Reliance Industries Limited — Writ Petition Nos. 4001/2025, 3359/2025, 2980/2025 and connected matters

2026:BHC-OS:11281-DB WP-4001-25 & ITR Group.doc JVS. IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION WRIT PETITION NO. 4001 OF 2025 Reliance Industries Limited } Petitioner Versus Deputy Commissioner of Income Tax, } Circle 3(4), Mumbai } Respondent WITH WRIT PETITION NO. 3359 OF 2025 Reliance Industries Limited } Petitioner Versus Deputy Commissioner of Income Tax, } Circle 3(4), Mumbai } Respondent WITH WRIT PETITION NO. 2980 OF 2025 Reliance Industries Limited } Petitioner Versus Additional/Joint/Deputy } Commissioner of Income Tax, Circle } 3(4), Mumbai } Respondent Mr. J. D. Mistri, Senior Advocate with Mr. Madhur Agarwal, Mr. Fenil Bhatt, Mr. Amit Mathur, Mr. P. C. Tripathi, Mr.Ketan Dave, Mr. Gaurav Gangal and Mr. Pratik Shah i/b. A. S. Dayal & Associates, Advocates for Petitioners. Mr. Anil C. Singh, Additional Solicitor General with Mr. Aditya Thakkar, Ms. Savita Ganoo, Ms.Sangeeta Yadav and Mr. Arjun Gupta, Advocates for Respondents. CORAM: SHREE CHANDRASHEKHAR, CJ. & SUMAN SHYAM, J. DATE: 22nd APRIL 2026 Per Shree Chandrashekhar, CJ.: M/s Reliance Industries Ltd.1 has challenged the notices issued to it under section 143(2) and of the Income Tax Act, 1961 and the proceedings thereto in respect of different assessment years. In Writ Petition No. 4001 of 2025, the petitioner-

1. M/s. Reliance Industries Ltd. 1 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc company has challenged the notice dated 17 th July 2025 under and a notice dated 26th August 2025 under under the for A.Y. 1995-96. The Revenue issued similar notices under and of the Income Tax Act to the petitioner-company for A.Y. 1993-94 and A.Y. 1994-95 which are under challenge in other two writ petitions viz. Writ Petition No. 2980 of 2025 qua A.Y. 1993-94 and Writ Petition No. 3359 of 2025 qua A.Y. 1994-95.

2. A common question of law is involved in all these matters; whether the decision of this Court rendered on 14 th February 2025 in a batch of the Income Tax Appeals and a writ petition filed by the RIL contained a "finding" and any "direction" necessary for a decision in those matters on merits? These writ petitions were heard on different dates and the rival parties advanced similar arguments in all three matters regarding legality or otherwise of the notices issued to the petitioner-company and are disposed of by this common order. > "25. As stated by us above, the Assessing Officer who has passed the assessment orders for the assessment year 1994-95 on 27 March 1997 had knowledge that RPEL and RPPL have merged with RIL. The dates are not disputed by the respondent-revenue of intimation and notes to accounts and computation of income which are referred to hereinabove. The existence and contents of these documents are also not disputed. The dates of these documents are prior to the assessment orders. Therefore, it can be safely concluded that the assessment orders have been passed in the name of RPEL and RPPL 4 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc (non-existing entities), although the respondent-revenue had full knowledge that such entities did not exist. > 26. We are conscious that this plea is taken after almost 3 decades at the stage of third appeal but for the reasons which we have stated in our order dated 20 January 2025, since it being a jurisdictional issue going to the root of the matter, we cannot restrain ourselves from not permitting and not adjudicating upon the same merely on the ground that such a plea is taken after almost 3 decades. > 27. The plea of the respondent-revenue is that if the appeals are allowed on this ground, then they may not be able to pass an order in the name of the amalgamated entity-RIL on account of the limitations provided under the Act. Prima facie, we do not agree that the consequences of allowing the jurisdictional plea would result into depriving the revenue of assessing and passing an order in the name of the amalgamated company-RIL on account of limitation. There are sufficient provisions in the Act to take care of this situation based on the order passed by various authorities, for e.g. , , etc. Revenue is free to take appropriate action, in accordance with law, to give effect to the submissions of the appellant-assessee if the law so permits. Sub-section (2) of vests power in the Assessing Officer to serve on the assessee a notice requiring him, on a date to be specified therein, either to attend the office of the Assessing Officer or to produce, or cause to be produced before him any evidence on which the assessee may rely in support of the returns to ensure that the assessee has not understated the income or has not computed excessive loss or has not under-paid in any manner any of such cases where the detail has been furnished under or in response to a notice under sub-section (1) of . However, proviso to sub- section (2) puts an embargo on the power of the Assessing Officer to serve a notice on the assessee under sub-section (2). It provides that no notice under this sub-section shall be served on the assessee after the expiry of three months (as substituted by with effect from 1 st April, 2021) from the end of the 7 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc Financial Year in which the return is furnished.

10. of the Income Tax Act provides that the notice under may be issued at any time for the purpose of making an assessment or reassessment or re-computation in consequence of or to give effect to any finding or direction contained in an order passed by the Authority in any proceedings under the by way of appeal, reference or revision or by a Court in any proceeding in any other laws. of the Income Tax Act provides as under: > (i) where the assessment, reassessment or recomputation is made on the assessee or any person in consequence of or to give effect to any finding or direction contained in an order under , , , , , or or in an order of any court in a proceeding otherwise than by way of appeal or reference under this Act, on or before the expiry of twelve months from the end of the month in which such order is received or passed by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be; or > (ii) where, in the case of a firm, an assessment is made on a partner of the firm in consequence of an assessment made on the firm under , on or before the expiry of twelve months from the end of the month in which the assessment order in the case of the firm is passed."

12. In "Murlidhar Bhagwandas"4, the Hon'ble Supreme Court held that of the Income Tax Act puts a bar of limitation for making an assessment order under or or and it does not in any manner enlarges the jurisdiction of the authority or Court to make reassessment of the

16. Mr. J. D. Mistri, the learned senior counsel for the petitioner- company referred to the decision in "Shell India Markets Private Limited"6 to submit that the impugned notices issued to the petitioner-company, even otherwise, warrant interference of this Court in view of in "Shell India Markets Pvt. Ltd. 6" > which was rendered by this Court in similar situation and on identical set of facts.

17. This is a matter of judicial discipline and propriety and necessary to maintain uniformity in the judicial system that the judgment in "Shell India Markets Pvt. Ltd."6 rendered by a Division Bench of this Court is followed by another Bench of co-equal strength, with an exception of reference to a larger Bench. The judgment rendered even on facts in a particular case cannot be reopened and deviated by any co-ordinate Bench in a subsequent case, which may not be even between the same parties. In "Chandra Prakash"7, the Hon'ble Supreme Court held as under: - > "22.. The doctrine of binding precedent is of utmost importance in the administration of our judicial system. It promotes certainty and consistency in judicial decisions. Judicial consistency promotes confidence in the system, therefore, there is this need for consistency in the enunciation of legal principles in the decisions of this Court. It is in the above context, this Court Raghubir Singh held that a pronouncement of law by a Division Bench of this Court is binding on > 6. 3(4), Mumbai & Anr.: Writ Petition No. 4017 of 2025 > 7. : (2002) 4 SCC 234 12 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc a Division Bench of the same or smaller number of Judges. ....."

18. It is pointed out by Mr. J. D. Mistri, the learned senior counsel for the petitioner-company that the judgment dated 14th February 2025 rendered in the first round of litigation took note of the decision in "Maruti Suzuki India Limited"8 to interfere with the order dated 21st December 2006 passed by the Tribunal. We may also observe that the consequence and effect of the submission and the order made herein is that the income should have been assessed in the name of the transferee company and not the transferor company. > 7. The Appeal is disposed of in above terms. No order as to costs."

20. For a similar reason, an identical order was passed by a co- ordinate Bench of this Court in "Shell India Markets Pvt. Ltd."11 upholding the decision of the statutory authority that an assessment order could not have been made against a non-existing 11 ■cite■40†Commissioner of Income Tax-LTU v. Shell India Markets Pvt. Ltd.■ : Income Tax Appeal No.2381 of 2018 order dated 27.03.2025 14 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc entity, namely, Shell Technology India Pvt. Ltd. Just to indicate, that the Income Tax Appeal No. 2381 of 2018 11 was filed by the Revenue to challenge the decision rendered by the Tribunal that no notice could be issued and an assessment order could not have been made pursuant thereto against a non-existing entity, namely, Shell Technology India Pvt. Ltd.

21. Furthermore, the decision dated 17th November 2025 passed in the second round of litigation in the "Shell India Markets Pvt. Ltd."6 reveals that the notices under and of the Income Tax Act issued to the said Company were quashed by a co-ordinate Bench of this Court holding that the order dated 27th March 2025 in Income Tax Appeal No. 12 : AIR 1960 SC 936

13. : AIR 1965 SC 1767

14. : (2003) 5 SCC 448 16 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 ::: WP-4001-25 & ITR Group.doc equal strength and such a decision of the Court cannot be ignored even if the previous decision may seem to be incorrect to another Bench of a co-ordinate jurisdiction.

23. For the foregoing reasons, the impugned notices which are under challenge in Writ Petition Nos. 4001 of 2025, 3359 of 2025 and 2980 of 2025 are quashed and the writ petitions are allowed to that extent. [SUMAN SHYAM, J.] [CHIEF JUSTICE] 17 ::: Uploaded on - 30/04/2026 ::: Downloaded on - 02/05/2026 03:34:31 :::