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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 447/2018

PR. COMMISSIONER OF INCOME TAX DELHI - 1

..... Appellant

Through Mr.Zoheb Hussain, Advocate.

versus

M/S AGNITY INDIA TECHNOLOGIES PVT. LTD.1

..... Respondent

Through Mr.Salil Kapoor, Ms.Ananya Kapoor and Mr.Sumit Lal Chandani, Advocates.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE A. K. CHAWLA

O R D E R

% **13.04.2018**

The question of law urged by the Revenue with respect to the exclusion of a comparable i.e. Wipro Technology Services Limited in the Arm's Length Price (ALP) determination, of the assessee is that the said entity reported abnormally high profits and had a large turnover and had the benefit of strong brand presence. It is also found that the entity (Wipro Technology) had undergone restructuring which had a significant impact upon its return and profitability. Learned counsel sought to rely upon the decision of this Court in ***Chryscapital Investment Advisors (India) Pvt. Ltd. v. Deputy Commissioner of Income Tax*** (2015) 376 ITR 183 Del. This Court is of the opinion that the ITAT conclusions were reasonable and justified. A strong brand presence and unusual events such as amalgamation, merger, etc. – which can have a miserable impact and are discerning from the record, are reasonable grounds for excluding a particular comparable; which was a case of Wipro Technology. The Tribunal also noted that in such cases the issue of comparable has to been seen from the robust market practice as well.

We see no reason to differ from that logic. No question of law arises. Appeal is dismissed.

S. RAVINDRA BHAT, J

A. K. CHAWLA, J

APRIL 13, 2018
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