



GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE ASSISTANT
COMMISSIONER OF INCOME TAX
INT TAX CIRCLE 2(1)(1), MUMBAI

To, CHINA UNITED LINES LIMITED ROOM 616 GUOSHENG HOTEL, YANGPU 999999, FOREIGN India	
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PAN: AAGCC1524N	Assessment Year: 2024-25	Dated: 06/09/2023	DIN & Letter No : ITBA/COM/F/17/2023-24/1055804583(1)
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Sir/ Madam/ M/s,

Subject: Proceedings under section 197 - Letter

China United Lines Ltd (PAN-AAGCC1524N) through its agent in India M/s. Seahorse Ship Agencies Pvt Ltd has filed application for Nil Deduction of tax for F.Y 2023-24 for issuing certificate for non applicability of TDS Provision u/s. 194C/195 of the I. T. Act, 1961 in light of Circular No. 723 dated 19/09/1995 issued by the CBDT. It has been contended by the applicant that it is a tax resident of China. It is further stated that the agent on behalf of principal is collecting freight, terminal handling charges, detention Charges and other ancillary charges in India. It is further contended that section 172 rws 44B of the Income Tax Act, are specific provisions for computing profits and gains of shipping business in the case of non-residents shipping companies and hence, the provision of u/s. 194C and 195 of the Income Tax Act, 1961 are not applicable in the case of principal China United Lines Ltd as per the CBDT circular no. 723 dated 19.09.1995. The applicant submitted copy of the aforesaid circular.

The above request of the Applicant has been considered. It is made clear that in light of circular no. 723 dated 19/09/1995 issued by the CBDT, the provisions of section 194C and 195 of the Income Tax Act, 1961 are not applicable in respect of any payment made by a person to M/s. Seahorse Ship Agencies Pvt Ltd when it acts as an agent of China United Lines Ltd and such payment is made towards the freight charges, demurrage charges, terminal handling charges or any other charge of similar nature in respect of carriage of passengers, livestock, mail or goods by a ship owned or chartered by China United Lines Ltd or a ship covered under pooling arrangement entered into by the applicant with its pooling partners. This Certificate is issued after prima facie verification of details / documents / information furnished before the undersigned and it is the subject to verification / scrutiny at the time of assessment proceedings or any other legal proceedings.

Note: If digitally signed, the date of digital signature may be taken as date of document.
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This certificate shall be valid only in respect of freight charges, demurrage charges terminal, handling charges or any other charge of similar nature paid for carriage of passengers, livestock, mail or goods by a ship owned or chartered by China United Lines Ltd or by a ship covered under pooling arrangement entered into by China United Lines Ltd with its pooling partners. China United Lines Ltd shall be responsible to comply with the all the terms of Section 172 of the Income Tax Act, 1961 in respect of such ships.

This certificate is valid for F.Y 2023-24 and upto 31.03.2024 unless the same is cancelled or modified before the expiry of the said Financial Year with prior intimation to the applicant. 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 assessment proceedings.

KARTIK LAXMANBHAI SARESA
INT TAX CIRCLE 2(1)(1), MUMBAI

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This document is digitally signed

Signer: KARTIK LAXMANBHAI SARESA
Date: Wednesday, September 6, 2023 5:42 PM
Location: DIRECTORATE, India