

Hindustan Unilever Limited v. State of Madhya Pradesh

Criminal Appeal No. 715 of 2020 (SLP(Criminal) No. 578 of 2020) / Criminal Appeal No. 716 of 2020 (SLP(Criminal) No. 806 of 2020)

[2020] 9 SCR 455 | 2020-11-05

Whether the replacement food-safety law displaced saved prosecution and punishment, and whether a decades-old proceeding could be remanded to cure failure to convict the company.

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Three-judge bench | L. Nageswara Rao, J. | Hemant Gupta, J. | Ajay Rastogi, J.

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

Food-law appeal using a tax repeal precedent

This judgment does not decide an income-tax assessment or tax prosecution. It relies on the 1961 Act section 297 transition analysis in *Tiwari Kanhaiyalal* when construing food-law repeal and savings. The complaint was dismissed on separate corporate-liability and procedural grounds, despite rejection of the repeal-based argument.

01 FACTS OF THE CASE

A food-adulteration complaint arose from a vanaspati sample collected in February 1989. After an earlier Supreme Court remand concerning company nominations, proceedings continued against the nominated officer. The trial court convicted him in 2015, but made no order convicting the company. The Supreme Court also noted that the record did not show company representation during trial (paragraphs 1-6).

The Sessions Court affirmed the nominee's conviction. In revision, the Madhya Pradesh High Court set that conviction aside but remitted the matter for a fresh judgment addressing both nominee and company. The present appeals challenged that remand. The appellants also sought the benefit of the replacement Food Safety and Standards Act's allegedly lighter treatment. The company complained that the prejudicial revisional order was made without giving it a hearing (paragraphs 7-12).

Source: [reported judgment](#) / [paragraphs 1-12](#) / [PDF pages 4, 5, 6, 7, 8, 9](#) / [judicial text](#)

02 DISCUSSION BY THE HON'BLE COURT

The Court rejected automatic substitution of the later food-safety punishment. Section 97 expressly saved liabilities, penalties and proceedings under the repealed Act, while section 6 of the General Clauses Act preserved accrued matters absent a contrary legislative intention. Authorities concerning ameliorative amendments did not answer this expressly saved repeal situation (paragraphs 13-15).

The tax-law connection is substantive but limited. In paragraph 16 the Court relied on Tiwari Kanhaiyalal's treatment of section 297 of the 1961 Act: absence of a specific prosecution-saving clause did not disclose an intention excluding General Clauses Act section 6, and criminal liability under repealed section 52 of the 1922 Act survived. The quoted authority also rejected simply converting those old offences into section 277 offences by resort to section 297(2)(h). The Court used that transition analysis to support continuance of the saved food-law proceedings (paragraphs 16-17).

The appellants nevertheless succeeded on the remand and corporate-liability issue. A prejudicial revisional order against the company required the hearing contemplated by section 401(2). Drawing on Aneeta Hada, the Court read the relevant limbs of food-law section 17 conjointly and found the absence of a company conviction fatal to the nominee's conviction in this record. After over thirty years of proceedings, remand to repair that defect was not a fair course (paragraphs 19-22).

The Court's reference to corporate arraignment in the quoted Negotiable Instruments Act authority must not be substituted for its description of this record. Its operative reasoning concerns the failure to convict the company, the lack of a hearing and the unfairness of the proposed remand; it does not establish that the company had never appeared anywhere in the complaint papers.

Source: [reported judgment / paragraphs 13-18 / PDF pages 9, 10, 11, 12, 13, 14 / judicial text](#); [official signed judgment / paragraphs 16-17; tax precedent and its application / PDF pages 14, 15 / judicial text](#); [reported judgment / paragraphs 19-22 / PDF pages 14, 15, 16, 17 / judicial text](#)

03 JUDICIAL DECISION

Both appeals were allowed, the High Court order was set aside and the complaint was dismissed. The appellants' success did not rest on the repeal extinguishing liability: the Court had rejected that submission. Relief followed from the corporate-liability and procedural defects and the unfairness of reopening the decades-old case (paragraphs 17 and 19-23).

Source: [official signed judgment / paragraphs 23 / PDF pages 19 / judicial text](#)

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Appellant company and nominated officer in the food-law prosecution

Appeals allowed; High Court remand set aside; complaint dismissed

Final criminal-appeal disposition, including repeal/savings and corporate-liability reasoning

No 1961 Act assessment, tax-prosecution acquittal or general extinction of liability on repeal. The tax precedent supplies an analogy; the operative relief arises under other statutes.

Source: [official signed judgment / paragraphs 17 and 19-23 / PDF pages 14, 15, 18, 19 / judicial text](#)

05 AKHB REVIEW POINT

For a repeal problem, start with the express saving clause and then test whether the new enactment displaces the General Clauses Act default. An absent item in a detailed savings provision does not necessarily erase an accrued liability; Tiwari Kanhaiyalal supplied that reasoning here. Keep survival of an old offence distinct from relabelling it under a new charging provision.

This is a cross-law use of a historical income-tax transition precedent. Its food-law acquittal and remand reasoning cannot be reported as a tax result or transferred automatically to another statute's company-liability wording. Any application to the Income-tax Act, 2025 transition requires its own statutory and later-treatment analysis.

Source: [official signed judgment / paragraphs 16-17; limited repeal analogy / PDF pages 14, 15 / judicial text](#)

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

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PROVISION-SPECIFIC SCOPE

1.

Section: 297; 277

Act: Income-tax Act, 1961

Role: Tiwari Kanhaiyalal's 1922-to-1961 repeal and prosecution analysis expressly relied on in paragraph 16, then applied by analogy in paragraph 17; no direct tax liability ruling

OTHER GOVERNING STATUTES

1.

Act: Prevention of Food Adulteration Act, 1954

Provisions: 17

Role: Corporate and nominated-person liability

2.

Act: Food Safety and Standards Act, 2006

Provisions: 97

Role: Repeal and savings

3.

Act: General Clauses Act, 1897

Provisions: 6

Role: Survival of accrued liability and proceedings

4.

Act: Code of Criminal Procedure, 1973

Provisions: 401(2)

Role: Hearing before prejudicial revisional order

5.

Act: Negotiable Instruments Act, 1881

Provisions: 141

Role: Aneeta Hada corporate-liability analogy

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Hemant Gupta, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Prevention of Food Adulteration Act, 1954; 1961 Act repeal precedent applied by analogy

SOURCE & VERIFICATION

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

Identified source rendition: 19 PDF pages; SHA-256

4faefbf44b377fd91ef57cab58a3814f39f264162048018dfa332b6cfc5f55b2. Original bytes preserved.

One judgment, physical pages 1-19.

Cover, case numbers, author, key reasoning, operative disposition and signatures/date checked against the fully read reported judgment. Not a claim of full independent rereading of every original page.

[Open cited source rendition](#)

SCR citation verified from the reported cover; no neutral citation inferred.

No income-tax assessment or prosecution is adjudicated in this food-law appeal.

Paragraph 4 mentions the 2006 Act's commencement in 2006, while paragraph 13 identifies section 97's operative repeal date as 5 August 2011. The separate chronology is preserved; the note does not treat assent, general commencement and the specific repeal notification as interchangeable.; The original record's treatment of company participation is qualified in paragraphs 3 and 6. No categorical claim that the company was never named as an accused is made.

STATUTORY SCOPE

Historical issue-specific review only; no automatic Income-tax Act, 2025 mapping.

LATER TREATMENT

Source checked 2026-10-04. No comprehensive later-treatment or current-law review.

IDENTIFIED SOURCE LINKS

[official signed judgment - PDF pages: 19](#)

SHA-256: 4faefbf44b377fd91ef57cab58a3814f39f264162048018dfa332b6cfc5f55b2

[reported judgment - PDF pages: 17](#)

SHA-256: 883f0295b2952ea292e7f525a59a7ccebf2387952d88aa7932d16e55260386

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