Cassie

FRIDAY
18 SEPTEMBER 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- S.26 Comp Act | No CCI suo motu probe in state liquor monopoly : MP HC
- S.36 Arb Act | Executing court cannot bind non-debtor officers : CG HC
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- S.2(14) JJ Act | CWC cannot seize child absent statutory care : Cal HC
- S.2(1)(g) CPA | Parked burnt truck satisfies care : Maha SCDRC

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High Courts

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Relationships & Family Matters
Custody, Adoption and Guardianship

CALCUTTA HC

Child Welfare Committee cannot remove child from custody absent Section 2(14) JJ Act conditions

The dispute. Prospective adoptive parents challenged the Child Welfare Committee's sudden removal of an infant from their care. The committee seized the child without recording any finding that the minor was abandoned, destitute, or in need of care. The Calcutta High Court allowed the writ petition and ordered immediate restoration of the child's physical custody.

The reasoning. Statutory authority of the Child Welfare Committee to assume custody arises strictly when the minor falls within Section 2(14) of the JJ Act. Arbitrary removal without establishing abuse or destitution violates parental rights and child welfare.

For your practice. Guardians facing administrative child seizures can immediately seek writ relief where the Child Welfare Committee acts without a formal finding of statutory endangerment.

The order. Writ petition allowed; committee directed to restore custody of the child to the petitioners by 18 September 2026 with periodic welfare reporting.

§ Section 2(14), Juvenile Justice (Care and Protection of Children) Act, 2015

Smt. Aparna Das & ors. v. The State of West Bengal & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Calcutta High Court	17.09.2026	WPA/13525/2026	2026:CHC-AS:1561	Gaurang Kanth

Criminal Issues
NDPS, Arms Act & Misc. Serious Offences

DELHI HC

Knowledge of victim's caste suffices to frame charge under Section 3(1)(w) SC/ST Act

The dispute. A complainant challenged the discharge of an accused under Section 3(1)(w) of the SC/ST Act in an assault case. The trial court declined to frame charges on the ground of delay in lodging allegations regarding caste identity. The Delhi High Court allowed the criminal revision in part and directed the trial court to frame additional charges.

The reasoning. At the stage of framing charges, prima facie knowledge of the victim's caste or tribal status is sufficient to attract Section 3(1)(w). Delay in alleging caste-based intent cannot justify pre-trial discharge when personal acquaintance is admitted.

For your practice. Complainants resisting discharge under special penal statutes need only demonstrate the accused's prior knowledge of protected status, deferring strict motive proof to trial.

The order. Revision petition partly allowed; trial court directed to frame additional charge under Section 3(1)(w) against respondent number two while upholding other discharges.

§ **Section 3(1)(w), Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989**

PROSECUTRIX R vs STATE OF NCT OF DELHI

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	17.09.2026	CRL.REV.P.-410/2017	2026:DHC:7978	Manoj Kumar Ohri

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

KARNATAKA HC

Arbitral monetary awards are unsustainable where contract limits relief to time extensions

The dispute. Bangalore Metro challenged an arbitral award that awarded compensation for idling overheads and price revisions to a contractor. The construction contract explicitly stipulated that delay would be remedied solely by time extensions without financial compensation. The High Court of Karnataka partly allowed the Section 37 appeal and set aside the monetary claims awarded by the tribunal.

The reasoning. An arbitral tribunal is bound by the contractual terms agreed upon by the parties. Granting monetary compensation in the face of an express clause restricting remedies to time extension constitutes patent illegality under Section 34.

For your practice. Commercial litigators challenging construction awards must scrutinise express negative covenants on prolongation costs, as tribunals cannot override contractual risk allocations.

The order. Section 37 appeal partly allowed; monetary claims awarded contrary to contractual prohibition set aside while maintaining undisputed findings.

§ Section 34, Arbitration and Conciliation Act, 1996

LARSEN AND TOUBRO LIMITED vs BANGALORE METRO RAIL CORPORATION LIMITED

COURT	DECIDED	CASE NO.	BENCH
Karnataka High Court	16.09.2026	COMAP/116/2025	Vibhu Bakhru, K.S. Hemalekha

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

CHHATTISGARH HC

Executing court cannot compel personal appearance of officers not named as judgment debtors

The dispute. A contractor sought execution of an arbitral money award against the State of Chhattisgarh. The executing court directed the personal appearance and individual asset affidavits of administrative secretaries who were not parties to the contract. The High Court of Chhattisgarh allowed the civil revision filed by the State and set aside the coercive directions.

The reasoning. Execution under Section 36 of the Arbitration Act must adhere strictly to Order XXI of the CPC. An executing court cannot impose personal liability or compel attendance of departmental officers who are not judgment-debtors under the award.

For your practice. Advocates defending public authorities in arbitral execution must object to personal coercive processes against officers, confining enforcement solely to government funds.

The order. Civil revision allowed; impugned orders directing personal appearance and asset disclosure of administrative secretaries set aside with direction to proceed in accordance with law.

§ Section 36, Arbitration and Conciliation Act, 1996

STATE OF CHHATTISGARH vs ECI-KEYSTONE (JV) STATE OF CHHATTISGARH VS ECI-KEYSTONE (JV)

COURT	DECIDED	CASE NO.	CITATION
Chhattisgarh High Court	17.09.2026	WP227/768/2026	2026:CGHC:40702

BENCH
Bibhu Datta Guru

Government & Public Body Interactions

PUNJAB AND HARYANA HC

Votes cast for disqualified candidate in two-way contest are treated as thrown away

The dispute. In a direct two-candidate panchayat election, the returned sarpanch was found disqualified for not being registered as an elector in the constituency. The defeated candidate claimed declaration of election under the thrown-away vote doctrine. The Punjab and Haryana High Court dismissed the appeal and affirmed the election tribunal order declaring the election petitioner elected.

The reasoning. Where a disqualification is established in a two-candidate election, votes secured by the disqualified candidate are deemed thrown away. The sole remaining valid candidate is entitled to declaration without requiring proof of voter notice.

For your practice. Election petitions challenging a two-candidate poll should seek a direct declaration of election rather than a re-poll whenever fundamental disqualification is demonstrated.

The order. Appeal dismissed; the election tribunal's declaration seated the respondent as validly elected Sarpanch.

§ Section 89, Punjab State Election Commission Act, 1994

NEELAM RANI vs PRESIDING OFFICER, ELECTION TRIBUNAL-CUM-SUB DIVISIONAL MAGISTRATE, SAMANA & ors.

COURT	DECIDED	CASE NO.	BENCH
Punjab and Haryana High Court	17.09.2026	FAO/6346/2025	Kuldeep Tiwari

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

MADHYA PRADESH HC

Lis pendens under Section 52 TPA strictly binds subsequent transferees in specific performance

The dispute. A purchaser sued for specific performance of a registered agreement to sell immovable property. During the pendency of the suit, the original vendor executed sale deeds conveying portions of the suit property to third-party purchasers. The Madhya Pradesh High Court dismissed the first appeal and affirmed the trial court decree granting specific performance.

The reasoning. Section 52 of the Transfer of Property Act subordinates subsequent transfers pendente lite to the final decree. Transferees acquiring property during litigation cannot claim bona fide purchaser protection against an established agreement to sell.

For your practice. Claimants in specific performance suits need not institute separate proceedings against pendente lite purchasers, as the decree binds all subsequent transferees automatically.

The order. First appeal dismissed; defendants directed to execute the sale deed in favour of the plaintiff upon deposit of balance sale consideration.

§ Section 52, Transfer of Property Act, 1882

Atmaram vs Tricon Project India Limited Through Authorised Signatory Rahul Sharma

COURT	DECIDED	CASE NO.	CITATION
Madhya Pradesh High Court	17.09.2026	FA 513/2025	2026:MPHC-IND:25933

BENCH
Vinay Saraf

Tribunals

2 judgments in this edition

KEEP SWIPING →



Banking Law, Debt & Money Matters
Liability of Director, Partner, etc. towards Company/Partnership's Debt

NCLAT

Circumstantial asset removal suffices to establish fraudulent trading under Section 66 IBC

The dispute. A resolution professional sought contribution from suspended directors for removing hypothecated machinery worth seventeen crore rupees prior to insolvency. The directors contended that no direct documentary proof of dishonest intent was established. The National Company Law Appellate Tribunal dismissed the appeal and upheld the NCLT order directing personal remittance by the directors.

The reasoning. Fraudulent trading under Section 66 does not require eyewitness or direct documentary proof of misappropriation. Circumstantial evidence demonstrating unauthorised asset substitution and depletion of corporate security suffices to infer fraudulent intent.

For your practice. Insolvency practitioners pursuing Section 66 avoidance applications can rely on asset ledger variances and collateral depletion without proving actual receipt of illicit funds.

The order. Company appeal dismissed; suspended directors directed to remit ₹17,23,05,603.50 to the corporate debtor's liquidation account.

§ Section 66, Insolvency and Bankruptcy Code, 2016

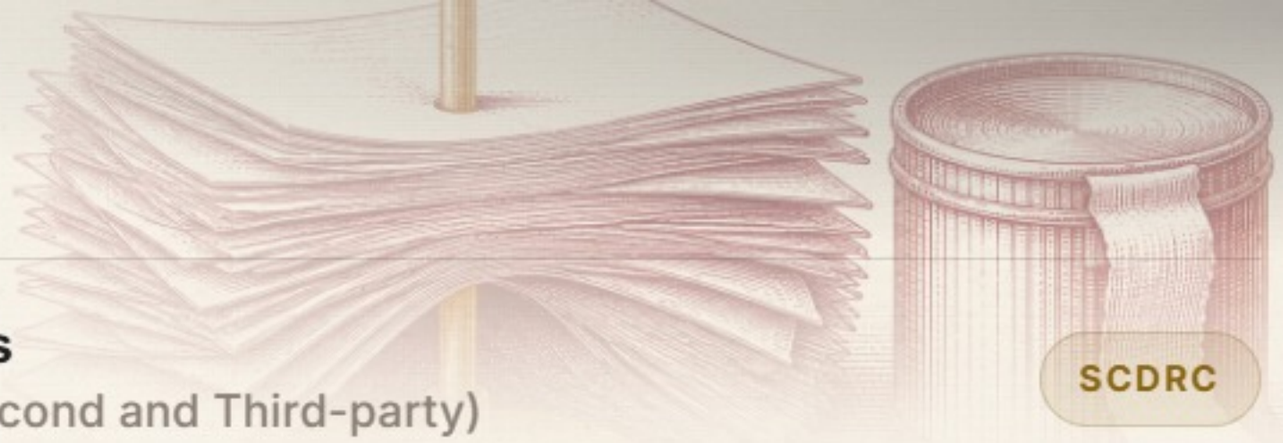
Mr. Dinesh Keshawrao Atkare & ors. vs Palak Swapnil Desai & ors.

COURT
National Company Law Appellate Tribunal

DECIDED
17.09.2026

CASE NO.
Company Appeal (AT) (Insolvency) No. 325 of 2025

BENCH
Arun Baroka



Consumer & Service Problems
Motor Insurance Claims (Own, Second and Third-party)

SCDRC

Insurer cannot repudiate total loss claim where parked burnt truck satisfied reasonable care

The dispute. A commercial truck suffered a night tyre puncture on a highway and was parked securely on the shoulder, where it was later burnt down by miscreants. The insurance company repudiated the claim alleging breach of the policy's reasonable precaution clause. The Maharashtra State Consumer Commission allowed the consumer complaint and directed settlement of the total loss claim.

The reasoning. Parking and locking a disabled vehicle on a highway shoulder constitutes reasonable precaution under motor insurance policies. The Insured Declared Value is binding on the insurer in total loss cases without arbitrary administrative deductions.

For your practice. Consumer advocates handling motor claims can enforce the agreed Insured Declared Value as a contractual liquidated sum upon establishing total loss.

The order. Complaint allowed; insurer directed to pay the full IDV of ₹70,00,000 with 7% interest from repudiation plus ₹75,000 towards compensation and costs.

§ **Section 2(1)(g), Consumer Protection Act, 2019**

RAVIKANT PATIL vs THE UNITED INDIA INSURANCE CO.LTD.

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	16.09.2026	SC/27/RBT/CC/18/1021

BENCH
Poonam V. Maharshi, Nisha Amol Chavhan

Also decided today

§ Article 151(2), Constitution of India

MADHYA PRADESH HC

CCI cannot initiate suo motu probes in state liquor monopolies on untabled CAG reports

Potable liquor is the exclusive constitutional domain of the State under List II Entry 8. CCI cannot initiate suo motu inquiry without state reference or on un-tabled CAG reports.

WP 10304/2024 · 2026:MPHC-IND:25930-DB · 17.09.2026

§ Article 22(5) of the Constitution of India

JAMMU & KASHMIR AND LADAKH HC

Preventive detention founded on stale FIR without furnishing relied patrol books is invalid

Preventive detention requires a live and proximate link between past conduct and the apprehended threat. Non-supply of vital documents relied upon in grounds of detention breaches Article 22(5) and vitiates the subjective satisfaction.

HCP/304/2025 · 2026:JKHC-SGR:6383 · 17.09.2026

§ Section 482, Code of Criminal Procedure, 1973

PUNJAB AND HARYANA HC

Surrender of passport under bail condition does not bar its renewal for travel rights

Surrender of a passport to secure bail conditions does not extinguish the fundamental right to seek administrative renewal. Courts should permit renewal while retaining custody of the renewed passport.

CRM-M/67930/2025 · 17.09.2026

Also decided, continued

§ Section 7(3), West Bengal Premises Tenancy Act, 1997 — CALCUTTA HC

Tenant's defence cannot be struck out without prior determination of rent arrears

Striking out a tenant's statutory defence is a drastic penalty permissible only after adjudication or admission of arrears. Disputed rent questions must be determined before penal consequences apply.

CO/166/2026 · 2026:CHC-AS:1558 · 17.09.2026

§ Section 29, Protection of Children from Sexual Offences Act, 2012 — GAUHATI HC

FIR delay explained by medical treatment does not rebut Section 29 POCSO presumption

Plausible explanation of FIR delay through urgent medical treatment preserves prosecution credibility. Once foundational sexual assault facts are established, Section 29 shifts the burden to the defence.

Crl.A./333/2023 · 17.09.2026

§ Order 9 Rule 7, Code of Civil Procedure, 1908 — PUNJAB AND HARYANA HC

Litigant cannot shift blame to counsel under Order IX Rule 7 CPC for own inaction

Setting aside ex parte proceedings requires demonstrable good cause and diligent prosecution by the party. Shifting blanket blame onto engaged counsel without personal monitoring does not justify recalling defaults.

CR/5684/2026 · 16.09.2026

Also decided, continued

§ Section 17, Securitisation and Reconstruction of Financial Assets and Enfo... MADHYA PRADESH HC

HC Cannot Direct DRT to Expedite Without Statutory Remedy

Practitioners must now ensure that any challenge to delay in SARFAESI proceedings is first taken to the Appellate Tribunal under Section 17(6) before seeking writ relief. Relying on Article 226 to expedite DRT actions without exhausting the statutory remedy is likely to be rejected as jurisdictional overreach.

WA 2604/2026 · 16.09.2026

§ Section 9D, Central Excise Act, 1944 CESTAT

Tax investigation statements are inadmissible without examination in chief under Section 9D

Compliance with Section 9D of the Central Excise Act is mandatory before relying on confessional statements. Admitting recorded statements without tendering witnesses for examination-in-chief violates statutory safeguards.

Excise Appeal No. 75146 & 75147 of 2024 · 17.09.2026

§ Section 9, Insolvency and Bankruptcy Code, 2016 NCLAT

Advance payment for undelivered goods qualifies as operational debt satisfying Section 9 IBC

Advance consideration paid in connection with the supply of goods falls squarely within operational debt definitions. Failure to supply goods or refund advance creates an undisputed operational debt under the Code.

Company Appeal (AT) (Insolvency) No. 2063 of 2024 · 17.09.2026

When state legislation establishes an exclusive statutory monopoly, can federal competition regulators initiate inquiries on un-tabled audit reports without an executive reference?

17 judgments **13** 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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