IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

MONDAY,THE TENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE SUDDALA CHALAPATHI RAO

TAX REVISION CASE NO: 3 OF 2025

Revision case is filed under Section 34(1), R/W.Rule-45 of Value Added Tax, against the orders passed by the Telangana Value Added Tax Appellate Tribunal, Hyderabad in TA No.172/2012, dated. 30-12-2023 for the Assessment year 2006-2007 (CST), served on 25.01.2024.

Between:

The State of Telangana, Rep. By the State Representative before The Telangana VAT Appellate Tribunal, D.No. 5-4-404 to 408, Nampally, Telangana, Hyderabad

...PETITIONER

AND

M/s. Infosys Technologies Ltd., Survey No.210, Manikonda Village, Lingampally, Hyderabad- 500032

...RESPONDENT

Counsel for the Petitioner: **Special Govt. Pleader for Commercial Tax**

Counsel for the Respondent: **Sri Tarun Chadha, learned Counsel representing SRI KARTHIK RAMANA PUTTAMREDDY**

The Court made the following: ORDER

THE HONOURABLE SRI JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE SUDDALA CHALAPATHI RAO

TAX REVISION CASE No.3 of 2025

ORDER: *(per Hon'ble Sri Justice P.Sam Koshy)*

Heard Mr.T.Chaitanya Kiran, learned Assistant Government Pleader representing Mr.Swaroop Oorilla, learned Special Government Pleader for State Tax, for the petitioner and Mr.Tarun Chadha, learned counsel representing Mr.Karthik Ramana Puttam Reddy, learned counsel for the respondent and perused the record.

2. The instant Tax Revision Case has been preferred by the State Government assailing the order dated 30.10.2023 passed by the Telangana VAT Appellate Tribunal ("the VAT Appellate Tribunal"), Telangana, Hyderabad in T.A.No.172 of 2012.

3. For proper understanding of the case, it is relevant to reproduce the relevant portion of the order passed by the VAT Appellate Tribunal, which reads thus:

> "In view of the above, we concluded that the amounts are liable for exemption on Implementation charges and with respect to Professional Fees and Architecture for Internet banking are considered as pre-sale expenditure and the levy of tax is upheld."

4. It is pertinent to mention that the appeal before the VAT Appellate Tribunal was preferred by the respondent-Assessee being aggrieved by the order passed by the revisional authority i.e. Additional Commissioner (CT), (Legal), Office of Commissioner of Commercial Taxes, Hyderabad, dated 21.01.2012. The appeal which the respondent-assessee had preferred before the VAT Appellate Tribunal was on the following grounds:

a) Profession Fees for complete study
b) Architecture for Internet banking

Whereas, the revisional authority had dealt with five issues, those are a) implementation charges b) Professional Fees for complete study c) Architecture for Internet banking d) Living and Travelling expenses e) Customization. The revisional authority decided two issues, those are:- a) implementation charges and b) Living and Travelling expenses in favour of the respondent-assessee. The other three grounds stood decided against the respondent-assessee. He had preferred an appeal only against the Professional Fees for complete study as also the Architecture for Internet banking. The issue of Customization was not challenged by the respondent-assessee before the VAT Appellate Tribunal. The VAT Appellate Tribunal was also not given any finding so far as the issue of Customization is concerned. The decision of the revisional authority in respect of the issue of Customization has also not been challenged by the Revenue before the Tribunal. The finding of the revisional authority had thus attained finality.

5. In view of the same, since the Revenue was not aggrieved by the finding of the revisional authority dated 21.01.2012 and having not challenged the issue of Customization any further before the VAT Appellate Tribunal and the VAT Appellate Tribunal having rejected the appeal of the respondent-assessee. Insofar as the issue dealing with Professional Fees for complete study c) Architecture for Internet banking is concerned, it is the respondent-assessee who has to be aggrieved by the impugned order and not the Revenue. Hence, we are not convinced with the grounds raised by the learned counsel representing the State. However, they have challenged only the aspect of Customization charges to the present Tax Revision and the issue which was not in fact decided by the VAT Appellate Tribunal.

6. In view of the same, no substantial grounds are made out calling for interference to the impugned order.

7. The Tax Revision Case fails and is accordingly rejected. No order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- T. KRISHNA KUMAR
JOINT REGISTRAR

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SECTION OFFICER

To,

1. The Telangana Value Added Tax Appellate Tribunal, Hyderabad
2. One CC to Special Govt Pleader for Commercial Tax, Advocate [OPUC]
3. One CC to SRI. KARTHIK RAMANA PUTTAMREDDY Advocate [OPUC]
4. Two CD Copies

TPK/SA

HIGH COURT

DATED:10/11/2025

ORDER

TREVC.No.3 of 2025

TAX REVISION CASE IS REJECTED

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24/11/25