



सत्यमेव जयते

आयकर उपायुक्त(अंतरराष्ट्रीय कराधान)-2(2)(2), मुंबई
DEPUTY COMMISSIONER OF INCOME TAX(I.T.) – 2(2)(2), MUMBAI
कमरा नंबर-1606, एयर इंडियाभवन, नरीमन पोइंट, मुंबई -400021
Room No.1606, Air India Building, Nariman Point, Mumbai-400021
☎022-22040030, Email:mumbai.dcit.it2.2.2@incometax.gov.in

No. DCIT(IT)2(2)(2)/197/2019-20

Date:31/05/2019

To

The Principal Officer
M/s. HYUNDAI MERCHANT MARINE CO. LTD.
Agent M/s. Hyundai Merchant Marine India Pvt. Ltd.
Leela Business Park, Unit No. 302, 3rd Floor,
Sir M. V. Road, Marol Pipe Line,
Andheri-Kurla Road, Andheri (E), Mumbai- 400 059.

ORDER UNDER SECTION 197 OF THE INCOME TAX ACT, 1961

M/s. Hyundai Merchant Marine India Pvt. Ltd.(i.e. applicant), an agent of M/s. Hyundai Merchant Marine Co. Ltd., Korea has filed application dated 05.03.2019 requesting for issue of a certificate u/s. 197 of Income Tax Act, 1961 so as to enable it to collect freight, handling and other miscellaneous charges, etc. from various parties on behalf of its principal without deduction of tax at source during the Financial Year 2019-20, as M/s. Hyundai Merchant Marine India Pvt. Ltd. (agent) is paying taxes fully before remitting freight to Principal after claiming DIT relief. The applicant, further, submitted that it is not possible to give exhaustive list of parties who may do business with shipping lines and hence they require a General Certificate for Nil deduction. M/s. Hyundai Merchant Marine India Pvt. Ltd. (as general agent for M/s. Hyundai Merchant Marine Co. Ltd., Korea) has also undertaken to deduct and pay freight, handling and similar charges from various parties before remittance of such amount to its principal M/s. Hyundai Merchant Marine Co. Ltd. It is also submitted that M/s. Hyundai Merchant Marine Com. Ltd., a registered company in Korea, is engaged in operation of vessels in international traffic from India through its agent M/s. Hyundai Merchant Marine India Pvt. Ltd. and is liable to pay tax in India U/s.172 read with section 44B of the Act.

As per clarification given by the CBDT vide Circular Nos. 723, dt. 19/09/1995 and 732, dt. 20/12/1995, the provisions of section 195 and 194C of the Act for deduction of tax at source are not applicable to foreign shipping companies or their agents in respect to payments made on account of carriage of goods in 'international traffic'.

Accordingly, in compliance to the afore mentioned Circulars, the provisions of section 195 & 194C of the Act for deduction of tax at source are not applicable in respect of any payments made to M/s. Hyundai Merchant Marine Co. Ltd. or to its agent M/s. Hyundai Merchant Marine India Pvt. Ltd.

This Certificate is issued after prima facie verification of details / documents / information furnished before the undersigned and it is the subject of verification / scrutiny at the time of assessment proceedings or any other legal proceedings. This Certificate is valid up to F.Y. 2019-20 unless the same is cancelled or modified before the expiry of the said Financial Year with prior intimation.

This Certificate is provisional in nature and is subject to final assessment and is without prejudice to the stand taken by the Department during the course of the assessment proceedings



(KUNAL HAVER)

Deputy Commissioner of Income Tax
International Taxation- 2(2)(2), Mumbai