

2. In this MA, the assessee has pointed out that the Hon'ble ITAT inadvertently did not adjudicate on the key issue of recharacterization (Ground number 5.1) and only adjudicated on the issue of comparables (Ground number 5.4 & 5.5) which was a without prejudice argument raised by the Appellant. It is submitted that the issue of recharacterization raised vide ground 5.1 "misconstruing the business profile of the Assessee engaged in providing IT and ITeS services and thereby comparing the services provided by the Assessee to that of a knowledge process outsourcing service provider on the basis of salary, educational qualification, experience and job role description of the employees of the Assessee" was not adjudicated upon. The ld. counsel for the assessee submitted that non-adjudication of a ground of appeal is a mistake apparent from record rectifiable u/s 254(2) of the Act and prayed for rectification of the order.

3. The ld. DR raised no serious objection.

4. We have heard the rival submissions and have perused the relevant material on record. Considering the contents of the application, we are of the considered view that the ground 5.1 has not been adjudicated

upon and therefore an inadvertent mistake apparent on record has crept in the Tribunal order. We have already set aside the issue of comparables to the file of the AO. We, therefore, rectify the aforesaid order by directing the AO to examine the issue of recharacterization of the assessee and then decide whether the assessee falls within the scope of KPO considering the documentary evidence furnished by the assessee, as well.

5. In the result, the appeal of the assessee in MA No. 445/DEL/2025 is allowed.

The order is pronounced in the open court on 11.02.2026.

-Sd/-
[MAHAVIR SINGH]
VICE PRESIDENT

-Sd/-
[NAVEEN CHANDRA]
ACCOUNTANT MEMBER

Dated: 11th February, 2026.

VL/

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,
ITAT, New Delhi