

ITAT Delhi

Members

R. K. Panda

Suchitra Kamble

Lawyers (Assessee)

Rakesh Gupta

Timeline

ITAT DELHI



10 Feb 2016

Case filed

19 Jun 2019

[Judgement](#)

PURE SOFTWARE PVT LTD vs ITO



19.06.2019 Income Tax 715-DEL-2016

Text Highlight Issues & Grounds of
appeal

Arguments

Holding &
Outcome

This appeal is filed by the assessee against the order dated 23/12/2015 passed by CIT(A)-7 for Assessment Year 2012-13.

2. The grounds of appeal are as under:-

1. "That having regard to the facts and circumstances of the case, Ld. CIT(A) has erred in law and on facts in confirming the action of Ld. AO in making disallowance of Rs.20,02,770/- u/s 40(a)(i) of the Act on account of non deduction of TDS on payment made to two non-residents i.e. J2S Inc, USA and Navos B.V.B.A., Belgium and in invoking the provisions of section 195 of the Act.

2. That in any case and in any view of the matter, action of Ld. CIT(A) in confirming the action of Ld. AO in making disallowance of Rs.20,02,770/- u/s 40(a)(i) for non deduction of tax on payment made to two non-residents i.e.

J2S Inc, USA and Navos B.V.B.A., Belgium, is bad in law and against the facts and circumstances of the case.

3. That having regard to the facts and circumstances of the case, Ld. CIT(A) has erred in law and on facts in confirming the action of Ld. AO in treating the "order procurement services" rendered by the non residents and commission /retainer fee as royalty and fees for technical services and ignoring the fact that the order procurement services rendered outside India are not taxable in India.

3. The assessee company is engaged in the business of software development, testing and trainings. The assessee filed its Return of Income on 22.09.2012 for A.Y. 2012-13 declaring income of Rs. 14,63,886/- as deemed income U/s 115JB. The case was taken up by the Assessing Officer for scrutiny. During the course of scrutiny, the Assessing Officer asked for the details of Professional Expenses amounting to Rs. 73,99,546/-. This sum included two payments as follows:-

J2S Inc, USA Rs. 13,44,524/- Navos B.V.B.A, Belgium
Rs.6,58,242/-

Law Referred

Income Tax Act, 1961

Section 195, Section 195(1), Section 2, Section 40(a)(i), Section 40(a)(ia), Section 5, Section 5(2), Section 9, Section 9(1)(vii), Section 9(l)(vii)

Case Map

This case refers to:

[Union Of India & Anr Vs Azadi Bachao Andolan & Anr](#)

[Ind Telesoft Pvt Ltd , In Re Vs](#)

View more

You might also like to see:

[Hcl Comnet Ltd Vs Dcit](#)

[Adit Intl. Taxation Vs Hampson Russell Ltd. Partnership](#)

View more

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