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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ITA 390/2012

DIRECTOR OF INCOME TAX

..... Appellant

Through: Mr. Sumit Kumar, proxy for
Mr. Anupam Tripathi, Sr. Standing Counsel.

versus

JAL HOTELS CO LTD

..... Respondent

Through: None.

CORAM:**HON'BLE MR. JUSTICE S. RAVINDRA BHAT****HON'BLE MR. JUSTICE R.V.EASWAR**

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ORDER
17.07.2012

The question sought to be urged for consideration in the present appeal, by the Revenue, is the liability of the non-resident assessee to pay interest under Section-234B of the Income Tax Act, wherever the liability is not fulfilled by the payer, a resident Indian. The Revenue is aggrieved by the order of the ITAT dated 29.09.2011 in ITA No.864/Del./2011. The assessment year in the present case is 2006-2007.

We have considered the submissions. There is no doubt about the fact that the assessee was non-resident at the relevant time. The liability to deduct the tax from the payment was that of its resident customer or payer, an Indian resident.

This Court notices that the same question was considered and decided by the Division Bench of the Court in Director of Income Tax v. Jacob Civil Incorporated, (2011) 330 ITR 578. Indeed the ITAT in paragraph-6 of the impugned order has noticed and followed that decision. The Court is, therefore, of the opinion that no substantial question of law arises for consideration.

The Appeal is accordingly dismissed.

S. Ravindra Bhat
S. RAVINDRA BHAT, J

R.V. Easwar
R.V.EASWAR, J

JULY 17, 2012