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**[2022] 139 taxmann.com 146 (Mumbai - Trib.)[01-03-2022]**

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**TRANSFER PRICING : Where major part of income of selected company was from translation charges, functions of said company being different from assessee-company, an ITES provider, TPO should exclude this company from list of comparables**

**TRANSFER PRICING : Where TPO rejected some companies on ground that they were persistently loss making companies but it was found that said companies had suffered loss in current assessment year and average of two years showed robust positive figure, said companies could not be said as persistently loss making companies and need not be excluded from comparable list**

**TRANSFER PRICING : Where selected company had a business model where services were outsourced as against business model of assessee where services were rendered by employing own employees and using one's own infrastructure, said company was liable to be excluded from final list of comparables**

**TRANSFER PRICING : A KPO cannot be considered as comparable to assessee, ITES provider**



**[2022] 139 taxmann.com 146 (Mumbai - Trib.)**

**IN THE ITAT MUMBAI BENCH 'J'**

**Morgan Stanley Advantage Services (P.) Ltd.**

**v.**

**Deputy Commissioner of Income-tax\***

**S. RIFAUR RAHMAN, ACCOUNTANT MEMBER**

**AND AMARJIT SINGH, JUDICIAL MEMBER**

**IT APPEAL NO. 626 (MUM.) OF 2014**

**[ASSESSMENT YEAR 2009-10]**

**MARCH 1, 2022**

**I. Section 92C of the Income-tax Act, 1961 - Transfer pricing - Computation of arm's length price (Comparables, functional similarity - Information technology enabled**

services) - Assessment year 2009-10 - Assessee-company rendered information technology enabled services - Whether where major part of income of selected company was from translation charges, functions of said company being different from assessee-company, TPO should exclude this company from list of comparables - Held, yes [Para 8] [In favour of assessee]

II. Section 92C of the Income-tax Act, 1961 - Transfer pricing - Computation of arm's length price (Comparability factors - Loss making company) - Assessment year 2009-10 - Whether where TPO rejected some companies on ground that they were persistently loss making companies but it was found that said companies had suffered loss in current assessment year and average of two years showed robust positive figure, said companies could not be said as persistently loss making companies and need not be excluded from comparable list - Held, yes [Para 12] [In favour of assessee]

III. Section 92C of the Income-tax Act, 1961 - Transfer pricing - Computation of arm's length price (Comparability factors - Employee cost filter) - Assessment year 2009-10 - Whether where selected company had a business model where services were outsourced, as against business model of assessee where services were rendered by employing own employees and using one's own infrastructure, said company being functionally different, was liable to be excluded from final list of comparables - Held, yes [Para 17] [In favour of assessee]

IV. Section 92C of the Income-tax Act, 1961 - Transfer pricing - Computation of arm's length price (Comparables, functional similarity - Information technology enabled services) - Assessment year 2009-10 - Whether a KPO could not be selected as comparable to assessee, ITES provider - Held, yes [Para 16] [In favour of assessee]

## **CASE REVIEW**

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*Morgan Stanley Advantage Services (P.) Ltd. v. Dy. CIT* [2021] 133 taxmann.com 488 (Mum. - Trib.) (para 7) followed.

## **CASES REFERRED TO**

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*National Thermal Power Co. Ltd. v. CIT* [1998] 97 Taxman 358/229 ITR 383 (SC) (para 4), *Morgan Stanley Advantage Services (P.) Ltd. v. Dy. CIT* [2020] 118 taxmann.com 112 (Mum. - Trib.) (para 5), *Morgan Stanley Advantage Services (P.) Ltd. v. Dy. CIT* [2021] 133 taxmann.com 488 (Mum. - Trib.) (para 6), *BNY Melon International Operations (India) (P.) Ltd. v. Dy. CIT* [2015] 55 taxmann.com 386 (Pune - Trib.) (para 6), *Pr. CIT v. BNY Melon International Operations (India) (P.) Ltd.* [2018] 93 taxmann.com 363/255 Taxman 397 (Bom.) (para 6), *CIT v. Tata Power Solar Systems Ltd.* [2017] 77 taxmann.com 326/245 Taxman 93 (Bom.) (para 7), *Pr. CIT v. Visteon Engineering Centre (India) (P.) Ltd.* [2020] 113 taxmann.com 161 (Bom.) (para 7), *Pr. CIT v. Lionbridge Technologies (P.) Ltd.* [IT Appeal No. 1815 of 2016, dated 18-3-2019] (para 7) and *Morgan Stanley Solutions Advantage Services (P.) Ltd. v. Dy. CIT* [IT Appeal No. 6522

(Mum.) of 2014, dated 12-8-2021] (para 10).

**Tajendra Pal Singh** for the Appellant. **Dr. Sunil M. Lala** for the Respondent.

## ORDER

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**S. Rifaur Rahman, Accountant Member.** - This appeal is filed by the assessee against order of the Dispute Resolution Panel-I, Mumbai [hereinafter in short "DRP"] dated 2-11-2013 passed u/s. 144C(5) of the Income-tax Act, 1961 (in short "Act") for the A.Y. 2009-10.

2. Assessee has raised following grounds in its appeal : —

1. On the facts and circumstances of the case, the learned AO, based on the directions of the DRP, erred in making an upward adjustment of Rs. 3,34,57,335 in determining the arm's length price (ALP) of the international transaction of Information Technology Enabled Services (hereinafter referred to as ITES) rendered by the Appellant.

2. On the facts and circumstances of the case, the learned AO, based on the directions of the DRP, erred on the following grounds:

2.1 In rejecting the transfer pricing (TP) analysis undertaken by the Appellant for computing the ALP in relation to the ITES provided by the Appellant and applying the knowledge process outsourcing (hereinafter referred to as KPO) search to arrive at the ALP;

2.2 In not accepting the economic analysis undertaken by the Appellant in accordance with the provisions of the Act read with the Income-tax Rules, 1962 (hereinafter referred to as the Rules) and holding that the Appellant's international transaction is not at arm's length;

2.3 Further, in conducting a fresh economic analysis for the determination of the ALP in connection with the impugned international transaction without providing the selection criteria adopted by him;

2.4 In determining the ALP by using only single year data for Financial Year (FY) 2008-2009 which was not available to the Appellant at the time of complying with the TP documentation requirements Le. using non-contemporaneous data for calculating the ALP of the international transaction;

2.5 In rejecting the comparable companies selected by the Appellant in the TP report, without providing any appropriate reason for rejecting these companies:

2.6 By identifying comparable companies in determining the ALP of the impugned international transaction, without specifying the selection matrix on the basis of which the companies were identified by him;

3. Without prejudice to the above Grounds, the learned AO erred in not granting working capital adjustment to the average Profit Level Indicator of the selected comparable companies;

4. Without prejudice to the above Grounds, by not allowing the adjustment for difference in the level of risks assumed by the Appellant *vis-a-vis* the risk of the selected comparable

companies; and

5. Without prejudice to the above Grounds, in not adopting the ALP after considering an amount varying by 5 percent of the arithmetic mean of the margins of the selected comparable companies;

6. The learned AO erred in relying on material obtained by him without furnishing copies of the same to the Appellant, and thus violating the principle of natural justice;

7. The learned AO erred in not granting the credit of advance tax claimed by the Appellant in its return of income to the extent of Rs. 7,200,000;

8. On the facts and circumstances of the case, the learned AO erred in law and in facts in levying interest of Rs. 1,620,315 under section 234D of the Act."

**3. Assessee further raised following additional ground in its appeal: -**

"On the facts and in the circumstances of the case and in law, Cosmic Global Limited engaged in the business of Medical Transcription and Translation services has wrongly been considered as a comparable to the appellant engaged in providing ITES Services and thus ought to be excluded from the list of comparables. It is submitted that the Hon'ble Tribunal in the case of Morgan Stanley Advantage Services Private Limited (MSAS) (having identical business model as the Appellant and with whom the Appellant has merged) for the same A.Y. 2009-10 has excluded the said company viz. Cosmic Global Limited from the list of comparables."

4. At the outset, Ld. AR of the assessee submitted that assessee has raised additional ground seeking exclusion of Cosmic Global Limited from the list of comparables. After considering both the counsels, we admit the additional ground as the said additional ground is involving factual ground, wherein, the facts are on record and do not require fresh investigation, following the decision of Hon'ble Supreme Court in the case of *National Thermal Power Co. Ltd. v. CIT* [1998] 97 Taxman 358/229 ITR 383.

5. Ld. AR of the assessee submitted that the issue in appeal has been considered by the Co-ordinate Bench of this tribunal in assessee's own case for the immediately preceding A.Y. 2008-09 and decided the issue in favour of the assessee and against the department, which is reported in *Morgan Stanley Advantage Services (P.) Ltd. v. Dy. CIT* [2020] 118 taxmann.com 112 (Mumbai - Trib.). On the other hand, Ld.DR has fairly accepted the submissions of the Ld.AR.

6. It is submitted that Cosmic Global Limited is in the business of Medical Transcription and Translation services and thus not comparable to the assessee is evident from the extract of its annual report [at Sr. No. 12 (Annexure 3) in Paper-book I at Pg No. 873] as well as the order of the ITAT in the case of *Morgan Stanley Advantage Services (P.) Ltd. v. Dy. CIT* [2021] 133 taxmann.com 488 (Mum. - Trib.) (having identical business model as the assessee and with whom the assessee company has merged). The Tribunal in its aforesaid order has relied upon the order of the co-ordinate bench in *BNY Melon International Operations (India) (P.) Ltd. v. Dy. CIT* [2015] 55 taxmann.com 386 (Pune - Trib.) which has been upheld by Jurisdictional High Court in *Pr. CIT v. BNY Melon International Operations (India) (P.) Ltd.* [2018] 93 taxmann.com 363/255 Taxman

397 (Bombay). Further, it is observed that in the Assessee's own case for the immediately preceding year *i.e.* A.Y.2008-09, Cosmic Global Limited has not been selected as a comparable by the TPO. Also in the case of *Morgan Stanley Advantage Services (P.) Ltd.* (having identical business model as the Assessee and with whom the assessee has merged) the inclusion of the said comparable *i.e.* Cosmic Global Ltd was not pressed before Hon'ble Tribunal for AY 2008-09 consequent to which the said comparable was excluded/rejected from the final set of comparables as evident from the order of the ITAT for AY 2008-09 *Morgan Stanley Advantage Services (P.) Ltd. (supra)*.

7. Further, it was submitted that the Hon'ble Bombay High Court in *CIT v. Tata Power Solar Systems Ltd.* [2017] 77 taxmann.com 326/245 Taxman 93 (Bombay), *Pr. CIT v. Visteon Engineering Centre (India) (P.) Ltd.* [2020] 113 taxmann.com 161 (Bombay) and *Pr. CIT v. Lionbridge Technologies (P.) Ltd.* [IT Appeal No. 1815 of 2016, dated 18-3-2019] has held that a party is not barred in law from withdrawing from its list of comparables, a company, if the same is found to have been included on account of mistake as on facts, it is not comparable.

8. Considered the rival submissions and material placed on record, we noticed that the Cosmic Global Limited was excluded from the comparables in the earlier Assessment Years and the Coordinate Benches consistently confirmed the same. The major part of the income is from translation charges and functions of this comparable is different to the assessee company, therefore consistent with the earlier assessment year, we also direct the Assessing Officer/TPO to exclude this company from the list of comparables.

9. At the time of hearing, Ld. AR submitted that assessee is pressing the grounds of appeal only relating to inclusion and exclusion of comparables, accordingly, Ground No. 2.5 and 2.6 are pressed and all other grounds of appeal are not pressed Accordingly, all other grounds of appeal are not adjudicated at this stage.

10. Coming to the issue of comparable to be included, Ld. AR of the assessee brought to our notice that the issue in appeal has been considered by the Co-ordinate Bench of this Tribunal in assessee's own case for the A.Y. 2008-09 in *Morgan Stanley Solutions Advantage Services (P.) Ltd. v. Dy. CIT* [IT Appeal No. 6522 (Mum.) of 2014, dated 12-8-2021] and in the case of *Morgan Stanley Advantage Services (P.) Ltd. (supra)* and it was directed to include the comparable R System International Limited and Allsec Technologies. Ld. DR has fairly accepted the submissions of the Ld.AR.

11. Considered the submissions and material placed on record, we observe from the record that identical issue is decided in favour of the assessee for the A.Y. 2008-09. While deciding the issue in favour of the assessee the Coordinate Bench of the Tribunal in *Morgan Stanley Solutions (supra)* held as under: —

"14. Thus, as could be seen, in parallel proceedings undertaken in case of the successor company having identical business model, the Tribunal has already decided issues relating to selection/rejection of comparables as are disputed in the present appeal. Thus, facts being identical, the aforesaid decision of the coordinate bench would squarely apply.

15. In view of the aforesaid, we direct the assessing officer to include R System International

Ltd., Allsec Technologies and CG Vak Software & Exports Ltd as comparables. Whereas, he is directed to exclude eClerx Services Ltd, Coral Hubs Limited (earlier, Vishal Information Technologies Limited) and Crossdomain Solutions Limited from the list of comparables. After completing the aforesaid exercise, he must compute the ALP of the international transactions. Grounds 4 and 6 are allowed. Whereas, other grounds being purely of academic interest are dismissed."

**12.** Further in the case of *Morgan Stanley Advantage Services (P.) Ltd. (supra)*, the Coordinate Bench held as under: - -

'11. The comparables which are to be included has been directed by the Tribunal by observing as under:-

Allsec Technology Ltd. and R. Systems International Ltd.

"15. Now we deal with the following comparables which were selected by the assessee, but have been rejected by the Transfer Pricing officer:

Allsec Technologies

R Systems International Ltd.

CG Vak Software & Exports Ltd.

16. The Transfer Pricing Officer has not mentioned the specific reasoning in rejecting the above comparable. While discussing his general reasoning for election/rejection, the transfer pricing officer mentioned that he is only accepting comparables where the current year data are available. In this regard, we note that though initially the assessee had submitted two-year data, subsequently, it has duly submitted the current year data. The transfer pricing officer has also mentioned that he is rejecting the persistent loss making companies. Though some of these companies have suffered loss in the current assessment year the average of two years showed the robust positive figure. Hence, it cannot be said that these are persistently loss making company. Furthermore, we note that these comparables have been duly accepted as comparable in earlier assessment year by the officer himself. Hence, taking a contrary stand by the transfer pricing officer without giving a specific reasoning is not sustainable. Accordingly, we direct for inclusion of these comparables."

12. Even in this assessment year, the Transfer Pricing Officer has rejected the above companies holding that they are not fit to be considered in the category of KPO and treated it as ITES. Since the aforesaid issues are squarely covered by the decision of the Tribunal rendered in assessee's own case for the assessment year 2007-08 and 2008-08, as indicated above, consistent with the view taken therein, ground no. 2 and additional ground are disposed off protanto and consequently, the other grounds of appeal became academic in nature, hence, left un-adjudicated. Therefore, ground no. 2, and additional ground raised by the assessee are accordingly allowed.'

**13.** Respectfully following the above decision and following the principle of consistency, the view taken by the Tribunal is respectfully followed, we order accordingly.

14. Coming to the issue of comparables to be excluded, Ld. AR of the assessee brought to our notice that the issue in appeal has been considered by the Co-ordinate Bench of this Tribunal in assessee's own case for the *Morgan Stanley Solutions Advantage Services (P.) Ltd. (supra)* and in the case of *Morgan Stanley Advantage Services (P.) Ltd. (supra)* and directed to exclude these companies. Ld. DR has fairly accepted the submissions of the Ld.AR.

15. Considered the submissions and material placed on record, we observe from the record that identical issue is decided in favour of the assessee for the A.Y. 2008-09. While deciding the issue in favour of the assessee the Coordinate Bench of the Tribunal in *Morgan Stanley (supra)* held as under: -

"11. At the outset, we will deal with the companies selected by the TPO, viz. eClerx Services Ltd, Coral Hubs Limited (Vishal Information Technologies Limited) and Crossdomain Solutions Limited. As far as eClerx Services Ltd and Crossdomain Solutions Limited are concerned, now it is fairly well settled that these two companies are KPO service providers. This has been held in a number of judicial precedents including the decision of the Hon'ble Delhi High Court in case of *Rampgreen Solutions Pvt Ltd v. Commissioner of Income-tax 377 ITR 533 (Del)*. In our view, learned Commissioner (Appeals) has made a fundamental error by including these two companies in spite of the fact that he himself was satisfied that the assessee is not a KPO service provider. As regards Coral Hubs Limited (earlier, Vishal Information Technologies Limited), it is a fact on record that it has abnormally low employee cost, which, pre-supposes that most of the work of this company is outsourced to third party vendors. Whereas, assessee itself provides services without outsourcing. Therefore, the business model of the company is completely different from the assessee. Though, it may be a fact that in the TP study analysis, the assessee has included Vishal Information Technologies Limited as a comparable, may be, due to insufficient data available in public domain, however, as has been held in a number of judicial precedents including the decision of the Hon'ble jurisdictional High Court in case of *Rampgreen Solutions Pvt. Ltd. v. CIT (supra)*, due to its different business model the company cannot be treated as comparable. Therefore, the aforesaid three companies cannot be treated as comparable to the assessee."

16. Further in the case of *Morgan Stanley Advantage Services (P.) Ltd. (supra)*, p the Coordinate Bench held as under: - -

'5. Considered rival submissions and perused the material on record. In view of the detailed submissions made by the leaned Counsel for the assessee on the issue of admitting the additional ground raised by the assessee, we hereby admit the same for adjudication on merit

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9. Considered the rival submissions and perused the material on record. Insofar as the issue arose from ground no. 2 is concerned, as it transpires from the record available before us, we notice that during the relevant assessment year 2009-10, the Transfer Pricing Officer has re-characterized the assessee as KPO as was done by him in the assessment year 2008-09 and consequently, the Transfer Pricing Officer rejected/excluded the comparables selected by the assessee (being non KPO) and further wrongly selected/included KPO companies as

comparable to the assessee. Exclusion of four comparables namely E-clerx Services Ltd., Coral Hubs Ltd. (earlier known as Vishal Information Technologies Ltd.), Crossdomain Solution Ltd. and Cosmic Global Ltd. has been decided by the Tribunal in assessee's own case in *DCIT v. Morgan Stanley Advantage Services P. Ltd.* reported in [2019] 109 taxmann.com 101 (Mum.) (Trib.), for the assessment year 2007-08 the relevant portion of the finding of the Tribunal is reproduced below for ready reference:-

*E-clerx Services Ltd.*

32. As noted earlier the Id AR for the assessee submitted that the assessee submits that Eclerx Services Ltd. has not considered as a comparable in earlier years. Eclerx Services Ltd. is a Knowledge Process Outsourcing (KPO) Service provider which is not comparable to assessee; assessee is engaged in providing back office support services. In support of his submission, the Id. AR of the assessee relied upon the decision of Delhi High Court in *Rampgreen Solution (P.) Ltd. (supra)*. The TPO included this comparable by taking his view that this company is in date process and analytical services. The Id CIT(A) confirmed the action of the TPO by taking his view that this comparable company is into the health care receivable management and therefore renders ITeS services. The Hon'ble Delhi Court in *Rampgreen Solution (P) Ltd (supra)* held entities rendering voice call center services for customer support and a KPO service provider employ IT-based delivery systems, but characteristics of services, functional aspects, business environment, risks and quality of human resource employed are materially different; and therefore, benchmarking international transactions on basis of comparison of PLI of high-end KPO service providers with PLI of Voice Call Centers, would be unreliable. Further, Mumbai Tribunal in *Willis Processing Services (India) Ltd (supra)* on considering similar contentions excluded this comparable holding as under:

"(5) We have heard the Ld. Representatives of both the parties, perused the orders of the lower authorities and the records made available before us. We have given a thoughtful consideration to the facts of the case and are of the considered view that though we find ourselves to be in agreement with the contention of the Ld. D.R and have not found favor with the contention of the assessee that as the aforesaid comparable had carried out an acquisition of a U.K based company, therefore simpliciter on the said count, without establishing that such acquisition had rendered the aforesaid comparable functionally different, could not be accepted as a factor for exclusion of the said comparable, but then we are of the considered view that the fact as averred by the Ld. A.R before us that the aforesaid comparable, viz. Eclerx Services Limited was providing high end data analytics and customized process solution and was a leading Indian provider of KPO services, which substantially varies from a low end ITES service provider, while for the assessee was engaged in providing BPO services, viz-processing of insurance claims and insurance premiums and data processing service for which it employed ordinary graduates, therefore the aforesaid comparable, viz. Eclerx Services Limited was functionally different from the assessee company, and as such could not be selected as a comparable. We find that the DRP had *vide* its order dated 27-11-2015 passed in the case of assessee for AY 2011-12 had accepted the contention of the assessee and rejected the aforesaid comparable company, viz.



Eclerx Services Limited on the basis that it was engaged in KPO service, and the department by accepting the said order of the 'DRP' for A.Y. 2011-12 by not carrying the matter in further appeal before the Tribunal, had thus allowed it to attain finality. We further find that in the assessee's own case for the immediately succeeding year, i.e A.Y 2009-10, the DRP as well as the Tribunal had held that companies engaged in KPO services cannot be compared to the routine BPO services provided by the assessee. That still further the Tribunal while disposing of the appeal of the assessee for AY 2010-11 had held that as the assessee was a routine BPO service provider, therefore it cannot be compared to high end KPO service providers such as Eclerx Service Limited. We further find that the 'Special bench' of the Tribunal in the case of *Maersk Global Centres (India) (P.) Ltd. (supra)*, had specifically rejected the aforesaid comparable, viz. Eclerx Services Limited, on the basis that companies predominantly engaged in KPO services cannot be considered as a comparable to a company predominantly engaged in BPO activities. We are thus of the considered view that in the backdrop of the view taken by the Tribunal while disposing of the appeals of the assessee for A.Y(s): 2009-10 & 2010-11, therein concluding that the aforesaid comparable, viz. Eclerx Services Limited which was a KPO could not be taken as a comparable as against the assessee company which is providing BPO services, coupled with the fact that in the assessee's own case for A.Y 2011-12 the exclusion by the DRP of the aforesaid comparable, viz. Eclerx Services Limited from the list of comparables had been accepted by the department, and last but not the least the 'Special bench' of the Tribunal in the case of *Maersk Global Centres (India) (P.) Ltd. (supra)* had therein held that the aforesaid comparable, viz. Eclerx Services Limited which is a KPO cannot be compared as against the assessee which is providing BPO services, we thus finding no reason to take a different view and being of the considered view that the aforesaid comparable, viz. Eclerx Services Limited was functionally different from the assessee company, therefore hold that it cannot be accepted as a comparable and hence is directed to be excluded from the list of comparables.

"33. Considering the decision of Delhi High Court in *Rampgreen Solution (P.) Ltd (supra)* and Tribunal in *Willis Processing Services (India) (P.) Ltd. (supra)*, we direct to exclude Eclerx Services from the comparables."

*Coral Hubs Ltd.*

38. The Id. AR submitted as we recorded earlier that Coral Hubs Ltd. was outsourcing its significant part of its operation as evident from its low employee cost and have substantial different business model compared to assessee and prayed for exclusion. The Id. DR has supported the inclusion. The TPO while making benchmarking taking his view that this comparable company is in the business of IT enabled services to overseas markets and included in the list of comparable. The Id. CIT(A) confirmed the action of TPO holding that the TPO conducting benchmarking after calling information under section 133(6) and is benchmarking analysis are correct. We have noted that, though the Id. AR has relied upon a number of decisions of Tribunal/coordinate bench. We have noted that in a recent decision of Tribunal in *Willis Processing Services (I) Pvt. Ltd. (supra)* on comparability, the Tribunal held as under:

We though in light of our aforesaid observations had partly disagreed with certain grounds as had been averred by the Ld. A.R to facilitate exclusion of the aforesaid comparable, however as observed by us hereinabove that the aforesaid comparable viz. Coral Hub Limited (earlier known as Vishal Information Technology Limited) had a business model where services are outsourced, as against the business model of the assessee where services are rendered by employing own employees and using one's own infrastructure, on the basis of which we are of the considered view that it can safely be concluded that the said comparable was functionally different, and as such was liable to be excluded from the final list of comparables. That our aforesaid view stands fortified by the aforesaid order passed by the Tribunal while disposing of the appeal of the assessee's own appeal for A.Y. 2005-06, as well as the judgment of the Hon'ble High Court of Delhi in the case of : *Rampgreen Solutions (P.) Ltd. (supra)*. Thus as there has been no material shift in the facts involved in the case of the assessee for the year under consideration, as observed by us hereinabove, we are thus of the considered view that as the business model of the aforesaid comparable, viz. *Coral Hub Ltd. (supra)* is substantially different from that of the assessee, therefore the same cannot be accepted as a comparable and hence is directed to be excluded from the list of comparables.

39. Considering the decision of co-ordinate bench on similar submission, we direct for exclusion of Coral Hubs (Vishal Information) from the comparable.'

17. Respectfully following the above decision, the view taken by the Tribunal is respectfully followed, we direct the Assessing Officer/TPO to exclude the comparable E-Clerx Services Ltd., and Coral Hubs Ltd., from the list of comparables.

18. In the result, appeal filed by the assessee is allowed.

POOJA

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\*In favour of assessee.