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§-16 &amp; 17

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**+ **ITA 461/2017****M/S. MCKINSEY KNOWLEDGE CENTRE INDIA PVT. LTD.**

..... Appellant

Through Mr. Porus Kaka, Sr. Advocate with  
Mr. Divesh Chawla & Mr. Harpreet  
Singh Ajmani, Advocates

versus

**PR. COMMISSIONER OF INCOME TAX, DELHI-6..... Respondent**

Through Mr. Ruchir Bhatia, Advocate

+ **ITA 526/2017****MCKINSEY KNOWLEDGE CENTRE INDIA PVT. LTD**

..... Appellant

Through Mr. Porus Kaka, Sr. Advocate with  
Mr. Divesh Chawla & Mr. Harpreet  
Singh Ajmani, Advocates

versus

**PR. COMMISSIONER OF INCOME TAX, DELHI-6..... Respondent**

Through Mr. Ruchir Bhatia, Advocate

**CORAM:****JUSTICE S.MURALIDHAR****JUSTICE TALWANT SINGH****ORDER****29.07.2019**

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1. These are two appeals by the Assessee against the order of the ITAT dated 15<sup>th</sup> December, 2016 in ITA No. 154/Del/2016 for the Assessment Year (AY) 2011-2012 and order dated 11<sup>th</sup> May, 2017 passed by the ITAT in ITA No. 6648/Del/2016 for AY 2012-2013.



2. While admitting these appeals on 7<sup>th</sup> February, 2018 the following question of law was framed for consideration.

"Did the ITAT commit an error in law in holding that the assessee was engaged in knowledge management systems and international transactions/activities in respect of one of the services rendered to its associated enterprises i.e. (AE)."

3. This Court has heard the submissions of Mr. Porus Kaka, learned Senior counsel for the Appellant and Mr. Ruchir Bhatia, learned counsel appearing for the Respondent.

4. The grievance of the Appellant is that the ITAT erred in concluding that for the AYs in question, the Assessee had rendered Knowledge Process Outsourcing (KPO) services to its Associated Enterprises which according to the Assessee was contrary to the documents on record.

5. Learned counsel for the Revenue on the other hand points out that for these very AYs, on the question of exclusion of comparables, the Revenue's appeals against the impugned order of the ITAT have been dismissed by this Court. As such the Appellant's grievance on the above finding of the ITAT as far as the present AYs are concerned is academic.

6. In view of the above submission, it is considered appropriate to direct that the impugned order of the ITAT returning the above finding qua the activity of the Assessee for the AYs in question will not constitute a precedent if such issue were to arise in future in the Assessee's cases.



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7. In other words, the question framed by the Court for consideration in these appeals is left open for decision in an appropriate case.

8. The appeals are disposed of in the above terms.

A handwritten signature in black ink, appearing to be 'S. Muralidhar'.

**S. MURALIDHAR, J.**

A handwritten signature in black ink, appearing to be 'Talwant Singh'.

**TALWANT SINGH, J.**

**JULY 29, 2019**

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