

The Supreme Court today refused to offer any immediate relief to Vodafone, which has challenged the Bombay High Court order allowing the government to tax the company's USD 11 billion deal with Hutch. The tax department had raised a demand for Rs 12,000 crore as tax on the 2007 deal.

While refusing to stay the high court order, the apex court issued notices to the tax authorities directing them to decide within four weeks the liabilities of Vodafone.

"Pending the hearing and further orders, we direct the TDS officer to decide within four weeks from today on the tax liability," a bench headed by Chief Justice S H Kapadia said while issuing a notice to the I-T Department.

However, the bench refused the plea of Vodafone's counsel and senior advocate Harish Salve seeking a stay on the High Court's judgment, saying that it would have to deposit a part of the tax demand amount first.

"If you want a stay on the High Court judgment... You have to pay part of the amount. The choice is yours," the bench said while asking the counsel not to press for the stay.

The court has scheduled the next hearing on the matter on October 25 and said on the basis of this order, liberty was given to the petitioner (Vodafone) to approach the court for an appropriate remedy.

Attorney General G Vahanvati, appearing on behalf of the government, said the department will pass an order within four weeks determining the liability of the telecom major.

Vahanvati contended that the court could only pass an order staying the judgment if the telecom major deposited 50 per cent of its liability.