

Dagi Ram Pindi Lal and Another v. Trilok Chand Jain and Others

Civil Appeal No. 1360 of 1974

[1992] 1 SCR 545 | 1992-02-04

Whether the Commissioner's section 138(1)(b) disclosure decision could veto a civil court's summons for documents filed after 1 April 1964 relating to AY 1964-65 onward, despite omission of section 137.

137: former confidentiality and production restriction, omitted with effect from 1 April 1964 | 138(1)(b): administrative disclosure application and statutory finality, distinguished from judicial summons | 138(1)(a) and 138(2): legislative background; separate specified-authority disclosure and notification power

Two-judge bench | Kuldeep Singh, J. | Dr. A.S. Anand, J.

Assessment years: 1964-65, 1965-66, 1966-67, 1967-68, 1968-69, 1969-70, 1970-71, 1971-72

Limited historical disclosure ruling; no general public-access right

This appeal decides only documents filed after 1 April 1964 relating to AY 1964-65 onward. Section 138(1)(b) did not let the Commissioner veto a judicial summons; courts retained relevance and evidentiary-privilege controls. Other transition categories, certified-copy admissibility and the underlying suit were left undecided. The source has printed date/statute slips and an image-only page. The checked 2019 citation concerns repeal in another field; comprehensive later treatment and current-law mapping remain unverified.

01 FACTS OF THE CASE

Trilok Chand Jain sued M/s. Dagi Ram Pindi Lal and Smt. Budh Wanti Gulati for Rs 1,39,722.86. During evidence he obtained summons for the defendants' income-tax records for AYs 1964-65 to 1971-72, and for records relating to two other assessees. The Department sent the records under seal and asserted confidentiality, including a section 137 claim in a letter dated 1 November 1972. The plaintiff also sought to tender certified copies of the defendants' accounts obtained from the tax authorities (paragraph 2; physical page 7).

A Single Judge referred questions concerning privilege before and after 1964 and admissibility of certified copies to a Full Bench. The Full Bench sustained the Department's privilege claims in the situations it considered and treated the Commissioner's section 138(1)(b) public-interest decision as controlling even a court's requisition. It expressed no opinion on the certified-copy question (paragraphs 2–3; physical pages 8–9).

The defendants appealed, but confined their challenge to one category: documents filed after section 137 was omitted from 1 April 1964, relating to assessment years 1964-65 onward. Earlier records, other statutory transition combinations and certified-copy admissibility were not open for determination in this appeal (paragraphs 4 and 11; physical pages 9–10 and 15).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

The Court traced the statutory changes. Section 54 of the 1922 Act and section 137 of the 1961 Act had restricted production of specified confidential records to courts. The original disclosure exception concerned tax payable. Finance Act 1964 omitted section 137 and substituted section 138, expanding applications to information relating to an assessment, subject to the Commissioner's public-interest satisfaction. Section 138(2) separately empowered the Central Government to restrict specified disclosures by notified order. The 1967 substitution placed the personal-application route in section 138(1)(b), with a separate specified-authority route in clause (a) (paragraphs 5–10; physical pages 10–15, including the image-only page 14).

The earlier confidentiality provisions had restricted the exercise of courts' ordinary document-production jurisdiction, not destroyed it permanently. For the post-omission documents and assessment periods actually in issue, the restriction had ended. Section 6(c) of the General Clauses Act could preserve an acquired right or privilege, but no such right had accrued before the omission in respect of documents subsequently filed for the subsequent assessment periods. The judgment distinguished pre-April-1964 records and assessments; it did not decide every transition category considered below (paragraphs 13–15; physical pages 16–18).

Section 138(1)(b) dealt with an administrative decision on an application by a person seeking information. Its statutory finality did not authorize the Commissioner to sit in judgment over a court's judicial requisition. A court, after hearing parties and being prima facie satisfied of relevance, could summon records needed to decide a pending case; the Commissioner had to send them. A claim under Evidence Act sections 123 or 124 remained possible, with the court deciding whether privilege should be granted. Thus the holding removes the asserted income-tax veto over the specified judicial summons; it does not establish unrestricted public access to tax records or dispense with judicial relevance and privilege safeguards (paragraphs 16–17; physical pages 18–20).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

The appeal succeeded only to the stated extent. The Court set aside the Full Bench answer to situation (d) of its second question and held that, following omission of section 137, documents filed after 1 April 1964 for AY 1964-65 onward could be judicially summoned; section 138(1)(b) finality did not govern that judicial power. It expressly refrained from expressing any opinion on the other Full Bench findings. There was no order as to costs (paragraph 18; physical page 20).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Appellant-defendants on the confined question of judicial production power

Appeal allowed to the specified extent; Full Bench answer to question 2, situation (d), set aside; no order as to costs

Final determination of the limited disclosure/jurisdiction question, not the recovery suit or substantive tax liability

No decision on other pre-1964/transitional categories, certified-copy admissibility, the civil debt or general public entitlement to taxpayer information; statutory Evidence Act privilege remained available for judicial decision.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

Identify both the document's filing date and its assessment period before applying this holding. The judgment repeatedly confines itself to post-1-April-1964 filings relating to AY 1964-65 onward. Treating its general language about repeal as abolishing every earlier confidentiality privilege would contradict the express appeal boundary and reservation of other questions.

Separate a person's administrative information request from a court's judicial summons. The Commissioner's statutory finality attaches to the former route discussed in the judgment, while relevance and any properly claimed evidentiary privilege remain questions for the court. The decision neither turns tax records into public documents available to anyone nor resolves a general constitutional challenge to finality clauses. It also does not decide the effect of a particular section 138(2) notification.

A bounded check of *State of Odisha v. Anup Kumar Senapati*, decided 16 September 2019, found Dagi cited within a quotation from Hirendra Pal Singh on repeal and statutory savings, in an education grant-in-aid dispute (paragraph 27; physical pages 36–37). That is a limited cross-law citation, not verification that the 1992 tax-disclosure regime governs a current request. Current disclosure, privilege, savings and procedural provisions require independent checking. Comprehensive later treatment and 2025 Act mapping remain unverified.

Source: See the proposition-specific paragraph and PDF-page references below.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity, author, lower decision and suit background

Source url: [Open cited source](#)

Pdf pages: 1; 6; 7

Paragraphs: Opening metadata and paragraphs 1–2

Source role: reported metadata and judicial text

2.

Topic: Limited question and excluded categories

Source url: [Open cited source](#)

Pdf pages: 8; 9; 10; 15

Paragraphs: 2–4 and 11

Source role: judicial text

3.

Topic: Historical sections and 1964/1967 amendment sequence

Source url: [Open cited source](#)

Pdf pages: 10; 11; 12; 13; 14; 15

Paragraphs: 5–10

Source role: judicial text with statutory quotations

4.

Topic: Court jurisdiction and General Clauses Act section 6 limits

Source url: [Open cited source](#)

Pdf pages: 16; 17; 18

Paragraphs: 13–15

Source role: judicial text

5.

Topic: Administrative finality distinguished; judicial relevance and Evidence Act privilege

Source url: [Open cited source](#)

Pdf pages: 18; 19; 20

Paragraphs: 16–17

Source role: judicial text

6.

Topic: Limited allowance and no costs

Source url: [Open cited source](#)

Pdf pages: 20

Paragraphs: 18

Source role: judicial text

7.

Topic: Bounded later cross-law citation through quoted precedent

Source url: [Open cited source](#)

Pdf pages: 36; 37; 38

Paragraphs: 24–29 and the opening of paragraph 30, particularly 27

Source role: later judgment bounded check

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Dr. A.S. Anand, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961: historical confidentiality and judicial production of tax records

SPECIFIED LATER TREATMENT CHECKS AND THEIR LIMITS

1.

Status: verified bounded crosslaw citation only

Case: State of Odisha and Another v. Anup Kumar Senapati and Another

Decision date: 2019-09-16

Case number: Civil Appeal No. 7295 of 2019

Source asset id: 2019_12_472_515

Source url: [Open cited source](#)

Pdf pages: 36; 37; 38

Paragraphs: 24–29 and the opening of paragraph 30, particularly paragraph 27 quoting paragraphs 22 and 24 of State of Uttar Pradesh v. Hirendra Pal Singh

Finding: Dagi appears within the quoted repeal/savings proposition in an education grant-in-aid case. Surrounding text distinguishes accrued rights from mere expectations and examines the repealing scheme.

Limit: No comprehensive later-treatment search or direct reaffirmation of present section 138 confidentiality is claimed; no complete review of the later judgment.

ASSESSMENT-YEAR SCOPE AND LIMITS OF THE OPERATIVE DIRECTION

The defendants' records were summoned for AYs 1964-65 to 1971-72. The legal question was confined to documents filed after 1 April 1964 relating to AY 1964-65 onward; this was not adjudication of those assessments.

ALTERNATIVE REPORTED TITLE SPELLING

Dagi Ram Pindi Lall v. Trilok Chand Jain

OTHER PROVISIONS AND THEIR DISTINCT SCOPE

Indian Income-tax Act, 1922, sections 54 and 59B: historical secrecy and tax-payable disclosure; Finance Act 1964, sections 32 and 33: omission of section 137 and substitution of section 138 from 1 April 1964; Finance Act 1967, section 28: substitution of section 138(1) from 1 April 1967; General Clauses Act, 1897, section 6(c): accrued rights/privileges and effect of repeal; Indian Evidence Act, 1872, sections 123 and 124: possible privilege claim for the court to decide; Code of Civil Procedure: courts' general document-production jurisdiction; no specific rule determined

APPEAL GROUPING AND SOURCE LIMITS

Origin: Delhi High Court Full Bench judgment dated 14 December 1973 in Suit No. 64 of 1969

Appellants: M/s. Dagi Ram Pindi Lal and Smt. Budh Wanti Gulati, defendants in the recovery suit

Scope: Only situation (d) under the Full Bench's second question was challenged

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 20 PDF pages; SHA-256

de0078725215d812bb4f4f93c0bfec801972f386a00837b0def07049808d055a. Original bytes preserved.

Complete judicial paragraphs 1–18, physical pages 6–20 / SCR 550–564. Source page 14 has no corpus OCR text and was read in full from the image. Editorial headnote pages 1–6 distinguished; no adjacent judgment.

Open cited source rendition

The source cover and judicial party description use Pindi Lal; the familiar Lall spelling is retained only as a searchable alias.; Corpus OCR contains no text at physical page 14 / SCR 558. That entire page was visually read; it contains the explanation of 1964 disclosure changes and the 1967 substitution, so it cannot be treated as blank or skipped.; Physical page 12 / SCR 556 prints both 'on or before April 1, 1960' and repeal of the 1922 Act on 'April 1, 1960'. Those statements conflict with the quoted section 59B and the transition dates stated elsewhere in this source. The note uses the actual quoted post-1960 information provision and relevant 1964/1967 amendments, and does not silently reproduce the erroneous repeal chronology.; Physical page 17 prints '1951 Act' when referring to section 137; the statute under discussion is consistently the Income-tax Act, 1961.; The preservation language about older secrecy in paragraph 14 does not enlarge the appeal into a decision on every older-document category. Paragraphs 4, 11 and 18 expressly limit adjudication.; No certified-copy admissibility ruling or declaration of the underlying recovery debt was made. No substantive tax assessment was adjudicated.; The separately checked 2019 citation is embedded in a quotation of another decision, not a new direct holding about section 138 or current income-tax confidentiality.

STATUTORY SCOPE

Historical statutory provisions only. No automatic mapping to present criminal/evidence law or the Income-tax Act, 2025 and no current-law certification.

LATER TREATMENT

Source checked 2026-10-04. Comprehensive subsequent treatment is not verified. The bounded primary-source checks below are separately identified; they are not an exhaustive citator or an assertion that the judgment is currently good law.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 20](#)

SHA-256: de0078725215d812bb4f4f93c0bfec801972f386a00837b0def07049808d055a

[later judgment bounded check - PDF pages: 44](#)

SHA-256: c0e75bf73335dbf98e37bc752cd9b966585da3efa36fe3d65b050a3ed8b58a0f

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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