Sharayu Khot.

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

INCOME TAX APPEAL NO. 890 OF 2015

Commissioner of Income Tax (IT) - 4 ...Appellant

Versus

M/s. WNS Global Services (UK) Ltd. ...Respondent

ALONG WITH
INCOME TAX APPEAL NO. 891 OF 2015

Commissioner of Income Tax (IT) - 4 ...Appellant

Versus

M/s. WNS North America Inc. ...Respondent

Mr. Tejveer Singh, for the Appellant (in both Appeals).

Mr. Hiten Chande, a/w Mr. Atul Jasani, for the Respondent (in both Appeals).

CORAM : M.S. SANKLECHA &
RIYAZ I. CHAGLA, JJ.

DATE : 7 February 2018

ORDER :

1. These two Appeals under Section 260A of the Income Tax Act, 1961 ("***the Act***" for short) challenge the common order dated 13 October 2014 passed by the Income Tax Appellate Tribunal ("***The Tribunal***" for short). The impugned order dated 13 October 2014 disposing these Appeals relate to the assessment year 2007-08.

2. The Revenue has urged the following questions of law for our consideration:-

> 1. Whether on the facts and in the circumstances of the case and in law, the Tribunal was justified in holding that reimbursement of lease line charges by WNS India does not qualify as "Royalty" under Article 12(3)(b) of the India UK DTAA (Income Tax Appeal No. 890/15) and India US DTAA (Income Tax Appeal No. 891/15)?

2. Whether on the facts and in the circumstances of the case and in law, the Tribunal was justified in holding that the amount received as reimbursement of lease line charges is not liable to be taxed as business profit under Article 7 read with Article 5 of India UK DTAA (Income Tax Appeal No. 890/15) and India US DTAA (Income Tax Appeal No. 891/15) in view of the Force of Attraction Rule?

3. Mr. Tejveer Singh, learned Counsel appearing for the Revenue, very fairly states that the issue raised in both the Appeals stand concluded against the Revenue and in favour of the Respondent-Assessee. This in view of the fact that similar questions raised for assessment year 2004-05 in Income Tax Appeal (L) No. 1130 of 2012 on 13 February 2013 (Director of Income Tax Vs. WNC Global Services, UK Ltd.) was not entertained, as it was a finding of fact.

4. In view of the statement made on behalf of the Revenue, the questions as framed does not give rise to any substantial question of law. Thus, not entertained.

5. Accordingly, both these Appeals are dismissed. No order as to costs.

[RIYAZ I. CHAGLA J.] **[M.S. SANKLECHA, J.]**