Cassie

FRIDAY
30 OCTOBER 2026

DAILY

Court Digest

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

IN TODAY'S DIGEST

- **Art. 245 | Legislature cannot validate corrupt recruitment : SC**
- **S.14 SARFAESI | No fee for police aid in possession : Rajasthan HC**
- **S.8 Arb Act | Post-expiry TM infringement is arbitrable : Delhi HC**
- **S.2(11) CPA | Room rent sub-limits cannot cut package rates : SCDRC**
- **S.63 Succession Act | Unexplained thumb mark voids probate : Patna HC**

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Supreme Court

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Government & Public Body Interactions

SUPREME COURT

Legislative validation cannot override judicial annulment of corrupt recruitment

The dispute. The State cancelled a 2011 recruitment for 362 gazetted posts after an inquiry uncovered rampant corruption by public service officials. After courts upheld the cancellation, the legislature enacted a 2022 validation law to revive the selection and appoint candidates. Unsuccessful candidates challenged the validation statute, and appealed to the Supreme Court after the High Court declined to invalidate the law.

The reasoning. Validation statutes may cure technical defects but cannot overturn judicial findings of systemic recruitment corruption. Separation of powers bars overriding court annulments, and equity cannot salvage individual appointees from a corrupted process.

For your practice. Counsel challenging validation laws must distinguish permissible defect cures from unconstitutional legislative reversals of judicial corruption findings.

The order. The Supreme Court invalidated the 2022 Act and ordered fresh recruitment with one-time age relaxation for untainted candidates. Past service counts solely for pension benefits, with no back wages or notional seniority granted.

§ Article 14, 21, 309 of the Constitution of India

SRINIVASA T. vs THE STATE OF KARNATAKA AND ORS. ETC. ETC.

COURT	DECIDED	CASE NO.	CITATION
Supreme Court of India	29.10.2026	C.A. No.-013989-013990 - 2026	2026 INSC 1173

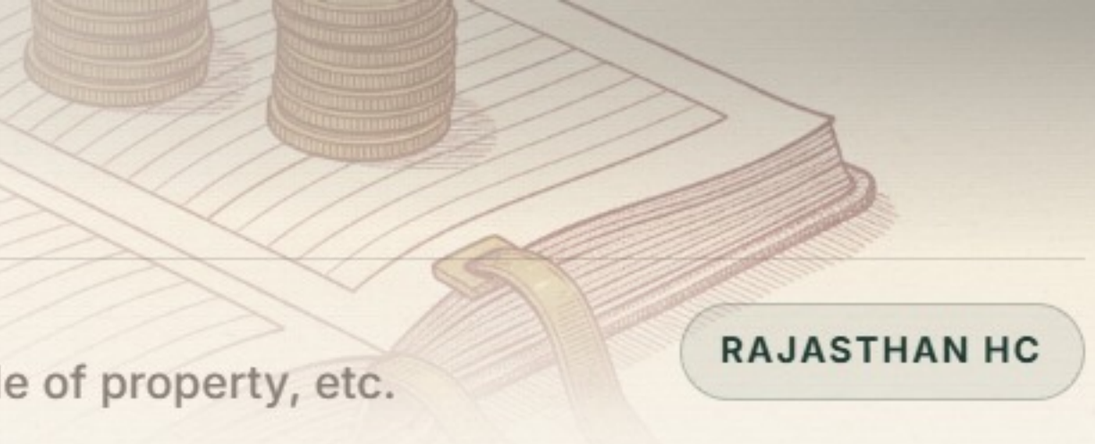
BENCH

J.b. Pardiwala, K. Vinod Chandran

High Courts

5 judgments in this edition

KEEP SWIPING >>>



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

RAJASTHAN HC

State cannot levy charges for police assistance provided to enforce statutory possession orders

The dispute. A small finance bank obtained magistrate orders for police deployment to take physical possession of defaulted secured properties. A Single Judge upheld the police department's entitlement to levy costs at prescribed rates, which the bank challenged before the Division Bench.

The reasoning. Police deployment to execute statutory possession orders is a sovereign duty rather than a chargeable commercial service. Commercial benefits accruing to secured creditors do not alter the sovereign character of enforcing statutory recovery orders.

> *The implementation of such orders, therefore, constitutes the discharge of a statutory obligation in furtherance of the legislative mandate.*
>
> FROM THE JUDGMENT

For your practice. Secured lenders can resist police fee demands, asserting that statutory possession enforcement must be executed without any commercial charges.

The order. The Division Bench allowed the appeals, setting aside the Single Judge order dated 12.08.2026. The State was directed to deploy requisite police assistance for implementing Section 14 possession orders without levying any charges.

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

AU SMALL FINANCE BANK LTD. vs THE STATE OF RAJASTHAN

COURT	DECIDED	CASE NO.	CITATION
Rajasthan High Court	29.10.2026	SAW / 1104 / 2026	2026:RJ-JD:52513-DB

BENCH
Vinit Kumar Mathur

Intellectual Property (IP) Law
Licensing, Royalties & Assignment Disputes

DELHI HC

Trademark infringement claims against former licensees are arbitrable rights in personam

The dispute. A Singapore licensor sued its former Indian subsidiary and sister entities for trademark infringement after a ten-year licence expired. The ex-licensee sought reference to arbitration under the dispute resolution clause in the agreement. The licensor opposed reference before the Delhi High Court, contending that statutory infringement claims assert non-arbitrable rights in rem.

The reasoning. Trademark disputes under licence agreements involve subordinate rights in personam and remain arbitrable. A plaintiff cannot evade arbitration by pleading statutory infringement, and non-signatories are bound as entities claiming through the licensee.

> *The plaintiff cannot breach the arbitration agreement merely by the manner in which it frames the suit.*
>
> FROM THE JUDGMENT

For your practice. Licensors cannot avoid arbitration by framing IP disputes as statutory infringement, and non-signatories risk referral as entities claiming through the licensee.

The order. The High Court allowed the Section 8 application and referred the parties to arbitration under SIAC rules. The commercial suit and all pending applications were accordingly disposed of.

§ Section 8, Arbitration and Conciliation Act, 1996

UTRACON CORPORATION PTE LTD vs UCON PT STRUCTURAL SYSTEM PRIVATE LIMITED FORMERLY UTRACON STRUCTURAL SYSTEMS PRIVATE LIMITED & ors.

COURT	DECIDED	CASE NO.	CITATION
Delhi High Court	28.10.2026	CS(COMM)-661/2024	2026:DHC:9594

BENCH
Purushaindra Kumar Kaurav

Property & Asset Disputes
Inheritance/Succession Matters

PATNA HC

Unexplained thumb impressions by a literate testator vitiate execution and defeat probate

The dispute. Two nieces sought probate of an unregistered will bequeathing family estates to them, executed solely with thumb impressions by their literate aunt. Nine days earlier, the testatrix had signed an FIR alleging she was forced to put marks on blank papers at a registry office. After the trial court granted probate by shifting the evidentiary burden onto the objectors, the caveator appealed to the High Court.

The reasoning. Propounders bear an affirmative burden to dispel suspicious circumstances rather than relying on weaknesses in the caveat. Departing from habitual signatures requires cogent proof, particularly when attesting witnesses are tied to beneficiaries.

For your practice. Counsel propounding wills must affirmatively establish capacity through neutral attesting witnesses, without relying on weaknesses in the caveator's case.

The order. The High Court allowed the appeal, set aside the trial court judgment, refused probate of the will dated 17.12.1994, and dismissed the probate suit without costs.

§ Section 63, Indian Succession Act, 1925

Shanta Sinha vs Ruma Devi and Anr

COURT	DECIDED	CASE NO.	BENCH
Patna High Court	29.10.2026	FA-128/2017	Ramesh Chand Malviya

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

MADRAS HC

Writ petition cannot challenge an MSMED award once statutory Section 34 remedy is exhausted

The dispute. Tamil Nadu Medical Services Corporation deducted nineteen lakh rupees as liquidated damages from Atul Generators for delayed generator supplies. The supplier approached the UP Facilitation Council, which directed refund of the sum with statutory compound interest. After the Kanpur Commercial Court dismissed its Section 34 challenge, the corporation filed a writ petition, which a Single Judge dismissed.

The reasoning. An arbitral award merges into the Section 34 order, making an appeal under Section 37 the exclusive statutory remedy. A party cannot treat a council decision as an award under arbitration law but an absolute nullity when seeking writ relief.

> *A party cannot call the order an award for one purpose and a nullity for another.*
>
> FROM THE JUDGMENT

For your practice. Filing a Section 34 petition constitutes an election of statutory remedy, completely foreclosing collateral writ challenges against MSMED Facilitation Council awards.

The order. The appeal was dismissed without costs, confirming the Single Judge order and vacating the interim stay. The facilitation council award of Rs 19,71,049 with statutory compound interest remains fully enforceable.

§ **Section 18, Micro, Small and Medium Enterprises Development Act, 2006**

The Tamil Nadu Medical Services Corporation Limite vs Uttar Pradesh State Micro and Small Enterprises Fa

COURT	DECIDED	CASE NO.	CITATION
Madras High Court	29.10.2026	WA.2187/2025	2026:MHC:4346

BENCH
Sushrut Arvind Dharmadhikari, G.arul Murugan

Contracts & Business Disputes
Arbitration Agreements, Proceedings & Enforcement

DELHI HC

Supervisory jurisdiction survives the statutory bar against second appeals in arbitration

The dispute. Partners in a pharmaceutical firm fell into dispute after mutual allegations of fund misappropriation and unlawful expulsion. In pending arbitration, the tribunal directed the continuing partners to submit monthly transaction affidavits until final award disposal. The Commercial Court curtailed disclosure to the pre-invocation period, prompting the expelled partner to invoke supervisory writ jurisdiction.

The reasoning. Supervisory jurisdiction survives the statutory bar on second appeals, but interference requires a patent lack of inherent jurisdiction.

For your practice. Interim applications must tailor disclosure prayers precisely, as appellate courts vacate ongoing pendente lite directions that lack foundational pleadings.

The order. Dismissing the petition without costs, the High Court upheld the Commercial Court order restricting disclosure affidavits to the period before 05.04.2019. Substantive rights to challenge the final award remain fully preserved.

§ **Section 37(2)(b) and Section 37(3), Arbitration and Conciliation Act, 1996; Article 227, Constitution of India**

DAYANAND PAL vs MR. DHARMENDRA KUMAR BHATI & ors.

COURT	DECIDED	CASE NO.	CITATION	BENCH
Delhi High Court	29.10.2026	CM(M)-474/2025	2026:DHC:9574	Ajay Digpaul

Tribunals

2 judgments in this edition

KEEP SWIPING →

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

SCDRC

Insurers cannot apply room rent sub-limits to covered expenses bundled in package rates

The dispute. An insured patient incurred Rs 4.79 lakh for COVID-19 treatment under composite hospital ICU and isolation packages. The insurer disallowed Rs 1.10 lakh by applying policy sub-limits for daily room rent and ICU charges to the bundled bills. The District Commission held the insurer deficient and awarded the disallowed amount, which the insurer challenged in appeal before the Delhi SCDRC.

The reasoning. Policy sub-limits for room rent and ICU apply strictly to accommodation charges. Insurers cannot treat the difference between composite hospital package rates and policy limits as excess room rent to deny covered medical care.

For your practice. Claimants should secure itemised package breakups to prove that disallowed sums represent covered medical services and consumables rather than excess room rent.

The order. The SCDRC dismissed the appeal, directing the insurer to pay the balance claim of Rs 1.10 lakh with 9% interest from the complaint date. The order also upheld Rs 45,000 towards compensation and litigation costs.

§ **Section 2(11), Consumer Protection Act, 2019**

NATIONAL INS. CO. vs NARENDER KUMAR JAIN

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	28.10.2026	SC/7/FA/407/2025

BENCH
Sangita Dhingra Sehgal, Pinki

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

SCDRC

Temporary occupation of alternative flat under written protest does not waive right to refund

The dispute. A homebuyer paid fifty-three lakh rupees for a south-facing upper-floor apartment, but the developer failed to construct the floors due to sanction hurdles. The buyer filed an original consumer complaint before the SCDRC seeking refund with interest, which the developer resisted citing voluntary occupation.

The reasoning. Qualified acceptance of substitute accommodation does not constitute contractual novation or waiver of refund rights for undelivered property.

For your practice. Clarifies that qualified acceptance of temporary accommodation preserves refund claim. Staggered interest rate (9%/7%) balances deprivation and residential benefit. Developer cannot condition refund on resale. Landowners not automatically liable without proof of receipt/undertaking. Lawyers must document contemporaneous objections and plead possession dates for interest segmentation.

The order. Complaint allowed in part against OP1 (developer) and OP2 (partner). Refund Rs. 53,43,000 with simple interest: 9% p.a. from 22.05.2016 to 09.07.2016, 7% p.a. from 10.07.2016 until payment (reverts to 9% if possession surrendered earlier). Litigation costs Rs. 1,00,000. Compliance within 90 days from 29.10.2026. Simultaneous payment and surrender of vacant possession via written acknowledgment. OP1/2 restrained from creating third-party interests until completion. No liability on landowners (OP3-9). Prayer for specific performance and Rs. 20 lakh compensation refused.

§ **Section 17, Consumer Protection Act, 1986**

Sri Dhruba Sen vs M/s. Limra Construction & ors.

COURT	DECIDED	CASE NO.
State Consumer Disputes Redressal Commission	29.10.2026	SC/19/CC/354/2018

BENCH
Rajes Guha Ray, Santanu Saha

Also decided today

§ Section 482, Code of Criminal Procedure, 1973 DELHI HC

Unverified internal police database reports cannot be treated as proof of criminal involvement

An internal police dossier marked solely for investigative guidance carries no evidentiary weight and cannot establish criminal involvement before a court.

W.P.(CRL)-3359/2026 · 2026:DHC:9539 · 28.10.2026

§ Order XI Rule 1(5), Code of Civil Procedure, 1908 as amended by Commercial Courts A... DELHI HC

Deferred search of own records cannot establish reasonable cause for late document filing

A party cannot convert documents always within its custody into subsequent discoveries merely by deferring searches of its own premises.

CS(COMM)-1008/2024 · 2026:DHC:9604 · 29.10.2026

§ Section 14, Securitisation and Reconstruction of Financial Assets and Enforc... CHHATTISGARH HC

District Magistrate assisting asset possession cannot adjudicate third-party title claims

Executive authorities assisting secured creditors in taking asset possession perform a purely ministerial role limited to statutory verification.

WPC/4952/2021 · 2026:CGHC:45681 · 29.10.2026

Also decided, continued

§ Section 125, Code of Criminal Procedure, 1973 DELHI HC

Withholding income affidavits justifies adverse inferences in maintenance

Persistent default in filing mandated income affidavits justifies an adverse inference accepting the spouse's income assessment. Furthermore, delay condonation cannot rest on unsubstantiated claims of counsel neglect contradicted by the record.

CRL.REV.P.(MAT.)-651/2026 · 2026:DHC:9534 · 28.10.2026

§ Section 19, Contempt of Courts Act, 1971 NCLAT

Contempt appeals lie only against punishment orders, not orders dismissing petitions

A statutory contempt appeal lies exclusively against orders imposing punishment, not against orders dropping proceedings or dismissing petitions.

Company Appeal (AT) No.05 of 2026 · 29.10.2026

§ Section 2(1)(d), Consumer Protection Act, 1986 SCDRC

Buying commercial shops for self-employment livelihood preserves consumer status

Purchasing commercial property to earn a livelihood through self-employment does not trigger the statutory commercial-purpose exclusion.

SC/7/CC/591/2017 · 28.10.2026

When the police enforce statutory possession orders under parliamentary enactments, can the execution of the rule of law ever be treated as a fee-for-service commercial amenity? If upholding judicial mandates is an indivisible sovereign duty of the State, should law enforcement authorities be permitted to monetise their assistance merely because the beneficiary is a commercial lender?

14 judgments **1** Supreme Court **9** 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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