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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ITA 282/2014

COMMISSIONER OF INCOME

TAX -CENTRAL-II

..... Appellant

Through: Mr P. Roy Chaudhuri, Senior Standing
Counsel with Ms Laxmi Gurung, Junior Standing
Counsel.

versus

BURR BROWN INDIA LTD

..... Respondent

Through: Mr Rohit Madan, Mr Amol Sinha and
Mr Nitin Gulati, Advocates.

CORAM:

JUSTICE S.MURALIDHAR

JUSTICE VIBHU BAKHRU

ORDER

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14.03.2016

1. It was pointed out by the learned counsel for the Assessee that the only question urged in this appeal by the Revenue against the impugned order dated 28th February, 2007 passed by the Income Tax Appellate Tribunal ('ITAT') is whether the ITAT erred in holding that the amount received on payment of lease rental income was not taxable in the hands of the Assessee?

2. It was pointed out that the amount for which the provision was made towards rental income was Rs.45,51,324/- in the relevant Assessment Year ('AY') 1997-98 and for that AY the applicable rates of tax for domestic

companies was 35%. It is on that basis that it was pointed out that the tax effect is less than Rs.20 lakhs and in terms of Circular No.21/2015 dated 10th December, 2015 this appeal ought to be as not pressed by the Revenue.

3. Learned counsel for the Revenue points out that in the list of dates as well as elsewhere in the appeal, the tax effect is indicated as Rs.33,99,981/-. However, the basis for arriving at the said figure is not clear. It could be on account of the interest on tax. He, however, does not dispute that the only issue raised concerns the lease rental income, the provision for which was to the extent of Rs.45,51,324/-. He also states that this is not a case that falls under any of the exempted categories mentioned in Circular No. 21/2015.

4. It appears to the Court that the submission made on behalf of the Assessee that the tax effect in the present appeal is less than Rs. 20 lakhs requires acceptance. The present appeal should be treated as not pressed by the Revenue. However, it is made clear that in the event the Revenue is able to come up with an acceptable explanation that the tax effect is higher, it will be open to the Revenue to apply for directions.

5. The appeal is dismissed by treating it as not pressed by the Revenue in terms of Circular No.21/2015 dated 10th December, 2015.

S.MURALIDHAR, J

VIBHU BAKHRU, J

MARCH 14, 2016
MK