Cassie

TUESDAY
25 AUGUST 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- **Form-25 RPA | Affidavit notarisation defects are curable : SC**
- **S.12 DV Act | Settlement bars subsequent DV claims by spouse : SC**
- **POSH Act | Retaliatory cessation of service is invalid : Delhi HC**
- **S.33 IBC | 66% CoC vote strictly mandatory for liquidation : NCLAT**
- **Unsigned arbitration clause bind parties if conduct shows assent : DHC**

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Supreme Court

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Government & Public Body Interactions

SUPREME COURT

Rubber-stamp attestations and missing notarisation do not invalidate an election petition

The dispute. Hafiz Rashid Ahmed Choudhury challenged the 2024 Lok Sabha election of Kripanath Mallah from Assam's Karimganj constituency, alleging corrupt practices. The High Court summarily dismissed the petition under Section 86 of the Representation of the People Act, 1951, leading to this appeal.

The reasoning. The Supreme Court held that Section 81(3) requires personal attestation taking responsibility for copies without prescribing a rigid format, validating signed rubber-stamp inscriptions.

For your practice. Election petitions cannot be dismissed for clerical attestation defects if the petitioner signed each copy without causing prejudice.

The order. The Supreme Court allowed the appeal, set aside the High Court's dismissal order, and restored the election petition for verification of Form-25 attestation and adjudication on merits.

§ Section 86, Representation of People Act, 1951

HAFIZ RASHID AHMED CHOUDHURY vs KRIPANATH MALLAH

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	24.08.2026	C.A. No.-007474 - 2025	2026 INSC 915

BENCH

J.b. Pardiwala, K. Vinod Chandran

Relationships & Family Matters
DV, Dowry, Cruelty, and other Criminal Matters

SUPREME COURT

Voluntary settlement waiving monetary claims bars subsequent domestic violence proceedings

The dispute. Following a mutual divorce, Reji Baby and Subi Mary executed a settlement agreement accompanied by sworn affidavits waiving all future monetary and maintenance claims. The Kerala High Court declined to quash the domestic violence complaint, prompting the husband to challenge the decision before the Supreme Court.

The reasoning. The Supreme Court held that initiating domestic violence proceedings after an unassailed, voluntary settlement waiving monetary claims constitutes an abuse of process.

For your practice. Marital settlements waiving maintenance bar subsequent domestic violence claims, though non-signatory children retain independent remedies.

The order. The Supreme Court allowed the appeal, set aside the High Court's order, and quashed the domestic violence proceedings while granting liberty to the daughter to pursue fresh relief.

§ **Protection of Women from Domestic Violence Act, 2005**

REJI BABY vs SUBI MARY

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	24.08.2026	Crl.A. No.-001346-001346 - 2021	2026 INSC 918

BENCH
Ahsanuddin Amanullah, Manmohan

High Courts

8 judgments in this edition

KEEP SWIPING >>>

Work & Employment Issues
POSH, Workplace Harassment & Discrimination

DELHI HC

Employers cannot invoke service rules to retaliate against workplace harassment complainants

The dispute. IDBI Bank terminated the employment of a manager by treating her prolonged absence as voluntary cessation of service. The employee contested the order, asserting that her absence was directly caused by a hostile work environment and an improperly constituted Internal Complaints Committee. A Single Judge set aside the cessation order and awarded back wages with compensation, which the bank challenged in a Letters Patent Appeal.

The reasoning. The Court held that while service rules coexist with the POSH Act, disciplinary proceedings cannot be used as retaliatory instruments against harassment complainants.

For your practice. Employers taking service-rule actions against harassment complainants must prove bona fide grounds to rebut claims of retaliatory victimisation.

The order. The High Court dismissed the appeal and affirmed the Single Judge's judgment, upholding full back wages from October 2020 and Rs 5,00,000 in compensation while waiving the costs previously imposed on the bank.

§ **Section 28, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

IDBI BANK LTD vs SHARANJEET KAUR

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	24.08.2026	LPA-38/2026	2026:DHC:7115-DB

BENCH
Tejas Karia, Devendra Kumar Upadhyaya

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

DELHI HC

Unsigned invoice arbitration clauses bind parties if commercial conduct evinces acceptance

The dispute. The petitioner engaged in commercial dealings with the respondent for purchasing disposable products, making substantial advance payments against running account transactions. The Commercial Court allowed the respondent's Section 8 application referring the parties to arbitration, which the petitioner challenged before the High Court.

The reasoning. The High Court held that Section 7(3) mandates an arbitration agreement in writing but does not require physical signatures where transactional conduct establishes acceptance.

> *Thus, it becomes relevant to consider whether the conduct of the parties showed an acceptance of the arbitration agreement and an intent to be governed by the Arbitration Act.*
>
> FROM THE JUDGMENT

For your practice. Commercial litigators can enforce arbitration clauses in unsigned invoices by establishing course of dealing and payments, shifting evidentiary preparation from signed agreements.

The order. The High Court dismissed the petition and upheld the Section 8 referral to arbitration. It clarified that conduct-based acceptance validates arbitration clauses while leaving the merits of the commercial dispute to arbitral determination.

§ Section 7, Arbitration and Conciliation Act, 1996

M/S AMBICA ENTERPRISES vs ALOK GUPTA

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	24.08.2026	CM(M)-1724/2026	2026:DHC:7050	Ajay Digpaul

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

PUNJAB AND HARYANA HC

Unexplained delays in communicating rights and deciding representations vitiate detention

The dispute. The petitioner challenged her preventive detention under Section 3 of the PITNDPS Act following a narcotics FIR that involved no recovery or arrest. Authorities delayed notifying her right to represent to the Central Government by 45 days and took over five months to decide her representation. The petitioner approached the High Court through a habeas corpus writ petition challenging the detention order confirmed by the Advisory Board.

The reasoning. Article 22(5) imposes mandatory dual obligations to communicate representation rights promptly and dispose of representations with utmost expedition.

For your practice. Unexplained delays in communicating representation rights or deciding representations provide decisive grounds to quash preventive detention.

The order. The High Court allowed the writ petition and quashed the detention order dated 01.11.2025. It directed that the petitioner be released forthwith from custody, holding the unexplained multi-month delays constitutionally fatal.

§ **Article 22(5), Constitution of India**

BALA vs UT CHANDIGARH & ors.

COURT	DECIDED	CASE NO.	CITATION
Punjab and Haryana High Court	24.08.2026	CRWP/1001/2026	2026:PHHC:115366

BENCH
Virinder Aggarwal

Property & Asset Disputes
Ancestral Property & HUF Partition

HIMACHAL PRADESH HC

Coparcenary property devolves by survivorship where other coparceners survive

The dispute. Plaintiffs filed a civil suit claiming ancestral land through the daughter of a deceased coparcener who died in 1952 before the Hindu Succession Act. The defendants resisted the claim, asserting title through surviving coparceners by survivorship and relying upon a binding 1953 compromise decree. The trial court dismissed the suit, but the First Appellate Court reversed the decree by applying succession rules, prompting the defendants' second appeal.

The reasoning. Under Mitakshara Hindu law governing pre-1956 deaths, an undivided coparcenary interest passes strictly by survivorship unless the deceased was the sole surviving coparcener.

For your practice. Succession claims require proving the absence of other coparceners, as revenue entries cannot extinguish joint family survivorship rights.

The order. The High Court allowed the Regular Second Appeal, set aside the First Appellate Court's decree, and restored the trial court's judgment dismissing the suit.

§ **Hindu Succession Act, 1956; Hindu Women's Rights to Property Act, 1937; Mulla's Hindu Law**

Munshi Ram & ors. v. Hukmi & ors.

COURT	DECIDED	CASE NO.	CITATION
Himachal Pradesh High Court	24.08.2026	RSA/202/2007	2026:HHC:35830

BENCH
Rakesh Kainthla



Banking Law, Debt & Money Matters
Recovery Suits, Notices & Legal Pressure

DELHI HC

TDS deductions on loan interest constitute payment on debt extending limitation period

The dispute. The respondents advanced an oral friendly loan to the petitioner in 2008 without executing a formal loan agreement. Although the petitioner issued annual balance confirmations through 2014 and deposited TDS on interest until March 2015, he failed to repay the outstanding principal upon demand. The trial court dismissed the petitioner's Order VII Rule 11 application seeking rejection of the 2017 recovery plaint, prompting this Article 227 revision.

The reasoning. Under Section 19 of the Limitation Act, depositing tax deducted at source on accrued interest constitutes a payment on account of debt.

For your practice. Litigators handling debt recovery can defeat threshold limitation challenges by producing Form 26AS records and TDS certificates showing statutory interest payments made.

The order. The High Court dismissed the revision petition and affirmed the trial court's order. It directed that the recovery suit proceed to trial, holding that the limitation dispute required full evidentiary assessment.

§ Section 19, Limitation Act, 1963

AMIT GUPTA vs KRISHNA GUPTA

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	24.08.2026	CMM - 1346/2019	2026:DHC:7052	Ajay Digpaul

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

DELHI HC

Part-time teachers are statutorily entitled to fifty percent of regular teacher pay

The dispute. Part-time Punjabi teachers appointed between 1986 and 1991 and deployed in municipal schools were paid monthly wages substantially below the statutory minimum wage. A Single Judge allowed the petitions and directed re-fixation with interest, which the Punjabi Academy and Directorate of Education challenged in appeal.

The reasoning. The Court held that Rule 101(2) creates a mandatory statutory floor that cannot be overridden by executive contracts or subsequent qualification changes.

For your practice. Statutory wage protections cannot be diluted through contractual designations.

The order. The Division Bench dismissed the appeals and directed compliance with the Single Judge's directions within eight weeks, mandating salary re-fixation at fifty percent, payment of arrears, and six percent annual interest.

§ Rule 101(2), Delhi School Education Rules, 1973

PUNJABI ACADEMY AND ANR. vs SMT. SUSHMA KUMARI & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	24.08.2026	LPA - 231/2026	2026:DHC:7097-DB	Tejas Karia

Criminal Issues
Murder, Culpable Homicide & Attempt to Murder

DELHI HC

Conspiracy charges cannot be framed solely on co-accused statements and raw call records

The dispute. The petitioner was implicated in an alleged murder conspiracy after police intercepted multiple suspects and seized firearms during a raid. The trial court framed charges under Sections 120B and 302 IPC, which the petitioner challenged before the High Court in a criminal revision petition.

The reasoning. The Court held that framing charges requires grave suspicion founded on tangible, admissible material establishing a prima facie offence.

For your practice. Discharge must follow where conspiracy charges rest solely on co-accused confessions and untranscribed call logs without tangible corroboration.

The order. The High Court allowed the revision petition, set aside the trial court's charge-framing orders, and discharged the petitioner from offences under Section 120B read with Section 302 IPC.

§ Section 227, Code of Criminal Procedure, 1973

CHANDRA SHEKHAR SHARMA vs STATE (N.C.T OF DELHI)

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	24.08.2026	CRL.REV.P.-623/2018	2026:DHC:7109	Saurabh Banerjee

Contracts & Business Disputes
Payment & Recovery Issues

DELHI HC

Striking off defence for non-payment of costs is not automatic when default is curable

The dispute. In a commercial suit for recovery of Rs 14.33 lakhs, the defendant filed his written statement within the statutory 120-day limit but faced multiple cost orders for procedural rectifications. Although the defendant transferred funds to his former advocate, the costs remained unpaid to the plaintiff. The trial court struck off the petitioner's defence for cost non-payment and dismissed his review petition, leading to the present Article 227 challenge.

The reasoning. Under Section 35B CPC, failure to pay costs does not warrant the disproportionate sanction of striking off a defence where the default is curable. Courts must decide disputes on merits rather than penalising litigants for their counsel's procedural omissions.

For your practice. Civil litigators resisting defence strike-offs for cost defaults can obtain restoration by demonstrating bona fide compliance attempts and tendering compensatory costs to remedy.

The order. The High Court set aside the striking-off orders and restored the written statement subject to paying Rs 10,000 in additional costs within a week.

§ Section 35A, Civil Procedure Code, 1908

KABIR SARDAR vs MADAN LAL

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	24.08.2026	CM(M)-1057/2026	2026:DHC:7058	Ajay Digpaul

Tribunals

4 judgments in this edition

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Banking Law, Debt & Money Matters
Personal Bankruptcy & Insolvency

NCLAT

Liquidation cannot be ordered without sixty-six percent vote where settlement remains viable

The dispute. Jeppiaar Cements Limited faced corporate insolvency after standing as guarantor for credit facilities availed by its affiliate from Indian Bank. The corporate debtor's promoter appealed after the National Company Law Tribunal ordered liquidation under Section 33(1) without the requisite creditor.

The reasoning. The Tribunal held that liquidation is a remedy of last resort requiring a mandatory sixty-six percent vote from the creditors' committee.

> *Where there are more options than one to end an insolvency condition of the corporate debtor, then fairness involved in choosing an option should be allowed to prevail.*
>
> FROM THE JUDGMENT

For your practice. Insolvency professionals must secure explicit sixty-six percent voting approval before seeking liquidation.

The order. The Appellate Tribunal set aside the liquidation order and revived the corporate insolvency resolution process. It directed the resolution professional to facilitate withdrawal under Section 12A in view of the completed settlement.

§ **Section 33, Insolvency and Bankruptcy Code, 2016**

Mr Babu Manoharan Jaikumar ... vs Mr Umesh Garg & ors.

COURT	DECIDED
National Company Law Appellate Tribunal	24.08.2026
CASE NO.	**BENCH**
Company Appeal (AT) (CH) (Ins) No.358/2022	N. Seshasayee, Jatindranath Swain

Work & Employment Issues
Wages, Salaries & Deductions

ITAT

ESOP discounts are deductible business expenditure and do not require immediate cash outflow

The dispute. The assessing officer disallowed Rs 4.24 crore claimed as ESOP discount under Section 37(1) and Rs 54.34 lakh under Section 57 by Hero Fincorp Limited. The revenue contended that the amortised ESOP discount was a notional contingent loss lacking actual cash outflow. The revenue appealed to the Income Tax Appellate Tribunal after the Commissioner of Income Tax (Appeals) deleted both additions in the assessee's favour.

The reasoning. The Tribunal held that ESOP discounts constitute statutory employee remuneration and an ascertained liability incurred upon grant, qualifying for deduction under Section 37(1).

> *Thus, from perusal of section 37(1), it is evident that the aforesaid provision permits deduction for the expenditure laid out or expended and does not contain a requirement that there has to be a pay out.*
>
> FROM THE JUDGMENT

For your practice. Corporate taxpayers can claim amortised ESOP discounts as allowable business expenditure without immediate cash outflow.

The order. The ITAT dismissed the revenue's appeal and confirmed the deletion of additions amounting to Rs 4.24 crore under Section 37(1) and Rs 54.34 lakh under Section 57.

§ Section 37(1), Income-tax Act, 1961

Acit, Circle 10(1), New Delhi vs Hero Fincorp Limited, New Delhi

COURT	DECIDED	CASE NO.
Income Tax Appellate Tribunal	24.08.2026	ITA No. 2356/Del/2026

BENCH
S. Rifaur Rahman, Sunil Kumar Singh

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

CAT

Recruitment disability criteria cannot be altered by retrospective medical guidelines

The dispute. Pareswar Dash, a visually impaired candidate selected in the Civil Services Examination 2014 under the reserved category, had his appointment cancelled. The candidate challenged the Union government's cancellation order before the Central Administrative Tribunal, Cuttack Bench, seeking appointment.

The reasoning. The Tribunal held that recruitment eligibility is governed strictly by the rules in force on the notification date. Subsequent administrative guidelines cannot operate retrospectively to alter substantive disability criteria or defeat vested selection rights.

> *the order of rejection dated 19.02.2024 is held to be a nullity in the eyes of law and is liable to be quashed.*
>
> FROM THE JUDGMENT

For your practice. Public recruitment disability assessments must strictly adhere to the notification standards prevailing at selection, barring departments from applying later revised medical.

The order. The Tribunal quashed the rejection order and directed respondents to obtain a fresh disability assessment under the 2014 rules, granting appointment with notional seniority if the candidate meets the forty percent threshold.

§ Civil Services Examination Rules, 2014

Pareswar Dash vs Union Of India

COURT	DECIDED	CASE NO.
Central Administrative Tribunal	24.08.2026	O.A.No. 260/00728 of 2024

BENCH
Sudhi Ranjan Mishra, Pramod Kumar Das

Insurance Law & Claims
Health/Life Insurance Claim Denial, Partial Approval & Delay

SCDRC

Insurer cannot repudiate death claim over non-material omissions of prior policies or income

The dispute. The complainant, nominee of her deceased husband, approached the consumer forum after HDFC Standard Life Insurance repudiated a Rs 25 lakh death benefit under a term policy. The Assam SCDRC adjudicated the original complaint seeking disbursement of the sum assured alongside interest and compensation for deficiency in service.

The reasoning. The duty of utmost good faith does not render every omission fatal unless the suppressed fact materially affects underwriting risk.

For your practice. Practitioners must now ensure that insurers substantiate any claim of material non-disclosure with concrete evidence. A mere allegation of inaccurate income or undisclosed prior policies will not suffice to deny a claim under the Consumer Protection Act, 1986, shifting the evidentiary burden to the insurer.

The order. Rs 25,00,000 to be paid by HDFC Standard Life Insurance Company Limited, with interest at 6% per annum from 02-06-2015, the date of death of the insured. No additional compensation or costs were awarded. The order is to be complied with within the timeframe prescribed by the Commission.

§ **Section 17, Consumer Protection Act, 1986**

Mrs. Jamiran Nessa alias Jariman Nessa vs President Corporate Services/Senior Manager, HDFC Standard Life Insurance Co. Ltd. & ors.

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	24.08.2026	SC/18/CC/3/2017

BENCH
Smti. Malasri Nandi, Chandan Das, Pratim Kumar Bora, Tapas Kumar Ghosh

Also decided today

§ Paragraph 8(2), Government Order dated 22 December 2016, Uttar Pradesh Basi... ALLAHABAD HC

Appointment date governs first increment entitlement when public holiday delays joining

The effective appointment order date determines entitlement to annual increments because a public holiday cannot disrupt service continuity or penalise employees.

WRIT - A No. - 481 of 2026 · 2026:AHC:178110 · 24.08.2026

§ Article 226, Constitution of India, 1950 DELHI HC

Compensation for vehicle scrapping involving factual disputes requires civil suit not writ

Writ jurisdiction under Article 226 cannot be invoked to claim unliquidated damages when procedural compliance and actual financial loss involve disputed facts.

LPA-479/2026 · 2026:DHC:7114-DB · 24.08.2026

§ Section 399, Indian Penal Code, 1860; Section 402, Indian Penal Code, 1860; Section 3... DELHI HC

Unproven five-person assembly and implausible overheard talk vitiate dacoity conviction

Proving a minimum of five persons under Section 391 IPC is a mandatory precondition for sustaining convictions under Sections 399 and 402.

CRLA - 207/2004 · 2026:DHC:7089 · 24.08.2026

Also decided, continued

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

Sustained abusive conduct justifies divorce and permanent alimony may include landed property

Mental cruelty must be assessed from the cumulative impact of persistent hostility and prolonged separation rather than isolated events.

MA-373/2022 · 24.08.2026

§ Section 96, Code of Civil Procedure, 1908 — CHHATTISGARH HC

Proved prior partition and independent acquisition bar subsequent joint family partition claim

A plaintiff alleging joint family ownership must establish an income-bearing joint nucleus before any presumption of jointness arises under Hindu law.

FA/269/2005 · 2026:CGHC:37812 · 24.08.2026

§ Section 153C, Income Tax Act, 1961 — ITAT

Satisfaction note lacking year-wise nexus and delayed notice invalidate tax assessment

A satisfaction note under Section 153C must establish a year-wise nexus between seized material and escaped income to satisfy jurisdictional requirements.

ITA No.7276/DEL/2025 & ITA No.7277/DEL/2025 · 24.08.2026

Also decided, continued

§ Section 80G, Income Tax Act, 1961 ITAT

CSR donations to eligible entities qualify for Section 80G tax deduction

The business expense bar under Section 37(1) does not preclude charitable deductions under Section 80G. Donations satisfying Section 80G(5) remain deductible notwithstanding mandatory company law CSR obligations.

ITA No.1721/DEL/2026 · 24.08.2026

§ Paragraph 226, Indian Railway Establishment Code, Volume I CAT

Valid no objection certificate and priority status obligate railway to issue relieving order

Issuance of a valid No Objection Certificate coupled with top priority obligates the parent railway to relieve the employee in accordance with transfer policies.

OA No120/283/2026 · 24.08.2026

Can minor notarisation and rubber-stamp attestation defects in a Form-25 affidavit derail an election challenge at the threshold? Today's lead judgment settles that such flaws are curable irregularities rather than fatal defects, ensuring democratic scrutiny is not defeated by clerical procedural traps.

22 judgments **2** Supreme Court **13** High Courts **7** Tribunals

Every judgment here, analysed in full.

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

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