Sbw

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**INCOME TAX APPEAL NO.1363 OF 2014**

The Commissioner of Income Tax-TDS ..Appellant
*Versus*
M/s. Starlight Systems Pvt. Ltd. ..Respondent

...........

Ms. Swapna Tejale i/b. Charanjeet Chanderpal for the Appellant.
Mr. Bharat Raichandani i/b. Gaurav Agrawal for the Respondent.

...........

**CORAM: M. S. SANKLECHA &**
**A. K. MENON, JJ.**

**DATE : 24th JANUARY, 2017**

P.C.

1. This appeal relates to Assessment Year 2009-2010.

2. The issue arising in the present appeal is with regard to deduction of tax at source under Section 194I of the Income Tax Act, 1961 (Act) in respect of lump sum premium paid for acquisition of lease rights on plot of land from MMRDA.

3. Ms. Tejale, the learned counsel appearing for the appellant-Revenue invites our attention to the Circular no.35 of 2016 dated 13th October, 2016. In the above Circular the CBDT has taken a view that Section 194I of the Act will not be applicable on the lump sum lease premium paid for acquisition of long term lease.

4. In view of the above Circular, she has been instructed not to press the present appeal.

5. Accordingly the appeal is dismissed as not pressed.

6. Refund of Court fees, as per rules.

**(A. K. MENON, J.)** **(M. S. SANKLECHA, J.)**

Wadhwa