tariff expense was a double benefit. It was held that this issue was concluded by Bhaskar Shrachi Alloys Limited v. Damodar Valley Corporation, which, based on Section 40 of the Damodar Valley Corporation Act, 1948 and the fourth proviso to Section 14 of the Electricity Act, allowed both. [Judgment dated 30.10.2026] **[Civil Appeal No. 11106 of 2024]**

# Arbitration Law

## Delhi High Court

In **M/s Continental Engineering Corporation Ltd. v. Union of India [FAO(OS) (COMM) 163/2022]**, it was held that the ground of patent illegality encapsulated within Section 34(2A) of the Arbitration and Conciliation Act, 1996 ("A&C Act") does not apply to international commercial arbitrations. The Court also held that where the contract between the parties provided an exemption for service tax, expenses incurred by sub-contractors will also have to be reimbursed. [Order dated 01.10.2026] **[FAO(OS) (COMM) 163/2022]**

In **Shri Krishan Baldev Bansal v. Balbir Singh Tyagi [FAO(COMM) 64/2026]**, it was held that where the Arbitrator passes an award on only one of the several contentions raised by parties, non-adjudication of other claims would not amount to a refusal to exercise jurisdiction in him, provided that the parties themselves agree to confine the adjudication to a particular claim. The Arbitrator need not adjudicate upon all issues as originally presented before it; rather he needs to adjudicate upon all live issues at the stage when the award was rendered. Additionally, where an arbitration agreement referred all disputes arising from a partnership deed to arbitration, a claim by one of the partners against co-partners seeking reimbursement for the amount paid towards discharging the firm's liability to the bank would also fall within the scope of the agreement. The Court also reiterated that interference under Section 34 of the A&C Act cannot be justified merely because the Court adopts a different appreciation of the evidence. [Judgment dated 05.10.2026] **[FAO(COMM) 64/2026]**

In **East India Paper Products (now Chowdhury Packers Pvt. Ltd.) v. Union of India [FAO 195/2008]**, it was held that under the Arbitration Act, 1940, the power to enlarge the time for making an award vests in the Court under Section 28 read with Rule 3 of the First Schedule and not in the arbitrator, the only exception being enlargement by mutual consent of the parties. Where the time expires without such consent or a Court order, the arbitrator becomes functus officio, and a party cannot revive the reference by unilaterally appointing a succeeding arbitrator. It was further held that an award rendered by a succeeding arbitrator appointed in such circumstances stands vitiated as a nullity for want of jurisdiction. The Court also held that the appellant was not precluded from raising this objection merely because it had not separately challenged the succeeding arbitrator's order rejecting it, as the objection had been raised before the arbitrator and the award itself was promptly challenged. [Judgment dated 05.10.2026] **[FAO 195/2008]**

In **Life Insurance Corporation of India v. N.S. Associates Pvt. Ltd. [FAO(OS) (COMM) 261**

**/2026]**, it was held that where an Arbitral Tribunal is constituted through a unilateral appointment by an authority that is de jure ineligible under Section 12(5) read with the Seventh Schedule of the A&C Act, the defect goes to the root of the Tribunal's constitution and the validity of the Arbitral Award itself. It was further held that the consequence of such ineligibility cannot be confined to the claims assailed in the Section 34 petition, and the award cannot be sustained in part merely because the challenge was framed with reference to specified claims. The Court also held that a party which itself proceeded on the footing that the Tribunal was void ab initio cannot approbate and reprobate by seeking to sustain the remaining portions of the award, and that payments released under such an award cannot confer validity upon an award held to be non-est. [Judgment dated 06.10.2026] **[FAO(OS) (COMM) 261/2026]**

In **Sanjeev Singhal v. Shefali Varma [O.M.P.(I) 10/2026]**, it was held that the jurisdiction under Section 34 of the A&C Act is supervisory and not appellate, and the Court cannot re-appreciate evidence or substitute its own interpretation of contractual clauses where the view taken by the Arbitral Tribunal is a plausible and reasonable one. It was further held that while the choice between two possible interpretations ordinarily rests with the Tribunal, interference is permissible where the interpretation has no basis in the contract, ignores its clear terms, or is one that no reasonable person could have arrived at. The Court also held that the extent of examination of a particular issue is within the purview of the Arbitral Tribunal, and that a Tribunal which frames an issue and considers the relevant documents cannot be said to have abdicated its adjudicatory duty. [Judgment dated 06.10.2026] **[O.M.P.(I) 10/2026]**

In **Food Corporation of India & Anr. v. Vikas Chawla & Ors. [FAO (COMM) 186/2024]**, it was held that the presumption of deemed service of an arbitral award can be invoked only where the sender establishes that the award was properly addressed, prepaid and dispatched by registered post, and where the postal receipt is not produced, proof of dispatch is missing and the presumption cannot be invoked. It was further held that Section 3(1)(b) of the A&C Act likewise requires the award to be delivered by registered letter or other means, and that limitation under Section 34(3) runs from receipt of the award, which cannot be assumed in the absence of evidence of service. The Court held that while the applicability of Section 5 of the Limitation Act, 1963 ("Limitation Act") is ousted in view of the language of Section 34, exclusion of time under Section 14 of the Limitation Act continues to apply, and the time spent bona fide pursuing objections before a Court lacking territorial jurisdiction is liable to be excluded irrespective of whether the returned objections were re-filed or fresh objections were filed. It was also held that an Arbitral Tribunal cannot proceed ex-parte under Section 25 where the party's non-appearance is clouded by non-service of notice, and that the finding

that the arbitrator erred in proceeding ex-parte, together with the finding that the award was unreasoned, falls within the ambit of Section 34 and calls for no interference under Section 37 merely because another view is possible. The Court further held that there is no absolute bar on a Court examining the merits after setting aside an award for violation of natural justice, since the rationale for restraint is the likelihood of remand, whereas Section 34 confers no power of remand. [Judgment dated 07.10.2026] **[FAO (COMM) 186/2024]**

In **Small Farmers Agri Business Consortium v. Vanilla India Producer Company Ltd. & Ors. [FAO (COMM) 133/2024]**, it was held that limitation under Section 34(3) of the A&C Act runs from the date on which the party receives the signed copy of the award under Section 31(5), and not from the date of the award, and that the burden of proving an earlier delivery lies on the party pleading the bar. It was further held that a party's awareness that an award was to be pronounced, or its absence on the date of pronouncement, is no substitute for delivery of the award. The Court also held that a challenge under Section 34(2)(a)(iii) fails where the party appeared through counsel, filed a Statement of Defence, and chose not to avail the opportunity to lead evidence, since mere failure to avail an opportunity cannot be equated with denial of it. It was further held that Section 4 embodies the principle of waiver, and a party that participates in the proceedings without timely objection cannot subsequently assail the award on that ground, and that Section 21 merely determines the date of commencement of arbitral proceedings and does not render the proceedings void if formal intimation of appointment is not received. It was also held that, where valid and invalid portions of an award are legally and practically separable, a Court under Sections 34 and 37 may sever and set aside only the invalid portion without re-appraising the merits. The Court further held that a plea not raised before the Arbitrator or the Section 34 Court cannot be raised for the first time in appeal. [Judgment dated 09.10.2026] **[FAO (COMM) 133/2024]**

In **Union of India v. Swadeshi Civil Infrastructure Pvt. Ltd. [O.M.P. (COMM) 563/2025]**, it was held that while an Arbitral Tribunal cannot re-write the contract or ignore determinative clauses, the interpretation of contractual terms lies within its domain, and Courts will interfere under Section 34 of the A&C Act only where the interpretation is completely absurd, contrary to the agreement, or not even a remote possibility. It was further held that a bonus clause for early completion, which refers to extensions determined under specified clauses, does not exclude hindrance days granted under a force majeure clause that bars only a claim for damages, and where work is completed ahead of schedule after excluding such days, the contractor is entitled to the bonus. The Court also held that the grant of interest on a claim for which no interest was prayed is beyond the scope of the arbitration proceedings and per se illegal, and that such an invalid portion, being severable, can be set aside without disturbing the rest of the Award. It was further held that awards in construction disputes must be

analysed component-wise for GST purposes, as consideration for supply may attract GST whereas compensation for breach or liquidated damages may not, and a direction merely reimbursing GST wherever payable warranted no interference. [Judgment dated 12.10.2026] [**O.M.P. (COMM) 563/2025**]

In **Abhoy Charan Bakshi v. National Highways Authority of India & Ors. [O.M.P. (COMM) 107/2023]**, it was held that the jurisdiction under Section 34 of the A&C Act is narrowly circumscribed, the Arbitral Tribunal is the master of evidence and of interpretation of contractual terms, and its findings cannot be interfered with merely because another view is possible. It was further held that patent illegality must go to the root of the matter and not amount to a mere erroneous application of law, and that a petition which merely reiterates the case made before the Arbitral Tribunal, or requires comparing competing documents, effectively seeks re-appreciation of evidence, which is impermissible. The Court also held that the Arbitral Tribunal's reliance on joint inspection reports involving both parties, in preference to unilateral letters of the claimant, warranted no interference. It was further held that the Arbitral Tribunal's finding that repair work during the Defect Liability Period fell within the contractor's scope, and that the Performance Security and Security Deposit were not releasable where the defects remained uncured and the conditions for earlier release were not complied with, was a plausible view. [Judgment dated 13.10.2026] **[O.M.P. (COMM) 107/2023]**

In **Som Shiva Impex Ltd. v. National Research Development Corporation & Anr. [O.M.P. (COMM) 23/2023]**, it was held that while the Arbitral Tribunal has the power to award damages under Section 73 of the Indian Contract Act, 1872, such compensation cannot be granted without taking into consideration whether loss has actually been suffered, since breach and resultant loss must be pleaded and proved. It was further held that an award of damages which proceeds merely on the principle that the aggrieved party must be placed in the position it would have occupied had the contract been performed, without any finding on loss or on mitigation efforts, cannot be sustained. The Court also held that the scope of Section 34 does not permit re-evaluation of evidence, and that the absence of any finding on loss is a defect apparent on the face of the Award. [Judgment dated 13.10.2026] **[O.M.P. (COMM) 23/2023]**

In **Sumridhi Aluminium Pvt. Ltd. v. IMR Commodities DMCC [O.M.P.(I) (COMM.) 362/2026]**, it was held that under the proviso to Section 2(2) of the A&C Act, Section 9 applies to an international commercial arbitration even where the seat is outside India, unless there is an agreement to the contrary, and that such an agreement must specifically stipulate the exclusion of Section 9. It was further held that a foreign seat and an exclusive jurisdiction

clause in favour of foreign courts do not, by themselves, oust the jurisdiction of Indian Courts to entertain a Section 9 petition. The Court also held that, for the purposes of Section 2(1)(e)(ii), the situs of the asset is the determinative factor for the territorial jurisdiction of a Section 9 Court, and that the location of the petitioner's registered office or the making of payments from Delhi does not confer jurisdiction. [Judgment dated 13.10.2026] **[O.M.P.(I) (COMM.) 362/2026]**

In **Union of India v. M/s Shiv Naresh Sports Pvt. Ltd. [O.M.P. (COMM) 20/2015]**, it was held that, where arbitral proceedings commenced prior to the Arbitration and Conciliation (Amendment) Act, 2015 and are governed by the unamended Section 12, mere non-disclosure or delayed disclosure of a circumstance by an arbitrator does not by itself disqualify him, and an arbitrator can be challenged only if circumstances exist giving rise to justifiable doubts as to his independence or impartiality. It was further held that an arbitrator's earlier membership of a departmental committee which examined the rates at the tender stage, without any role in the execution of the agreement or the decisions under dispute, does not give rise to such doubts, and that a party which appointed the arbitrator and was aware of his earlier association is precluded under Section 12(4) from raising the objection. The Court also held that a party cannot withdraw a no-objection given by its officer, who was authorised to sign and file the Statement of Defence, on the ground that the competent authority was not consulted, and that compliance with portions of an award while reserving the right to challenge does not amount to acceptance or waiver. It was further held that interpretation of contractual clauses falls within the domain of the Arbitral Tribunal and cannot be displaced merely because another construction is preferable, and that an arbitrator does not travel beyond the reference when he examines the validity of an undertaking relied upon by the petitioner itself as a defence to a claim. [Judgment dated 12.10.2026] **[O.M.P. (COMM) 20/2015]**

In **GAIL Gas Limited v. Saraswati Concast Pvt. Ltd. [CM(M) 20/2026]**, it was held that the supervisory jurisdiction under Article 227 of the Constitution must be exercised with extreme circumspection in matters arising under the A&C Act, in view of the policy of minimal judicial intervention under Section 5, and that a different view of the evidence or a possible error in appreciation of documents does not by itself justify interference. It was further held that delivery of the signed copy of the award under Section 31(5) is not a mere formality and that limitation under Section 34(3) commences only upon such delivery to the party. The Court also held that the presumption of service under Section 27 of the General Clauses Act arises only where the communication is shown to have been properly addressed, and that a postal receipt omitting the premises number forming part of the party's registered-office address does not establish proper addressing, even if the article was delivered in the same locality. It

was further held that, once no presumption of service arises for want of a complete address, whether the award was sent in the mode prescribed in the arbitration agreement is of no consequence. [Judgment dated 14.10.2026] **[CM(M) 20/2026]**

In **Enerica Infra 3 Private Limited v. NTPC Vidyut Vyapar Nigam Limited & Anr. [O.M.P. (I) (COMM.) 346/2026]**, it was held that Section 86(1)(f) of the Electricity Act is a special provision which prevails over the general framework of the A&C Act, and disputes between the parties fall within the exclusive domain of the State Electricity Regulatory Commission, which decides the dispute itself or refers it to arbitration, thereby denuding the Court of jurisdiction under Section 9. It was further held that the State Commission, under Section 94(2) read with Sections 86(1)(f) and 158 of the Electricity Act, is empowered to entertain applications for interim protection akin to those under Section 9 of the A&C Act, so that a party relegated to the Commission is not left without urgent interim remedies. The Court also held that where the arbitration clause excludes disputes exceeding INR 25,00,00,000 (Indian Rupees Twenty-Five Crore), a petition seeking to injunct invocation of bank guarantees valued cumulatively above that threshold, and seeking their release, concerns a dispute exceeding the threshold, and the bar cannot be avoided on the ground that no recovery of money is sought. [Judgment dated 14.10.2026] **[O.M.P.(I) (COMM.) 346/2026]**

In **M/s Surinder Pal Singh and Company v. CNH Industrial India Private Limited & Anr. [W.P.(C) 15374/2026]**, it was held that the scope of judicial interference under Articles 226 and 227 of the Constitution with orders passed by an Arbitral Tribunal is exceedingly narrow, warranting exercise of such jurisdiction only in exceptional circumstances, such as where a party is left remediless under the statute or where clear bad faith is shown. It was further held that Section 5 of the A&C Act bars judicial intervention except as contemplated by the statute, and that Courts cannot, as a matter of routine, entertain writ petitions challenging procedural orders of an Arbitral Tribunal, as the very object of arbitration lies in minimal judicial intervention. The Court also held that an order declining an application under Section 27 for summoning witnesses and closing a party's evidence pertains to the manner of conduct of the arbitral proceedings, which lies within the domain and discretion of the Tribunal, and that the aggrieved party's remedy lies in challenging the interim or final award under Section 34. [Judgment dated 14.10.2026] **[W.P.(C) 15374/2026]**

In **Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd. v. Facor Alloys Limited [O.M.P.(I) (COMM.) 387/2026]**, it was held that Section 9(1) of the A&C Act permits a party to seek interim measures of protection after the making of the arbitral award but before its enforcement under Section 36, and that the expression "before it is enforced" does not preclude a party from seeking appropriate interim protection merely because enforcement proceedings have been initiated, the scope of relief depending on the facts of the case and the

nature of protection sought. It was further held that an objection to maintainability on the ground that enforcement proceedings are pending before the Executing Court is not sustainable where the award recognises the petitioner's entitlement to return of its goods lying at the respondent's plant and no enforcement proceedings are pending at the petitioner's instance. [Judgment dated 14.10.2026] **[O.M.P.(I) (COMM.) 387/2026]**

In **Mumbai International Airport Limited v. Airports Authority of India [FAO(OS) (COMM) 202/2024]**, it was held that the jurisdiction under Section 37 of the A&C Act is narrower than that under Section 34, and the appellate court does not undertake an independent assessment of the merits but only examines whether the Section 34 court remained within the bounds of that provision. It was further held that a judgment does not become non-speaking merely because it reproduces portions of the award, as the distinction lies not in the extent of textual reproduction but in the existence of judicial engagement with the controversy, and that a court may adopt the Tribunal's reasoning where it finds it legally sustainable. It was also held that such adoption cannot amount to mechanical endorsement, and a judgment remains vulnerable where a material objection is left unexamined or the reasoning rests on a legally untenable premise. The Court held that interpretation of contractual provisions ordinarily falls within the domain of the Arbitral Tribunal, and that the question is not whether another construction is arguable but whether the Tribunal's construction falls outside the range of permissible contractual constructions. It was further held that omission to separately discuss every sentence of a document does not by itself establish patent illegality, though the materiality of the omitted consideration must be assessed. [Judgment dated 16.10.2026] **[FAO(OS) (COMM) 202/2024]**

In **Larsen & Toubro Limited v. Delhi Metro Rail Corporation Ltd. [O.M.P. (COMM) 257/2016]**, it was held that a dispute over whether a clause providing for reimbursement of tax "if applicable" obliges a party to reimburse tax paid, which turns on interpretation of the contract and affects no third party, is arbitrable, whereas the rate of tax, whether a transaction is legally taxable, and matters encroaching on the exclusive domain of a taxing authority are generally not. It was further held that a party which itself invoked arbitration and raised no objection to the Tribunal's jurisdiction under Section 16 is precluded from later contending that the Tribunal lacked jurisdiction. The Court held that, in determining whether a sale occurs in the course of import or inter-State trade, the relevant inquiry is whether the movement of goods was integrally connected with, or incidental to, the contract, and that a conceivable link suffices even if the movement is not expressly stipulated. It was also held that such a nexus exists where specifications are prescribed by the buyer, suppliers are approved by it, goods are pre-inspected and custom-made for its project, duty exemptions are issued specifically for them, and the goods are marked for its use. The absence of direct import by the

contractor, the interposition of an intermediary supplier, and the later incorporation of the goods into a works-contract end product do not, by themselves, sever this nexus. The Court also held that rectification of an earlier mistaken reimbursement is not an admission that the transaction was taxable, and that a plausible view of the Tribunal, which has not rewritten the contractual bargain, cannot be interfered with under Section 34. [Judgment dated 16.10.2026] **[O.M.P. (COMM) 257/2016]**

In **Department of Land Resources v. M/s Mukesh and Associates [FAO(OS) (COMM) 175/2024 & FAO(OS) (COMM) 233/2024]**, it was held that an appeal under Section 37 of the A&C Act filed without the impugned order and the arbitral award is a non-est filing, which does not stop the running of limitation, so that limitation is reckoned from the date of the first proper filing. It was further held that the limitation for an appeal under Section 37 of the A&C Act, where the specified value is not less than INR 3,00,000 (Indian Rupees Three Lakh), is 60 (sixty) days under Section 13(1A) of the Commercial Courts Act, 2015 ("Commercial Courts Act"). The Court held that, given the object of speedy resolution of disputes under the A&C Act and the Commercial Courts Act, the expression "sufficient cause" is not elastic enough to cover long delays beyond the appeal period, and that a delay beyond the prescribed period is to be condoned only by way of exception and not by way of rule. It was also held that no different yardstick for condonation of delay applies merely because the Government is a party. It was further held that a vague explanation, such as government offices not functioning to full capacity owing to general elections does not show how the appellant was prevented from taking steps within the limitation period. [Judgment dated 15.10.2026] **[FAO(OS) (COMM) 175/2024 & FAO(OS) (COMM) 233/2024]**

In **MMTC Ltd. v. Chauhan Jewellers & Ors. [FAO(OS) (COMM) 108/2017]**, it was held that an award must be read fairly and as a whole, and that arbitrators are not required to discuss every document or clause in isolation, the decisive question being whether the path to the Tribunal's conclusion is discernible and reflects a permissible view. It was further held that judicial deference has a boundary, as an award cannot ignore or override an express contractual stipulation governing the dispute, and that the jurisdiction under Section 37 remains subject to the limits of Section 34. The Court held that the dismissal of a Section 34 petition in another matter does not establish a single authoritative interpretation of a contract, as two tribunals may adopt different but plausible interpretations of similar contracts, and that an award in another arbitration cannot establish patent illegality in the present one. It was also held that a rejection resting on an enquiry into a shortfall that was never claimed, together with a misreading of the payment terms stated in the invoice, goes to the root of the determination and constitutes patent illegality under Section 34(2A). [Judgment dated 27.10.2026] **[FAO(OS) (COMM) 108/2017 & CM APPL. 18464/2017]**

In **M/s Onycon Infrastructure v. Virtuaal Pareng Hydro Private Limited & Anr. [O.M.P.(I) (COMM) 289/2026]**, it was held that where a bank guarantee is wholly or partly conditional, the Court's enquiry under Section 9 of the A&C Act is confined to ascertaining, prima facie, whether the conditions prescribed in the guarantee itself are fulfilled, and that it is for the Court alone to examine the facts crucial to forming such an opinion, the bank being bound to honour its commitment irrespective of disputes between the parties. It was further held that a guarantee conditioned on the contractor's failure to commence or to fulfil its obligations under the contract is satisfied where the works have commenced and the beneficiary has produced correspondence, default notices and warnings of action which prima facie show non-fulfilment of obligations, without the Court examining the merits of those allegations. [Judgment dated 27.10.2026] **[O.M.P.(I) (COMM) 289/2026]**

In **Flowmore Limited v. M/s Skipper Limited [FAO(OS) (COMM) 31/2023]**, it was held that a finding based on no evidence, or one which ignores vital evidence, suffers from patent illegality, and that an arbitrator's finding of implied waiver of a contractual requirement cannot stand where the correspondence relied upon is confined in its terms to a different subject matter. It was further held that a go-ahead for mass production of one category of items, and a request for a proforma invoice made in accordance with the payment clause, can neither be treated as manufacturing clearance for other items nor as waiver of the prototype inspection of those items. The Court held that findings which are contradictory, such as holding that inspection was waived while also holding that no occasion for inspection arose in the absence of advance payment, are liable to be set aside, and that an award suffering from inconsistent findings is unsustainable. It was also held that a party cannot blow hot and cold, and that a Tribunal's failure to consider vital evidence on the contention that goods were customised for the buyer, when the supplier had earlier claimed they were similar to goods supplied for another project, vitiates its acceptance of the quantification of loss on that basis. The Court reiterated that the jurisdiction under Section 37 is narrower than that under Section 34, that the quality of evidence lies within the exclusive domain of the arbitrator, and that "no evidence" means truly no relevant evidence and not scant or weak evidence. [Judgment dated 28.10.2026] **[FAO(OS) (COMM) 31/2023]**

In **MMTC Limited v. Aust Grain Exports Pty Ltd [FAO(OS) (COMM) 210/2023]**, it was held that where the place of arbitration is in India, an arbitration with a foreign party is an international commercial arbitration, and the ground of patent illegality under Section 34(2A) of the A&C Act is unavailable to challenge its award, while the remaining grounds under Section 34 apply in full force. It was further held that under Section 31(2), signatures of the majority of the members of a multi-member tribunal suffice, a dissenting member's separate opinion does not result in two awards, and no period is prescribed for recording a dissenting

opinion, a reasonable time being expected. The Court also held that an award for the payment of money is subject to the parties' agreement on interest under Section 31(7)(a), and that an award of interest on an amount which the parties had contractually agreed would carry none, and which the Tribunal had itself rejected as a claim without reason or justification, conflicts with the most basic notions of justice and is contrary to the public policy of India. [Judgment dated 28.10.2026] **[FAO(OS) (COMM) 210/2023]**

In **Thor Ventures (OPC) Private Limited v. NYEQ Technologies Private Limited [O.M.P.(I) (COMM.) 461/2026 & O.M.P.(I) (COMM.) 462/2026]**, it was held that an unsuccessful party to the arbitration is entitled to invoke Section 9 of the A&C Act for post-award interim protection, but must meet a higher threshold on the triple test of prima facie case, balance of convenience and irreparable harm, and such relief is warranted only in rare and compelling cases where it prevents irreparable prejudice and preserves the efficacy of the Section 34 challenge. It was further held that the mere filing of a Section 34 petition, or of a Section 9 petition, is by itself neither rare nor compelling. The Court held that, while the Arbitral Tribunal is the master of facts, a finding based on no evidence is perverse, and at the Section 9 stage the Court's examination of perversity is limited to a prima facie opinion. It was also held that a finding that a loan sanction letter is a sham document is prima facie based on no evidence where its genuineness was never put to the witness who produced it, and that, although the onus of proving readiness and willingness lies on the claimant, the onus of showing that a document produced by its issuer's witness is sham lies on the party alleging it. It was further held that a claimant may show readiness and willingness through the financial capacity of a bank, a non-banking financial company or any other sound financial entity. The Court also held that, following the 2018 amendment to the Specific Relief Act, specific performance is no longer discretionary and money compensation is no longer a ground to refuse it, which is a compelling circumstance where no alternative claim for damages was made and the respondent's only assets are the subject properties. [Judgment dated 28.10.2026] **[O.M.P.(I) (COMM.) 461/2026 & O.M.P.(I) (COMM.) 462/2026]**

In **Dayanand Pal v. Dharmendra Kumar Bhati & Ors. [CM(M) 474/2025]**, it was held that a petition under Article 227 of the Constitution against an order passed in appeal under Section 37 of the A&C Act is not a second appeal barred by Section 37(3), and is maintainable. It was further held that the objection of the Respondents conflated maintainability with entertainability, the former concerning the existence of jurisdiction and the latter the circumstances in which it ought to be exercised. The Court also held that supervisory jurisdiction under Article 227 in matters arising under Part I of the A&C Act must be exercised with considerable circumspection, and interference is warranted only where the order suffers from a patent lack of inherent jurisdiction, the court below has exceeded its jurisdiction, or an

error is apparent on the face of the record. It was further held that an appellate court under Section 37 does not ordinarily interfere with the discretion exercised by an Arbitral Tribunal under Section 17, but examining whether an interim direction is traceable to the relief sought by the party is within its appellate jurisdiction and does not amount to substituting its own discretion. The Court also held that a direction beyond the relief sought in the Section 17 application is liable to be set aside, and that a plausible view taken by the appellate court cannot be interfered with under Article 227 merely because another view is possible. [Judgment dated 29.10.2026] **[CM(M) 474/2025]**

In **M/s Sanmati Builders v. Union of India [FAO (COMM) 95/2023]**, it was held that the jurisdiction under Section 37 of the A&C Act in an appeal against an order setting aside an award under Section 34 is circumscribed by the limits of Section 34, and the Court does not substitute its own interpretation of the contract merely because another view is possible. It was further held that where an acceptance introduces additional conditions that materially vary the terms of the offer and are not assented to, the existence of a concluded contract is open to question, and a Court under Section 34 cannot treat the initial acceptance as conclusive without addressing the objection to the subsequent conditions. The Court also held that the mere failure to furnish a performance guarantee or commence work does not answer the anterior question whether a concluded contract came into existence, and that a refund of earnest money consequential upon the finding of no concluded contract cannot be set aside on a contrary premise alone. It was further held that a claim for advances rendered irrecoverable cannot be treated as unsupported by evidence where the Tribunal has considered documentary material and awarded only part of the claim, and that its quantification cannot be displaced by reassessment of evidence. The Court also held that pre-award interest cannot be awarded contrary to an express contractual prohibition, but post-award interest under Section 31(7)(b) must be examined separately. It was further held that a contractual clause requiring parties to bear their own costs cannot bar the Tribunal's discretion under Section 31A where it was not agreed after the dispute arose. The Court also held that a finding cannot be termed perverse without identifying the defect in the award and its relation to the grounds under Section 34. [Judgment dated 29.10.2026] **[FAO (COMM) 95/2023]**

In **SPR Auto Technologies Limited v. Usha International Limited [FAO(OS) (COMM) 243/2026 & FAO(OS) (COMM) 244/2026]**, it was held that the jurisdiction under Section 37 of the A&C Act is circumscribed by the limits of Section 34, and the appellate Court examines only whether the Section 34 Court remained within those limits, without reassessing the merits or substituting its own view. It was further held that unexplained delay in pronouncing an award does not by itself vitiate it, and the award is liable to be set aside only where the adverse effect of the delay is explicit in the findings and the award is demonstrably riddled with its consequences. The Court also held that an objection to the existence of an arbitration

agreement engages the jurisdictional limits under Section 34, but a finding that the arrangement originated in an earlier agreement later modified, based on the parties' course of dealings, is a plausible view not liable to interference. It was further held that participation in proceedings under protest does not answer an objection to the constitution of the Tribunal, but the objector must establish a recognised ground of disqualification, non-compliance with a mandatory requirement, or denial of a fair opportunity, and adverse procedural orders do not by themselves establish bias. The Court also held that an award need not contain separately numbered findings on every issue, provided the substance of the dispute has been considered and the basis of the decision can be discerned. [Judgment dated 29.10.2026] **[FAO(OS) (COMM) 243/2026 & FAO(OS) (COMM) 244/2026]**

## Supreme Court

In **Shubham Equipment Private Limited & Anr. v. Rothwell Water Company Limited & Ors. [Arbitration Petition (Civil) Nos. 7 and 8 of 2025]**, it was held that where disputes arise under separate agreements containing their own arbitration clauses, the existence of a broader or parent agreement with a different arbitration clause does not, by itself, require such disputes to be referred to arbitration under the parent agreement. Applying Section 11(6-A) of the A&C Act, the Supreme Court held that the referral court's inquiry is limited to the prima facie existence of an arbitration agreement and that disputes arising exclusively under the Joint Venture Agreement and Memorandum of Understanding were referable under their respective arbitration clauses, as the agreements operated in distinct fields and superseded prior arrangements concerning their respective subject matters. The Court further held that the disputed question of whether a non-signatory subsidiary was bound by the arbitration agreement should be determined by the Arbitral Tribunal rather than at the referral stage. [Order dated 08.10.2026] **[Arbitration Petition (Civil) Nos. 7 and 8 of 2025]**

In **Modern Asset v. KNK Construction Private Limited [SLP (C) No. 25068 of 2026]**, it was held that the scope of Section 11 of the A&C Act is confined to the prima facie existence of an arbitration agreement, and that the appointment of an Arbitral Tribunal in respect of a dispute arising from the same contract warranted no interference. It was further held that under the "clean slate" principle in Section 31(1) of the Insolvency and Bankruptcy Code, 2016 ("IBC"), claims against the Corporate Debtor not forming part of the approved resolution plan stand extinguished, and that the Successful Resolution Applicant is entitled to pursue the Corporate Debtor's claims against its debtors, even where the erstwhile promoters return to management as the Successful Resolution Applicant. The Court also held that the effect of the clean slate principle on the Operational Creditor's claim is not a question to be left to the Arbitral Tribunal. [Judgment dated 08.10.2026] **[SLP (C) No. 25068 of 2026]**

In **Arcis Clean Energy Pvt. Ltd. v. Parshva Innovation [SLP (C) No. 35915 of 2025]**, it was held that parties may, by agreement, choose their own place of arbitration and confer exclusive jurisdiction on the courts at a particular place for regulating the arbitral proceedings, regardless of whether any part of the cause of action arose there. It was further held that the absence of words such as "exclusive" or "only" in a jurisdiction clause is not decisive, since the specification of one place's courts impliedly excludes all others. The Court held that a place designated for arbitration can be construed as the seat only where the clause designates a single place, the proceedings are anchored to that place alone without scope of change, and there are no significant contrary indicia. Where the arbitration clause itself mentions more than one place, the designated place is not automatically the seat, and the governing law and jurisdiction clause becomes relevant in determining the juridical seat. It was also held that the independence of the arbitration agreement from the main contract does not prevent reference to the governing law clause for this purpose where the arbitration clause itself names two places, and that the mere expression "place of arbitration" cannot by itself establish the parties' intention as to the seat. [Judgment dated 12.10.2026] **[SLP (C) No. 35915 of 2025]**

In **Hemant D. Shah HUF & Anr. v. Chittaranjan D. Shah HUF & Ors. [SLP (C) No. 26474 of 2026]**, it was held that the question whether a non-signatory is a "veritable party" to an arbitration is to be determined on the facts of each case and cannot be reduced to a strait-jacket formula. It was further held that arbitration law is an autonomous field, distinct from corporate and contract law, concerned with whether a Tribunal has jurisdiction over disputes between parties to an arbitration agreement, and that Courts cannot adopt a rigid approach to exclude persons who, through their conduct and relationship with the signatories, intended to be bound by the underlying contract. The Court held that the requirement of a written arbitration agreement under Section 7 does not exclude the possibility of binding non-signatories, and that the applicability of the Group of Companies doctrine does not exclude other doctrines and principles for binding non-signatories. It was also held that, at the referral stage, the Court may enter a prima facie satisfaction that the non-signatory is a veritable party, without being deprived of its jurisdiction to examine whether the non-signatory is in the real sense a party to the agreement, while the Arbitral Tribunal retains jurisdiction to finally decide the issue on factual evidence and the application of legal doctrine. [Judgment dated 12.10.2026] **[SLP (C) No. 26474 of 2026]**

In **MS Sharma Enterprises v. National Building Construction Corporation [CA No. 13782 of 2026]**, it was held that the power of an Arbitral Tribunal to award pre-award interest, covering both the pre-reference and pendente lite periods, under Section 31(7)(a) of the A&C Act is expressly subject to the opening words "unless otherwise agreed by the parties", and

must be read harmoniously with Section 28(3), which requires the Tribunal to decide in accordance with the contractual terms. It was further held that the Arbitral Tribunal, being a creature of the contract, has no power to award interest contrary to the agreement, even on equitable grounds or in the form of compensation. The Court held that the doctrine of ejusdem generis applies only where the general words follow a specific class forming a genus, and that where the expressions in a contractual clause are disjunctively joined by "or", each must be examined independently given its wide amplitude. It was also held that the words "or otherwise" are residuary words of extension and not limitation, and that confining them to the preceding expressions on delayed payments would render them redundant and amount to rewriting the contract. The Court further held that a clause ending with "or otherwise" stands on the same footing as one ending with "or any other respect whatsoever", and operates as a contractual bar on pre-reference and pendente lite interest, whereas a clause narrowly restricting interest on delayed payment or disputed claims, with no residuary expression, cannot be construed as an absolute bar. [Judgment dated 15.10.2026] **[CA No. 13782 of 2026]**

In **South Bihar Power Distribution Company Ltd. v. India Power Corporation Ltd. & Anr. [Civil Appeal No. 9313 of 2026 with Civil Appeal No. 9325 of 2026]**, it was held that a party which consents before the High Court to the appointment of a sole arbitrator, participates in the proceedings for a prolonged period, consents to extension of time and files counter-claims is deemed under Section 4 read with Section 16(2) of the A&C Act to have waived the agreement's requirement of a three-member tribunal, and cannot raise the objection belatedly when extension of the mandate is sought. It was further held that orders appointing the arbitrator which were not assailed attain finality and bind the parties. The Court held that the moratorium under Section 14 of the IBC is intended to prohibit debt recovery action against the corporate debtor and does not bar the corporate debtor from initiating or continuing proceedings for recovery of its dues, such as an arbitral claim, particularly where the resolution professional has authorised the pursuit of the arbitration with the approval of the committee of creditors under Section 28(1)(h). It was also held that the power under Section 29A(4) to extend the mandate vests in the "court" as defined in Section 2(1)(e), being the principal civil court of original jurisdiction in a district or a High Court exercising ordinary original civil jurisdiction, and not in the High Court or the Supreme Court exercising power under Section 11, whose jurisdiction stands exhausted upon constitution of the tribunal. It was further held that Section 42 does not apply to applications under Section 11, and that a superior court's appointment of the arbitrator does not make it the court of first instance for that purpose. [Judgment dated 28.10.2026] **[Civil Appeal No. 9313 of 2026 with Civil Appeal No. 9325 of 2026]**

In **Shreeram Builders v. Upendra Kantilal Thanawala & Ors. [Civil Appeal Nos.**

**9817-9818 of 2024]**, it was held that appellate jurisdiction under Section 37 of the A&C Act is coterminous with, and as broad as, the jurisdiction of the court deciding objections under Section 34, so that the appellate court may test the award afresh on the anvil of Section 34 notwithstanding its confirmation by the Section 34 court. It was further held that the amended Section 34 applies only to applications filed on or after 23.10.2015, and that for earlier applications the unamended provision governs, under which an award contrary to the fundamental policy of Indian law, the interest of India, or justice or morality, or one that is patently illegal, can be set aside. The Court held that nomenclature of a document is not decisive of its nature, which is determined by the rights and obligations it creates, and that payment of stamp duty at a lower rate does not conclude the issue. It was also held that where an agreement prescribes a binding sequence of performance, it must be given effect as envisaged, and it is not essential to label its character. [Judgment dated 29.10.2026] **[Civil Appeal Nos. 9817-9818 of 2024]**

# Environment Law

## National Green Tribunal ("NGT")

In **Yadram Singh v. State Level Environment Impact Assessment Authority, Uttar Pradesh & Ors. [Original Application No. 1220/2024 (IA No. 95/2026)]** it was held that a District Survey Report ("DSR") for sand mining is valid only where a replenishment study is conducted before its preparation and approval of a DSR by the State Level Environment Impact Assessment Authority ("SEIAA") without ascertaining this is mechanical and suffers from non-application of mind. The objection that the DSRs were not specifically challenged was rejected, as the Applicant had questioned them on the ground of absence of replenishment study, and the NGT can mould the relief. A DSR prepared without following the Sustainable Sand Mining Management Guidelines, 2016 and the Enforcement and Monitoring Guidelines for Sand Mining, 2020 raises a substantial question relating to environment under Section 14 of the National Green Tribunal Act, 2010 ("NGT Act"). For District Basti, no replenishment study was done and for District Shamli, the study was not placed before the State Expert Appraisal Committee and SEIAA at the time of approval. The approval of the DSRs in the 828th minutes of meeting dated 01.08.2024 was set aside, the DSR of Basti was set aside, and the DSR of Shamli was directed to be reappraised considering the replenishment study. [Order dated 09.10.2026] **[Original Application No. 1220/2024]**

In **M/s Shiv Shakti Traders v. Ridhima Pandey & Ors. [Review Application No. 34/2025 in Original Application No. 429/2022]** it was held that review proceedings are not an appeal in disguise and must be strictly confined to the scope of Order XLVII Rule 1 of the CPC, and mere disagreement with the view taken, the plausibility of an alternative view or re-appreciation of facts already adjudicated cannot be a ground for review. The Review Applicant had sought review of the judgment dated 28.03.2025, which directed the Uttarakhand Pollution Control Board to compute environmental compensation against it for illegal mining in the reserved forest of Haldwani Forest Division. The delay, stated to be about 30 (thirty) days, was explained on the grounds that the judgment was not uploaded on the website and that the counsel was not available during the summer vacation. The NGT held that the Review Applicant did not mention the exact date of knowledge of the judgment and assigned no valid explanation for the delay, so that no sufficient cause was made out. [Order dated 06.10.2026] **[Review Application No. 34/2025]**

In **Medical Pollution Control Committee v. Uttar Pradesh Pollution Control Board & Ors.**

**[Appeal No. 48/2026 (I.A. Nos. 324/2026 and 795/2026)]**, it was held that an appeal under Section 16 of the NGT Act against the order dated 01.03.2026 of the Uttar Pradesh Pollution Control Board ("UPPCB") on an application for Consent to Establish is not maintainable, where the appellant has not approached the Appellate Authority under Section 28 of the Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") and Section 31 of the Air (Prevention and Control of Pollution) Act, 1981 ("Air Act"). The Special Secretary Environment, State of Uttar Pradesh is the Appellate Authority specified for this purpose, and the representation sent to the Chairman, UPPCB was not an appeal to it. The NGT held that the second appeal lies before it against the order of the Appellate Authority, and the appellant cannot jump to file it straightway without availing the first appeal. The NGT also noted the notifications dated 12.11.2024 under the proviso to Section 21 of the Air Act and the proviso to Section 25(1) of the Water Act, which exempt industries having Environmental Clearance under the Environment Impact Assessment ("EIA") Notification dated 14.09.2006 from Consent to Establish, and found no infirmity in the impugned order, which merely refers to them, though this observation on merits was made for the limited purpose of deciding the matter and does not affect the other rights of the appellant. [Order dated 07.10.2026] **[Appeal No. 48/2026]**

## Supreme Court

In **Anand Arya v. Union of India [Writ Petition (Civil) No. 304 of 2018 with Writ Petition (Civil) No. 230 of 2001 and Writ Petition (Civil) No. 302 of 2020]**,it was held that water bodies, being a source of drinking water, fall within the right to live guaranteed under the Constitution, and the Court cannot remain a mere spectator while they remain unprotected. All States and Wetland Authorities were directed to undertake physical ground truthing and demarcation of wetland boundaries in compliance with Rule 7(1) of the Wetlands (Conservation and Management) Rules, 2017 (Wetlands Rules), expeditiously and on a war footing. The method followed by the State of Tamil Nadu was found to be systematic and scientific, and the other States were directed to follow the same. The exercise also covers water bodies other than wetlands, including wetlands below 2.25 hectares. Rule 7(1)(a) requires the exercise within one year of the publication of the Wetlands Rules, and it remained incomplete after 9 (nine) years. [Order dated 12.10.2026] **[Writ Petition (Civil) No. 304 of 2018 with Writ Petition (Civil) No. 230 of 2001 and Writ Petition (Civil) No. 302 of 2020]**

In **M/s Dhanlaxmi Merchandise Pvt. Ltd. v. State of Madhya Pradesh & Ors. [Civil Appeal Nos. 13749 and 13750 of 2026]**, it was held that the cancellation of the e-tender-cum-

auction process for the Shahdol and Katni sand mining groups was arbitrary, as the Corporation rejected the highest bids primarily because they were lower than the appellants' earlier bids, without establishing through contemporaneous valuation or other material that the fresh bids were below the market value reasonably obtainable. The Supreme Court observed that under Rule 16 of the Madhya Pradesh Sand (Mining, Transportation, Storage and Trading) Rules, 2019, as applicable at the relevant time, surrendering operators were not disqualified from participating in fresh tenders, and the subsequent amendment dated 30.01.2026 introducing such a restriction could not be applied retrospectively. [Judgment dated 14.10.2026] **[Civil Appeal Nos. 13749 and 13750 of 2026]**

In **Arjun Gopal & Ors. v. Union of India & Ors. [Writ Petition (Civil) No. 728 of 2015 with Suo Motu Writ Petition (Civil) No. 15 of 2026]**, it was held that the regulation of firecrackers must balance religious and cultural practices with the fundamental right to health and a pollution-free environment under Article 21 of the Constitution. Taking note of the adverse impact of firecrackers on air quality and public health, the Supreme Court permitted the manufacture, sale and use of approved Green Crackers in Delhi-National Capital Region on 7 and 8 November 2026, subject to prescribed timings, designated sale locations and restrictions on bursting near hospitals, educational institutions and other specified areas. The Court directed the authorities to ensure the sale of only approved Green Crackers bearing QR codes, monitor air quality, collect environmental samples and assess the post-Diwali impact on public health. It further directed restoration of the complete ban on firecrackers with effect from 09.11.2026 and required the concerned authorities to submit compliance reports. [Order dated 29.10.2026] **[Writ Petition (Civil) No. 728 of 2015 with Suo Motu Writ Petition (Civil) No. 15 of 2026]**

## Power and Energy Sector

**A. Guidelines for Payment of Compensation in regard to Right of Way ("RoW") for Transmission Lines [F. No. 3/4/2016-Trans-Part (4) dated 06.10.2026]**

The Ministry of Power issued revised guidelines for determining compensation for RoW for Inter-State Transmission System lines under Sections 67 and 68 of the Electricity Act, read with Sections 10 and 16 of the Indian Telegraph Act in supersession of its earlier guidelines. They apply to lines of 66 kV and above, where landowners object that circle rates are below market rates, and where the State Government has not specified the manner of determining land value. Compensation is ordinarily based on the circle rate, unless the market rate is higher. In that case, a Market Rate Committee ("MRC") chaired by the District Magistrate or his nominee determines it as the average of three valuations by valuers empanelled with the Insolvency and Bankruptcy Board of India, with the highest and lowest valuations normalised to within 20% of the median. Tower base compensation is 200% of the market value. RoW corridor compensation is 30% of the market value in rural areas, 45% in municipalities and other urban planning areas, and 60% in municipal corporations and metropolitan areas. Any difference from the base RoW compensation under the Tariff Based Competitive Bidding Guidelines is eligible for pass through under Change in Law by the CERC. An appeal against the decision of the MRC lies within 30 (thirty) days to an Appellate Authority notified by the State Government and is admitted only if the aggrieved party agrees to commencement of work at the site. [Guidelines dated 06.10.2026] **[F. No. 3/4/2016-Trans-Part(4)]**

**B. National Electricity Data Sharing Framework, 2026 [No. 14/03/2025-UR&SI-II-Part(1) [E:281015] dated 22.10.2026]**

The Ministry of Power circulated the National Electricity Data Sharing Framework, 2026 ( "Framework"), proposing a voluntary framework for secure and standardised sharing of electricity-sector data across entities in the power sector. The Framework envisages the constitution of a National Electricity Data Division within the Central Electricity Authority and the establishment of a National Electricity Data Portal, leveraging the existing National Power Portal. It provides for a two-tier data classification system comprising Tier 1 (Public) and Tier 2 (Access Controlled) datasets, supported by standardised metadata, registration and access protocols, data de-identification and user agreements. It further provides for the constitution

of a National Electricity Data Governance Committee and the appointment of Data Governance Officers by participating entities to oversee implementation, data access and grievance redressal. The Framework also prescribes cybersecurity safeguards and provides for inter-sectoral data sharing, with implementation remaining subject to applicable laws and regulations. **[Ministry of Power, Office Memorandum dated 22.10.2026]**

**C. Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fifth Amendment) Regulations, 2026 [No. L-1/250/2019/CERC] dated 26.10.2026**

CERC issued a supplementary draft notification proposing additional provisions for waiver of inter-state transmission charges for wind, solar and hybrid renewable energy projects having a PPA/Power Sale Agreement ("PSA") of at least 7 (seven) years executed on or before 31.03.2027, where commissioning is delayed due to non-availability of the transmission system. The proposed waiver ranges from 100% to 25%, depending on the applicable connectivity start date or SCOD, subject to achievement of COD within two months of General Network Access effectiveness and submission of the requisite PPA/PSA to Central Transmission Utility of India Limited and National Load Despatch Centre by 30.04.2027. The waiver may extend up to 25 (twenty-five) years from COD, subject to prescribed conditions. Eligible projects must exercise an irrevocable option between the existing and proposed waiver provisions within the stipulated timelines. [Supplementary Draft Notification dated 26.10.2026] **[No. L-1/250/2019/CERC]**

## Environment Sector

**A. Extension of Pan-Tilt-Zone ("PTZ") Camera-Based Remote Monitoring to All Industries Covered under Statutory Direction No. 98 [Press Release dated 16.10.2026]**

The Commission for Air Quality Management in National Capital Region and Adjoining Areas extends the requirement of PTZ cameras to all categories of industries covered under Statutory Direction No. 98. The covered industries are the 17 categories of highly polluting industries identified by the Central Pollution Control Board ("CPCB"), Red Category (Medium and Large) air-polluting industries, Food and Food Processing and Textile industries having boilers or thermic fluid heaters, and Metal industries having furnaces. PTZ cameras are required at fuel-feeding or charging points, gas meters or gauges, stack emission and Online Continuous Emission Monitoring System sampling locations, and fume extraction areas. Their video feeds are to be transmitted continuously and in real time through Real Time Streaming Protocol to the designated servers of CPCB and the respective State Pollution Control Boards

("SPCB") or the Delhi Pollution Control Committee ("DPCC"). Industrial units are to provide power backup, maintain the cameras, and report any prolonged disruption to the concerned SPCB or DPCC. The cameras are to be installed and made operational by 30.11.2026. **[Press Release dated 16.10.2026]**

**B. National Electricity Data Sharing Framework, 2026 [Dated 22.10.2026]**

The National Electricity Data Sharing Framework, 2026 ("Framework"), dated 22.10.2026, establishes a voluntary framework for structured, secure and standardised sharing of data across the electricity sector. It envisages the establishment of a National Electricity Data Division under the Central Electricity Authority and a National Electricity Data Portal to facilitate access to sectoral data. The Framework classifies shareable datasets into two categories, namely Tier 1 (Public), accessible without registration, and Tier 2 (Access Controlled), requiring registration and approval by the Data Issuer. It also lays down responsibilities for Data Issuers and Data Requestors, including data classification, accuracy, purpose-based access, confidentiality and secure handling of information. Further, it provides for anonymisation of personal data, standardised data formats, APIs and a grievance redressal mechanism. The Framework also requires compliance with applicable data protection and cybersecurity laws and envisages interoperability with national data platforms to facilitate data sharing for electricity planning, regulation, research and policy formulation. **[Dated 22.10.2026]**

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