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

WRIT PETITION NO.3561 OF 2025

Vodafone India Services Private Limited .. Petitioner

Versus

Assistant Commissioner of Income-tax,
Circle 8(3)(1), Mumbai & Ors. .. Respondents

Ms.Fereshte Sethna a/w Mrunal Parekh i/b DMD Advocates, Advocates for the Petitioner.

Mr.P. A. Narayanan, Advocate for the Respondents.

CORAM : B. P. COLABAWALLA &
AMIT S. JAMSANDEKAR, JJ.
DATE : SEPTEMBER 26, 2025

P. C.

1. The above Writ Petition is filed seeking the following relief:-

"(a) that this Hon'ble Court be pleased to issue a writ of mandamus or any other appropriate writ, order or direction in the nature of mandamus under Article 226 of the Constitution of India, calling for all the records, papers and proceedings pertaining to the Scheme read with DTVSV Rules in relation to assessment proceedings pertaining to Assessment Year 2008-09, and after examining the validity, legality and propriety thereof to direct the Respondents to forthwith and within such

timeframe as may be prescribed by this Hon'ble Court, withdraw Civil Appeal No.5156 of 2016 pending in the Hon'ble Supreme Court and also return the original corporate guarantee dated 6 February 2014 furnished by the Petitioner issued through Vodafone International Holdings BV to secure impugned tax demands in the sum of Rs.3538.49 crores, within such timeframe as may be prescribed by this Hon'ble Court, or in the alternative that the Respondents submit to orders recording formal discharge and release of the Petitioner and Vodafone International Holdings BV as the guarantor under the corporate guarantee dated 6 February 2014;"

2. It is an admitted position before us that the tax disputes relating to substantive assessments in A.Y.2008-09 and 2012-13, and protective assessments in A.Y.2010-11, 2011-12 and 2014-15 stand duly settled under the Direct Tax Vivad Se Vishwas Scheme, 2024. Specifically, the Petitioner's declaration [Form 1] filed on 27th January 2025 under the said Scheme, read with the Direct Tax Vivad Se Vishwas Rules, 2024, has culminated in an order in Form 4 passed by Respondent No.2 regarding full and final settlement of tax arrears under sub-Section (2) of Section 92 read with Section 93 of Finance (No.2) Act, 2024. The order of Respondent No.2 in Form 4 is dated 5th March 2025 read with the order giving effect dated 11th August 2025. Considering that the entire tax liability for this period is now settled by the Petitioner under the Direct Tax Vivad Se Vishwas Scheme, 2024, the corporate guarantee given by the VIHBV would have to be returned by the Income Tax Department.

3. It is a common ground before us that the original of this corporate guarantee is currently untraceable by the Income Tax Department. The Income Tax Department is not in a position to return the original of this corporate guarantee to the Petitioner. In fact, the Assessing Officer i.e. the Assistant Commissioner of Income Tax, Circle 8(3)(1), Mumbai, vide his letter dated 21st August 2025, has confirmed the release of the corporate guarantee dated 6th February 2014 furnished by VIHBV for A.Y.2008-09. In this letter, the Assessing Officer in fact records "*that corporate guarantees furnished by Vodafone International Holdings B.V., on behalf of VISPL stand irrevocably and unconditionally discharged, released and cancelled with immediate effect*". A copy of the said letter is tendered to the Court and marked "**X**" for identification.

4. Since these are the facts and which are undisputed, we hereby declare that the corporate guarantee dated 6th February 2014 given by the VIHBV to the Income Tax Department stands cancelled, and VIHBV is irrevocably and unconditionally released and discharged from any liability whatsoever under the said corporate guarantee.

5. At this stage, we must mention that it has been pointed out to us that the Revenue has filed Civil Appeal No.5156 of 2016 before the Hon'ble Supreme Court and which is pending. In light of the aforesaid settlement, and what is recorded in this order, the learned advocate appearing on behalf of the Revenue has undertaken to this Court that Civil Appeal No.5156 of 2016 shall be withdrawn by the Revenue within a period of 4 weeks from the date of uploading of this order on the High Court website. The aforesaid undertaking is accepted by the Court.

6. The above Writ Petition is accordingly disposed of in the aforesaid terms. However, there shall be no order as to costs.

7. This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order.

[AMIT S. JAMSANDEKAR, J.] **[B. P. COLABAWALLA, J.]**

Utkarsh