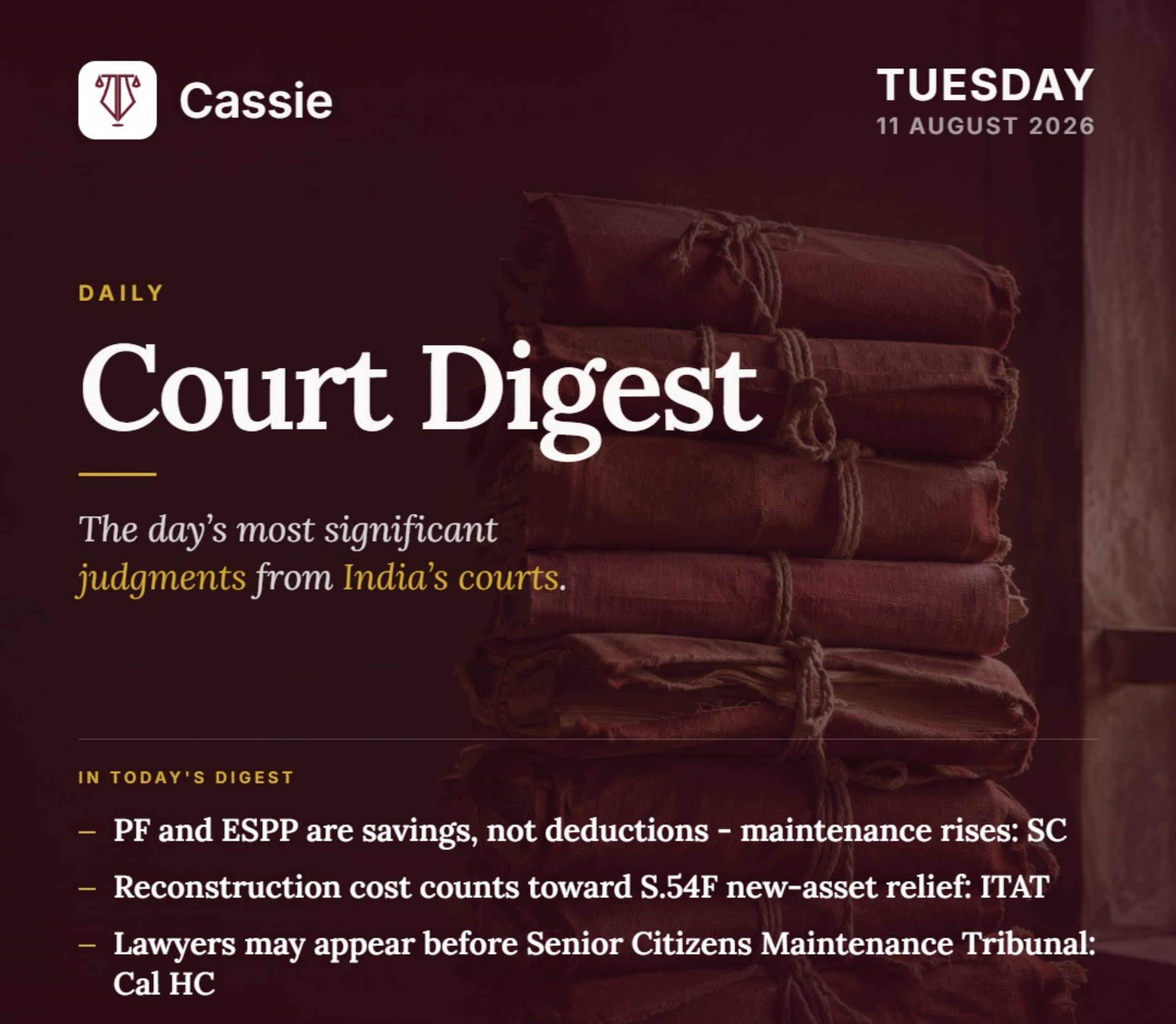
Cassie

TUESDAY
11 AUGUST 2026



DAILY

Court Digest

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

IN TODAY'S DIGEST

- **PF and ESPP are savings, not deductions - maintenance rises: SC**
- **Reconstruction cost counts toward S.54F new-asset relief: ITAT**
- **Lawyers may appear before Senior Citizens Maintenance Tribunal: Cal HC**
- **S. 31 ISA | Collector determines stamp duty only, cannot penalise or recover: P&H HC**

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KEEP SWIPING >>>

Relationships & Family Matters
Maintenance for Spouse & Children

SUPREME COURT

PF and ESPP Are Savings, Not Deductions Reducing Maintenance Capacity

The dispute. Harpreet Sawhney, primary carer of two minor sons and later diagnosed with aggressive breast cancer, sought enhanced maintenance from her husband Puneet Sharma, a salaried employee earning approximately Rs. 4.5 lakh per month who claimed Rs. 1.64 lakh in monthly deductions including provident. The Delhi High Court enhanced child maintenance to Rs. 1.25 lakh per month from April 2024 but made no independent award for the wife's medical expenses.

The reasoning. The Court held that PF and ESPP contributions are not compulsory deductions but savings that accrue to the employee, distinguishing them from income tax and professional tax which permanently leave his hands.

> *We find that deductions of Provident Fund and ESPPs are ultimately benefits that would be passed on to the Respondent-husband.*
>
> FROM THE JUDGMENT

For your practice. In maintenance affidavits, separating statutory deductions from voluntary savings such as PF, ESPP and NPS now determines the income base.

The order. Child maintenance enhanced to Rs. 1.5 lakh per month (Rs. 75,000 per child) from 1 January 2025, setting aside the High Court's April 2024 figure. Wife awarded Rs. 30,000 per month for cancer treatment from the date of judgment.

§ **Sections 24 and 26, Hindu Marriage Act, 1955**

HARPREET SAWHNEY vs PUNEET SHARMA

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	10.08.2026	C.A. No.-010509-010510 - 2026	2026 INSC 822

BENCH
Satish Chandra Sharma, Nongmeikapam Kotiswar Singh

High Courts

9 judgments in this edition

KEEP SWIPING >>>

Government & Public Body Interactions

CALCUTTA HC

Section 17 of Maintenance Act Declared Ultra Vires

The dispute. Kripal Singh Khurana, a 63-year-old senior citizen, appeared before the Maintenance Tribunal to seek eviction of family members from his flat. Khurana filed a writ petition before the Calcutta High Court seeking a mandamus directing the Tribunal to permit legal representation by an advocate.

The reasoning. The notwithstanding clause in Section 17 could only override statutes already in force in 2007; Section 30 of the Advocates Act came into force in 2011, so Section 17 never overrode it, and Section 30 now governs.

> *The provision of Section 30 became law on 15.06.2011, whereas Section 17 was enacted on 31.12.2007 when Section 30 was not in force.*
>
> FROM THE JUDGMENT

For your practice. The right to appear before a Maintenance Tribunal is now a statutory entitlement under Section 30, not a discretionary grant.

The order. WPO No. 202 of 2026 allowed. Section 17 of the Maintenance and Welfare of Parents and Senior Citizens Act, 2007 declared ultra vires of Section 30 of the Advocates Act, 1961.

§ Section 30, Advocates Act, 1961

Kripal Singh Khurana Vs. State of West Bengal & ors.

COURT	DECIDED	CASE NO.	BENCH
Calcutta High Court	10.08.2026	WPO/202/2026	Krishna Rao

Government & Public Body Interactions

PUNJAB AND HARYANA HC

Section 31 Collector determines stamp duty only, cannot penalise or recover

The dispute. Ram Sunder Prasad Singh won the bid to operate 32 paid parking sites in Chandigarh at ₹5.01 crore per annum and executed a licence deed with ₹3.34 lakh stamp duty. The petitioner challenged the order before the Punjab and Haryana High Court, disputing both the lease classification and the Collector's power to penalise.

The reasoning. Section 31 is exhausted once the Collector determines the duty chargeable; no power to impose penalties or direct recovery survives that step.

For your practice. When a party seeks the Collector's opinion under Section 31, no penalty follows; only the Section 38 route for impounded instruments carries enforcement.

The order. Writ petition partly allowed. The recovery direction of ₹7,93,298 and the 50% penalty of ₹3,96,649 are set aside. The lease classification and duty determination stand. MCC may pursue recovery through the correct statutory channel.

§ Section 31, Indian Stamp Act, 1899

RAM SUNDER PRASAD SINGH vs UT CHANDIGARH THROUGH ADDITIONAL DEPUTY COMMISSIONER AS COLLECTOR

COURT	DECIDED	CASE NO.	CITATION
Punjab and Haryana High Court	10.08.2026	CWP/34700/2024	2026:PHHC:108395

BENCH
Kuldeep Tiwari

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

TRIPURA HC

Disqualified officers cannot be appointed arbitrators.

The dispute. Sri Kashinath Bhattacharjee entered a 2012 agreement with BSNL for telecom services; the agreement's arbitration clause named the BSNL General Manager as arbitrator. BSNL rejected the objection, asserting the pre-amendment contractual appointment stood.

The reasoning. The court held that Section 12(5)'s non-obstante clause overrides any prior agreement, applying from 23 October 2015 to all cases where an arbitrator had not been appointed before that date.

For your practice. Every pre-2015 contract naming an employee as arbitrator needs review: without a written waiver executed after the dispute arose, that appointment is now void.

The order. The petition was allowed. Sri Swapan Bhattacharjee, retired Grade-I Officer of TJS, was appointed as arbitrator. The Registry was directed to forward the complete pleadings to him and communicate the order forthwith.

§ **Section 12, Arbitration and Conciliation Act, 1996 (as amended in 2016)**

Sri Kashinath Bhattacharjee v. Bharat Sanchar Nigam Limited & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Tripura High Court	10.08.2026	Arb.P./9/2026	2026:THC:1082	M.S. Ramachandra Rao

Criminal Issues
Quashing of Cases

GUJARAT HC

FIR quashed for subsequent purchaser in land dispute

The dispute. Gunvantbhai Ambaliya purchased plots in Surat in 2012 under a registered sale deed from a vendor who had derived title through earlier powers of attorney. A civil suit filed by the complainant to challenge the sale deeds was dismissed in April 2022 and remained on appeal.

The reasoning. The court held that forgery under Sections 463 and 464 IPC requires the accused to have made the false document, and a purchaser who had no hand in executing the impugned powers of attorney cannot satisfy that ingredient.

For your practice. When a client faces an FIR arising from a title chain he did not create, Section 482 remains available post-charge-sheet.

The order. FIR C.R. No. I-04/2016 and the charge-sheet were quashed and set aside as against Gunvantbhai Ambaliya. Application No. 5275/2016 was allowed; Application No. 7386/2016 was rejected; interim relief, if any, was vacated.

§ Section 482, Code of Criminal Procedure, 1973

Gunvantbhai Vallabhbhai Ambaliya Versus State of Gujarat & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Gujarat High Court	10.08.2026	R/CR.MA/5275/2016	2026:GUJHC:50316	P. M. Raval

Work & Employment Issues
Regularization of Contractual Employees

HIMACHAL PRADESH HC

Accrual of consideration for contractual lecturers from date.

The dispute. Mohinder Singh and three other contractual lecturers completed two continuous years of service on 31 March 2024, but Clause IX of the State's 2 December 2023 regularisation policy counted seniority only from the date of the order, not from that eligibility date. The petitioners filed a writ petition before the Himachal Pradesh High Court challenging Clause IX and seeking regularisation with arrears from 1 April 2024.

The reasoning. The court held that once the statutory eligibility criteria are met the right of consideration for regularisation vests on that date, and a policy condition imposing prospective effect is ultra vires Articles 14 and 16.

For your practice. A regularisation policy clause that defers the effective date beyond the date of service completion is now vulnerable to challenge.

The order. Clause IX of the 2 December 2023 policy was quashed. The State was directed to issue modified regularisation orders as Lecturer (School-New) from 1 April 2024, release arrears in the regular pay scale.

§ Article 14, Constitution of India, 1950

Mohinder Singh & ors. v. State of Himachal Pradesh & ors.

COURT	DECIDED	CASE NO.	CITATION
Himachal Pradesh High Court	10.08.2026	CWP/3493/2025	2026:HHC:33216

BENCH
Vivek Singh Thakur, Ranjan Sharma

Government & Public Body Interactions

GAUHATI HC

Section 67(4) sealing power is exhausted once a search ends and access was never denied

The dispute. Sri Surendra Sharma, a tax consultant at Bokajan Bazar, Karbi Anglong, cooperated fully during a State GST search on 1 April 2026, allowing access throughout. The department sealed his office anyway and retained the seal for four months, citing an alleged tax fraud of Rs 6.68 crore. He challenged the Order of Prohibition by writ petition in the Gauhati High Court, seeking de-sealing and quashing of the order.

The reasoning. Section 67(4) authorises sealing only where access to the premises or a receptacle is actually denied during the search; cooperation by the taxpayer extinguishes the power entirely.

For your practice. A GST seal can now be attacked by showing the taxpayer cooperated; the burden falls on the department to establish denial of access before the seal was applied, not after.

The order. The Court quashed the Order of Prohibition dated 1 April 2026, directed de-sealing of the office by 12 August 2026, and permitted the department to retain seized books and documents only on issuance of a fresh Order of Seizure.

§ Section 67, Assam Goods and Services Tax Act, 2017

Sri Surendra Sharma v. The State of Assam & ors.

COURT	DECIDED	CASE NO.	CITATION
Gauhati High Court	10.08.2026	WP(C)/3035/2026	2026:GAU-AS:11123

BENCH

Dev Ashis Baruah

Criminal Issues
Sexual Offences, POCSO & Domestic Crimes

CALCUTTA HC

Unexplained FIR Delay Cannot Invoke Statutory Presumption of Guilt.

The dispute. Shyam Chand Halder was convicted under Section 6 of the POCSO Act and sentenced to 20 years rigorous imprisonment for an alleged assault on a minor in August 2019, but the FIR was filed only in May 2020, nearly nine months later, without any explanation for the delay. The trial court convicted Halder on the strength of the statutory presumption under Section 29 POCSO.

The reasoning. The Court held that an unexplained FIR delay raises reasonable doubt and that the Section 29 presumption is enabling, not automatic — the prosecution must first prove actus reus before the presumption of culpable mental state arises.

> *Delay in every case cannot be a ground of suspicion. It can only be so when the delay is unexplained.*
>
> FROM THE JUDGMENT

For your practice. Documenting the reason for any reporting delay at the earliest stage is now essential.

The order. Conviction dated 10 January 2022 and sentence of 20 years rigorous imprisonment with a fine of Rs. 5,000 set aside. Appellant Shyam Chand Halder declared not guilty and ordered to be released immediately.

§ **Section 29, Protection of Children from Sexual Offences Act, 2012**

Shyam Chand Halder v. The State & ors.

COURT	DECIDED	CASE NO.	CITATION
Calcutta High Court	10.08.2026	CRA(DB)/7/2025	2026:CHC-PB:110-DB

BENCH
Rajasekhar Mantha, Partha Sarathi Sen

Government & Public Body Interactions

ALLAHABAD HC

Contractual clauses permitting customer reallocation defeat legitimate expectation challenge.

The dispute. A batch of LPG distributors, including Vikramaditya Gas Agencies (appointed since 1994), challenged the OMCs' February 2025 customer-transfer policy, arguing it was vague, retrospective and violated their legitimate expectation. Multiple writ petitions filed under Article 226 before the Allahabad High Court were reserved in February 2026 and decided on 10 August 2026.

The reasoning. The Court held that clauses in the distributorship agreement, the Letter of Intent and the LPG Manual expressly empowered the OMCs to modify areas of operation and transfer customers, so the policy was a lawful exercise of those powers, not an arbitrary one.

> *Therefore, such unilateral exercise of power by the OMCs in reducing the customer of a distributor cannot be termed to be an arbitrary exercise of power.*
>
> FROM THE JUDGMENT

For your practice. Writ petitions challenging executive policies in regulated commercial sectors must demonstrate clear arbitrariness or constitutional violation.

The order. All thirteen writ petitions dismissed with no order as to costs. The New Policy on Customer Transfer-Market Restructuring dated 21 February 2025 affirmed as a valid exercise of the OMCs' contractual and statutory authority.

§ Article 226, Constitution of India, 1950

Vikramaditya Gas Agencies vs Union Of India & ors.

COURT	DECIDED	CASE NO.	CITATION
Allahabad High Court	10.08.2026	WRIT - C No. - 11195 of 2025	2026:AHC:166335-DB

BENCH

Saral Srivastava, Sudhanshu Chauhan

Criminal Issues
Police Harassment & Procedural Violations

KARNATAKA HC

Police Notices Beyond Unnatural Death Inquiry Quashed as Abuse of Process.

The dispute. Dr. Vinuta B, a senior gynaecologist at Cloudnine Hospital Bengaluru, performed a hysteroscopic procedure on a 29-year-old patient who died after a complication. The doctor and hospital petitioned the Karnataka High Court, arguing the notices turned a limited cause-of-death inquiry into a full investigation.

The reasoning. The Court held that Section 194 BNSS, like its predecessor Section 174 CrPC, permits the police only to ascertain the apparent cause of death and cannot be used to compel production of equipment or repeated staff appearances.

> *The impugned notices amount to a patent abuse of the process of law.*
>
> FROM THE JUDGMENT

For your practice. When representing doctors or hospitals, challenging any notice that goes beyond cause-of-death documents and citing Manoj Kumar Sharma and Jacob Mathew now has clear precedent.

The order. All eight notices dated 20-05-2026, 21-05-2026, 04-06-2026, 19-06-2026, 30-06-2026 and the three notices of 23-06-2026 quashed. Quashment does not affect any proceedings the Karnataka Medical Council may initiate.

§ Section 194, Bharatiya Nagarik Suraksha Sanhita, 2023

DR. VINUTA B vs STATE OF KARNATAKA

COURT	DECIDED	CASE NO.	BENCH
Karnataka High Court	10.08.2026	WP/19927/2026	M. Nagaprasanna

Tribunals

3 judgments in this edition

KEEP SWIPING →

Judgment

ITAT

Reconstruction costs count as cost of new asset

The dispute. Vinodbhai Tamboli sold a non-agricultural plot in 2014 for ₹4.27 crore and purchased a residential house in Vadodara for ₹49.50 lakh. The Assessing Officer disallowed the reconstruction component, allowing exemption only on purchase price and stamp duty; the CIT(A) upheld that view.

The reasoning. The Tribunal held that Section 54F speaks of the cost of the new asset without limiting it to purchase consideration; construction needed to make an uninhabitable house livable is part of that cost.

> *We hold that deduction of INR.1,29,52,940/- claimed by the Assessee under Section 54F of the Act taking the cost of purchase and cost of construction/renovation as 'cost of the new asset' is to be allowed.*
>
> FROM THE JUDGMENT

For your practice. Capital-gain files on a dilapidated purchase should include demolition and construction invoices from the outset, as proof of habitability at the time of sale.

The order. The appeal was allowed. The partial disallowance was deleted and the full exemption of ₹1,29,52,940 under Section 54F was permitted, representing purchase price, stamp duty and reconstruction costs. No costs were awarded.

§ Section 54F, Income-tax Act, 1961

Vinodbhai Chhaganbhai ... vs Dcit, Circle-3(1), Vadodara, Vadodara

COURT	DECIDED	CASE NO.
Income Tax Appellate Tribunal	10.08.2026	ITA No.823/AHD/2026

BENCH

B.R.R. Kumar, Rahul Chaudhary

Judgment

CESTAT

Negative-List Regime Bars Service Tax on Cost Reimbursements and Deemed Sales

The dispute. HCL Infosystems, an IT services provider, received a show-cause notice in October 2015 demanding Rs 22.84 crore in service tax for the period July 2010 to June 2015. The Commissioner confirmed the demand with interest and penalties in July 2017, and HCL appealed to CESTAT Allahabad.

The reasoning. BSS demands require contractual outsourcing, not mere cost-sharing; print installations were deemed sales of goods; advertising limited to logo display lacks the design element the statute requires.

For your practice. Classification of composite transactions as deemed sales or BSS now turns on the outsourcing and design tests.

The order. The appeal was allowed in full. CESTAT set aside the order-in-original dated 27 July 2017 and quashed all service tax demands totalling Rs 22.84 crore along with interest and penalties.

§ Section 65(105), Finance Act, 1994

Hcl Infosystems Ltd vs Ce & ors.

COURT
Customs Excise and Service Tax Appellate Tribunal

DECIDED
10.08.2026

CASE NO.
Service Tax Appeal No.70695 of 2017

Judgment

CESTAT

Fifteen-day post-suspension hearing under Regulation 16(2) CBLR is mandatory.

The dispute. Capricorn Logistics, a customs broker with 24 years' standing, had its licence suspended on 22 April 2026 under Regulation 16(1) on allegations of involvement in mis-declaration and smuggling of Chinese fireworks worth ₹3.99 crore. The Principal Commissioner continued the suspension by order dated 20 May 2026; Capricorn appealed to CESTAT's West Zonal Bench.

The reasoning. Regulation 16(2) uses "shall", making the fifteen-day hearing deadline a non-negotiable obligation that cannot be extended for administrative convenience.

> *In our considered opinion, therefore, the mandatory requirement contained in Regulation 16(2) stood violated.*
>
> FROM THE JUDGMENT

For your practice. In any customs-broker suspension matter, the post-decisional hearing must be held and concluded within fifteen days of suspension.

The order. Order dated 20 May 2026 continuing the suspension was set aside; Capricorn Logistics' Customs Broker Licence suspension revoked with immediate effect; matter remitted for further action under Regulation 17 if appropriate.

§ **Regulation 16(2), Customs Broker Licensing Regulations, 2018**

Capricorn Logistics Private Limited vs Principal Commissioner Of Customs ...

COURT
Customs Excise and Service Tax Appellate Tribunal

DECIDED
10.08.2026

CASE NO.
Customs Appeal No. 86161 of 2026

BENCH
Ajay Sharma, A K Jyotishi

Also decided today

§ Section 302, Indian Penal Code, 1860; Section 304 Part II, Indian Penal Code, 1... SUPREME COURT

Material Inconsistencies Preclude Murder Conviction

Where eyewitnesses contradict each other on the site of assault and mode of transport, and the dying declaration of a grievously injured victim runs to a page and a half, the prosecution has not proved the intent required for Section 302.

Crl.A. No.-002120-002120 - 2017 · 2026 INSC 820 · 10.08.2026

§ Section 245D(4A)(iii), Income Tax Act, 1961 ALLAHABAD HC

18-Month Limitation Mandatory, Transfer Doesn't Extend

The 18-month limitation under Section 245D(4A)(iii) is mandatory and runs from the date the application was first allotted under the e-Settlement Scheme, not from any later administrative transfer between Interim Boards.

WRIT TAX No. - 77 of 2024 · 10.08.2026

§ Section 106, Indian Evidence Act, 1872 PATNA HC

No Application When Homicidal Death Not Proven

Section 106 of the Evidence Act cannot be invoked to shift the burden of proof to the accused unless the prosecution has first established that death was homicidal through legally admissible evidence.

CR. APP (DB)-213/1995 · 10.08.2026

Also decided, continued

§ Section 124A, Railways Act, 1989

GUJARAT HC

Alighting Running Train Is Untoward Incident.

A passenger's death while alighting from a moving train constitutes an untoward incident under the Railways Act and does not constitute voluntary self-negligence absolving the railway administration of liability.

R/FA/2408/2023 · 2026:GUJHC:50254 · 10.08.2026

§ Rule 39(ii), Central Industrial Security Force Rules, 2001

MANIPUR HC

Dismissal Without Enquiry Is Invalid Where Eyewitness Officers Later Testified in Trial

The court held that subjective satisfaction under Rule 39(ii) must rest on objective material, not bare assertion; where the eyewitnesses were superior officers who later testified in the criminal trial, the intimidation rationale was factually untenable.

WP(C)/942/2016 · 10.08.2026

§ Section 125, Code of Criminal Procedure, 1973

HIMACHAL PRADESH HC

Divorced Wife's Maintenance Right Subsists Till Remarriage

A divorced woman who has not remarried retains an absolute right to maintenance under Section 125 CrPC by virtue of the Explanation to Section 125(1)(b); the disqualifications in Section 125(4) do not apply to her.

CR.R/19/2024 · 2026:HHC:33217 · 10.08.2026

Also decided, continued

§ Muslim Law of Gift (Hiba)

CHHATTISGARH HC

Delivery of Possession Essential for Valid Gift

A Hiba requires declaration, acceptance, and actual delivery of possession of the entire subject-matter; execution and registration of the deed do not dispense with the third requirement.

FA/48/2026 · 2026:CGHC:34942-DB · 10.08.2026

§ Regulation 11(2), Handling of Cargo in Customs Areas Regulations, 2009

CESTAT

Preventive Suspension Must Be Time-Bound

Regulation 11(2) of the Handling of Cargo in Customs Areas Regulations 2009 is a preventive tool for genuine emergencies and cannot be used indefinitely without a show-cause notice or enquiry under Regulation 12.

Customs Appeal No. 85943 of 2026 · 10.08.2026

If provident fund and ESPP contributions are savings rather than deductions, every spouse seeking maintenance under HMA Sections 24 and 26 may now need to re-examine the income figure placed before the court. Does this ruling effectively require employers to furnish a full CTC breakdown as part of family court disclosure?

21 judgments **2** Supreme Court **15** High Courts **4** Tribunals

Every judgment here, analysed in full.

The facts, the reasoning and the precedents each court engaged with.

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