



**Supreme Court Daily Digest**

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**Disclaimer:** We have made these notes (shared below) based on our understanding of the above Supreme Court judgments. You are requested to read original judgments before using our notes for any purpose. You can click on the case names below to access original judgment.

## **Anoop Maheshwari vs Oriental Insurance Company Ltd. 2025 INSC 1076 - Motor Accident Compensation - Income Tax Returns**

**Motor Accident Compensation** - The disability to be assessed for the purpose of awarding compensation arising from a motor accident is the functional disability which reduces the earning capacity of the claimant and not strictly the medical disability. (Para 7)

**Motor Accident Compensation** - While disposing an appeal against an HC order, SC observed: Tribunal entered into mere surmises and conjectures to decline adoption of the income as per the income tax returns - It cannot be said that the claimant apprehended an accident and got registration of a firm and filed his income tax returns two years prior to the accident- The finding of the Tribunal also is that in the first year, there was no tax payable and hence there was no profits or income. The exemption from tax is only because the purchase and sales did not exceed the taxable value. The sale proceeds being not within the taxable limit is not an indication of the profit accrued, or the income received from the business which is reflected in the income tax returns. (Para 8)

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## **Haseena vs United India Insurance Co. Ltd. 2025 INSC 1075- Motor Accident Compensation**

**Motor Accident Compensation** - In this case, High Court rejected the claim for compensation for death, but considered the claim for injuries sustained- Upholding HC judgment, SC observed: Merely by reason of the proximity of the accident and the death or the possibility of acute myocardial infarction occurring for reason of a long bed rest, it

cannot be assumed, without clear evidence to substantiate the death having been caused as a result of the injuries sustained in the accident that the death occurred by reason of the accident

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## **Phireram vs State of Uttar Pradesh 2025 INSC 1074 - Cancellation Of Bail - Witness Protection Scheme**

**Code of Criminal Procedure 1973 - Section 437,439 ; Witness Protection Scheme** - The existence of a Witness Protection Scheme cannot be a consideration to decline to cancel the bail, even when there is prima facie material indicating that the accused administered threats or caused intimidation to the witnesses (Para 39)-the considerations for when the recourse to the Scheme may be taken by any witness is not contingent upon violation of a condition imposed on an accused during grant of bail or even during its pendency. (Para 47) -When it is an outright case of breach of the conditions of the bail order and when the original first informant is able to prima facie demonstrate in what manner the accused person is abusing the liberty granted to him, then, in such circumstances, the provisions of the Witness Protection Scheme, 2018 have hardly any role to play. This Scheme has nothing to do as such when the complainant seeks cancellation of bail on the ground of threats being administered to the witnesses. (Para 18)- The courts cannot abdicate its role on the pretext that since the State has a scheme for protecting witnesses, we shall not exercise our jurisdiction to cancel bail even though conditions have been violated.(Para 44) Deprecates Practice in Allahabad HC which treats witness protection scheme as substitute to cancellation of bail (Para 60-61)- Distinction between the grant of bail and its cancellation on the ground of violation of the conditions of bail

order and the affording of protection to a witness under the Scheme - the purpose of the Scheme is to ensure that witnesses, who are the eyes and ears of justice, are not reduced to silence or falsehood by threats that invade their psyche. It does not displace or dilute the established jurisprudence of bail; rather, it works alongside it, providing a protective canopy so that the existing provisions can operate in an environment where witnesses are free to testify. This duality is essential, as the law on bail restrains the accused through conditions, and prevents any further infractions of intimidation by cancellation of bail while the Witness Protection Scheme eradicate the invisible yet potent influence of fear, intimidation or threat, that are the consequences of the threats made by the accused persons to maintain the sanctity of trial. (Para 52)

**Bail** - Bail is not to be understood merely as a mechanical order releasing a person from custody; it is, in substance, a judicial recognition that liberty is the norm and detention an exception, subject however to the overriding imperative that liberty should not be abused to thwart the course of justice. (Para 40) **Cancellation of Bail** - If the accused tampers with evidence, threatens witnesses, or attempts to subvert the trial, the indulgence of bail is to be withdrawn. It is a recognition that liberty is conditional, not absolute, and subject always to the larger interest of ensuring a fair trial. The considerations that must weigh with the court for setting aside the bail order on an application being moved by the aggrieved party include any supervening circumstances that might have occurred after granting relief to the accused, the conduct of the accused while on bail, any attempt on the part of the accused to procrastinate, resulting in delaying the trial, any instance of threats being extended to the witnesses while on bail, any attempt on the part of the accused to tamper with the evidence in any manner etc. (Para 57-59)

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**Bhayana Builders Pvt. Ltd. v. Oriental Structural Engineers Pvt. Ltd 2025 INSC 1073- S.12(5) Arbitration Act**

**Arbitration and Conciliation Act 1996 - Section 12(5) ; Fifth Schedule** - If a person cannot be appointed an arbitrator being ineligible by operation of law, he cannot nominate another as a sole arbitrator. [Context: In this case, SC held that since managing director of a company would be ineligible for being appointed as an arbitrator in view of Section 12 (5) read with paragraph 5 in the Fifth Schedule to the 1996 Act, he would be ineligible to nominate a sole arbitrator]

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**Andhra Pradesh Grameena Vikas Bank v. Union of India - Writ Jurisdiction**

**Constitution of India - Article 226** - Deciding the Writ Petition and the Writ Appeal by the same Court itself goes against the very basic principles of judicial norms and propriety. [**Context:** In this case, SC observed that the High Court has decided the original Writ Petition and also, the Writ Appeal against the said order in the Writ Petition, which is totally impermissible in law and cannot be justified on any ground.]

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**Sreeja D G vs Anitha R. Nair - Art. 136 Constitution - SLP - HC Modifying Impugned Oder**

**Constitution of India - Article 136** - When an order passed by the High Court is under challenge and notice has been issued by Supreme Court, thereafter, if any application is filed for modification of the said

order, the High Court must exercise restraint, as far as practicable, in passing any orders which can possibly have the effect of circumventing, prejudicing, or rendering infructuous the proceedings pending before Supreme Court. (Para 9) [Context: SC stayed orders passed by the High Court modifying the order which is under challenge before Supreme Court]

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