IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.03.2025

CORAM :

THE HONOURABLE MR. JUSTICE S.S. SUNDAR

AND

THE HONOURABLE MR. JUSTICE C. SARAVANAN

T.C.A.No.123 of 2016

The Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

M/s.Abaqus Engineering India Pvt. Ltd.,
(Now known as Dassault Systems P Ltd)
10th Floor, ASV N Ramanas Tower,
37 & 38, Venkatramana Road,
T.Nagar,
Chennai – 600 017. .. Respondent

Prayer : Tax Case Appeal filed under Section 260A of Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal "B" Bench, Chennai, in I.T.A.No.1701/Mds/2010, dated 16.09.2011 for AY 2005-06.

For Appellant : Mr.T.Ravi Kumar
Senior Standing Counsel

For Respondent : Mr.Sandeep Bagmar R.

JUDGMENT

(Judgment was delivered by **S.S. SUNDAR, J.**)

The above Appeal is directed against the formal order of the Income Tax Appellate Tribunal, dated 16.09.2011, in ITA No.1701/Mds/2010. In this Appeal, the appellant has raised the following substantial questions of law to be answered :

(i) Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the disallowance u/s.40(a)(i) on the amount paid to Abaqus Inc without deduction of tax at source is to be allowed ?

(ii) Whether the assessee who sold the licence version of software product developed by the parent company is to be treated as royalty payment made to non resident covered u/s.9(1)(vi) of the I.T. Act ?

2.Learned Senior Standing Counsel appearing for the appellant submitted that the amount involved in the present Appeal is below the monetary limit as per the Circulars issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes in Circular No. 5/2024 and 09/2024 dated 15.03.2024 and 17.09.2024 respectively, and therefore, seeks permission of this Court to withdraw the Appeal. He has also filed a memo, dated 07.03.2025, to that effect.

3.In view of the aforesaid submission made by the learned Senior Standing Counsel appearing for the appellant, this Tax Case Appeal is dismissed as withdrawn. However, the substantial questions of law are left open. No costs.

(S.S.S.R., J.) (C.S.N., J.)
26.03.2025

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Internet : Yes
Index : Yes / No
Neutral Citation : Yes / No

To

1.The Income Tax Appellate Tribunal,
"B" Bench, Chennai.

2.The Commissioner of Income Tax,
Chennai.

S.S. SUNDAR, J.
and
C. SARAVANAN, J.

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T.C.A.No.123 of 2016

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