Cassie

WEDNESDAY
16 SEPTEMBER 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- Entitlement Rules | Presumption of attributability binding : SC
- CGST Rule 96(10) | Omission voids pending proceedings : Calcutta HC
- S.5(2)(b) IT Act | Payer residence cannot tax non-resident : Delhi HC
- S.432 BNSS | Appellate court can admit victim's age proof : HP HC
- S.54 TPA | Sale agreement possession is not adverse : Uttarakhand HC

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Supreme Court

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

SUPREME COURT

Presumption of attributability and employer burden for disability pension remain intact

The dispute. Armed forces personnel discharged with disabilities were denied disability pension after medical boards categorized their conditions as non-attributable to service. Lower tribunals granted pensionary relief by presuming personnel enter service in sound physical and mental health. The Union of India appealed to the Supreme Court, contending that subsequent pension rules had eliminated the statutory presumption of attributability.

The reasoning. Unpromulgated entitlement rules cannot dismantle the protective casualty pension regime. For claims brought within fifteen years, the employer retains the burden to disprove service connection with reasoned medical evidence.

For your practice. Claimants filing within fifteen years of discharge enjoy a presumption of attributability, requiring the establishment to produce reasoned medical proof to deny pensions.

The order. Dismissing the Union's appeals on limitation and merits without costs, the Supreme Court affirmed the tribunal orders granting disability pensionary awards to the respondent ex-servicemen.

§ **Entitlement Rules for Casualty Pensionary Awards, 1982**

UNION OF INDIA vs NC ISAAC (RETD.)

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	15.09.2026	C.A. No.-012885-012885 - 2026	2026 INSC 993

BENCH
Pamidighantam Sri Narasimha, Alok Aradhe

High Courts

5 judgments in this edition

KEEP SWIPING >>>

Government & Public Body Interactions

DELHI HC

Mere payment by an Indian resident does not render non-resident income taxable in India

The dispute. An Indian pharmaceutical firm remitted US drug exclusivity settlement proceeds to an Israeli company while withholding tax at source. The tax authority initiated reassessment proceedings, asserting that payment by a resident automatically constituted income accruing in India. The foreign entity filed a writ petition challenging the reassessment notices and the advance ruling authority's refusal to determine taxability.

The reasoning. Source taxation requires a real territorial nexus or business connection rather than a mechanical payer-location rule. Because the commercial rights and markets were situated entirely abroad, the remitted proceeds did not accrue in India.

For your practice. Cross-border tax claims cannot rest solely on the payer's domestic residence without demonstrating a tangible economic nexus or statutory deeming connection within India.

The order. The High Court quashed the reassessment notices, set aside the advance ruling order, and directed the revenue to refund over 783 crore rupees in withheld tax with interest within two months.

§ Section 5(2)(b), Income Tax Act, 1961

TEVA PHARMACEUTICAL INDUSTRIES LIMITED vs ASSISTANT COMMISSIONER OF INCOME TAX, CIRCLE 3 (1)(1), INTERNATIONAL TAXATION, NEW DELHI

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	15.09.2026	CW - 4065/2022	2026:DHC:7843-DB

BENCH

Dinesh Mehta, Vinod Kumar

Property & Asset Disputes
Adverse Possession Claims

UTTARAKHAND HC

Possession under an unregistered contract for sale is permissive and confers no adverse title

The dispute. Plaintiffs filed a revenue suit claiming bhumidhari land rights by adverse possession, alleging purchase under unregistered sale agreements two decades earlier. The recorded owners denied transferring the land and asserted continuous cultivatory possession through sharecroppers. After revenue courts concurrently decreed the suit, the recorded tenure-holders challenged the adverse possession declarations before the Uttarakhand High.

The reasoning. Under Section 54 of the Transfer of Property Act, an unregistered sale agreement creates no property interest, leaving possession inherently permissive.

For your practice. Plead and prove the exact date when possession turned openly hostile to sustain adverse possession, as occupancy rooted in an informal sale agreement remains strictly permissive.

The order. Writ petition allowed. Judgments of the Assistant Collector, Commissioner, and Board of Revenue set aside, and the matter is remanded to the Assistant Collector, Haldwani, for fresh decision.

§ **Section 54, Transfer of Property Act, 1882**

Rajvinder Singh & ors. v. Jagdish Chandra & ors.

COURT	DECIDED	CASE NO.	CITATION
Uttarakhand High Court	15.09.2026	WPMS/1219/2026	2026:UHC:8275

BENCH
Manoj Kumar Tiwari

Government & Public Body Interactions

CALCUTTA HC

Omission of a tax rule without a saving clause invalidates all proceedings founded thereon

The dispute. GST intelligence authorities issued a show cause notice in January 2024 alleging Glen Industries violated Rule 96(10) between 2017 and 2021. Glen Industries filed a writ petition before the Calcutta High Court seeking to quash the notice and consequential demand orders.

The reasoning. Upon the unconditional omission of a statutory provision without a saving clause, the provision ceases to exist in law. Consequently, no ongoing or fresh proceedings can be initiated or continued on the basis of the omitted rule.

> *Upon omission of a provision without any saving clause the provision ceases to exist in the eye of law and no proceedings can be initiated or continued on the basis thereof.*
>
> FROM THE JUDGMENT

For your practice. Check for express saving clauses in amending notifications, and rely on Rule 96(10)'s unconditional omission alongside binding Supreme Court precedent to strike down pending.

The order. Show cause notice dated 9 January 2024 and consequential orders dated 30 January 2025 quashed. The Court held that no tax proceedings could be initiated or continued under the omitted Rule 96(10).

§ Rule 96(10), Central Goods and Services Tax Rules, 2017

M/s. Glen Industries Private Limited & ors. versus The Deputy Director, Directorate General of GS T Intelligence, Kolkata Zonal Unit & ors.

COURT	DECIDED	CASE NO.	BENCH
Calcutta High Court	15.09.2026	WPA/3254/2025	Smita Das De

Work & Employment Issues
Wages, Salaries & Deductions

PUNJAB AND HARYANA HC

No work no pay cannot bar promotion arrears when willing employee is kept away from work by the employer

The dispute. A market committee clerk was denied promotion after the marketing board wrongfully transferred another employee into the post. Following revision proceedings, the transfer was quashed and the clerk received retrospective promotion from 2008, but was denied intervening salary arrears. Aggrieved by the rejection of his claim under the principle of no work no pay, the employee filed a writ petition before the High Court.

The reasoning. The rule of no work no pay does not apply when a willing employee is kept away from work by the employer. Denying salary arrears for retrospective promotion defeats the remedy where the employee was prevented from working without fault.

For your practice. Practitioners must now prove employee fault to deny arrears for notional promotions; mere non-performance insufficient when employer caused inability to work. Shift burden to employers to show employee's unwillingness/default in service cases involving retrospective promotions.

The order. Petitioner entitled to pay and allowances for Auction Recorder post w.e.f. 21.01.2008 to 23.04.2012. Impugned orders dated 25.10.2013 and 22.09.2014 denying arrears quashed. Respondents directed to calculate and release arrears within three months from date of receipt of certified copy of order. No interest rate specified.

§ **Article 14 of the Constitution of India**

JASKARAN SINGH vs PUNJAB STATE AGRICULTURAL MARKETING BOARD AND ANR

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	15.09.2026	CWP/25747/2016	Namit Kumar

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

DELHI HC

Persistent harassment throughout marriage satisfies proximity test for dowry death

The dispute. A woman died by hanging four months after marriage following persistent physical abuse and dowry demands of fifty thousand rupees. Family members deposed consistently regarding the harassment, while the accused alleged an illicit relationship and argued the absence of injury marks negated cruelty. The trial court convicted the husband and brother-in-law for dowry death and cruelty, which they challenged on appeal before the High Court.

The reasoning. Related witnesses in matrimonial disputes are not interested, and their credible testimony requires no external corroboration. Continuous harassment throughout a brief marriage satisfies the statutory requirement of cruelty occurring soon before death.

For your practice. Practitioners must now be prepared to counter claims that family witness testimony is inherently unreliable, to argue that persistent demand and cruelty throughout a short marriage can meet the 'soon before death' test, and to ensure that the foundational facts for Section 113-B presumption are solidly proved before relying on the presumption of guilt.

The order. The appeal was dismissed; the conviction under Section 304-B IPC (10 years rigorous imprisonment) and Section 498-A IPC (3 years rigorous imprisonment and fine of Rs. 5,000) was maintained. The appellants were entitled to the benefit of set-off under Section 428 Cr.P.C.

§ Section 304B, Indian Penal Code, 1860

NAVEEN KUMAR VERMA & ors. vs STATE

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	15.09.2026	CRL.A.-677/2004	2026:DHC:7815	Vimal Kumar Yadav

Tribunals

1 judgment in this edition

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Consumer & Service Problems
Banking, Loans & Financial Services

Interest and compensation for mental agony cannot be awarded together under consumer law

The dispute. State Bank of India delayed debiting the annual renewal premium from an account holder's savings account for a personal accident policy. The bank appealed against the District Commission's order directing it to pay insurance cover with interest and compensation for mental agony.

The reasoning. The SCDRC held that interest and compensation for mental agony cannot be awarded together in consumer claims. As interest compensates for delay, granting separate damages for mental agony constitutes impermissible double recovery for the same loss.

> *It is well settled that both interest and compensation for mental agony, can not be awarded together, hence the award of Rs. 5,000/- towards financial & mental agony, needs to be set aside.*
>
> FROM THE JUDGMENT

For your practice. Litigators should avoid claiming separate mental agony damages alongside interest, while holding banks liable for policy lapses caused by delayed premium debits.

The order. The SCDRC partly allowed the appeal, setting aside the award of Rs 5,000 for mental agony. It affirmed the insurance payout of Rs 2,00,000 with 6% annual interest and Rs 5,000 litigation expenses.

§ **Section 14, Consumer Protection Act, 2019**

State Bank of India vs Smt. Ilma Devi & ors.

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	15.09.2026	SC/5/A/80/2022

BENCH
Kumkum Rani, B.S. Manral

Also decided today

§ Section 2(y), Rights of Persons with Disabilities Act, 2016 — CALCUTTA HC

Disabled applicants are entitled to seek family substitution under reasonable accommodation

Authorities must apply reasonable accommodation before revoking letters of intent issued to subsequently disabled selectees. Where site and safety norms remain unaffected, substituting an eligible relative imposes no disproportionate administrative burden.

WPA/8308/2025 · 15.09.2026

§ Section 432, Bharatiya Nagrik Suraksha Sanhita, 2023 — HIMACHAL PRADESH HC

Appellate courts may admit additional evidence to substantiate already asserted victim age

Appellate courts may take additional evidence that cures procedural omissions without altering the prosecution narrative. Because the school record merely corroborated the asserted minor age, admitting it caused no prejudice and served justice.

CRMP/3368/2026 · 2026:HHC:39173 · 15.09.2026

§ Section 17A, Prevention of Corruption Act, 1988 — DELHI HC

Prior approval is not required to prosecute demand or acceptance of illegal gratification

Prior statutory approval is required only where the offence relates to a recommendation made or decision taken by a public servant. Demanding and accepting illegal gratification does not involve official decision-making and falls outside the statutory shield.

CRL.REV.P.-511/2026 · 2026:DHC:7833 · 15.09.2026

Also decided, continued

§ Section 438, Code of Criminal Procedure, 1973 DELHI HC

Anticipatory bail cannot be refused solely on unintercepted calls without corroboration

Gravity of an offence alone cannot override personal liberty under Section 438 CrPC absent reasonable grounds of guilt. Call logs without intercepted conversations, recovered contraband, or independent corroboration cannot justify custodial arrest.

BAIL APPLN.-2446/2026 · 2026:DHC:7837 · 15.09.2026

§ Section 73(2), Central Goods and Services Tax Act, 2017 GAUHATI HC

GST: Show cause notice is valid if three calendar months remain after excluding issuance date

The statutory provision guarantees a minimum adjudicatory interval rather than a rigid corresponding-date cut-off. Excluding the date of issuance, the requirement is satisfied when three calendar months remain before the final determination deadline.

WA/64/2026 · 2026:GAU-AS:13601-DB · 15.09.2026

§ Section 6, Protection of Children from Sexual Offences Act, 2012 GAUHATI HC

Unverified school registers cannot prove minority and ossification margins benefit the accused

A school admission register entry has no evidentiary value to establish minority unless the author or informant is examined. Furthermore, an ossification test carries an error margin of two years whose benefit must be extended to the accused.

CRL.A(J)/92/2025 · 15.09.2026

Also decided, continued

§ Article 300A of the Constitution of India

TELANGANA HC

Revenue authorities must delete prohibitory land entries based on judicially annulled gazettes

Administrative bodies are bound by judicial declarations and cannot maintain entries founded on an annulled gazette. Retaining such entries violates property rights, and authorities cannot plead absence of statutory power to justify non-compliance.

WP 2111/2026 · 15.09.2026

§ Section 151, Code of Civil Procedure, 1908

DELHI HC

Inherent powers cannot circumvent statutory deadlines for filing leave to defend documents

Inherent powers under Section 151 CPC cannot subvert the mandatory fifteen-day summary procedure under rent control legislation. Belated documents require a satisfactory explanation for delay and must demonstrate that they disclose a triable issue.

CM(M)-1637/2026 · 2026:DHC:7835 · 15.09.2026

§ Section 91, Code of Criminal Procedure, 1973

PUNJAB AND HARYANA HC

Accused cannot compel production of external status reports during prosecution evidence

The statutory right of an accused to summon documents crystallises primarily at the defence stage under criminal procedure. A document outside the case record cannot be summoned under Section 91 merely because a prosecution witness referred to it.

CRM-M/42121/2025 · 15.09.2026

The Supreme Court affirmed that the presumption of attributability under the 1982 Entitlement Rules remains binding for armed forces disability pensions, holding that unpromulgated 2008 revisions cannot displace the employer's burden to disprove service connection. By reinforcing statutory presumptions against administrative denial of military disability claims, does this ruling ensure long-overdue institutional protection for veterans, or will it compel the executive to formalise stricter evidentiary thresholds for service-related ailments?

16 judgments **1** Supreme Court **14** High Courts **1** Tribunal

Every judgment here, analysed in full.

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

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