

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "J", MUMBAI**

**BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER AND
SHRI LALIET KUMAR, JUDICIAL MEMBER**

ITA NO. 8868/MUM/2011

A.Y : 2007-08

DCIT-2(3), Mumbai.
(Appellant)

vs. M/s. Zenzar Technologies Ltd.,
Magnet House, 2nd floor,
Narottam Morarjee Marg,
Ballard Estate, Mumbai 400 038.
PAN : AAACF0742K (Respondent)

Assessee by : Shri Nitesh Joshi
Revenue by : Shri A. Mohan

Date of Hearing : 26/02/2020
Date of Pronouncement : 26/02/2020

ORDER

PER LALIET KUMAR, JUDICIAL MEMBER

This appeal by the Revenue is filed against the order of CIT(A)-15, Mumbai dated 12.10.2011 for assessment year 2007-08, which in turn have arisen from order of Assessing Officer passed under Section 143(3) r.w.s. 144C(3) of the Income Tax Act, 1961 (in short 'the Act') dated 28.01.2011.

2. The Revenue, in its appeal, has raised the following grounds :-

"1. On the facts and in the circumstances of the case and in law, the Ld. CIT(A) erred in directing the AO to determine the Arm's Length Price on the international transactions only in respect of the personnel who remained in employment for more than six months based on the assessee's claim that in the case of such personnel, fees were refundable by the respective recruiting agencies without appreciating the fact

that such provision was applicable irrespective of whether the concerned personnel were in the U.S or in India and was meant to re-coup the losses of the assessee till new appointments to the posts of the outgoing personnel were made and was not in any way related to the nature of the impugned international transactions.

2. *For these and other grounds that may be urged at the time of hearing, the decision of the CIT(A) may be set aside and that of the AO restored."*

3. At the Outset learned AR has submitted that the tax effect in this appeal is below the threshold limit fixed by the CBDT for continuation of the appeal. Our attention was drawn to the Board's Circular No. 17/2019 vide F.No. 279/Misc.142/2007-ITJ(Pt.) dated 08.08.2019 and it was submitted that the appeal of the Revenue is required to be dismissed/withdrawn.

4. *Per contra*, the learned DR relied on the order passed by the lower authorities and also on the Board's Circular (*supra*).

5. We have considered the rival contentions of the parties and perused the circular issued by Board in this regard. Perusal of the order passed by the CIT(A)/Assessing Officer clearly shows that the tax effect of the appeal filed by the Revenue is below Rs.50 lacs and in view of Board's Circular No. 17/2019 vide F.No. 279/Misc.142/2007-ITJ(Pt.) dated 08.08.2019 , the appeal of Revenue is not maintainable and same is liable to be dismissed. Hence we dismiss the appeal of Revenue.

6. In the result, appeal of Revenue is dismissed.

Order pronounced in the open court on 26th February, 2020.

Sd/-

(SHAMIM YAHYA)
ACCOUNTANT MEMBER

Mumbai, Date : 26th February, 2020

Sd/-

(LALIET KUMAR)
JUDICIAL MEMBER

Copy to :

- 1) The Appellant
- 2) The Respondent
- 3) The CIT(A) concerned
- 4) The CIT concerned
- 5) The D.R, "J" Bench, Mumbai
- 6) Guard file

By Order

Dy./Asstt. Registrar
I.T.A.T, Mumbai