Cassie

TUESDAY
13 OCTOBER 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- **Art.16(4) | State quota hike cannot breach 50% ceiling : Karnataka HC**
- **DV Act | Widow cannot be evicted absent alternate housing : Delhi HC**
- **S.11 A&C Act | Referral court can join non-signatory to dispute : SC**
- **O.VI R.17 CPC | Due diligence permits post-trial suit amendment : SC**
- **POCSO Act | Victim minority must be proved beyond doubt : Gujarat HC**

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Supreme Court

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

SUPREME COURT

Belated amendments are permissible on showing due diligence without altering the suit's nature

The dispute. A plaintiff instituted a suit seeking title declaration, possession, and deed rectification over twelve decimals of land. Following his death, his heirs sought to amend the plaint after discovering a prior compromise decree allotting four decimals to a defendant. The trial court rejected the belated amendment application citing commencement of trial, and the High Court affirmed the dismissal.

The reasoning. Discovering an uncommunicated decree through certified copies after trial commencement establishes due diligence. Enlarging the factual background without changing the cause of action does not fundamentally alter the suit's nature.

For your practice. Counsel seeking belated amendments should prove the timeline of document discovery, as factual enlargement without altering the cause of action can be remedied through costs.

The order. The Supreme Court set aside both orders and allowed the amendment subject to Rs 25,000 costs payable within two weeks. Appellants must carry out consequential plaint amendments within four weeks thereafter.

§ Order VI Rule 17 of the Code of Civil Procedure, 1908

HARAMANI SAHOO vs LALITA NAYAK

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	12.10.2026	C.A. No.-013681-013681 - 2026	2026 INSC 1112

BENCH
R. Mahadevan, Alok Aradhe

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

SUPREME COURT

Non-signatories may be joined in arbitration as veritable parties if substantially affected

The dispute. Appellants sought arbitration over commercial premises ownership under a 1985 partnership deed, alleging subsequent deeds excluding them were forged. The respondents resisted joining newly inducted partners who held the firm's assets but never signed the arbitration clause. The High Court excluded the non-signatory partners under the group of companies doctrine, prompting the appellants to appeal before the Supreme Court.

The reasoning. A referral court under Section 11 may join non-signatories as veritable parties when their rights are substantially affected by the dispute. This prima facie determination leaves questions of limitation and estoppel entirely to the arbitral tribunal.

For your practice. Counsel seeking to bind non-signatories should prove how the award directly affects their legal rights, leaving limitation and estoppel defences for the arbitral tribunal.

The order. The Supreme Court modified the High Court order to join the non-signatory partners as veritable parties to the arbitration. The arbitrator was directed to proceed on that basis, and all pending applications were rejected.

§ **Section 11, Arbitration and Conciliation Act, 1996**

HEMANT D. SHAH HUF vs CHITTARANJAN D. SHAH HUF

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	12.10.2026	C.A. No.-013686-013686 - 2026	2026 INSC 1111

BENCH
J.b. Pardiwala, K. Vinod Chandran

High Courts

3 judgments in this edition

KEEP SWIPING >>>

Government & Public Body Interactions

KARNATAKA HC

Reservation quotas cannot exceed the fifty percent ceiling absent extraordinary circumstances

The dispute. Karnataka enacted legislation raising Scheduled Caste quotas to 17% and Scheduled Tribe quotas to 7%, pushing aggregate reservations to 56%. General category aspirants challenged the enactment and recruitment notifications that reserved over half of advertised civil posts. The petitioners moved the High Court under Article 226 seeking to invalidate the enhancing statute and quash the consequential recruitment process.

The reasoning. The fifty percent ceiling is an entrenched equality rule that cannot be breached absent extraordinary circumstances. Data showing intra-group disparities rather than overall under-representation cannot justify exceeding the constitutional quota ceiling.

For your practice. Counsel defending quota increases must establish comparative under-representation across classes and secure mandatory prior consultation with National Commissions.

The order. The Court struck down the statutory quota increase to 56% as unconstitutional and restored reservations to 50%. The State was directed to issue fresh recruitment notifications in accordance with law.

§ Article 16(4), Constitution of India

SAGAR H R vs THE STATE OF KARNATAKA

COURT	DECIDED	CASE NO.	BENCH
Karnataka High Court	12.10.2026	WP/25515/2025	Vibhu Bakhru, K.s. Hemalekha

Insurance Law & Claims
Motor Insurance Claims (Own, Second and Third-party)

GUJARAT HC

Insurer liability commences upon premium receipt rather than the policy effective date

The dispute. Claimants sought compensation for a motor accident occurring on 26 January 1990 involving a vehicle covered by a commercial policy. The insurer denied liability because the policy specified coverage starting 1 February 1990, despite the proposal form being signed on 18 January. The Motor Accidents Claims Tribunal awarded Rs 83,000 against the driver and owner while exonerating the insurer, prompting the claimants' first appeal.

The reasoning. Insurance risk commences upon receipt of premium rather than the formal policy inception date. Absent proof of post-accident payment, contradictory insurer affidavits warrant an inference that premium accompanied the earlier signed proposal.

For your practice. Claimants can establish insurer liability by proving the proposal date, shifting the evidentiary burden onto the insurer to demonstrate that premium was received later.

The order. The Court modified the award of Rs 83,000 with 12% annual interest, holding the insurer jointly and severally liable with the owner and driver. The insurer was directed to deposit the decretal sum within eight weeks.

§ Section 173, Motor Vehicles Act, 1988

BHIKHIBEN KOYABHAI PATEL & ors. Versus JIVANBHAI LADHUBHAI ZANZAR (VARLI) & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Gujarat High Court	12.10.2026	R/FA/2354/2010	2026:GUJHC:63945	J. C. Doshi

Relationships & Family Matters
Shared Household & Right to Residence

DELHI HC

A widow cannot be evicted from a shared household without securing alternate accommodation

The dispute. A widow and her daughters resided continuously for over two decades in a residential property purchased by her father-in-law. Following her husband's death, the father-in-law filed a civil suit seeking recovery of possession and mesne profits, claiming they were unauthorised occupants. The trial court decreed possession and awarded mesne profits of ₹10,000 monthly, prompting the widow and daughters to file a first appeal.

The reasoning. A property constitutes a shared household based on domestic cohabitation rather than proprietary title. A widow's independent residence right survives her husband's demise, barring eviction without suitable alternate accommodation or equivalent rent.

For your practice. Counsel facing title-based eviction suits must invoke shared household protections to condition execution on the provision of alternate accommodation or adequate rent.

The order. The Court upheld the possession decree but suspended execution until the respondent provides alternate accommodation or pays ₹15,000 monthly rent. The decree awarding ₹10,000 monthly mesne profits was set aside.

§ Section 2(s), Protection of Women from Domestic Violence Act, 2005

R.K.B.(.T.L.M.V. v. S.A.S.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	12.10.2026	RFA-778/2023	2026:DHC:9028	Neena Bansal Krishna

Tribunals

2 judgments in this edition

KEEP SWIPING →



Consumer & Service Problems
Builder/Construction Matters, Delayed Possession, Structural Issues, etc.

SCDRC

Developers cannot compel buyers to accept possession without a statutory occupancy certificate

The dispute. A landowner executed a registered development agreement for multi-storied building construction and timely handover of her owner's allocation. The developer failed to deliver possession with statutory clearances within thirty months, alleging the owner unreasonably refused key handover. The owner filed an original consumer complaint before the West Bengal SCDRC, alleging service deficiency and seeking delivery of lawful possession.

The reasoning. Tendering physical possession without an occupancy certificate is legally invalid and constitutes deficiency in service. Handing over property without statutory clearances is a continuing wrong entitling the allottee to compensation for delay.

For your practice. Counsel representing homebuyers should insist on occupancy certificates before accepting possession, as builders cannot escape delay compensation by merely tendering keys.

The order. The SCDRC directed the builder to deliver lawful possession with an occupancy certificate within six weeks. The developer was further ordered to pay Rs 5 lakh compensation and Rs 50,000 litigation costs.

§ **Section 35, Consumer Protection Act, 2019**

SMT. SANDHYA DEBNATH vs M/S JAY MATA DI CONSTRUCTION

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	12.10.2026	SC/19/CC/118/2023

BENCH
Bibhas Ranjan De, Mridula Roy

Government & Public Body Interactions

ITAT

Charitable trust registration cannot be conditioned on the outcome of pending litigation

The dispute. A charitable meditation trust applied for tax exemption registration and donation approval before the Commissioner of Income Tax. The Commissioner granted the applications but inserted a caveat making tax benefits contingent upon a pending revenue appeal before the Supreme Court. Aggrieved by the conditional grant, the trust appealed to the Income Tax Appellate Tribunal challenging the caveat as ultra vires.

The reasoning. The statute empowers the Commissioner solely to grant or reject registration without creating an intermediate conditional category. Conditioning approvals on pending litigation renders statutory exemptions illusory and exceeds administrative jurisdiction.

For your practice. Tax practitioners can challenge caveats tied to pending litigation, as the department must either grant unconditional registration or seek formal appellate stay orders.

The order. The Tribunal quashed the impugned condition and directed the Commissioner to issue fresh, unconditional registration and approval orders under Sections 12AB and 80G effective from 1 April 2026.

§ Section 12AB, Income Tax Act, 1961

Dhamma Pattana Vipassana Trust,Mumbai vs Commissioner Of Income Tax Exemptions, ...

COURT
Income Tax Appellate Tribunal

DECIDED
12.10.2026

CASE NO.
ITA No.6575/MUM/2026

BENCH
Challa Nagendra Prasad, Rakesh Kumar Lodha

Also decided today

Government & Public Body Interactions

SUPREME COURT

Judicial observations in pension rulings cannot operate as blanket precedents across claims

Observations made in a judgment cannot be read as statutory provisions or divorced from their factual context. As factual variations alter precedential value, each claim for disability pension must be evaluated independently on its own specific merits.

MA-003060-003060 - 2026 · 2026 INSC 1113 · 12.10.2026

§ Section 28, Land Acquisition Act, 1894

DELHI HC

Land acquisition interest runs from dispossession and cannot be withheld for delayed amendment

Statutory interest on compensation runs strictly from dispossession without any permissible period of exclusion. Procedural delay in filing amendment applications cannot forfeit this statutory right, and overlooking binding precedent warrants review.

REVIEWPET - 236/2026 · 2026:DHC:9011 · 12.10.2026

§ Section 7(1)(b), Guardians and Wards Act, 1890

ALLAHABAD HC

Natural mother is entitled to custody of a minor child absent proven disqualification

A mother is the natural guardian of a minor child unless disqualifying conduct is established. A child of tender age cannot express an intelligent preference, and prolonged separation cannot defeat the paramount welfare served by maternal care.

FIRST APPEAL No. - 798 of 2026 · 12.10.2026

Also decided, continued

§ Rule 22 of the Tamil Nadu Suspension of Sentence Rules, 1982 — MADRAS HC

Annual ordinary prison leave may be availed in two instalments within one year

The word spell in the leave rules signifies an instalment rather than a separate cycle. Convicts may thus split their annual forty-day leave within one year, with the statutory one-year interval applying only after the second instalment concludes.

WP CRL..2023/2026 · 2026:MHC:4186 · 12.10.2026

§ Section 21(b), Consumer Protection Act, 1986 — NCDRC

Insurer may repudiate life cover when hospital records prove undisclosed cardiac treatment

Contracts of insurance require utmost good faith, obliging proposers to disclose all material medical history. Once hospital records establish pre-existing cardiac therapy, the insurer need not prove the exact date of onset to justify repudiation.

NC/RP/1535/2018 · 12.10.2026

When the nine-judge bench in Indra Sawhney cemented the fifty per cent ceiling on reservations as an inviolable constitutional boundary under Article 16(4), can state legislatures breach that limit through statutory amendments absent quantifiable demonstration of extraordinary circumstances? Or does the preservation of equality of opportunity require courts to strictly enforce the numerical cap, preventing affirmative action from superseding the core constitutional guarantee of non-discrimination?

12 judgments **3** Supreme Court **6** High Courts **3** Tribunals

Every judgment here, analysed in full.

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

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