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DAILY

Court Digest

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

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- S.12(1)(c) RTE Act | 1 km distance norm not a rigid bar : Bombay HC
- S.406 IPC | Sale agreement advance is not entrustment : Gujarat HC
- S.124 TM Act | Stay needs specific invalidity pleading : Bombay HC
- S.9 A&C Act | Specific performance time runs from IOD : Bombay HC

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High Courts

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Criminal Issues
White Collar Crimes (Money laundering, Insider Trading, Financial Frauds, Tax Evasion, Foreign exchange, etc.)

BOMBAY HC

Lawful banking transactions cannot be proceeds of crime absent a scheduled offence nexus

The dispute. The Enforcement Directorate attached two land parcels worth Rs 25 crore belonging to a developer's family under SAFEMA. The agency claimed these derived from YES Bank loans to DHFL, despite the promoter's receipts flowing from earlier debenture and consultancy contracts. After the Appellate Tribunal upheld the attachment, the landowners and the agency filed cross-appeals before the High Court.

The reasoning. Official banking transactions in the ordinary course of business cannot be proceeds of crime absent a scheduled offence. Commercial receipts predating or independent of alleged loan disbursements lack the criminal nexus required for property attachment.

For your practice. Defense counsel can defeat PMLA attachments by showing impugned receipts preceded the predicate offence and arose from documented commercial agreements.

The order. The High Court allowed the landowners' appeal and set aside the provisional attachment of the Pune and Nagpur land parcels valued at Rs 25 crore. The Enforcement Directorate's cross-appeal was dismissed.

§ Section 2(u), Prevention of Money-Laundering Act, 2002

AVINASH BHOSALE & ors. vs DIRECTORATE OF ENFORCEMENT

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	21.10.2026	APEAL/478/2026	2026:BHC-AS:42782-DB

BENCH
A. S. Gadkari, Kamal Khata



BOMBAY HC

Consumer & Service Problems
Education, Coaching & Skill Courses

Distance limits cannot rigidly bar disadvantaged children from private school admission

The dispute. A Scheduled Caste mother secured Class I admission for her daughter at an unaided Mumbai school under the 25% RTE quota. The school refused admission, and authorities cancelled the allotment four months later because the family lived four kilometres away instead of one. The Deputy Director cancelled the allotment on the school's belated appeal, prompting the mother to file a writ petition challenging the exclusion.

The reasoning. Statutory distance limits cannot operate as an absolute bar to defeat fundamental educational rights under Article 21A. Technical distance deviations cannot justify cancellation when unaided school limits were removed and the school raised belated objections.

For your practice. Counsel can challenge rigid quota rejections by citing precedents removing unaided school distance limits and leveraging institutional delay causing academic loss.

The order. Allowing the writ petition, the High Court quashed the cancellation order dated 14 August 2026. The respondents, including the school, were directed to admit the petitioner's daughter in Class I within one week without costs.

§ **Section 12(1)(c), Right of Children to Free and Compulsory Education Act, 2009**

KARUNA SUMIT KAMBLE vs THE DEPUTY DIRECTOR OF EDUCATION , MUMBAI REGION, MUMBAI & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Bombay High Court	21.10.2026	WP/11310/2026	2026:BHC-AS:42896	N. J. Jamadar

Criminal Issues
Bail, Arrest & Custody Issues

BOMBAY HC

Magistrates must take fresh cognizance and order remand when corruption charges are dropped

The dispute. The CBI arrested two petitioners in August 2025 during a raid on an alleged transnational cyber-fraud call centre in Igatpuri. Although investigated under the Prevention of Corruption Act, the subsequent charge-sheet omitted corruption charges and alleged only cheating and cyber offences. The Special Judge transferred the case for lack of jurisdiction, but the magistrate adjourned without issuing remand warrants, prompting this writ challenge.

The reasoning. A Special Judge lacks jurisdiction to take cognizance or remand once a charge-sheet drops all corruption offences. The transferee magistrate must consciously take cognizance and issue a formal remand warrant under Section 346(2) BNSS.

For your practice. Defence counsel must audit remand chains upon case transfers, as administrative roznama entries cannot substitute for express cognizance and statutory remand orders.

The order. Declaring detention illegal, the High Court directed the petitioners' release on personal bonds of Rs 1 lakh each with sureties, subject to depositing passports and reporting weekly to investigators.

§ **Section 346, Bharatiya Nagarik Suraksha Sanhita, 2023**

SHAIBAZ KAISER ATEEQ SHAIKH AND ANR vs THE STATE OF MAHARASHTRA & ors.

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	21.10.2026	WP/1100/2026	2026:BHC-AS:42728-DB

BENCH
Sarang V. Kotwal, Ranjitsinha Raja Bhonsale

Intellectual Property (IP) Law
Trademarks Registration, Rejection, Rectification, Cancellation and Objections

BOMBAY HC

Trademark stay requires invalidity pleaded in written statement and High Court rectification

The dispute. The registered proprietors of the Pune Mirror trademark sued a competing publisher for infringement, seeking an injunction and Rs 100 crore damages. The defendant defended on the basis of its newspaper title registration under the Press and Registration of Books Act. At final arguments, the defendant applied under Section 124 to stay the suit pending rectification applications it had filed before the Registrar.

The reasoning. Section 124 requires invalidity pleaded in the written statement, which separate press registration cannot supply. Pending an infringement suit, Section 125 directs rectification to the High Court, rendering applications to the Registrar incompetent.

For your practice. Litigants challenging trademark validity during infringement suits must plead statutory grounds in their defense and seek rectification directly before the High Court.

The order. The High Court rejected the interim application seeking stay of the suit. Commercial Intellectual Property Suit No. 230 of 2015 was directed to proceed to final arguments before the assigned bench.

§ Section 124, Trade Marks Act, 1999

KOTHRUD MITRA NEWSPAPERS PVT LTD vs METROPOLITAN MEDIA COMPANY LTD

COURT	DECIDED	CASE NO.	CITATION	BENCH
Bombay High Court	21.10.2026	IA/2031/2026	2026:BHC-OS:22826	Gauri Godse

Contracts & Business Disputes

BOMBAY HC

Liquidator proves asset title on a preponderance of probabilities over family settlements

The dispute. Following a company's winding up, police seized forty-four valuable paintings during disputes among the promoter family's heirs. The Official Liquidator claimed five works from corporate registers, while a family claimant asserted title under private consent terms. The liquidator sought permission to auction the five paintings, which the claimant opposed while seeking delivery of all seized artworks.

The reasoning. Under Section 446, the Company Court can decide asset title summarily on a preponderance of probabilities. Private family settlements cannot bind the liquidator, and refusal to tender evidence warrants an adverse inference against rival claimants.

For your practice. Liquidators can recover corporate assets without a separate suit where purchase records prove title and rival claimants fail to tender affirmative evidence.

The order. The High Court confirmed company title to five paintings and appointed an art expert to oversee their auction. Rival claimants must deposit Rs 15 lakh each within four weeks for the upkeep of the remaining thirty-nine artworks.

§ Sections 446(2)(b), 446(2)(d) and 456, Companies Act, 1956

THE OFFICIAL LIQUIDATOR HIGH COURT BOMBAY vs MAFATLAL DYES and CHEMICALS LIMITED.

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	21.10.2026	OLR/380/2016	2026:BHC-OS:22801

BENCH

Somasekhar Sundaresan

Criminal Issues
Quashing of Cases

GUJARAT HC

Advance under a sale contract is not entrustment and breach is not cheating

The dispute. A buyer paid Rs 7.5 lakh as advance consideration to his relatives under an agreement to purchase a shop for Rs 14 lakh. When the vendors refused to execute the conveyance or refund the money, the buyer filed a specific performance suit alongside a private criminal complaint. The civil court having refused an interim injunction, the surviving vendor petitioned the High Court under Section 482 to quash the magistrate's enquiry.

The reasoning. Advance consideration under a sale contract is not entrustment of property, ruling out criminal breach of trust. Cheating demands dishonest intent at inception, which subsequent refusal to execute the conveyance cannot establish.

For your practice. Defense petitions can quash parallel cheating complaints by showing advance payments reflect contractual consideration rather than fiduciary entrustment.

The order. The High Court quashed Enquiry Case No. 13 of 2012 before the Metropolitan Magistrate, Ahmedabad. The civil court was left to decide the pending specific performance suit independently on its own merits.

§ Section 482, Code of Criminal Procedure, 1973

Chandrabhan Dulhanomal Tanwani & ors. v. Mohan Natthunal Dhanwani & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Gujarat High Court	21.10.2026	R/CR.MA/17844/2015	2026:GUJHC:66536	P. M. Raval

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

BOMBAY HC

Alienation of land must be restrained to preserve an arbitral claim for specific performance

The dispute. Five doctors paid Rs 60 lakh in 2005 for commercial premises in a proposed Goregaon project. The developers failed to obtain approvals for 21 years, withheld the funds, and attempted to sell development rights to third parties. A Single Judge dismissed the purchasers' Section 9 petition for interim relief, which they challenged before the Division Bench.

The reasoning. Section 9 relief must preserve the subject matter where alienating land leaves a claimant remediless for specific performance. Limitation does not run when delivery was contingent on statutory approvals the developer never obtained.

For your practice. Claimants in stalled projects can obtain Section 9 injunctions decades later if developer failure to secure approvals prevented limitation from running.

The order. The Division Bench allowed the appeal, set aside the order below, and restrained the respondents from creating third-party rights in the 1,405-square-yard Goregaon property.

§ Section 9, Arbitration and Conciliation Act, 1996

DEVIDAS R SHEREGAR vs ZEENAL CONSTRUCTIONS PVT LTD

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	21.10.2026	CARBAL/25270/2026	2026:BHC-OS:22768-DB

BENCH
A. S. Gadkari, Kamal Khata

Also decided today

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

Written live-in consent deeds negate rape charges based on false promises of marriage

Prolonged cohabitation under written deeds declaring free consent negates allegations of deceit from inception. A marriage promise by a man below the legal marriage age is unenforceable and cannot support a rape conviction.

R/CR.A/2273/2026 · 2026:GUJHC:66354-DB · 21.10.2026

§ Article 65, Limitation Act, 1963 — BOMBAY HC

Permissive use by a family member cannot mature into title by adverse possession

Permissive possession is antithetical to adverse possession and cannot mature into title regardless of duration. The burden of proving hostile possession never shifts to the true owner, and limitation begins only when possession becomes adverse.

SA/758/2013 · 2026:BHC-AS:42879 · 21.10.2026

§ Section 300, Indian Penal Code, 1860 — GUJARAT HC

Fist blows during a sudden quarrel do not constitute murder absent intent to kill

Spontaneous fist blows without weapons or premeditation do not establish intention or knowledge to cause death. An acquittal cannot be overturned where the trial court adopted a plausible view and the autopsy doctor was never examined.

R/CR.A/1049/2002 · 2026:GUJHC:66353-DB · 21.10.2026

By declaring that continued detention without an express cognizance order and judicial remand warrant under Section 346 of the Bharatiya Nagarik Suraksha Sanhita, 2023 is wholly illegal, the Bombay High Court has reaffirmed that personal liberty cannot be curtailed through routine roznama adjournments. As criminal courts adapt to the new procedural codes, will this strict insistence on judicial remand warrants eliminate mechanical custody extensions, or will administrative oversights during inter-court case transfers continue to jeopardise undertrial liberty?

10 judgments **10** High Courts

Every judgment here, analysed in full.

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

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