# Pr. Commissioner of Income Tax-1 v. M/s. Ansal Properties and Infrastructure Limited

ITA 393/2023 (CM Appl. 37018/2023)

2023:DHC:5443-DB; ITA 393/2023 | 2023-07-24

## Penalty deletion sustained because the charge was unclear and the annual-letting-value position was debatable when taken.

Income-tax Act,1961: sections 271(1)(c)

High Court of Delhi | 2-judge bench (Division Bench) | Justice Rajiv Shakdher | Justice Girish Kathpalia

Assessment years: 2011-12

### 01 FACTS OF THE CASE

Revenue challenged deletion of a Rs.1,71,40,000 penalty. The quantum proceedings had sustained an annual-letting-value addition of Rs.5,90,67,704 but deleted a Rs.5,16,000 wind-project land amortisation addition.

Source: PDF pp.2–3

## 02 DISCUSSION BY THE HON'BLE COURT

The penalty notice did not clearly identify concealment or furnishing inaccurate particulars. Earlier appellate decisions had supported the assessee's annual-letting-value position; the change followed the 31 October 2012 Ansal Housing decision, after the return of 30 September 2011.

Source: PDF pp.3–5

## 03 JUDICIAL DECISION

The Court agreed that both the unclear charge and the plausible view on a then-debatable issue justified deletion. It recognised that both penalty limbs could apply in a case, but that too must be made clear.

Source: PDF p.5

## 04 OUTCOME / IN WHOSE FAVOUR

Revenue's appeal was dismissed: no substantial question of law arose. The 320-day refiling delay was condoned without opposition.

Source: PDF pp.1, 5

## 05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

Test the position at the relevant time: The chronology supplies the substance of the debatable-issue finding. The return preceded the later adverse High Court decision, and prior appellate orders supported the treatment adopted. Reliance on this case therefore calls for evidence of the legal position when the claim was made, rather than merely pointing to the existence of litigation at a later date. (PDF pp.2–5)

Clarity of charge is distinct from selecting only one limb: The judgment does not insist that concealment and inaccurate particulars can never coexist. It expressly allows that possibility while requiring the notice to convey the charge clearly. A notice analysis should identify the actual ambiguity and the proceedings it initiated, rather than substitute a mechanical rule that only one limb may ever be invoked. (PDF p.5, paras 21–23)

Penalty relief did not reverse the underlying addition: The Court was reviewing deletion of penalty, not granting fresh quantum relief on vacant properties. The annual-letting-value addition remained part of the stated procedural history. Keeping those outcomes separate prevents a successful penalty defence from being misrepresented as a holding that the underlying income was not taxable. (PDF pp.3–5)

Source: PDF pp.2–5

## SOURCE & VERIFICATION

Original High Court judgment PDF — AKHB source repository

Complete 5-page original reviewed; source bytes verified.

Full original and all five panels re-reviewed on 21 October 2026.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

## STATUTORY SCOPE

Current law and subsequent treatment not independently verified.

## LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have not been independently verified.

### 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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