Cassie

THURSDAY
29 OCTOBER 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- S.14 SARFAESI | HFCs cannot enforce debts under Rs 20L : Calcutta HC
- S.29A Arb Act | Mandate extension lies only in civil court : SC
- S.56(1) TM Act | Export branding is deemed use in India : Bombay HC
- S.125 CrPC | PF and ESPP savings cannot cut maintenance : Gujarat HC
- S.128A CGST | DRC-03A adjustment clears amnesty waiver : Gujarat HC

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Supreme Court

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Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

SUPREME COURT

Arbitral mandate extensions vest exclusively in the principal civil court

The dispute. A state power distribution licensee and its franchisee agreed to resolve contractual disputes before a three-member arbitral tribunal. After twice consenting to a sole arbitrator and litigating for eighteen months, the licensee belatedly challenged the tribunal's composition. The High Court rejected the composition objection and extended the arbitrator's mandate, which the licensee challenged on appeal.

The reasoning. Repeated consent and eighteen months of active participation waive objections to arbitral composition by conduct. Crucially, mandate extension powers vest strictly in the principal civil court rather than the Section 11 appointing authority.

For your practice. Mandate extension petitions must be filed before the competent commercial or principal civil court rather than approaching the appointing High Court.

The order. The Court dismissed the appeals, holding the High Court's extension defective but affirming the District Court's extension. The sole arbitrator was directed to conclude proceedings and publish the award within six weeks.

§ **Section 29A, Arbitration and Conciliation Act, 1996**

SOUTH BIHAR POWER DISTRIBUTION COMPANY LTD vs INDIA POWER CORPORATION LTD.

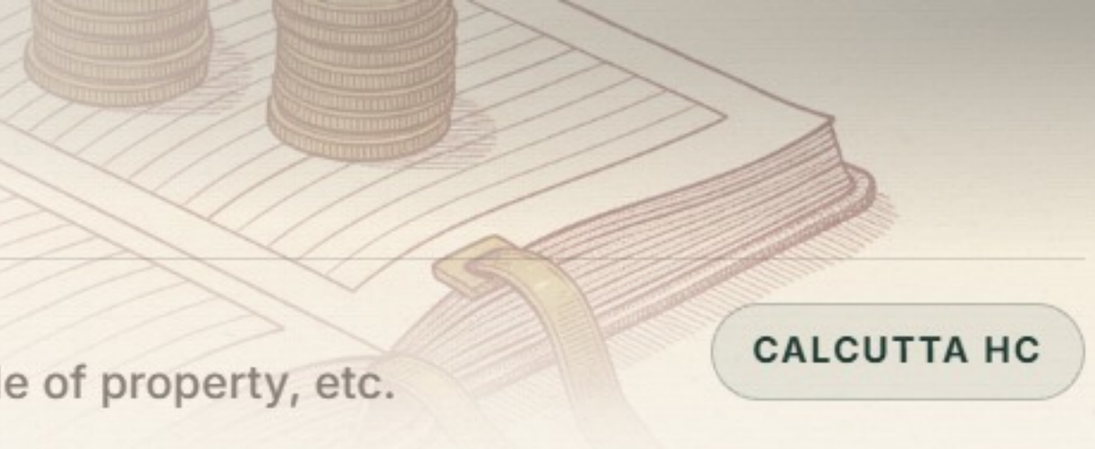
COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	28.10.2026	C.A. No.-009313-009313 - 2026	2026:INSC:1165

BENCH
Ujjal Bhuyan, Atul S. Chandurkar

High Courts

6 judgments in this edition

KEEP SWIPING >>>



Banking Law, Debt & Money Matters
SARFAESI, Mortgage Suits, Lien, Attachment and Sale of property, etc.

CALCUTTA HC

Housing finance companies cannot enforce security for debts under twenty lakh rupees

The dispute. Borrowers faced eviction after defaulting on a sixteen-lakh-rupee home loan from a housing finance company. The lender initiated magistrate-led summary possession proceedings, treating the sub-twenty-lakh debt as eligible for summary enforcement. The magistrate ordered physical possession of the residential property, which the borrowers challenged before the High Court.

The reasoning. The High Court held that the statutory twenty-lakh enforcement threshold applies squarely to housing finance companies. Because the debt fell below this floor, the magistrate lacked jurisdiction to order possession.

> *In view of the decision rendered by the Division Bench of this Court, it is clear that the HFC is governed by the notifications dated 24th February, 2020 read with 12th February, 2021.*
>
> FROM THE JUDGMENT

For your practice. Borrower counsel should verify debt thresholds early and raise jurisdictional objections against summary possession applications under twenty lakhs.

The order. The High Court set aside the possession orders and directed the lender to restore property possession within fifteen days, leaving civil remedies open.

§ **Section 14, Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002**

RITA BOSE SAHA & ors. vs UNION OF INDIA & ors.

COURT	DECIDED	CASE NO.	BENCH
Calcutta High Court	28.10.2026	WPA/31206/2026	Sandip Kumar De

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

BOMBAY HC

Export use constitutes use in India and cannot shield deceptively similar pharmaceutical marks

The dispute. Glaxo Group held continuous registration and use of the trademark LANOXIN since 1956 for digoxin cardiac tablets. In 2021, Shreya Life Sciences registered LEFOXIN BIOX for antibiotic tablets manufactured exclusively for export to Central Asian countries. Upon discovering the exports in 2024, Glaxo petitioned the Bombay High Court under Section 57 seeking cancellation and removal of the rival mark.

The reasoning. Under Cadila, pharmaceutical marks demand heightened scrutiny because confusion between medicines endangers public health. The court held that export use constitutes domestic use under Section 56(1), assessing confusion strictly at the registration date.

For your practice. Export-oriented drugmakers cannot rely on an absence of domestic sales to defend rectification, since export branding attracts full statutory scrutiny.

The order. The petition was allowed, directing the Registrar to remove LEFOXIN BIOX from the Register effective 31 December 2026. Shreya was granted time until 1 January 2027 to implement rebranding and secure necessary regulatory approvals.

§ Section 57, Trade Marks Act, 1999

Glaxo Group Limited vs Shreya Life Sciences Private Limited

COURT	DECIDED	CASE NO.	CITATION
Bombay High Court	28.10.2026	COMMP/12/2026	2026:BHC-OS:23361

BENCH
Somasekhar Sundaresan

Relationships & Family Matters
Maintenance for Spouse & Children

GUJARAT HC

Voluntary provident fund and stock deductions cannot reduce maintenance calculations

The dispute. A wife sought maintenance from her husband whose gross monthly salary was seventy-seven thousand rupees. The magistrate awarded twelve thousand five hundred rupees based on net income after deducting voluntary provident fund and stock scheme contributions. The sessions court affirmed the net-salary computation on revision, which the wife challenged before the High Court.

The reasoning. The High Court held that voluntary savings like provident fund and stock plans are personal assets accruing to the husband, unlike mandatory taxes. Maintenance must therefore be computed against gross salary without subtracting voluntary deductions.

> *We find that deductions of Provident Fund and ESPPs are ultimately benefits that would be passed on to the Respondent-husband.*
>
> FROM THE JUDGMENT

For your practice. Maintenance claims must add back voluntary savings like provident fund and stock deductions to gross income, distinguishing them from statutory taxes.

The order. The High Court quashed the revision order and remanded the matter to the Principal District Judge, Rajkot for fresh determination on gross salary. Both parties were directed to appear on 1 December 2026.

§ **Section 125, Code of Criminal Procedure, 1973**

M.K.C.J.A.M. v. State of Gujarat

COURT	DECIDED	CASE NO.	CITATION	BENCH
Gujarat High Court	28.10.2026	R/SCR.A/1066/2025	2026:GUJHC:68501	J. C. Doshi

Criminal Issues
Murder, Culpable Homicide & Attempt to Murder

DELHI HC

Common intention to murder requires proof of prior meeting of minds

The dispute. Following an altercation over intoxicants, an unarmed youth accompanied an armed juvenile acquaintance to a vacant plot where the juvenile fatally stabbed a resident. Eyewitnesses saw both flee the scene together, but none witnessed any overt act by the unarmed companion. The sessions court convicted the unarmed youth of murder with life imprisonment by invoking common intention, which he challenged on appeal.

The reasoning. The High Court held that vicarious liability for murder requires proof of a prior meeting of minds rather than mere presence or flight. Without evidence of an overt act or weapon possession, common intention was limited to voluntarily causing grievous hurt.

For your practice. Appellate defence counsel should dismantle vicarious murder charges against unarmed co-accused by establishing the absence of prior concert, weapon sharing.

The order. The High Court modified the murder conviction to causing grievous hurt under Section 326 read with Section 34. Having served nearly five years and eight months, the appellant was ordered released forthwith.

§ Section 34, Indian Penal Code, 1860

ABHISHEK SHARMA vs THE STATE NCT OF DELHI

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	28.10.2026	CRL.A.-1106/2025	2026:DHC:9511-DB

BENCH
Prathiba M. Singh, Vikas Mahajan

Government & Public Body Interactions

GUJARAT HC

Portal acceptance of DRC-03A adjustment satisfies statutory tax payment for amnesty waiver

The dispute. A partnership firm paid Rs. 31.14 lakh towards a tax discrepancy, but inadvertently cited the wrong financial year in its voluntary challan. After a demand was confirmed, it filed DRC-03A adjustments which the portal accepted, reducing its outstanding principal liability to nil. When the authority rejected its Section 128A penalty waiver application citing the initial year error, the firm filed a writ petition in the High Court.

The reasoning. Portal acceptance of Form DRC-03A conclusively satisfies Section 128A by zeroing liability in the Electronic Liability Register. Authorities cannot disregard ledger adjustments or revive clerical errors in historical payment challans to deny amnesty benefits.

For your practice. Tax practitioners can protect Section 128A amnesty despite historical challan errors by completing portal adjustments under Rule 142(2B) before applying for waiver.

The order. The High Court quashed the rejection order and directed the department to accept and process the petitioner's waiver application under Section 128A within twelve weeks.

§ Section 128A, Central Goods and Services Tax Act, 2017

R.J. TECHNOLOGIES vs UNION OF INDIA & ors.

COURT	DECIDED	CASE NO.	CITATION
Gujarat High Court	28.10.2026	R/SCA/13116/2025	2026:GUJHC:68568-DB

BENCH

A.S. Supehia, Vaibhavi D. Nanavati

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

DELHI HC

Arbitral interest awarded contrary to an express contractual exclusion violates public policy

The dispute. MMTC contracted with an Australian supplier for yellow peas and later invoked a USD 271,950 performance guarantee over alleged shipment delays. Despite an express clause barring interest on the guarantee, the arbitral tribunal ordered refund of the sum with 9% annual interest. After a Single Judge dismissed its Section 34 petition, MMTC appealed to the Division Bench seeking to set aside the award.

The reasoning. Tribunal power to award interest under Section 31(7) yields to party autonomy and cannot override an express contractual bar. Awarding interest contrary to agreed terms violates public policy, yet remains cleanly severable from the surviving valid award.

For your practice. Litigators challenging arbitral awards can seek partial annulment under Section 34 by targeting severable interest components granted contrary to express contract terms.

The order. The appeal was partly allowed, setting aside only the 9% interest awarded on the USD 271,950 bank guarantee. The remainder of the award, including the principal refund and rejection of MMTC's delay damages, was upheld.

§ Section 34(2)(b)(ii), Arbitration and Conciliation Act, 1996

MMTC LIMITED vs AUST GRAIN EXPORTS PTY LTD

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	28.10.2026	FAO(OS) (COMM)-210/2023	2026:DHC:9459-DB

BENCH
Avneesh Jhingan, Shail Jain

Tribunals

2 judgments in this edition

KEEP SWIPING →

Insurance Law & Claims
Health/Life Insurance Claim Denial, Partial Approval & Delay

SCDRC

Pre-existing disease repudiation requires proving hospitalisation near policy inception

The dispute. The insured purchased a health policy for five lakh rupees and subsequently underwent bypass surgery following acute coronary syndrome. The insurer repudiated his medical claim citing policy exclusions for long-standing diabetes and stroke history recorded in discharge summaries. The District Forum allowed the consumer complaint, directing reimbursement with interest, which the insurer challenged before the State Commission.

The reasoning. The Delhi SCDRC held that medical history cannot justify claim repudiation absent hospitalisation proximate to policy inception. Additionally, an insurer cannot enforce exclusion clauses without proving actual delivery of policy terms to the insured.

For your practice. Consumer advocates should require insurers to produce prior hospitalisation records and postal dispatch proof rather than accepting discharge summary references.

The order. The Delhi SCDRC dismissed the appeal, directing payment of Rs 2,70,409 with six per cent interest plus Rs 25,000 compensation within thirty days, failing which nine per cent penal interest applies.

§ **Section 2(1)(g), Consumer Protection Act, 1986**

M/S ORIENTAL INSURANCE CO. LTD. vs DEV DUTT CHAWLA

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	28.10.2026	SC/7/A/313/2017

BENCH
Sangita Dhingra Sehgal

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

SCDRC

Delay in notifying insurer of theft is not fatal when police are promptly informed

The dispute. Unknown persons stole the complainant's insured tractor along with cash and vehicle registration documents. The owner lodged an FIR the next morning, but the insurer withheld payment of the declared value citing a twenty-three-day notification delay. The District Commission dismissed the complaint for delayed notification, and the insured appealed the rejection before the MP SCDRC.

The reasoning. Immediate reporting to the police is the critical requirement to facilitate investigation and recovery of a stolen vehicle. Consequently, technical delay in notifying the insurer cannot justify repudiating a claim that is not shown to be fraudulent.

For your practice. Lawyers handling motor theft claims must lead with FIR date and police intimation evidence. Insurer's 24-hour intimation clause cannot override SC ratio that delay in insurer notification is not a defence if police informed promptly and claim not fraudulent. Limitation runs from formal rejection, not theft date, when insurer keeps claim pending.

The order. Appeal allowed. District Commission order dated 09.11.2016 set aside. New India Assurance directed to pay IDV of tractor with interest at 7% per annum from 09.09.2015 (date of complaint filing) till payment. Costs of Rs. 10,000 awarded. Compliance within 6 weeks from 28.10.2026.

§ **Section 138, Negotiable Instruments Act, 1881**

BHAIYALAL UPADHYAY vs NEW INDI A ASSU. CO.LTD.

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	28.10.2026	SC/23/FA/973/2017

BENCH
Sunita Yadav, Monika Malik

Also decided today

§ Section 47, Bharatiya Nagarik Suraksha Sanhita, 2023

SUPREME COURT

Substantial compliance in communicating arrest grounds suffices absent demonstrable prejudice

Substantial communication satisfies statutory safeguards absent demonstrable prejudice to the accused. Technical objections to notice format cannot override core bail parameters or offence gravity in national security matters.

Crl.A. No.-005092-005092 - 2026 · 2026:INSC:1169 · 28.10.2026

§ Section 138, Negotiable Instruments Act, 1881

JAMMU & KASHMIR AND LADAKH HC

Composite notice for multiple cheques is valid and later cognizance cures premature filing

Section 138 requires a purposive construction to advance commercial certainty rather than defeat genuine claims on technicalities. Where a complaint is lodged on day fifteen but the magistrate takes cognizance on day sixteen, the statutory defect stands cured.

CRM(M)/206/2023 · 28.10.2026

§ Section 482, Code of Criminal Procedure, 1973

GUJARAT HC

Vague allegations of inciting the husband cannot sustain prosecution of in-laws for cruelty

Offences under Section 498A require specific allegations of conduct likely to cause grave danger or coerce unlawful property demands. Casual references attributing generic instigation to in-laws without concrete incidents constitute an abuse of process.

R/SCR.A/11340/2024 · 2026:GUJHC:68493 · 28.10.2026

Also decided, continued

§ Section 94, Juvenile Justice (Care and Protection of Children) Act, 2015 CHHATTISGARH HC

Minority requires statutory documents or ossification test, and DNA alone cannot prove rape

Minority must be proved through statutory documents or an ossification test, making unverified school registers inadmissible. DNA evidence proves biological paternity but cannot substitute for proof of non-consent to establish rape.

CRA/1945/2022 · 2026:CGHC:45419-DB · 28.10.2026

§ Section 166, Motor Vehicles Act, 1988 GUJARAT HC

Brothers as legal representatives can claim accident compensation without proving dependency

Legal representatives are entitled to maintain an accident claim irrespective of separate residence or financial dependency. Financial dependency is relevant solely to assessing the quantum of compensation, not to the threshold maintainability of the claim.

R/FA/1041/2024 · 2026:GUJHC:68402 · 28.10.2026

§ Order XXXVIII Rule 5, Code of Civil Procedure, 1908 DELHI HC

Pre-judgment security requires proof of intent to defeat execution, not mere apprehension

Pre-judgment security demands strict proof of overt acts showing intent to dispose of assets to defeat execution. Neither residence outside territorial jurisdiction nor allegedly evasive pleadings can substitute for proof of obstructive intent.

CM(M)-1850/2026 · 2026:DHC:9508 · 28.10.2026

Also decided, continued

§ Section 41 read with Section 47(1)(a)(iii), Consumer Protection Act, 2019 SCDRC

Excess vehicle occupancy without a causal link to accident cannot defeat own-damage claim

A bare numerical breach of seating capacity is not a fundamental breach unless the insurer proves it contributed to the collision. Absent causal connection, the insured remains entitled to a non-standard settlement at seventy-five percent.

SC/19/A/265/2023 · 28.10.2026

§ Section 123, Customs Act, 1962 CESTAT

Revenue must prove foreign origin before reverse burden applies to unmarked gold seizures

The statutory reverse burden operates only when customs officers possess reasonable belief founded on evidence of foreign origin. In domestic seizures of unmarked gold, mere suspicion and retracted statements cannot substitute for proof of smuggling.

Customs Appeal No. 75619 of 2025 · 28.10.2026

§ Section 10(23C)(iiiad), Income Tax Act, 1961 ITAT

Return filing was not a condition precedent for educational tax exemption prior to 2023

Section 139(4C) prescribes procedural filing duties without making compliance a condition precedent for tax exemption. The statutory condition linking exemption to timely return filing was introduced prospectively only from assessment year 2023-24.

ITA No. 589/Agr/2026 · 28.10.2026

When an automated tax portal reconciles and accepts ledger adjustments that clear outstanding liabilities, should revenue authorities remain free to resurrect clerical challan errors to deny statutory amnesty? If amnesty schemes are enacted to unburden courts and resolve legacy disputes, how far can administrative formalism be permitted to defeat substantive compliance?

18 judgments **2** Supreme Court **11** High Courts **5** Tribunals

Every judgment here, analysed in full.

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

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