

APPELLATE TRIBUNAL FOR ELECTRICITY

SKV Law Offices Secures Major Win for Solar Developers in Banking Framework Challenge Before APTEL

April 27, 2026, New Delhi: SKV Law Offices successfully represented Neosym Industry Limited, TP Adhrit Solar Limited, Tata Power Renewable Energy Limited and Parag Milk Foods Limited before the Appellate Tribunal for Electricity (“APTEL”) in appeals challenging the revision of solar energy banking dispensation by the Maharashtra Electricity Regulatory Commission (“MERC”). The appeals were filed against an order of MERC in a review petition moved by the Maharashtra State Electricity Distribution Company Limited (“MSEDCL”), which resulted in significant regulatory changes adversely impacting solar open access and captive consumers in Maharashtra.

Impugned Regulatory Action

By its order dated 25 March 2026, passed in review proceedings, MERC revised the Time of Day (ToD) tariff structure and effectively eliminated banking for solar projects by restricting utilization of banked energy to solar hours. These revisions departed materially from the earlier Multi-Year Tariff framework and threatened the viability of a substantial number of operational solar projects and open access arrangements across the State.

Challenge Before APTEL

Aggrieved by the impugned review order, the affected solar developers and consumers, represented by SKV Law Offices, approached APTEL under Section 111 of the Electricity Act, 2003. The appeals assailed the impugned order on multiple grounds, including misuse and excess of review jurisdiction, violation of the applicable statutory and regulatory framework governing tariffs and open access, unjust enrichment of the distribution licensee through lapsing of banked energy, and serious commercial and financial prejudice to solar developers and consumers.

It was specifically highlighted that the revised banking dispensation would have resulted in approximately 30 to 40 per cent of Maharashtra’s solar capacity being stranded, with far-reaching implications for the renewable energy ecosystem.

Interim Relief Granted

By an interim order dated 27 April 2026, APTEL granted substantive interim relief in favour of the appellants. The Tribunal stayed the operation of MERC’s revised banking dispensation introduced under the impugned review order, stayed the invoices issued pursuant thereto, and restrained MSEDCL from taking any coercive action against the solar power developers and their open access consumers, pending final adjudication of the appeals.

Sectoral Significance

The interim relief secured by SKV Law Offices represents a significant development for Maharashtra’s renewable energy sector and for the renewable industry at large. The order preserves banking as a foundational support mechanism for solar energy and open access arrangements, safeguards the commercial viability of existing projects, and protects stakeholders from irreversible financial harm.

Team

The appeals were argued by Dr. Abhishek Manu Singhvi, Senior Advocate, appearing for Neosym Industry Limited, and Mr. Basava Prabhu S. Patil, Senior Advocate, appearing for TP Adhrit Solar Limited. Mr. Shri Venkatesh, Founding Partner of SKV Law Offices, appeared for Parag Milk Foods Limited and Tata Power Renewable Energy Limited. They were assisted by Associate Partner Ms. Priya Dhankhar, Senior Associates Mr. Nikunj Bhatnagar and Mr. Ashirwad Sapre, and Associate Ms. Drishti Rathi.

FOR FURTHER INFORMATION PLEASE CONTACT

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