Cassie

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DAILY

Court Digest

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

IN TODAY'S DIGEST

- **S.143 NI Act | Cheque trials must end in 6 months : Uttarakhand HC**
- **S.2(42A) IT Act | Flat holding period runs from allotment date : ITAT**
- **S.11 A&C Act | Non-appearance cannot stall arbitrator : Delhi HC**
- **S.9 A&C Act | Rent default warrants interim restraint : Delhi HC**
- **S.416 KMC Act | Closure order without show-cause is void : Calcutta HC**

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High Courts

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KEEP SWIPING >>>

Criminal Issues
Cheque Bounce

UTTARAKHAND HC

Cheque bounce trials must conclude within six months and cannot be repeatedly adjourned

The dispute. The complainant initiated cheque dishonour proceedings against a mineral water firm before a Dehradun magistrate in November 2023. Despite summons being issued, the trial lingered through routine adjournments on flimsy pretexts without any substantive progress. Aggrieved by repeated adjournments, the complainant moved the High Court under Section 528 BNSS seeking an order for expeditious trial.

The reasoning. Section 143(3) of the Negotiable Instruments Act, 1881 imposes a positive duty to conclude cheque dishonour trials within six months of filing. High Courts can invoke Section 528 BNSS to curb dilatory adjournments and enforce time-bound disposal.

For your practice. Complainants facing chronic trial delays can invoke Section 528 BNSS to secure binding directions enforcing the statutory six-month disposal mandate.

The order. The High Court disposed of the application, directing the Additional Chief Judicial Magistrate-III, Dehradun to conclude Complaint Case No. 7034/2023 within six months of receiving a certified copy of the order.

§ Section 143, Negotiable Instruments Act, 1881

Manish Shrivastava --Applicant Versus Shri Banke Bihari Mineral Water & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Uttarakhand High Court	29.09.2026	C528/2062/2026	2026:UHC:8798	Rakesh Thapliyal

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

DELHI HC

Respondent's failure to appear after service cannot stall Section 11 arbitrator appointment

The dispute. Zillion Infraprojects executed a 2015 contract with NTPC BHEL for station piping at the Unchahar Thermal Power Project. Following unpaid dues, the contractor served a Section 21 notice on 22 June 2026 invoking the Clause 29 arbitration agreement. The contractor petitioned under Section 11(6) after the respondent failed to appear despite service proved by affidavit.

The reasoning. Section 11(6) enquiry is confined strictly to the prima facie existence of an arbitration agreement. Where the clause is undisputed, the respondent's non-appearance cannot stall appointment.

For your practice. An affidavit of valid service allows a claimant to obtain an institutional arbitrator appointment without delay, even if the counterparty defaults in appearance.

The order. The Court appointed Mr. Manu Beri as sole arbitrator under DIAC rules, directing reference within two weeks and Section 12(2) disclosure. All jurisdictional objections remain open before the arbitrator.

§ **Section 11(6), Arbitration and Conciliation Act, 1996**

ZILLION INFRAPROJECTS PVT. LTD vs NTPC BHEL POWER PROJECTS PVT LTD

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	29.09.2026	ARB.P.-1388/2026	2026:DHC:8540	Om Prakash Shukla

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

DELHI HC

Commercial possession without paying rent warrants interim restraint pending arbitration

The dispute. A metro station commercial master-lessee sub-leased a retail shop under a nine-year registered deed with escalation terms. The sub-lessee occupied and operated the outlet but accrued unpaid rental arrears and tax deductions exceeding Rs 32.5 lakh. The lessor moved the High Court under Section 9 of the Arbitration Act for interim protection pending initiation of arbitral proceedings.

The reasoning. Continuous occupation without discharging contractual rent establishes a prima facie case and balance of convenience under Section 9. Failure to appear despite proper service warrants interim injunctions protecting the property pending arbitral commencement.

For your practice. Lessors can obtain interim restraints against defaulting tenants in possession, but must commence arbitration within court-fixed deadlines to preserve protection.

The order. The High Court restrained the respondent from creating third-party rights in the shop and directed arbitral proceedings to be initiated within 45 days, after which the petition stands referred under Section 17.

§ Section 9, Arbitration and Conciliation Act, 1996

SINGLA GATEWAY PRIVATE LIMITED vs REBEL MASS EXPORTS PRIVATE LIMITED

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	29.09.2026	O.M.P.(I) (COMM.)-200/2026	2026:DHC:8501

BENCH
Om Prakash Shukla

Tribunals

1 judgment in this edition

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Government & Public Body Interactions

ITAT

Holding period for builder flats begins from allotment letter date rather than registration

The dispute. An assessee booked a flat through a builder allotment letter in 2011 after paying advances through banking channels, selling it in 2016. The Assessing Officer reckoned acquisition from the 2016 conveyance deed, treating gains as short-term and disallowing statutory deductions. After the Dispute Resolution Panel approved the draft additions, the assessee appealed to the Tribunal.

The reasoning. Section 2(42A) computes the holding period from when an asset is held de facto rather than from formal registration. An allotment letter backed by banking payments confers substantive rights, qualifying the asset for long-term treatment.

For your practice. Assessees can defeat short-term gain additions by establishing the capital asset holding period from the date of the builder allotment letter and banking payments under Section.

The order. The Tribunal directed the Assessing Officer to treat the gain as long-term, granting indexation and Section 54 deductions. The addition of Rs 45.79 lakh under Section 56 was set aside for revaluation as of the 2011 allotment.

§ Section 2(42A), Income-tax Act, 1961

Jagdishkumar Chhotubhai ... vs Ito(Int.Tax), Surat

COURT
Income Tax Appellate Tribunal

DECIDED
29.09.2026

CASE NO.
ITA No. 245/SRT/2024

BENCH
B.M. Biyani, Paresh M. Joshi

Also decided today

§ Section 376, Indian Penal Code, 1860 — UTTARAKHAND HC

Absence of spermatozoa does not discredit victim testimony in an attempted rape prosecution

The absence of spermatozoa or vaginal injury cannot by itself discredit the consistent and trustworthy testimony of a prosecutrix.

CRLA/309/2015 · 2026:UHC:8807-DB · 29.09.2026

§ Section 11, Arbitration and Conciliation Act, 1996 — DELHI HC

Corporate name change does not bar arbitrator appointment where arbitration agreement exists

Judicial enquiry under Section 11 is strictly confined to examining the prima facie existence of an arbitration agreement. A subsequent corporate name change does not affect the validity or enforceability of an admitted arbitral clause.

ARB.P.-1179/2026 · 2026:DHC:8561 · 29.09.2026

§ Section 416, Kolkata Municipal Act, 1980 — CALCUTTA HC

Municipal business closure notices issued without mandatory show-cause notices are void

Municipal authorities cannot order business closures or suspend trade enlistments without serving prior show-cause notices mandated by statutory provisos.

WPA/26379/2026 · 29.09.2026

Also decided, continued

§ Article 14, Constitution of India

GAUHATI HC

Two-year diploma holders are entitled to notional seniority under cadre amalgamation schemes

When educational qualifications are equivalent and similarly situated employees have received relief under binding precedent, employers cannot deny benefits based solely on course duration.

WP(C)/2216/2021 · 2026:GAU-AS:14507 · 29.09.2026

§ Regulation 3.4.2 of the St. Xavier's University, Kolkata Act, 2016

CALCUTTA HC

Attendance shortfall cannot be condoned if it falls below the mandatory statutory threshold

Statutory authorities cannot exercise discretionary condonation powers beyond the circumference of their governing regulations.

WPA/15084/2024 · 29.09.2026

When Section 143(3) of the Negotiable Instruments Act commands trial courts to conclude cheque bounce trials within six months, does the systemic practice of routine, open-ended adjournments render statutory summary justice an illusion? Or can High Courts through supervisory intervention finally enforce genuine temporal discipline in commercial criminal litigation?

9 judgments **8** 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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