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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Date of Decision : 26.08.2025

+ ITA 344/2025

+ ITA 345/2025

+ ITA 349/2025

+ ITA 350/2025

PR. COMMISSIONER OF INCOME TAX

.....Appellant

Through: Mr. Indruj Singh Rai, SSC, Mr.
Sanjeev Menon, JSC, Mr. Rahul Singh, JSC,
Mr. Gaurav Kumar, Mr. Tanishq Ahuja,
Advs.

versus

M/S. CORTEVA AGRISCIENCE PVT. LTD.

.....Respondent

Through: Mr. Ajay Vohra, Senior Advocate,
Mr. Aditya Vohra, Mr. Shashwat
Dhamija, Advs.

CORAM:

HON'BLE MR. JUSTICE V. KAMESWAR RAO

HON'BLE MR. JUSTICE ANISH DAYAL

V. KAMESWAR RAO, J. (ORAL)

CM APPL. 53007/2025 of ITA 344/2025

CM APPL. 53010/2025 of ITA 345/2025

CM APPL. 53038/2025 of ITA 349/2025

CM APPL. 53047/2025 of ITA 350/2025



1. Exemptions allowed, subject to all just exceptions.
2. The applications are disposed of.

CM APPL. 53005/2025(condonation of delay of 13 days in filing the appeal) CM APPL. 53006/2025(condonation of delay of 654 days in refilling the appeal) of ITA 344/2025

CM APPL. 53008/2025(condonation of delay of 13 days in filing the appeal), CM APPL. 53009/2025(condonation of delay of 654 days in refilling the appeal) of ITA 345/2025

CM APPL. 53036/2025(condonation of delay of 13 days in filing the appeal), CM APPL. 53037/2025(condonation of delay of 654 days in refilling the appeal) of ITA 349/2025

CM APPL. 53045/2025(condonation of delay of 13 days in filing the appeal), CM APPL. 53046/2025(condonation of delay of 654 days in refilling the appeal) of ITA 350/2025

3. For the reasons stated in the applications, the delay in filing and re-filing the captioned appeals stands condoned.
4. The applications stand disposed of.

ITA 344/2025

ITA 345/2025

ITA 349/2025

ITA 350/2025

5. As these four appeals involve identical issue relatable to the same assessee/respondent for the Assessment Years ('AY') 2002-03, 2003-04, 2005-06, 2010-11; they are being decided by this common order.
6. For the sake of reference, we shall deal with the facts as noted from the appeal relating to AY 2002-03.
7. The issue which arises for consideration is primarily whether the Income Tax Appellate Tribunal ('ITAT') is justified in allowing the appeal filed by the respondent/assessee challenging the penalty imposed under



Section 271(1)(c) of the Income Tax Act, 1961 (**‘the Act’**).

8. Suffice it to state that the ITAT has relied upon the judgment of this Court in the case of ***Principal Commissioner of Income Tax v. Sahara India Life Insurance Co. Ltd***; **Neutral Citation:2019:DHC:7413-DB** decided on 02.08.2019, while deciding the appeal filed by the respondent/assessee.

9. The facts as noted are that the respondent, known as *M/s PHI Seeds Private Limited*, is engaged in the business of agriculture activities i.e. multiplication, production and sale of seed crop etc.

10. On 31.10.2002, the assessee filed its return declaring a total income of Rs.38,53,720/- for AY 2002-03. On 22.03.2005, the return of the assessee was processed under Section 143(3) of the Act and the Assessing Officer (**‘AO’**) passed an Assessment Order assessing the income at Rs.3,27,75,246/-. Penalty Proceedings under Section 271(1)(c) of the Act were initiated separately.

11. The assessee challenged the Assessment Order before the Commissioner of Income Tax (Appeals) [**‘CIT(A)’**], who dismissed the said appeal and upheld the Assessment Order.

12. Aggrieved by the order of the CIT(A), assessee filed an appeal before the ITAT being *ITA No. 1988/DEL/2006*. ITAT *vide* order dated 18.12.2017, dismissed the appeal and upheld the Assessment Order.

13. Thereafter, on 08.12.2018, a Show Cause Notice under Section 271(1)(c) of the Act was issued to the respondent/assessee, calling upon it to explain why a penalty under Section 271(1)(c) of the Act may not be imposed, as in the Assessment Proceedings it appeared that the assessee had concealed the particulars of income and furnished inaccurate particulars of



such income.

14. On 31.07.2008, the AO passed the Penalty Order under Section 271(1)(c) of the Act,, whereby a penalty of Rs. 2,49,97,905/- was imposed on the assessee for furnishing inaccurate particulars.

15. This Penalty Order became a subject matter before the CIT(A). The CIT(A) dismissed the appeals filed by the respondent/assessee.

16. The issue which arose before the ITAT was whether the notice issued by the AO, more particularly under Section 271(1)(c) of the Act in printed form, without specifically mentioning whether the proceedings were initiated on the ground of concealment of income or on account of furnishing inaccurate particulars of income, was invalid and bad in law.

17. The notice on that ground was held to be bad, by relying upon the judgement of this Court in **Principal Commissioner of Income Tax v. Gragerious Projects Pvt. Ltd;** Neutral Citation:2024:DHC:9019-DB, wherein this Court in paragraph 21 held as under:

“21. The High Court in the case of **Principal Commissioner of Income Tax vs. Sahara India Life Insurance Co. Ltd.**, (2021) 432 ITR 84 Delhi, followed the decision of the Karnataka High Court in in **CIT vs Manjunatha Cotton & Ginning Factory** (2013) 359 ITR 565(Kar.) and held as under:-

“The Respondent had challenged the upholding of the penalty imposed under section 271(1)(c) of the Act, which was accepted by the ITAT. It followed the decision of the Karnataka High Court in CIT vs Manjunatha Cotton & Ginning Factory 359 ITR 565 (Kar) and observed that the notice issued by the AO would be bad in law if it did not specify which limb of Section 271(1)(c) the penalty proceedings had been initiated under i.e. whether for concealment of income or for furnishing of inaccurate particulars of income. The Karnataka High Court had followed the above judgment in the subsequent order in Commissioner of Income Tax v. SSA’s Emerald Meadows (2016) 73 Taxman.com 241(Kar.), the appeal against which was dismissed by the Supreme Court of India in SLP No.11485 of 2016 by order dated 05th August, 2016”.”

(Emphasis supplied)



18. Mr. Singh, counsel for the appellant, fairly concedes to the fact that following **Sahara India Life Insurance Co. Ltd** (*supra*), this Court has rendered following judgments holding that a notice issued in the manner issued by the AO in this case under Section 271(1)(c) is invalid: **Pr, Commissioner of Income Tax, Delhi 1 v. M/S Blackroak Securities Pvt. Ltd.**; Neutral Citation: 2023:DHC: 8841-DB and **Pr. Commissioner of Income Tax, Delhi 7 v. Unitech Reliable Projects Pvt. Ltd.**; Neutral Citation: 2023:DHC: 4258-DB.

19. If that be so, for parity of reasons, we follow the judgment rendered by this Court in **Commissioner of Income Tax(International Taxation)-1, New Delhi vs. Genpact Services LLC**; Neutral Citation: 2025:DHC:3420-DB, wherein this Court in *paragraphs 8-11* held as under:

“ 8. However, we note that the learned ITAT did not express any opinion as to the CIT(A)'s view; it rejected the Revenue's appeal solely on the ground that the notice issued by the AO under Section 274 of the Act read with Section 271 of the Act did not specifically state as to under which limb of Section 271(1)(c) of the Act, penalty proceedings were intended to be proceeded. Section 271(1)(c) of the Act has two limbs: the first is where the allegation is that the assessee has concealed income; and the second is, that the assessee has furnished incorrect particulars of income.

9. This court has, in a number of decisions, held that the notice, which does not specifically indicate the particular limb of Section 271(1)(c) that is sought to be invoked, would be invalid as being vague.

10. Mr. Rai, the learned counsel for the Revenue, also does not dispute that the issue involved is covered by several decisions of this court including **Principal Commissioner of Income Tax v. Gragerious Projects Pvt. Ltd**; Neutral Citation; 2024:DHC:9019-DB, **Pr. Commissioner of Income Tax, Delhi 1 v. M/S Blackroak Securities Pvt. Ltd.**; Neutral Citation; 2023:DHC: 8841-DB and **Pr. Commissioner of Income Tax, Delhi 7 v. Unitech Reliable Projects Pvt. Ltd.**; Neutral Citation; 2023:DHC: 4258- DB.

11. In view of the above, no substantial question of law arises for consideration of this court in the present appeal.”

20. In view of the above discussion, we do not see any substantial



question of law arising for consideration in this appeal.

21. The appeals are disposed of in favour of the respondent/assessee and against the appellant/revenue.

22. Pending applications (if any), shall be rendered as infructuous.

V. KAMESWAR RAO, J

ANISH DAYAL, J

AUGUST 26, 2025

tg/tk