P.H. Jayani

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 2528 OF 2018

Pr. Commissioner of Income-Tax-14, Mumbai …. Appellant

Versus

Reliance Infrastructure Ltd. …Respondent

Mr. Suresh Kumar for the Appellant.
Mr. Niraj Seth a/w. Mr. Balasaheb S. Yewale, Ms. Rupali Vasaikar and Ms. Aarti R. Mallah for the Respondent.

CORAM: SUMAN SHYAM &
SHYAM C. CHANDAK, JJ.

DATED: 12th MARCH, 2026

PC:-

1. Heard Mr. Suresh Kumar, learned Counsel for the Appellant and Mr. Niraj Sheth, learned Counsel for the Respondent.

2. This Appeal filed under Section 260 A of the Income Tax Act, 1961, directed against the Judgment and Order dated 20th December, 2017 passed by the learned Income Tax Appellate Tribunal (ITAT), Mumbai in connection with Income Tax Appeal No.3407/Mum/2015, is admitted and shall be heard on the following two substantial questions of law :-

> (i) Whether on the facts and under the circumstances of the case, the Tribunal was right in holding that the investments in subsidiary companies have to be excluded while computing average investments under rule 8D(2)(iii) of the IT Rules ?

(ii) Whether on the facts and under the circumstances of the case, the ITAT was right in holding that the investments from which no tax free exempt income has been received are required to be excluded while computing average investments under rule 8D(2)(iii) of the IT Rules ?

3. Issue notice to the Respondent, returnable on 23rd April, 2026.

4. Mr. Niraj Seth, learned Counsel waives notice on behalf of the Respondent.

5. Since this Appeal has already been admitted, the learned Income Tax Appellate Tribunal, Mumbai to preserve the records to be produced before this Court as and when called for.

6. At the request of the learned Counsel for the parties, tag this Appeal along with Income Tax Appeal No.2547 of 2018.

7. Stand over to 23rd April, 2026.

(SHYAM C. CHANDAK, J.) **(SUMAN SHYAM, J.)**

PREETI HEERO JAYANI

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Date: 2026.03.16 14:13:17 +0530