2026:DHC:7806-DB

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

Date of Decision: 10th September, 2026

Date of Uploading: 15th September, 2026

\# **CNR No. DLHC010033172026**
\+ ITA 80/2026&CM APPL. 6824/2026

\# **CNR No. DLHC010032482026**
\+ ITA 81/2026&CM APPL. 6843/2026

\# **CNR No. DLHC010032562026**
\+ ITA 83/2026&CM APPL. 6922/2026

\# **CNR No. DLHC010035192026**
\+ ITA 91/2026&CM APPL. 7278/2026

PR. COMMISSIONER OF INCOME TAX, CENTRAL-1, DELHI .....Appellant

Through: Mr. Mr. Puneet Rai, SSC with Mr. Ashvini Kr. and Mr. Rishabh Nangia, JSCs alongwith Mr. Nikhil Jain and Ms. Nancy Jain, Advocates.

versus

PATANJALI AYURVED LIMITED .....Respondent

Through: Mr. Vaibhav Kulkarni and Mr. Sandip Nagar, Advocates.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

J U D G M E N T

***Per* DINESH MEHTA, J. (*Oral*)**

1. These appeals portray a rather shocking picture of the procedural lapses and opaqueness in which the Income Tax Appellate Tribunal *(hereinafter referred to as 'the Tribunal'),* the highest fact-finding body, has been passing

the orders in a zeal rather over-anxiety of disposing the cases. In the order under consideration, where the learned Members of the Tribunal have neither dealt with any contention of the assessee nor have, they discussed the issues involved in the appeals and disposed of seven appeals, *vide* an order which does not even contain seven paragraphs. We are not much concerned with the size of the order but what shocks us is, the non-application of mind and undue haste which learned Members of the Tribunal have exhibited.

2. We cannot but end the matter here without recording our displeasure particularly in relation to the fact that the members of the Tribunal have heard four appeals being ITA Nos. 534 to 537/Del/2025 for Assessment Years (AYs) 2013-14 to 2015-16 and 2017-18, clearly recording the date of hearing to be 06.08.2025 and the date of pronouncement to be 06.08.2025 and surprisingly, a common order has been passed, pronounced and issued in relation to other set of appeals being ITA Nos. 605 to 607/Del/2025 filed by the revenue for AYs. 2014-15, 2013-14 and 2015-16, showing date of hearing as well as the date of pronouncement to be 13.08.2025.

3. When the matter was first listed before this court on 02.02.2026, even Mr. Vaibhav Kulkarni, learned counsel for the respondent/assessee, was surprised and wanted to ensure from the record, including certified copy of the order.

4. Today, after going through the certified copies of the orders and enquiry at his end, Mr. Kulkarni, learned counsel fairly submitted that there is an apparent procedural error on part of the Tribunal, maybe, due to inadvertence.

5. Mr. Puneet Rai, learned Senior Standing Counsel for the revenue,

contended that the learned Members of the Tribunal have observed that once the Assessing Officer (AO) had issued notice under Section 153C of the Income Tax Act, 1961 on 06.08.2021, all these Assessment Years 2013-14to 2015-16 and 2017-18 are "unabated" ones and rejected revenue's contention.

6. On perusal of the impugned order, we are unable to comprehend anything out of it, as it is bereft of any logic, reasoning or rationale behind it.Apart from the procedural lacuna, we fail to understand that how a common order can be passed and released in relation to four appeals, which were heard and *qua* which the order was pronounced on 06.08.2025, whereas other three appeals were heard and order was pronounced on 13.08.2025.

7. It is therefore, clear that the learned Members have shown undue haste rather recklessness while passing and signing the order, and even their staff failed to bring it to notice of the learned Members while getting the order signed. Such type of negligence cannot be countenanced. The Appellate Authorities, who are sitting in the highest pedestal of the appellate rung entrusted with fact finding inquiry.

8. We deem it appropriate to reproducethe scanned copy of the impugned order passed by the Tribunal, which ishereunder:

> *"The instant batch of seven appeals involves the single assessee, namely, M/s. Patanjali Ayurved Ltd. This assessee and the department have filed their respective three cross appeals each ITA Nos. ITA Nos.534 to 536/Del/2025 and ITA Nos. 606, 605 & 607/Del/2025, against the Commissioner of Income Tax (Appeals)- 24 [in short, the "CIT(A)"], New Delhi's separate orders, dated 26.11.2024 (for AYs: 2013-14 and 2014-15) and*

27.11.2024 (for AY: 2015-16), passed in case nos. CIT(A), Delhi-24/10102/2012- 13, 10194/2013-14 and 11029/2014-15, in proceedings under section 143(3) r.w.s. 153C of the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), respectively. The assessee's last appeal ITA No.537/Del/2025 is directed against CIT(A)-24, New Delhi's order dated 27.12.2024 passed in case no. CIT(A), Delhi- 24/10463/2016-17 involving proceedings under section 153C of the Act.

Heard both the parties. Case files perused.

2. We notice during the course of hearing that the instant batch of seven cases i.e. assessee's four and the Revenue's three cross-appeals, arises from a common search action dated 31st October to 3rd November, 2018 in M/s. Hawala Traders Group leading to initiation of section 153C proceedings herein which finally culminated in the impugned assessments dated 27th March, 2023 in question. And that the learned Assessing Officer himself clarified in the assessment order(s) at page 2 para 4 that "in the case of Sh. Sumit Jindal it was found that he has provided non-genuine bills to…………., including "M/s. Patanjali Ayurved Ltd." i.e. the assessee. Meaning thereby that no addition herein has been made which could be held to be based on any specific incriminating or seized material during "search"; held as mandatory in PCIT

Vs. Abhisar BuildwellPvt. Ltd. (2023) 454 ITR 212 (SC).

4. We make it clear that once the learned Assessing Officer had issued his section 153C notice on 06.08.2021, all these assessment years i.e. AY 2013-14 to 2015-16 & 2017-18 are "unabated" ones; and, therefore, we hardly find any merit in the Revenue's vehement contentions supporting the four impugned assessments, which are hereby quashed in very terms.

All other pleadings on merits between the parties herein stand rendered academic.

5. These assessee's four appeals ITA Nos.534 to 537/Del/2025 are allowed and the Revenue's three cross appeals ITA Nos.605, 606 & 607/Del/2025 are dismissed, in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in the open court on 6th & 13th August, 2025"

9. We have no other option, but to set aside all the seven orders passed by the Tribunal, regardless of fact that there is no appeal filed by the Department (may be because of the monetary limits). All the impugned orders passed by ITAT so also the orders which are not under challenge (because of monetary limits set by the Central Board of Direct Taxes) are hereby quashed and set aside. Consequently, the appeals bearing ITA Nos. 534 to 537/Del/2025 and

ITA Nos. 605 to 607/Del/2025 are hereby restored to their original numbers to be decided afresh by the Tribunal.

10. Copy of this order be sent to President of the Tribunal so also Secretary of the Ministry of Law and Justice for information. The President of the Tribunal is directed to ensure that these appeals are heard by any Bench other than the Bench which has passed this order.

11. Needless to mention that we have not made any observation on merits of the case, and therefore, the Tribunal shall be free to take independent view of the matter, in accordance with law.

12. The present appeals stand disposed of in above stated terms. Pending applications also stand disposed of.

DINESH MEHTA
(JUDGE)

RAJNEESH KUMAR GUPTA
(JUDGE)

SEPTEMBER 10, 2026/v