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THURSDAY
27 AUGUST 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- **S.87A Rebate | Applies to S.111A STCG under new tax regime : ITAT**
- **Sale Deeds | Registrar cannot cancel registered deed : Gauhati HC**
- **Defamation summons requires prima facie proof of reputational harm : Delhi HC**
- **S.32 FSSAI | Improvement notice mandatory prior to seizure : Delhi HC**

22	14	8
JUDGMENTS IN ALL	HIGH COURTS	TRIBUNALS

Swipe to read all 22 judgments >>>

Inside this digest

22 judgments reported in full on cassie.in

— HIGH COURTS

Police cannot order further investigation without magisterial approval 4

Deputy Commissioners cannot cancel duly registered sale deeds 5

Defamation summons requires prima facie proof of reputational harm 6

Disclosure statements require discovering facts unknown to the police 7

Writ jurisdiction hinges on dispute nexus rather than issuing authority seat 8

Non-borrowers cannot be forced to make SARFAESI appeal pre-deposits 9

Sentence review boards must assess convict reform for premature release 10

Cruelty charges cannot lie against persons unrelated to the husband 11

Consultant debarment cannot bypass agreed contractual warning procedures 15

Food safety regulators must issue improvement notices before stock seizures 15

Ongoing promotion exercises cannot be halted to amend service rules 15

Temporary constables injured in training qualify for disability pension 16

Emergency land attachment is valid despite pending civil title suits 16

Eighteen-month distance diplomas satisfy teacher eligibility test rules 16

— TRIBUNALS

Tax rebate remains available on short-term capital gains in new regime 13

Reopening notice beyond three years is invalid for income below Rs 50 lakh 14

Determining nil arm's length price for intra-group services is illegal 17

SOFTEX certification fees retained by autonomous bodies attract service tax 17

Tribunals may condone appeal delays and admit omitted statutory exemptions 17

Customs cannot alter tariff classification without technical evidence 18

Unsecured loan repaid within same financial year cannot be deemed income 18

Cenvat credit cannot be denied on photocopies where duty payment is proved 18

High Courts

8 judgments in this edition

KEEP SWIPING >>>

Criminal Issues
Quashing of Cases

PUNJAB AND HARYANA HC

Police cannot order further investigation after a cancellation report without court permission

The dispute. An accused faced an FIR alleging a fraudulent cryptocurrency scheme involving ten lakh rupees. After police filed a cancellation report finding no incriminating material, senior police leadership issued an administrative directive ordering further investigation. The accused approached the High Court under Section 528 BNSS seeking to set aside the executive directive.

The reasoning. Once a cancellation report is filed, exclusive jurisdiction vests in the magistrate to accept it or order further inquiry. Investigating agencies cannot bypass judicial oversight by issuing executive directives without prior leave of the court.

> *The power to direct further investigation rests with the Magistrate/Court concerned and not with the investigating agency.*
>
> FROM THE JUDGMENT

For your practice. Post-report police inquiries remain void unless the investigating agency obtains prior judicial leave under Section 193(9) BNSS from the jurisdictional magistrate.

The order. The High Court quashed the executive directive and record-transfer order, directing the magistrate to consider the cancellation report within one month.

§ Section 528, Bharatiya Nagarik Suraksha Sanhita, 2023

TARUN TRIKHA vs STATE OF HARYANA & ors.

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	26.08.2026	CRM-M/44031/2026	Manisha Batra

Property & Asset Disputes
Property Ownership, Title, Registration, Mutation, Division

GAUHATI HC

Deputy Commissioners lack jurisdiction to cancel registered sale deeds after registration

The dispute. A mother transferred a residential plot to her son through a registered sale deed and obtained revenue mutation. Following a third-party objection, the Deputy Commissioner cancelled the registered instrument citing the lack of a development authority no-objection certificate. The mother and son approached the High Court under Article 226 challenging the cancellation and review orders as wholly without jurisdiction.

The reasoning. Once an instrument is registered, the registering authority becomes functus officio and cannot revoke registration. General administrative rescission powers cannot extinguish vested property rights, which can only be annulled by a competent civil court.

> *There is no express provision in the 1908 Act which empowers the Registrar to recall such registration.*
>
> FROM THE JUDGMENT

For your practice. Parties seeking to invalidate a registered conveyance must institute a civil suit, as revenue and district authorities lack jurisdiction to entertain administrative cancellation.

The order. The High Court quashed the Deputy Commissioner's cancellation and review orders dated 27 August 2024 and 17 December 2024, restoring the registered status of the sale deed without costs.

§ **Section 21, General Clauses Act, 1897**

NILIMA BAISHYA AND ORS W/O-LATE MANIK CHANDRA BAISHYA v. THE STATE OF ASSAM & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Gauhati High Court	26.08.2026	WP(C)/3111/2025	2026:GAU-AS:12237	Anjan Moni Kalita

Criminal Issues
Quashing of Cases

DELHI HC

Defamation summons cannot issue without prima facie proof of reputational harm

The dispute. A complainant initiated criminal defamation proceedings against an advocate alleging defamatory remarks published in an online news portal interview. The petitioner moved the High Court under Section 482 CrPC seeking to quash the summoning order and all consequential proceedings.

The reasoning. Under Explanation 4 to Section 499 IPC, an imputation is defamatory only if it lowers reputation in others' estimation, requiring independent witness evidence.

For your practice. Defamation complaints founded on online reports must include Section 65B certificates and independent witnesses to demonstrate actual reputational lowering before summons can.

The order. The High Court allowed the petition and quashed the summoning order dated 20 April 2019 along with all consequential criminal defamation proceedings.

§ Section 499, Indian Penal Code, 1860

PINAKI MISRA vs STATE & ors.

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	25.08.2026	CRL.M.C.-2595/2019	2026:DHC:7169

BENCH
Swarana Kanta Sharma

Criminal Issues
Murder, Culpable Homicide & Attempt to Murder

PUNJAB AND HARYANA HC

Disclosure statements require discovery of distinct facts not already in police possession

The dispute. Four men were convicted and sentenced to death for allegedly gang-raping and fatally poisoning two minor sisters. The prosecution relied primarily on fluctuating statements from the victims' mother and custodial disclosure statements leading to the recovery of a herbicide bottle. The convicts appealed against their convictions and death sentences, which came before the High Court alongside the State's death confirmation reference.

The reasoning. Custodial disclosures are inadmissible under Section 27 unless they lead directly to discovering a fact unknown to investigators.

For your practice. Defence counsel should scrutinise seizure timelines to exclude Section 27 disclosures whenever the recovered object was already within police custody or knowledge.

The order. The High Court set aside the death sentences, acquitted all four accused of all charges, and ordered their immediate release on personal bonds under Section 481 BNSS.

§ Section 27, Indian Evidence Act, 1872

STATE OF HARYANA vs ARUN & ors.

COURT	DECIDED	CASE NO.	CITATION
Punjab and Haryana High Court	26.08.2026	MRC/9/2023	2026:PHHC:119432-DB

BENCH
Yuvra, Anoop Chitkara

Government & Public Body Interactions

DELHI HC

Writ jurisdiction hinges on substantive dispute nexus rather than the issuing authority's seat

The dispute. A director challenged a central ministry order directing a serious fraud investigation into two retail companies undergoing insolvency. While the ministry issued the order from New Delhi, the companies maintained their registered offices, corporate records, and liquidation proceedings in Mumbai. The petitioner filed a writ petition before the Delhi High Court seeking to quash the investigation order.

The reasoning. The Court held that Article 226(2) jurisdiction requires a substantive dispute nexus rather than the mere seat of the issuing ministry.

> *Article 226(2) of the Constitution undoubtedly enables a High Court to exercise jurisdiction where the cause of action, wholly or in part, arises within its territorial jurisdiction.*
>
> FROM THE JUDGMENT

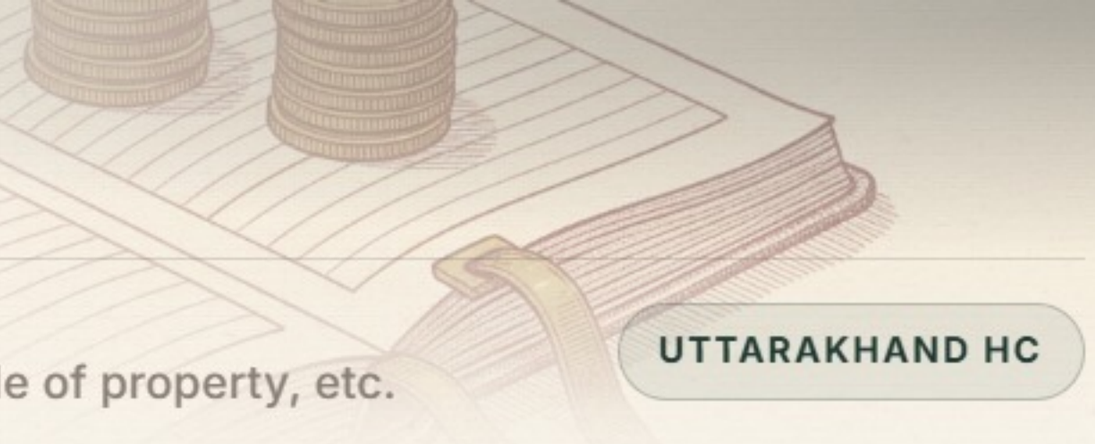
For your practice. Litigants challenging central regulatory orders must approach the High Court where the entity's registered office, records, and substantive proceedings reside.

The order. The Court dismissed the writ petition for lack of territorial jurisdiction, leaving the petitioner to pursue the challenge before the Bombay High Court.

§ Section 212(1)(c), Companies Act, 2013

ANIL LAXMINARAYAN BIYANI vs UNION OF INDIA AND ANR.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	25.08.2026	W.P.(C)-971/2026	2026:DHC:7177	Swarana Kanta Sharma



Banking Law, Debt & Money Matters
SARFAESI, Mortgage Suits, Lien, Attachment and Sale of property, etc.

UTTARAKHAND HC

Appellants who are not borrowers or guarantors are exempt from SARFAESI pre-deposits

The dispute. A petitioner who was neither a borrower nor a guarantor of a bank loan challenged recovery proceedings. The Debt Recovery Appellate Tribunal conditioned his statutory appeal on a twenty-five percent pre-deposit of the outstanding debt. The petitioner approached the High Court challenging the onerous condition imposed on his appeal.

The reasoning. The High Court held that the third proviso applies only to borrowers and cannot be extended to third parties. The tribunal erred in imposing the pre-deposit without examining the appellant's non-borrower status.

For your practice. Counsel representing third parties can resist pre-deposit demands in SARFAESI appeals where the appellant is neither a borrower nor a guarantor.

The order. The High Court allowed the writ petition, set aside the pre-deposit direction, and remitted the matter for fresh determination.

§ **Section 18(1), Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002**

Sri Kartikey Garg v. State Bank of India

COURT	DECIDED	CASE NO.	CITATION
Uttarakhand High Court	25.08.2026	WPMS/2362/2026	2026:UHC:7709

BENCH
Manoj Kumar Tiwari

Criminal Issues
Parole, Prisoner Rights, etc.

DELHI HC

Sentence review boards must holistically assess convict reform before denying premature release

The dispute. A life convict who served nearly sixteen years of actual imprisonment sought premature release, demonstrating jail commendations and educational qualifications. The Sentence Review Board rejected his plea by relying mechanically on the gravity of the murder and past criminal history. The convict challenged the board's rejection order by filing a writ petition before the High Court seeking fresh consideration.

The reasoning. The High Court held that fourteen years of incarceration confers eligibility rather than an automatic entitlement to premature release.

> *The decision of the SRB dated 24.04.2025 cannot be sustained in its present form.*
>
> FROM THE JUDGMENT

For your practice. The decision clarifies that merely completing fourteen years of actual imprisonment does not guarantee premature release. Lawyers must now ensure that applications highlight the inmate's conduct, rehabilitation activities and socio-economic circumstances to satisfy the discretionary criteria under Rule 1251 and Rule 1257.

The order. The Court set aside the SRB decision and remitted the matter to the SRB for fresh consideration, directing a reasoned order within three months.

§ **Rule 1251, Delhi Prison Rules, 2018**

RISHI RALLAN vs STATE GNCT OF DELHI

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	25.08.2026	W.P.(CRL)-2294/2025	2026:DHC:7170

BENCH
Swarana Kanta Sharma

Criminal Issues
DV, Dowry, Cruelty, and other Criminal Matters

CALCUTTA HC

Cruelty charges cannot lie against persons unrelated to husband by blood or marriage

The dispute. A complainant lodged a criminal complaint alleging cruelty, theft, and intimidation against her husband and four outside associates. The named co-accused included researchers and students who had no familial, matrimonial, or adoptive relationship with the husband. The four acquaintances approached the High Court under inherent criminal powers seeking quashing of the first information report.

The reasoning. The High Court held that statutory cruelty provisions strictly require the accused to be the husband or his relative by blood, marriage, or adoption.

For your practice. Lawyers must now prove a blood, marital or adoptive link to invoke domestic-violence provisions; vague FIRs lacking specific allegations against named accused will be quashed, curbing misuse of criminal process.

The order. The Court quashed the FIR (CGR case no. 2086/2025) and dismissed CRR 5550 of 2025, ordering that no investigation proceed against petitioners Purba Chatterjee, Ayan Mazumder, Surajit Biswas and Soham Dasgupta. The order is effective immediately.

§ Section 85, BNS Act, 2023

Purba Chatterjee & ors. v. State of West Bengal & ors.

COURT	DECIDED	CASE NO.	CITATION
Calcutta High Court	25.08.2026	CRR/5550/2025	2026:CHC-AS:1344

BENCH
Ajoy Kumar Mukherjee

Tribunals

2 judgments in this edition

KEEP SWIPING →

Government & Public Body Interactions

ITAT

Tax rebate remains available on short-term capital gains under the new tax regime

The dispute. An individual assessee opting for the new tax regime reported short-term capital gains from share transactions for assessment year 2024-25. The revenue rejected his twenty-five thousand rupee tax rebate claim, citing administrative circulars excluding income taxed at special rates. The revenue appealed to the tribunal against the computation while the assessee pursued cross-objections seeking full statutory rebate.

The reasoning. The tribunal held that the statutory rebate applies to total income without any legislative exclusion for short-term capital gains.

For your practice. Tax counsel can claim the rebate on short-term capital gains under the new regime for relevant assessment years despite contradictory departmental circulars.

The order. The tribunal dismissed the revenue's appeal, allowed the assessee's cross-objection, and directed the assessing officer to grant the rebate of twenty-five thousand rupees.

§ Section 87A, Income Tax Act, 1961

Joint Commissioner Of Income Tax ... vs Gaurav Sharma, Jaipur

COURT
Income Tax Appellate Tribunal

DECIDED
25.08.2026

CASE NO.
ITA No. 698/JPR/2026 & CO No. 11/JPR/2026

BENCH
Annapurna Gupta, Kuldip Singh

Government & Public Body Interactions

ITAT

Reopening notice issued after three years is void when escaped income is below fifty lakhs

The dispute. The assessee claimed a deduction of Rs 1 lakh under section 80GGC for a political donation during assessment year 2019-20. Following a search on third-party political outfits, the Assessing Officer issued a section 148 notice in April 2023 to disallow the deduction as bogus. The Commissioner (Appeals) deleted the addition holding the notice time-barred, prompting the Revenue to appeal and the assessee to file cross-objections.

The reasoning. The Tribunal held that section 149(1)(a) imposes a strict three-year limitation on reopening notices when escaped income is below Rs 50 lakh.

For your practice. Lawyers must now verify the exact amount of income escaping assessment before relying on the extended limitation under section 149. When the amount is below Rs 50 lakh, the three-year bar is absolute, even if the AO follows section 148A procedures.

The order. The Court held that the notice issued under section 148 on 12.04.2023 was beyond the three-year limitation prescribed by section 149(1)(a) because the income escaping assessment was Rs 1,00,000, i.e., less than Rs 50 lakh. Consequently, the assessment order passed under section 147 was declared invalid.

§ Section 149, Income Tax Act, 1961

Mayank Khandelwal,Jhotwara, Jaipur vs Income Tax Officer, Ward-1(3), Jaipur, ...

COURT
Income Tax Appellate Tribunal

DECIDED
25.08.2026

CASE NO.
ITA No. 381/JPR/2026

BENCH
Kuldip Singh, Annapurna Gupta

Also decided today

§ Clause 13, Terms of Reference (TOR) to Independent Engineer, 2023 Consultancy Agre... DELHI HC

Debarment of a contractual consultant must strictly follow agreed graded warning procedures

The Court held that an administrative policy circular cannot override graded warning mechanisms expressly mandated in the contract. Because the authority omitted prior warnings and cure notices, the unilateral debarment was prima facie ultra vires.

W.P.(C)-10430/2026 · 2026:DHC:7175 · 25.08.2026

§ Section 32, Food Safety and Standards Act, 2006 DELHI HC

Statutory improvement notices must precede coercive stock seizures by food safety authorities

The Court held that regulators cannot initiate coercive seizures without first serving a statutory improvement notice under Section 32.

W.P.(C)-8602/2026 · 2026:DHC:7174 · 25.08.2026

§ Article 14, Constitution of India UTTARAKHAND HC

Ongoing promotion exercises cannot be suspended to amend service rules for select employees

The Court held that suspending an active promotion exercise to amend rules for select employees is arbitrary and violates constitutional equality.

WPSB/418/2025 · 2026:UHC:7739-DB · 25.08.2026

Also decided, continued

§ Rule 5, Central Civil Services (Temporary Service) Rules, 1965 GAUHATI HC

Temporary constables injured in training are entitled to disability pension as force members

The High Court held that formal appointment and battalion posting confer force membership regardless of uncompleted training or oath. Furthermore, medical termination under temporary service rules is invalid without a competent finding of permanent incapacity.

WA/410/2025 · 2026:GAU-AS:12226 · 25.08.2026

§ Section 164, Bharatiya Nagarik Suraksha Sanhita, 2023 PUNJAB AND HARYANA HC

Pending civil litigation does not bar emergency land attachment to prevent breaches of peace

A magistrate may exercise emergency attachment powers when imminent apprehension of conflict exists and the civil court has not granted protective interim relief.

CRM-M/27970/2026 · 26.08.2026

§ Section 23(2), Right of Children to Free and Compulsory Education Act, 2009 TRIPURA HC

Eighteen-month open schooling diplomas satisfy teacher eligibility test recruitment rules

The High Court held that central statutory amendments and binding Supreme Court precedent recognise eighteen-month open schooling diplomas for teachers.

WP(C)/210/2026 · 25.08.2026

Also decided, continued

§ Section 92C, Income Tax Act, 1961 — ITAT

Determining a nil arm's length price for intra-group services without comparables is illegal

The tribunal held that determining a nil arm's length price without external comparables violates statutory pricing methods. Assessing officers cannot disregard contemporaneous records demonstrating actual service delivery and tangible business benefits.

IT(TP)A No. 83/Del/2026 · 25.08.2026

§ Finance Act, 1994 — CESTAT

SOFTEX certification fees retained by autonomous bodies attract service tax as business support

The tribunal held that statutory authorisation confers no sovereign immunity when fees are retained for administrative expenditure rather than deposited into the government treasury.

ST/20226/2014 & ST/30531/2016 · 25.08.2026

§ Section 10(10B), Income Tax Act, 1961 — ITAT

Appellate tribunals may condone long filing delays and admit omitted statutory tax exemptions

The tribunal held that bona fide lack of legal advice constitutes sufficient cause for condoning filing delay to advance substantial justice.

I.T.A. Nos.1470&1471/Ahd/2026 · 25.08.2026

Also decided, continued

§ Customs Tariff Act, 1975 — CESTAT

Customs cannot alter goods classification without producing technical laboratory evidence

The tribunal held that the burden of proving misclassification lies entirely upon the revenue through expert opinion or laboratory reports.

Customs Appeal No. 76577 of 2024 · 25.08.2026

§ Section 68, Income Tax Act, 1961 — ITAT

Unsecured loan repaid within the same financial year cannot be added as unexplained income

The Tribunal held that repayment of an unsecured loan through banking channels within the same financial year defeats a section 68 addition.

ITA No: 1931/JPR/2025 · 25.08.2026

§ Rule 9, Cenvat Credit Rules, 2004 — CESTAT

Missing original invoices do not bar Cenvat credit if duty payment and receipt are proved

The Tribunal held that Rule 9 does not impose an absolute bar to credit when original invoices are missing.

Excise Appeal No. 22349 of 2014 · 25.08.2026

When departmental circulars and tax portal utilities restrict statutory benefits, can administrative practice legitimately override clear legislative mandates? As the tribunal affirms that Section 87A rebates apply to short-term capital gains under the new regime, taxpayers must consider how swiftly revenue authorities will align filing mechanisms with settled law.

22 judgments **14** High Courts **8** Tribunals

Every judgment here, analysed in full.

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

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