

Dipesh Chandak v. Union of India

Criminal Appeal No. 1032 of 2004

[2004] Supp. 4 SCR 493 | 2004-09-17

Effect of a Criminal Procedure Code pardon on prosecution for false income-tax returns and declarations

Income-tax Act, 1961: sections 277 and 278 | Code of Criminal Procedure, 1973: sections 306 and 308 | Constitution of India: article 20 (self-incrimination discussion; clause number in source requires verification)

Two-judge bench; judgment delivered by S. N. Variava, J. | S. N. Variava, J. | A. K. Mathur, J.

Assessment years: See the source-scope notes; no year inferred.

Conditional stay, not a completed quashing

The Court held that the pardon did not extend to the separate sections 277-278 offences. It stayed that prosecution pending the fodder-scam trials and granted liberty to seek quashing only after full and complete disclosure.

Verify the constitutional clause as printed

The reviewed SCR report cites Article 20(2) while stating the self-incrimination protection. This note preserves and flags the source wording; it does not silently substitute a clause number.

01 FACTS OF THE CASE

The appellant, accused in fodder-scam cases, received a conditional pardon for full disclosure. Based on his statement, the income-tax authorities initiated a separate complaint under sections 277 and 278 for false returns and declarations. The appellant sought quashing on the ground that the Criminal Procedure Code pardon covered those offences (SCR pp.493-499; PDF pp.1-7).

Source: [Primary judgment: pardon and tax-prosecution facts](#)

02 DISCUSSION BY THE HON'BLE COURT

The Court held that a pardon can cover offences under statutes other than the Penal Code when they pertain to the same transaction, but it does not extend to an entirely unconnected act. The misappropriation pardon therefore did not cover false income-tax returns. At the same time, continuing the tax prosecution while requiring full disclosure created a self-incrimination dilemma and risked losing evidence in the fodder-scam cases (SCR pp.499-500; PDF pp.7-8).

Source: [Primary judgment: scope of pardon and self-incrimination reasoning](#)

03 JUDICIAL DECISION

The Court stayed the sections 277 and 278 prosecution until completion of the trials in which pardon had been granted. If the appellant made full and complete disclosure, the prosecution should not proceed and he could apply for quashing at that stage.

Source: [Primary judgment: conditional directions](#)

04 OUTCOME / IN WHOSE FAVOUR

The appeal was disposed of with a conditional stay and liberty to seek later quashing; the Court did not hold that the existing pardon itself extinguished the tax offences.

Source: [Primary judgment: qualified outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: in a tax-prosecution file involving an approver, separately map the transaction covered by the pardon, the elements of each tax offence, the disclosure obligation and the timing of any quashing request. Do not reframe this conditional procedural protection as a general immunity from sections 277-278.

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

SOURCE & VERIFICATION

[Supreme Court Reports scan - public eSCR mirror](#)

Complete eight-page SCR report read in page-preserving text and every page image inspected.

[Open cited source rendition](#)

Exact catalogue SHA-256 and eight-page count verified; all pages were read and visually inspected.

Identity, bench, statutory issue, reasoning and operative result were checked against the complete report.

STATUTORY SCOPE

This prosecution decision applies the Income-tax Act and Criminal Procedure Code as considered in 2004. The SCR report attributes the self-incrimination protection to Article 20(2); users must verify the constitutional clause and later treatment rather than silently treating that citation as current or corrected.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive current-law or later-treatment clearance is represented.

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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General legal and tax research only; not legal or tax advice. Verify the complete judgment, governing statutory version and subsequent judicial treatment before reliance. The AKHB REVIEW POINT is editorial analysis, not the Court's holding, and no current-law clearance is claimed.