

Tribhovandas Bhimji Zaveri v. Union of India and Others

Civil Appeal No. 77 (NT) of 1983

[1993] Supp. 2 SCR 207 | 1993-09-08

Whether concealed income for the search year and earlier years could receive section 3 concessional treatment after a section 132 seizure

Voluntary Disclosure of Income and Wealth Act, 1976: sections 3 and 14 | Income-tax Act, 1961: sections 132, 139, 148, 215, 217 and 221

Two-judge bench; judgment delivered by S. P. Bharucha, J. | B. P. Jeevan Reddy, J. | S. P. Bharucha, J.

Historical ruling; verify current law

The decision construes a closed 1975-76 disclosure scheme. It does not state the terms of any later disclosure, settlement or immunity regime, and it does not certify present consequences of a search.

01 FACTS OF THE CASE

The partnership's Samvat-year accounts relevant to assessment year 1976-77 closed on 3 November 1975. A section 132 search began on 28 October 1975 and continued through December, with cash, jewellery, diamonds and books seized. On 31 December the firm disclosed Rs.1.41 crore en bloc for assessment years 1965-66 to 1975-76, sought the concessional section 3 route, and also filed under section 14 under protest after the Commissioner rejected section 3 treatment.

Source: [Primary judgment: facts and procedural setting](#)

02 DISCUSSION BY THE HON'BLE COURT

The Court read section 3(2) as a substantive exclusion, not merely a proviso limited by section 3(1). A disclosure made after seizure was not truly voluntary because the seized material could reveal concealment. The statutory classification between pre-search voluntary declarants and post-search declarants was real and connected to the Act's object; section 14 preserved narrower benefits for the latter group.

Source: [Primary judgment: reasoning](#)

03 JUDICIAL DECISION

Income for the previous year in which the search occurred and for earlier previous years could be declared only under section 14 after the seizure. The search did not have to precede commencement of the Ordinance or Act for section 3(2)(ii) to apply.

Source: [Primary judgment: holdings](#)

04 OUTCOME / IN WHOSE FAVOUR

The appeal was dismissed. Rejection of the section 3 declaration and the High Court's summary dismissal of the writ petition were upheld; the appellants were ordered to pay Rs.5,000 costs.

Source: [Primary judgment: operative disposition](#)

05 AKHB REVIEW POINT

AKHB analysis: for a historical disclosure scheme, map the declaration date, search and seizure date, relevant previous years, and the exact exclusion clause before assuming concessional treatment. This judgment distinguishes the broader rate benefit from the narrower post-search immunity route and should not be transplanted to later schemes.

Source: [Primary judgment: review-point basis](#)

SOURCE & VERIFICATION**[Supreme Court Reports scan - public eSCR mirror](#)**

Complete 12-page SCR report read in page-preserving text and every page image inspected, from the reported opening page through the operative disposition.

[Open cited source rendition](#)

Exact catalogue SHA-256 and 12-page count verified; every page was read and visually inspected.

STATUTORY SCOPE

Historical statutory provisions are described as they appeared in the report. Verify the current enactment, amendments and later judicial treatment before reliance.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive later-treatment or present-law clearance is represented. The note reports the historical statutory text and result in this primary report only.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from the identified primary report and has not been represented as independently human-reviewed.

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