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THURSDAY
20 AUGUST 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- **S.156(3) CrPC rejection does not bar subsequent FIR registration : SC**
- **ICC email rejecting POSH complaint is appealable under S.18 : Bombay HC**
- **Lok Adalat award void without every claimant's signature : SC**
- **Bank deposit is a capital asset for Section 11(1A) exemption : ITAT**

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Supreme Court

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Traffic & Motor Vehicle Law
Accidents, FIRs & Hit & Run Cases

SUPREME COURT

FIR and charge-sheet are prima facie evidence of negligence in motor accident claims

The dispute. Reena, widow of Nandan Shet, claimed compensation after a KSRTC bus collided with her husband's car in 2005, killing him and his mother. The Karnataka High Court halved the award on a 50 per cent contributory negligence finding, despite an FIR and charge-sheet against the bus driver. The Supreme Court heard Reena's appeal against the High Court's contributory negligence apportionment and reduced award.

The reasoning. A civil motor accident claim is governed by preponderance of probability, not the criminal standard, and an FIR and charge-sheet constitute prima facie evidence of negligence that must be given due weight.

> *The High Court erred in ignoring the FIR and chargesheet, which, according to binding precedents supra , demonstrate the preponderance of negligence on one or the other.*
>
> FROM THE JUDGMENT

For your practice. FIRs and charge-sheets now carry decisive weight in MACT proceedings; a criminal acquittal cannot be used to defeat a compensation claim.

The order. Rs 50,81,876 awarded with 6 per cent interest from filing date; KSRTC held solely liable; High Court's 50 per cent contributory negligence finding set aside; multiplier of 17 applied on monthly income of Rs 70,000.

§ Section 166, Motor Vehicles Act, 1988

REENA vs THE MANAGING DIRECTOR, KARNATAKA STATE ROAD TRANSPORT CORPORATION

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	19.08.2026	C.A. No.-010755-010758 - 2026	2026:INSC:889

BENCH
S.V.N. Bhatti, N.V. Anjaria

Criminal Issues
Quashing of Cases

SUPREME COURT

Rejection under Section 156(3) CrPC does not bar subsequent FIR registration

The dispute. Pramod Kumar Shukla, accused of taking money to secure government appointments for the complainant's relatives, had a Section 156(3) application rejected by a magistrate in September 2024. Police later registered FIR No.405/2024 under multiple IPC provisions including Sections 420 and 467. The Sessions Court and Allahabad High Court upheld the FIR; Shukla appealed to the Supreme Court arguing res judicata barred the registration.

The reasoning. A Section 156(3) order is a pre-cognizance procedural direction, not an adjudication on the merits, and cannot attract res judicata.

> *It held that the magistrate's order under Section 156(3) merely directed or declined to direct investigation and therefore did not determine any right or liability of the accused.*
>
> FROM THE JUDGMENT

For your practice. A 156(3) refusal leaves the complainant's path to the police open; counsel should advise clients that fresh material can still ground FIR registration.

The order. The Supreme Court dismissed the criminal appeal on 19 August 2026, upholding FIR No.405/2024 and all consequent criminal proceedings in their entirety.

§ Section 156(3), Code of Criminal Procedure, 1973

PRAMOD KUMAR SHUKLA vs STATE OF UTTAR PRADESH

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	19.08.2026	Crl.A. No.-003931-003931 - 2026	2026:INSC:887

BENCH
Prashant Kumar Mishra, Shree Chandrashekhar

Government & Public Body Interactions

SUPREME COURT

Lok Adalat award in land acquisition is void unless every claimant signs the settlement

The dispute. A group of landowners from Telangana challenged Lok Adalat awards fixing compensation at Rs 10,95,000 per acre for 489 guntas acquired for a Singareni Collieries mining project, arguing that several claimants never consented to or signed those awards. The High Court upheld the awards on the footing that they constituted a class-action settlement.

The reasoning. Section 29 of the Land Acquisition Act, 1894 permits agreed apportionment only when all persons interested are parties; NALSA Regulations require signatures of the parties, and their absence defeats the award's validity.

> *The awards do not reflect a genuine agreement under Section 29 of the Act, 1894, since all disputing claimants were not parties or signatories thereto.*
>
> FROM THE JUDGMENT

For your practice. Before proceeding to a Lok Adalat in any land-acquisition reference, every claimant must be joined and must sign the award.

The order. High Court order of 7 April 2016 set aside; matter remitted to the Principal District Judge, Khammam, for a de novo hearing of the Section 30 reference to be concluded within six months, with all parties duly noticed.

§ Section 30, Land Acquisition Act, 1894

SINGAPOGU BABU RAO vs SPECIAL DEPUTY COLLECTOR (LAND ACQUISITION)

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	19.08.2026	C.A. No.-007838-007838 - 2024	2026:INSC:888

BENCH

J.B. Pardiwala, K. Vinod Chandran

High Courts

7 judgments in this edition

KEEP SWIPING >>>

Criminal Issues
Bail, Arrest & Custody Issues

PUNJAB AND HARYANA HC

Pre-trial detention under Section 483 BNS cannot substitute for post-conviction sentencing

The dispute. Sahil was accused under Sections 310(2) and 311 BNS of participating in a pre-dawn robbery near Ambala in May 2025 in which a motorbike and phone were stolen. The Punjab and Haryana High Court heard his petition under Section 483 BNS for regular bail after his initial application was declined.

The reasoning. Section 483 BNS requires the court to assess concrete risk of flight or evidence tampering, not the gravity of the charge alone.

For your practice. To defeat a bail application, the prosecution must produce specific evidence of flight risk or tampering.

The order. Petition allowed; petitioner to be released on regular bail on furnishing personal and surety bonds to the satisfaction of the Chief Judicial Magistrate or Duty Magistrate.

§ Section 483, Bharatiya Nagarik Suraksha Sanhita, 2023

SAHIL vs STATE OF HARYANA

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	19.08.2026	CRM-M/44633/2026	Manisha Batra

Work & Employment Issues
POSH, Workplace Harassment & Discrimination

BOMBAY HC

An ICC email rejecting a POSH complaint is a recommendation open to appeal under Section 18

The dispute. Ms. Sen, a former general counsel at Maple Infra InvIT, lodged a POSH complaint on 28 October 2023; the ICC emailed her two hours later that the allegations lacked a sexual element and were outside its jurisdiction. The employer-side employees challenged the Industrial Court's May 2026 order allowing the Section 18 appeal, arguing before the Bombay High Court that the ICC.

The reasoning. An ICC communication that directs the employer to take no action is functionally a recommendation under Section 13(2), even where no formal Section 11 inquiry was held, because the employer acts on it in precisely the same way.

> *Provisions of the POSH Act must not only be interpreted liberally but in the event of any difficulty, the same must be interpreted in favour of the class of persons for whose benefit the statute is enacted.*
>
> FROM THE JUDGMENT

For your practice. Any ICC communication closing a complaint, however brief, triggers the ninety-day window under Section 18.

The order. The Bombay High Court held the Section 18 appeal maintainable, set aside the Industrial Court's order of 4 May 2026 in part, and remanded the appeal for fresh adjudication to be decided within four months. No costs were awarded.

§ **Section 13, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

ANUP VIKAL vs STATE OF MAHARASHTRA THR THE INDUSTRIES & ors.

COURT	DECIDED	CASE NO.	BENCH
Bombay High Court	19.08.2026	WP/7430/2026	Sandeep V. Marne

Criminal Issues
Sexual Offences, POCSO & Domestic Crimes

DELHI HC

Material contradictions in child testimony plus a DNA mismatch defeat a POCSO conviction

The dispute. A man identified only as P was convicted of sexually assaulting a ten-year-old girl in darkness near a public toilet in Delhi in August 2018 and was sentenced to life imprisonment in September 2025. He appealed to the Delhi High Court against the trial court's conviction under Sections 376AB, 341 and 323 IPC and Section 6 POCSO Act.

The reasoning. Child testimony can sustain a conviction on its own only if it is free of material contradictions and inspires confidence; where the victim's identification account shifted from darkness to a claimed light source unsupported by site plans.

For your practice. Move for early forensic analysis in POCSO defence work; a DNA mismatch can defeat even a detailed child identification.

The order. The Delhi High Court allowed the appeal, set aside the conviction of 4 September 2025 and the sentence of 24 September 2025, and acquitted the appellant of all charges under Sections 376AB, 341 and 323 IPC and Section 6 POCSO.

§ Section 118, Indian Evidence Act, 1872

P (IDENTITY REDACTED) vs STATE (NCT OF DELHI)

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	19.08.2026	CRL.A.-1742/2025	2026:DHC:6876-DB

BENCH
Prathiba M. Singh, Vikas Mahajan

Government & Public Body Interactions
Service Matters of Government Employees (Transfers, Promotions, etc.)

BOMBAY HC

A later government resolution cannot retrospectively reduce a retirement age already vested

The dispute. Dr. Alka Chougale was appointed Associate Professor in January 2012 with her retirement age expressly fixed at 62 under the then-prevailing government resolution. The Institute of Science retired her at 60 in August 2025, applying a 2016 GR that the State argued superseded her appointment terms. The Maharashtra Administrative Tribunal dismissed her challenge in August 2025; she filed Writ Petition No.5179 of 2026 before the Bombay High Court.

The reasoning. Where an appointment order has already fixed a higher retirement age, a subsequent GR cannot operate retrospectively to strip that accrued right.

> *It reiterated that Article 13(2) bars retrospective legislation that impairs vested rights, and that rules made under Article 309 cannot operate retrospectively to deprive accrued benefits.*
>
> FROM THE JUDGMENT

For your practice. When advising government employees on post-appointment policy changes, verify whether the new rule expressly covers those whose rights have already vested under an earlier order.

The order. The Bombay High Court allowed the writ petition, set aside the MAT order dated 28 August 2025, reinstated the petitioner as Associate Professor.

§ **Government Resolution dated 12 July 2016, Maharashtra, on retirement age of teaching staff**

ALKA KRISHNARAO CHOUGALE vs THE STATE OF MAHARASHTRA THRO. THE ADDITIONAL CHIEF SECRETARY

COURT	DECIDED	CASE NO.	BENCH
Bombay High Court	19.08.2026	WP/5179/2026	Suman Shyam, Advait M. Sethna

Government & Public Body Interactions
Service Matters of Government Employees (Transfers, Promotions, etc.)

PUNJAB AND HARYANA HC

Recruiting authority cannot impose interview cut-offs after short-listing has begun

The dispute. Four candidates applied for assistant professor posts advertised by Haryana in May 2022 on a scheme of 75 marks academic merit and 25 marks interview with no minimum threshold. They filed writ petitions under Articles 226 and 227 challenging the HPSC's December 2022 announcement and the result that excluded them.

The reasoning. A recruiting authority is bound by the criteria disclosed in the advertisement and cannot unilaterally impose an interview cut-off after short-listing.

For your practice. Recruitment advertisements must state all qualifying thresholds, including interview minimums, before the process opens.

The order. The Punjab and Haryana High Court quashed the HPSC announcement of 13 December 2022, set aside the result of 23 December 2022 to the extent of exclusions based on the cut-off.

§ **Article 14, Constitution of India, 1950**

SURENDER SINGH AND ANR vs STATE OF HARYANA & ors.

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	19.08.2026	CWP/751/2023	Harpreet Singh Brar

Property & Asset Disputes
Land/Property Acquisition Compensation & Rehabilitation

PUNJAB AND HARYANA HC

Land over ten kilometres from a municipal limit attracts the 1.5 multiplier under the LARR Act

The dispute. Landowners in Chanda Kheri, Yamuna Nagar, had agricultural land acquired for a Mini Secretariat and Judicial Complex; the Collector awarded ₹20 lakh per acre and the Reference Court enhanced it to ₹80,77,040 but applied a multiplier of 1. The landowners appealed to the Punjab and Haryana High Court, contending that the 2018 State notification mandating a 1.5 multiplier for land beyond ten.

The reasoning. Where land lies more than ten kilometres from the nearest municipal limit, the 2018 State notification prescribing a 1.5 multiplier prevails over the 2014 rural-land notification.

> *It held that this date, not the judicially-created 1 January 2014, is the appropriate cut-off for market-value determination because the notification under Section 4 is the statutory trigger for acquisition proceedings.*
>
> FROM THE JUDGMENT

For your practice. In acquisition matters, obtain official distance certification from the SDM early.

The order. The Reference Court award was set aside; market value fixed at ₹66,11,575 per acre, multiplier at 1.5, giving compensation of ₹99,17,362 per acre.

§ **Section 26, Right to Fair Compensation & Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013**

SANTOSH RANI ALIAS SANTOSH DEVI vs STATE OF HARYANA AND ANR

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	18.08.2026	RFA/787/2024	Jagmohan Bansal



Banking Law, Debt & Money Matters

PUNJAB AND HARYANA HC

A writ petition pending on the specified date qualifies a taxpayer as appellant under Vivad Se

The dispute. Subhash Chander Mittal, a former partner of a dissolved Ludhiana firm, faced interest demands of ₹24,01,258 under Section 234B and ₹1,08,24,744 under Section 220(2) following a 1992 search. Mittal challenged the rejection before the Punjab and Haryana High Court, arguing that the plain text of Section 89(1)(a) made him an appellant.

The reasoning. Section 89(1)(a) is self-contained: any person with an appeal, writ petition or special leave petition pending on the specified date is an appellant, and a concurrent waiver application under Section 220(2A) is irrelevant to that status.

For your practice. When advancing Vivad Se Vishwas claims, document the pendency of every appellate or writ proceeding as at the specified date.

The order. The rejection order dated 19 December 2024 was set aside; the income-tax authorities were directed to process Mittal's claim under the 2024 Scheme.

§ Section 89, Direct Tax Vivad Se Vishwas Scheme, 2024

SUBHASH CHANDER MITTAL vs UNION OF INDIA & ors.

COURT
Punjab and Haryana High Court

DECIDED
18.08.2026

CASE NO.
CWP/24116/2025

BENCH
Deepak Sisal, Rupinderjit Chahal

Tribunals

1 judgment in this edition

KEEP SWIPING →

Judgment

ITAT

Any bank deposit is a capital asset for Section 11(1A) exemption

The dispute. The Jogdhian Hari Bhagwan Rastogi Charitable Trust sold an immovable property in Delhi in September 2012 for Rs 11.90 crore and reinvested the proceeds in mutual funds, a fixed deposit, a savings-bank balance, and a current-account deposit. The trust appealed to the ITAT Delhi, challenging the finding that its bank deposits did not qualify as another capital asset under Section 11(1A).

The reasoning. Section 11(5)(iii) expressly includes a deposit in any account with a scheduled bank as a permissible investment, and the word 'any' covers current accounts as much as fixed or savings accounts.

> *In the present case, the deposit was made in the current account with the Bank of India and hence the same will come within the meaning of the words 'deposit in any account with a scheduled bank'.*
>
> FROM THE JUDGMENT

For your practice. Charitable trusts may now safely park sale proceeds of capital assets in any scheduled-bank account, including a current account.

The order. Appeal allowed; the current-account deposit of Rs 4,86,304, fixed deposit of Rs 1 crore, and savings-bank balance of Rs 95 lakhs held to be proper investments under Section 11(5)(iii), qualifying for full exemption under Section 11(1A).

§ Section 11(1A), Income Tax Act, 1961

Jogdhian Hari Bhagwan Rastogi ... vs Ito Ward Exemption 1(4), Delhi

COURT
Income Tax Appellate Tribunal

DECIDED
19.08.2026

CASE NO.
I.T.A. No. 8317/Del/2025

BENCH
M. Balaganesh, Vimal Kumar

Also decided today

§ Section 20, Prevention of Corruption Act, 1988 SUPREME COURT

Conviction under the PC Act falls where demand and valid sanction are unproved

The Section 20 presumption arises only after a demand is proved beyond reasonable doubt; absent that proof the presumption cannot be invoked. Sanction must be granted by the authority competent to remove the accused public servant, not a subordinate officer.

Crl.A. No.-001177-001177 - 2015 · 2026:INSC:890 · 19.08.2026

§ Section 65(105)(zzb), Finance Act, 1994 SUPREME COURT

Referral commissions earned by auto dealers are taxable as Business Auxiliary Service

An automobile dealer that promotes and markets banking and insurance services to customers is a link in those institutions' economic activity and thereby provides a taxable Business Auxiliary Service under Section 65(105)(zzb) of the Finance Act, 1994.

C.A. No.-007947-007947 - 2013 · 2026:INSC:892 · 19.08.2026

§ Section 35, Trade Marks Act, 1999 BOMBAY HC

Section 35 bona fide surname defence is available to a corporate entity, not only natural

The term 'person' in Section 35 of the Trade Marks Act, 1999 extends to juridical persons using a name genuinely their own; a company whose family founders used the surname for over six decades qualifies for the bona fide use defence.

COMIP/215/2021 · 19.08.2026

Also decided, continued

§ Section 147, Motor Vehicles Act, 1988

MADHYA PRADESH HC

Insurer liability under a comprehensive motor policy is capped at the premium actually paid

An insurer's liability for passengers under a private-car policy is confined to the amount stated in the premium schedule; describing the policy as 'comprehensive' does not by itself extend cover to unlimited risk.

MA 151/2015 · 2026:MPHC-IND:23451 · 19.08.2026

§ Section 34, Arbitration and Conciliation Act, 1996

DELHI HC

Unstamped arbitral award cannot be enforced while a Section 34 petition is pending

Stamp duty is a condition precedent for treating an arbitral award as a valid instrument for execution; its absence renders the award unenforceable regardless of its substantive merits.

OMP (ENF.) (COMM.)-91/2018 · 2026:DHC:6930 · 19.08.2026

§ Section 13(2), Prevention of Corruption Act, 1988

HIMACHAL PRADESH HC

Sanction refused during service bars PC Act prosecution even after the accused retires

Where the competent authority refuses sanction under Section 19 of the Prevention of Corruption Act while the accused is still a public servant, prosecution cannot be revived after retirement; the proceedings are non est.

CR.A/363/2012 · 2026:HHC:34827 · 19.08.2026

Also decided, continued

§ Section 124A, Railways Act, 1989

CALCUTTA HC

Railways bear the burden to disprove passenger status when a ticket cannot be produced

In claims under Section 124A of the Railways Act, 1989, the presumption under Section 114 of the Evidence Act operates in favour of the claimant when documentary evidence of a ticket is unavailable.

FMA/1152/2025 · 2026:CHC-AS:1302 · 19.08.2026

§ Section 90-B(1), Rajasthan Land Revenue Act, 1956

RAJASTHAN HC

Demolition for road widening without notice and compensation breaches constitutional due

The constitutional guarantee under Articles 14, 21 and 300-A requires that any demolition or eviction for a public purpose be preceded by statutory notice, an opportunity of hearing and an offer of compensation at prevailing DLC rates.

CW / 10666 / 2016 · 2026:RJ-JD:39419 · 19.08.2026

§ Section 34, Arbitration & Conciliation Act, 1996

DELHI HC

Arbitral awards cannot be set aside for evidentiary re-appreciation under Sections 34 or 37

Courts acting under Sections 34 and 37 of the Arbitration Act may intervene only for patent illegality, natural-justice breach, or jurisdictional excess, not to re-examine factual findings.

FAO(OS) (COMM)-26/2024 · 2026:DHC:6885-DB · 19.08.2026

Also decided, continued

§ Regulation 31A, Insolvency and Bankruptcy Board of India (Insolvency Resolution Pr... BOMBAY HC

IBBI's 0.25% regulatory fee on resolution applicants is a valid prospective levy

Section 196(1)(c) of the IBC empowers IBBI to levy fees beyond registration charges for carrying out the purposes of the Code, and the reasonable-correlation test governs the fee-tax distinction rather than a strict quid-pro-quo requirement.

WP/1560/2025 · 19.08.2026

§ Section 153C, Income Tax Act, 1961 ITAT

Section 153C limitation runs from the satisfaction-note date, not the centralisation order

Recording a satisfaction note under Section 153C is a substantive jurisdictional condition precedent, not a formality, and the twelve-month limitation under Section 153B(1)(b)(ii) runs from that date even where the same Assessing Officer handles.

I.T A. Nos.2911 to 2918/Del/2026 · 19.08.2026

§ Section 92CA, Income Tax Act, 1961 ITAT

Export incentives and cash discounts are operating revenue for TNMM transfer-pricing

Rule 10TA excludes certain items from operating revenue but does not mention export incentives or cash discounts, so both must be included in the TNMM computation.

IT(TP)A. No.66 /DEL/2026 · 19.08.2026

When a criminal court acquits an accused, does that finding bind the civil court hearing a motor-accident claim? The Supreme Court today answered no: an FIR and charge-sheet constitute prima facie evidence of negligence, and civil liability survives the acquittal.

23 judgments **5** Supreme Court **15** High Courts **3** Tribunals

Every judgment here, analysed in full.

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

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