BOMBAY HIGH COURT

SKV Law Offices Secures Win for Tata Power: Bombay High Court Shields Bhivpuri Hydro Lands from MIDC Acquisition

The Hon'ble Bombay High Court, by its judgment dated 5.11.2026 in Writ Petition No. 6215 of 2025, quashed the notifications and show-cause notices issued by the State of Maharashtra under the Maharashtra Industrial Development Act, 1961 (MID Act). Through these, about 84 hectares of The Tata Power Company Limited's (TPCL) land at Thokarwadi Dam, Maval, Pune were to be acquired for a private entity. SKV Law Offices represented TPCL.

The land, which includes two outcrops in the Thokarwadi reservoir, is part of lands acquired and conveyed to TPCL's predecessor more than a century ago for hydro-electric projects. It is linked to the existing 75 MW Bhivpuri Hydro Station and the proposed 1,000 MW Bhivpuri Pumped Storage Project, for which TPCL signed an MoU with the State in August 2023.

By a notification dated 3.03.2025, the State declared the land an "industrial area" under Section 1(3) of the MID Act. It followed this with a Government Resolution dated 4.03.2025 and show-cause notices dated 7.03.2025 under Section 32(2). The aim was a "pass-through" acquisition of the land for allotment to a Private entity, which had already been allotted about 126 hectares next to the reservoir.

The Court held that the MID Act cannot be used to acquire land purely for a private company. It found that the State had taken this route to avoid acquiring the land under the general law, i.e. the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. The private entity was to bear the compensation, which the Court held undercut the claim of public purpose. The Court also examined the chronology. The State's High Power Committee had rejected the proposal in November 2023, and MIDC's Land Selection Committee had said TPCL's NOC was necessary. Both views were overruled and the notifications were then issued in haste, which the Court held to be a colourable exercise of power.

Relying on K.T. Plantation, the Court held that the purpose of an acquisition must be primarily public, not a private interest that only incidentally benefits the public. Private entity's project failed this test. Nothing on record showed why it needed the 84 hectares, which it sought largely for aesthetic purposes. The land, by contrast, continues to serve the primary public purpose of clean hydro-electric generation. The Court also noted that the State's own Circular dated 8.03.2018 bars development within 500 meters of a dam's high-flood line. It rejected the objection that the petition was premature, holding that the proceedings were predetermined and the show-cause process was a foregone conclusion.

The judgment affirms that land already dedicated to a public purpose cannot be diverted to private hands through the industrial development route, and that the State's power of eminent domain remains subject to the test of public purpose.

The Tata Power Company Ltd. & Anr. v. State of Maharashtra & Ors., Writ Petition No. 6215 of 2025, Bombay High Court (Manish Pitale and Shreeram V. Shirsat, JJ.), judgment dated 5 November 2026.

Mr. Darius. J. Khambata, Senior Advocate, and Mr. Prateek Seksaria, Senior Advocate, appeared for TPCL. They were assisted by the SKV Law Offices team of Shri Venkatesh (Founding Partner), along with Shryeshth Ramesh Sharma (Senior Partner), Ashutosh K. Srivastava (Partner), Siddharth Nigotia (Counsel), Megharanjani Chandu (Senior Associate) and Ashirwad Sapre (Senior Associate).

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