

ITEM NO.21

COURT NO.3

SECTION III-B

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 21767/2024

[Arising out of impugned final judgment and order dated 05-07-2024 in PUAA No.22/2024 passed by the High Court of Gujarat at Ahmedabad]

ADANI ENTERPRISES LTD.

Petitioner(s)

VERSUS

GUJARAT STATE ELECTRICITY CORPORATION LTD

Respondent(s)

(IA No. 213371/2024 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

Date : 28-10-2025 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE J.K. MAHESHWARI
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Petitioner(s) : Mr. Nakul Dewan, Sr. Adv.
Mr. Nilava Bandyopadhyay, Adv.
Mr. Rajdutt Shekhar singh, Adv.
Mr. Devesh Chaudhry, Adv.
Mr. Kumar Shashwat Singh, Adv.
Mr. Rounak Singh, Adv.
Mr. Prem Prakash, AOR

For Respondent(s) : Mr. Dipak Dave, Adv.
Mr. C.B. Gururaj, Adv.
Ms. Ilashri Gour, Adv.
Mr. M/S. Gururaj & Nayak, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. Arising out of the judgment dated 05.07.2024 in PUAA No. 22 of 2024 passed by the High Court¹ refusing to grant the relief as prayed in an application under Section 11(6) of the Arbitration and

¹ High Court of Gujarat at Ahmedabad

Conciliation Act, 1996, on various grounds, the present special leave petition has been filed.

2. Upon careful perusal of the impugned judgment, in particular paragraphs 41 and 42 therein, we find that the High Court applied the '*eye of the needle*' test as established in ***NTPC Ltd. v. M/S SPML Infra Limited***².

3. After hearing learned counsels for the parties and in view of the evolving jurisprudence, we are guided by recent judgment of this Court in the case of ***SBI General Insurance Company Limited vs. Krish Spinning***³ whereby this Court, particularly in paragraph 118 therein, held that tests like "*eye of the needle*" and "*ex facie meritless*" are not in conformity with the principles of modern arbitration which place arbitral autonomy and judicial non-interference on the highest pedestal.

4. We find merit in the said contention. The substantive issues raised in the present SLP requires examination of the Request for Proposal (RFP) document and the Letter of Award (LOA), which form the contractual foundation of the parties' relationship, in light of the principles enunciated in ***Krish Spinning Mills*** (supra). In view of the foregoing, and without expressing any opinion on the merits of the case, we deem it appropriate to set aside the impugned order and the matter is hereby remitted to the High Court with a direction to decide it afresh.

² 2023 (9) SCC 385

³ 2024 SCC OnLine 1754

3. Accordingly, PUAA No. 22 of 2024 be restored to file of the High Court of Gujarat at Ahmedabad in its original number and be decided afresh. However, it is made clear that we have not expressed any opinion on the merits of the contentions of either side and leave it open for the High Court to appreciate the merit afresh. We request the High Court to decide the matter as expeditiously as possible, preferably in three months.

4. In view of the aforesaid, the special leave petition is disposed of. Pending applications, if any, shall stand disposed of.

(GULSHAN KUMAR ARORA)
AR-CUM-PS

(NAND KISHOR)
ASSISTANT REGISTRAR