

IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCH 'B', BANGALORE

BEFORE SHRI. ABRAHAM P. GEORGE, ACCOUNTANT MEMBER

AND

SHRI. VIJAYPAL RAO, JUDICIAL MEMBER

I.T(TP).A No.457/Bang/2011
(Assessment Year : 2005-06)

Income tax Officer (International Taxation),
Ward – 11(2), Bengaluru

.. Appellant

v.

M/s. Informatica Business Solutions P. Ltd,
No.66/1, Bagmane Tech Park,
C. V. Raman Nagar, Bangalore 560 093
PAN : AABCI0762M

.. Respondent

Assessee by : Shri. P. K. Prasad & Shri. Umashankar, CA
Revenue by : Shri. S. Namirajan, JCIT

Heard on : 16.05.2016
Pronounced on : .05.2016

ORDER

PER ABRAHAM P. GEORGE, ACCOUNTANT MEMBER :

Revenue in this appeal has altogether taken 15 grounds of which grounds 1, 14 and 15 are general needing no specific adjudication. Grounds 4 to 13 are on transfer pricing issues and ground 3 is on exclusion of telecommunication expenses from both export as well as total turnover

for working out the deduction u/s.10A of the Income-tax Act, 1961 ('the Act' in short).

02. When the case came up for hearing, Ld. Counsel for the Assessee submitted that transfer pricing adjustments done for the impugned assessment year were subject matter of a mutual agreement procedure (MRP), as per Article 27 of Indian USA Double Taxation Agreement. A copy of order No.F/980/5/2012-FTD-1, dt.04.12.2015, of Foreign Tax & Tax Research Division was placed on record. On the other issue viz., deduction u/s.10A, Ld. AR submitted that Ld. CIT (A)'s order was in line with the judgment of Hon'ble jurisdictional High Court in the case of CIT v. Tata Elxsi Ltd (349 ITR 98). Ld. DR fairly agreed, but stated that judgment of Hon'ble jurisdictional High Court has been appealed against before the Hon'ble Apex Court.

03. We have heard the contentions and perused the material on record. In so far as TP issues are concerned, adjustments made under TP was subject matter of MAP which has been resolved through FT & TRD order no. F/980/5/2012-FTD-1, dt.04.12.2015. Hence the grounds relating to TP do not survive anymore. As for the issue relating to computation of deduction u/s.10A of the Act, decision given by the CIT (A) was in line

with the judgment of Hon'ble jurisdictional High Court in the case of Tata Elxsi Ltd (supra). Their Lordship had held that items which were excluded from export turnover had to be excluded from total turnover also for computing the deduction u/s.10A of the Act.

04. In the result, appeal of the Revenue stands dismissed.

Order pronounced in the open court on ___ day of May, 2016.

(VIJAYPAL RAO)
JUDICIAL MEMBER

(ABRAHAM P GEORGE)
ACCOUNTANT MEMBER

MCN

Copy to:

1. The assessee
2. The Assessing Officer
3. The Commissioner of Income-tax
4. Commissioner of Income-tax(A)
5. DR
6. GF, ITAT, Bangalore

By Order
Assistant Registrar