Cassie

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DAILY

Court Digest

The day's most significant judgments from India's courts.

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- Suicide Attempt and False Allegations Constitute Mental Cruelty: Kerala HC
- Article 21 | Police Harassment Without FIR Must Be Curbed: Allahabad HC

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Work & Employment Issues · PF, ESI & Statutory Benefits Di... SUPREME COURT

Promotions in Same Grade Pay Must Be Counted

Why it matters. Practitioners must now argue that promotions within same Grade Pay in a cadre's promotional hierarchy are to be counted under Paragraph 8 of MACPS, and rely on binding Railway Board circulars issued after DoPT consultation.

> *Paragraph 8 of the MACPS applies to the Guard cadre. The posts of Senior Goods Guard, Passenger Guard, Senior Passenger Guard, and Mail/Express Guard are distinct posts in the promotional hierarchy as per the applicable Recruitment Rules, carrying the same Grade Pay of Rs. 4200 in Pay Band PB-2. The functional promotions earned within the Guard cadre constitute 'promotions' within the meaning of Paragraph 8.*
>
> FROM THE JUDGMENT

The Court held. Appeal allowed. High Court and Tribunal orders set aside. Speaking order dated 15.10.2014 restored. No recovery of MACP benefits already paid. Decision governs similarly situated Railway Guards across Indian Railways, subject to finality of individual orders.

§ **Paragraph 8, Modified Assured Career Progression Scheme, 2008**

Union of India and Others vs. Harbans Lal Verma and Others

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	23.07.2026	C.A. No.-009346-009346 - 2026	2026 INSC 739

BENCH

Justice Augustine George Masih, Justice Sanjay Karol

Contracts & Business Disputes · Payment & Recovery Issues SUPREME COURT

Stamp duty on mining leases to be calculated on anticipated royalty

Why it matters. Practitioners must now ensure stamp duty on mining leases is calculated on anticipated royalty, not dead rent, to avoid revenue disputes. The judgment clarifies the statutory scheme and rejects private agreements to the contrary.

> *The argument regarding Article 33, Schedule I of the Stamp Act (M.P. Amendment), is not open to the appellant as a ground to assail the royalty demanded by the respondent State. The parties have consciously signed the Agreement as contained in Form K, which, at the cost of repetition, may be stated, is a statutory form which clearly mentions that for the purposes of calculation of Stamp Duty, anticipated royalty is the yardstick to be used.*
>
> FROM THE JUDGMENT

The Court held. The Supreme Court dismissed the appeal. Stamp duty of Rs. 4,32,00,000 based on anticipated royalty was upheld. No costs awarded. The Court held that the proviso to Section 26 applies independently to mining leases and mandates calculation based on anticipated royalty.

§ **Section 26, Indian Stamp Act, 1899**

M/s Birla Corporation Limited vs The State of Madhya Pradesh & Ors.

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	23.07.2026	C.A. No.-009345-009345 - 2026	2026 INSC 738

BENCH

Hon'ble Mr. Justice Sanjay Karol, Hon'ble Mr. Justice Augustine George Masih

Property & Asset Disputes · Land/Property Acquisition Com... SUPREME COURT

Developer Bound By PAAA For Redevelopment Of Cessed Buildings

Why it matters. Developers cannot resile from obligations under PAAA after accepting possession for redevelopment. Statutory compliance is non-negotiable, and occupant status is determined by contemporaneous documents recognized by MHADA.

> *Even without a probate, the 1st appellant was entitled to the premises in the new building as per the PAAA executed with her; validating her status as an occupant which cannot be merely brushed aside*
>
> FROM THE JUDGMENT

The Court held. The Court set aside the High Court's order restraining MHADA from enforcing its directions. It directed the first and second respondents to execute the PAAA and handover possession of three apartments within two months from 23.07.2026. The Court also restrained the High Court from proceeding with Civil Suit No. 4579 of 2026 and awarded costs of Rs. 50,000 each to the appellants before the High Court and the Supreme Court.

§ **Section 2(25), Maharashtra Housing and Area Development Act, 1976**

Mrs. Mahabanoo Contractor and Anr. vs. M/s. Kalikund Developers and Ors.

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	23.07.2026	C.A. No.-009342-009342 - 2026	2026 INSC 737

BENCH

Justice K. Vinod Chandran, Justice J.B. Pardiwala

High Courts

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Banking Law, Debt & Money Matters · Account & Locker Matters (A... MADHYA PRADESH HC

Proportionate Freeze Only on Disputed Amount

Why it matters. Banks and investigating agencies must now ensure freezes are proportionate to the disputed amount or offence. Indefinite freezing of entire accounts is unconstitutional and exposes agencies to constitutional challenges.

> *Freezing of an entire bank account, particularly when the alleged disputed transaction pertains only to a specified amount, has serious civil consequences and directly affects the account holder's ability to meet day-to-day financial requirements. Such action cannot be permitted to continue indefinitely without there being any justification for restraining the entire amount lying in the account.*
>
> FROM THE JUDGMENT

The Court held. The Court directed the bank to continue freezing only Rs. 20,000 in the petitioner's account. The remaining balance of approximately Rs. 35,000 was defrozen and the petitioner permitted to operate the account without restriction in respect of such amount. The petitioner was granted liberty to approach the competent authority to demonstrate that the frozen amount is unconnected with the alleged offence.

§ Articles 14 and 21, Constitution of India

Mrs Reeta Parashar vs The State Of Madhya Pradesh

COURT	DECIDED	CASE NO.	CITATION
Madhya Pradesh High Court	22.07.2026	WP-11923-2026	2026:MPHC-GWL:22028

BENCH

Justice Milind Ramesh Phadke

Constitutional & Fundamental Rights

ALLAHABAD HC

Police Harassment Without FIR Must Be Curbed

Why it matters. Lawyers must now argue that Article 21 protects citizens from harassment even without an FIR. Departmental inquiries will become a standard relief.

> *The petitioner's right to life and liberty under Article 21 of the Constitution of India cannot be compromised merely because no FIR has been lodged against him.*
>
> FROM THE JUDGMENT

The Court held. The Court directed the Commissioner of Police, Lucknow to provide safety to the petitioner, initiate departmental inquiry against the SHO within 8 weeks, and take strict action on the petitioner's application dated 15.07.2026. The writ petition was disposed of.

§ Article 21, Constitution of India

Abdul Mannan vs State Of U.P. Thru. Prin. Secy. Home Lko. ...

COURT	DECIDED	CASE NO.
Allahabad High Court	23.07.2026	Criminal Misc. Writ Petition No. 7159 of 2026

CITATION	BENCH
2026:AHC-LKO:49525-DB	Abdul Moin,Pramod Kumar Srivastava, JJ

Work & Employment Issues · Regularization of Contractual E... RAJASTHAN HC

Temporary Employees Entitled to Regularisation

Why it matters. Government institutions can no longer use outsourcing to deny regular employment to staff performing essential roles. Lawyers must now challenge such classifications and seek regularisation for affected employees.

> *It is a disconcerting reality that temporary employees, particularly in government institutions, often face multifaceted forms of exploitation.*
>
> FROM THE JUDGMENT

The Court held. The Court issued notice to the placement agency (returnable in four weeks) and directed that the appellant's services not be discontinued till the next date. The substantive relief of regularisation and quashing of termination order was left for adjudication on merits.

§ Constitution of India, Articles 14, 16, and 21

Richhpal Singh vs The State Of Rajasthan

COURT	DECIDED	CASE NO.
High Court of Rajasthan (Jodhpur)	23.07.2026	SAW No. 849/2026

BENCH

Justice Pushpendra Singh Bhati, Justice Praveer Bhatnagar

Relationships & Family Matters · Divorce and Separation

KERALA HC

Suicide Attempt and False Allegations Constitute Mental Cruelty

Why it matters. Lawyers must now argue that extreme conduct like suicide attempts and false allegations can constitute mental cruelty, even without proof beyond reasonable doubt.

> *Admittedly, there had been instance of the respondent attempting to commit suicide. It was at the house of the petitioner. The respondent was saved by the timely intervention of police and fire force. Such conduct, by itself, amounts to mental cruelty on the spouse. The petitioner would not be able to lead a peaceful life with the respondent, he having attempted to commit suicide on discord with her*
>
> FROM THE JUDGMENT

The Court held. Appeal allowed. Impugned judgment set aside. Marriage dissolved by decree of divorce. No costs awarded.

§ Section 13(1)(ia), Hindu Marriage Act, 1955

Veena Violet D Souza vs Antony Crasta

COURT	DECIDED	CASE NO.	CITATION
Kerala High Court	23.07.2026	Mat Appeal No. 713 of 2022	2026:KER:55112

BENCH
Justice Sathish Ninan

Contracts & Business Disputes · Arbitration Agreements, Proce... BOMBAY HC

Interim Protection Granted

Why it matters. Practitioners must draft assignment clauses to expressly transfer arbitration agreements and document borrower acceptance of assignment to establish locus for invoking arbitration. Interim protection under Section 9 requires prima facie material showing asset depletion or dissipation.

> *The Deed of Assignment dated 29 March 2019 executed between L&T Finance Limited and the petitioner... Clause 2.1.1 transfers the assignor's rights, title and interest in the receivables and also authorises the petitioner to institute recovery proceedings or take legal action in its own name and right and as a legal acquirer and not as representative or agent of the assignor*
>
> FROM THE JUDGMENT

The Court held. Court partly allowed petitions. Granted interim protection including: restraint on alienation of hypothecated assets; respondents to file comprehensive Affidavit of Disclosure within 3 weeks; maintain true accounts of receivables; furnish Bank Guarantee of Rs.7,60,21,638 within 6 weeks; ONGC not to release security deposits without 2 weeks' prior notice; Court Receiver appointed without actual possession to prepare inventory within 8 weeks. Rejected prayers for freezing all bank accounts, blanket garnishee order, and Receiver with actual possession and power to sell.

§ Section 9, Arbitration and Conciliation Act, 1996

Kotak Mahindra Bank Limited v. Sitaram Energy and Logistics Limited and Ors.

COURT	DECIDED	CASE NO.	BENCH
Bombay High Court	23.07.2026	CARBP/5535/2025	Amit Borkar, J.

Property & Asset Disputes · Land/Property Acquisition ...

MADHYA PRADESH HC

First Appellate Court Cannot Reverse Trial Court's Injunction Order Without Proper Reasons

Why it matters. Practitioners must ensure appellate courts do not substitute their views for trial courts' discretionary orders without proper reasons. Burden of proof in property disputes involving wills must be correctly placed on the party alleging fraud or benami transactions.

> *Prima-facie, it transpires that the First Appellate Court has not considered the fact that the burden of proof is on the person, who has pleaded the case to that extent.*
>
> FROM THE JUDGMENT

The Court held. The High Court allowed the petition under Article 227 of the Constitution of India, quashed the First Appellate Court's order dated 23.09.2025, and restored the trial court's order dated 10.03.2025 rejecting the injunction application. The trial court was directed to expedite the main suit and dispose of it as early as possible.

§ Order 43 Rule 1, Code of Civil Procedure, 1908

L0Ate Indrajeet Singh S/O Mehtab Singh ... vs Avtar Singh

COURT	DECIDED	CASE NO.
Madhya Pradesh High Court	22.07.2026	Misc. Petition No. 5743 of 2025

CITATION	BENCH
2026:MPHC-IND:19922	Hon'ble Shri Justice Sandeep N. Bhatt

Contracts & Business Disputes · Arbitration Agreemen... MADHYA PRADESH HC

Court Confined to Existence of Arbitration Agreement

Why it matters. Practitioners must now focus arguments on the existence of the arbitration agreement at the referral stage, as all other threshold issues are to be decided by the arbitral tribunal under the doctrine of kompetenz-kompetenz.

> *The question in regard to whether the claim is vexatious or legally unsustainable or a stale case or not is not the domain of the High Court to decide as it contains disputed question of facts, which is to be determined by the Arbitrator.*
>
> FROM THE JUDGMENT

The Court held. The Court appointed Shri Justice Ved Prakash as sole arbitrator. Parties directed to deposit arbitration fees as per M.P. Arbitration Center Rules, 2019. All other rights and contentions left open for adjudication by the arbitrator.

§ Section 11(6), Arbitration and Conciliation Act, 1996

Vijay Hariramani vs Manish Verma

COURT	DECIDED	CASE NO.
Madhya Pradesh High Court	22.07.2026	Arbitration Case No. 153 of 2025

CITATION	BENCH
2026:MPHC-JBP:54901	Hon'ble Shri Justice Deepak Khot

Criminal Issues · UAPA, NSA, Preventive Detention, Sedition, etc.

BOMBAY HC

Detention Order Quashed for Non-Application of Mind

Why it matters. Preventive detention orders must now consider bail conditions and demonstrate a live link to public order. Courts will require detailed reasoning.

> *The offence committed by the petitioner and the statements of confidential witnesses indicate that the acts were committed against individuals and not against the public at large. This would at the most fall under law and order and not public order situation.*
>
> FROM THE JUDGMENT

The Court held. The Court quashed the detention order dated 14.11.2025, approval order dated 21.11.2025, and confirmation order dated 26.12.2025. The petitioner was directed to be released forthwith, if not required in any other offence. The Court held that the detention order was unsustainable due to failure to consider bail conditions, absence of a live link to public order, and non-application of mind by the detaining authority.

§ **Section 3(1), Maharashtra Prevention of Dangerous Activities Act, 1981**

Rutik S/o Amritrao Sarje @ Deshmukh v. The State of Maharashtra

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	23.07.2026	WP/238/2026	2026:BHC-AUG:30544-DB

BENCH

Vaishali Patil-Jadhav, Sandipkumar C. More, JJ



Work & Employment Issues · PF, ESI & Statutory Benefits Disputes

BOMBAY HC

Part-Time Service Counts 50% for Pension

Why it matters. Practitioners can now argue part-time service counts as 50% for pension. Permanent approvals retroactively validate service. Scrutiny committee findings are critical evidence.

> *The principles laid down by this Court in the aforesaid judgment will apply to the present case regarding non-teaching staff also. A Division Bench of this Court in case of Smt. Darshana wd/o Adikrao Gaikwad v. State of Maharashtra has considered identical facts where the Petitioner was appointed as part-time Librarian initially and thereafter, full-time Librarian. In that matter also authority had refused to grant superannuation pension to the Petitioner therein.*
>
> FROM THE JUDGMENT

The Court held. Writ Petition allowed in part. Respondent No.5 to submit pension proposal within 6 weeks. Respondent Nos.2 and 3 to process and pass orders for grant of pensionary benefits within 6 weeks thereafter.

§ Rule 57 Note 1, Maharashtra Civil Services (Pension) Rules, 1982

Dr. Vijay S. Shedage v. The State of Maharashtra & Ors.

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	23.07.2026	WP/13205/2023	2026 SCC OnLine Bom 2055

BENCH

Abasaheb D. Shinde, Nitin B. Suryawanshi, JJ

Tribunals

2 judgments in this edition

KEEP SWIPING >>>

Traffic & Motor Vehicle Law · Summons for Traffic Violations

CESTAT

Service Tax Paid Under Reverse Charge Must Be Governed by Rule 9(1)(e)

Why it matters. Practitioners must now ensure refund claims for Service Tax paid under RCM during pre-2011 periods are computed under Rule 9(1)(e) and not denied by invoking Rule 9(1)(bb). Gross eligible credit, not closing balance, must be used for computation.

> *Rule 9(i)(bb) is applicable to supplementary invoice, bill or challan issued by provider of output service and Rule 9(i)(e) is applicable, inter alia, to a person liable to pay Service Tax under Rule 2(1)(d) of Service Tax Rules, 1994. It is apparent that the appellant is not service provider and therefore Rule 9(i)(bb) would not be applicable to them*
>
> FROM THE JUDGMENT

The Court held. Refund of Rs. 2,42,39,076 set aside. Recomputation of Rs. 11,16,153 directed. Rs. 3,11,450 remanded for verification of invoices. Appeal allowed partly. Compliance within 8 weeks.

§ **Rule 9(1)(e) and Rule 9(1)(bb), Cenvat Credit Rules, 2004**

Amd Research & Development Center India ... vs Hyderabad-Ii

COURT	DECIDED	CASE NO.
Customs Excise and Service Tax Appellate Tribunal	23.07.2026	ST/1902/2012

CITATION	BENCH
ST/1902/2012	A.K. Jyotishi, Angad Prasad



Banking Law, Debt & Money Matters · Recovery by Banks/Creditors, Harassment by ... ITAT

Books of Accounts Rejection Requires Stronger Grounds

Why it matters. Tax practitioners must now ensure that rejections under Section 145(3) are grounded in concrete evidence, not structural realities of regulated sectors. Profit estimations must be benchmarked against comparable cases or industry standards.

> *Considering the factual matrix and peculiar case in hand, in our view, for the sake of equity, the profit of 0.55% on net sales will justify in this case.*
>
> FROM THE JUDGMENT

The Court held. The ITAT partly allowed the appeals, directing the AO to estimate net profit at 0.55% on net sales instead of the arbitrary 1% applied earlier. The additions of Rs.1,45,06,784 for AY 2016-17 and Rs.75,47,823 for AY 2017-18 were set aside. Statutory depreciation of Rs.8,95,589 was allowed against the net profit estimated at 0.55%. Compliance directed within standard timelines.

§ Section 145(3), Income-tax Act, 1961

Jaswinder Singh,Bathinda vs Dcit Circle-1, Bathinda, Bathinda

COURT	DECIDED	CASE NO.
Income Tax Appellate Tribunal	23.07.2026	ITA Nos.585 & 586/ASR/2025

BENCH

Shri S. Rifaur Rahman, Shri Udayan Das Gupta

Also decided today

§ Section 7, Andhra Pradesh (Regulation of Appointment to Public Services a... ANDHRA PRADESH HC

Waiver of 5-Year Condition for 30-Year Service

Practitioners can now argue for waiver of statutory conditions like the 5-year requirement when employees have served for decades in perennial roles.

WP/16832/2020 · 23.07.2026

§ Order 47 Rule 1, Code of Civil Procedure, 1908 MADHYA PRADESH HC

Writ Petition Dismissed for Non-Disclosure

Practitioners must ensure full and frank disclosure of all material facts in writ petitions. Failure to do so risks dismissal and costs.

Review Petition No. 946 of 2026 · 2026:MPHC-JBP:54892 · 22.07.2026

§ Rule 25, Civil Services (Leave) Rules, 1977 MADHYA PRADESH HC

Earned Leave Encashment Limit Raised to 300 Days

Departments can no longer rely on outdated circulars to restrict leave encashment. Lawyers must now cite Rule 25 and Finance Department circulars.

WP-8551 of 2025 · 2026:MPHC-GWL:22045 · 22.07.2026

§ Article 226, Constitution of India RAJASTHAN HC

Writ Petitions Against Financial Recovery Actions Must Be Cautiously Entertained

Lawyers must now carefully assess whether writ petitions under Article 226 are maintainable in financial recovery matters.

SB Civil Writ Petition No. 10943/2025 · 2026:RJ-JP:33687 · 22.07.2026

Also decided, continued

§ Section 3(1), U.P. Entertainment & Betting Tax Act, 1979 — ALLAHABAD HC

Housey in Private Club Not Taxable Entertainment

Private clubs can now argue that member-only recreational activities lack public character and commercial motive, making them non-taxable under the Act.

WRIT TAX No. - 2331 of 2025 · 23.07.2026

§ Section 148 and Section 149, Income-tax Act, 1961 — ITAT

Validity Depends on Harmonious Construction of Section 149 Provisos

Practitioners must now argue reassessment notices for AY 2015-16 issued on or after 01.04.2021 are invalid under Section 148.

ITA No.3085/PUN/2025 · N/A · 23.07.2026

Every judgment here, analysed in full.

All 20 judgments in this digest are reported in full on Cassie, with the facts, the reasoning and the precedents each court engaged with.

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Which of these will change how you argue next week? Tell us in the comments.