Pr. Commissioner of Income-tax-1, Delhi v. FIS Global Business Solutions India Pvt. Ltd. (formerly eFunds International India Pvt. Ltd.)

ITA 306/2025

2025:DHC:8235-DB | 2025-09-17

FIS Global AY 2010–11: APA guidance accepted for uncovered year with unchanged FAR, subject to margin verification.

Income-tax Act, 1961: sections 92CC, 143(3), 144C, 154

High Court of Delhi | 2-judge bench (Division Bench) | Justice V. Kameswar Rao | Justice Vinod Kumar

Assessment years: 2010-11

Scope of this order

Assessee retained transfer-pricing relief, including the recorded computation-verification condition.

01 FACTS OF THE CASE

Revenue challenged ITAT's 18 June 2020 order for AY 2010–11 involving software-development and BPO transactions. The taxpayer relied on its 29 August 2016 APA covering FYs 2014–15 to 2018–19 and rollback FYs 2010–11 to 2013–14. Re-filing delay of 1,090 days was condoned.

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02 DISCUSSION BY THE HON'BLE COURT

Revenue did not dispute unchanged functions, assets and risks or the stated consolidated OP/OC margin of 19.26%, above the APA margin of 16.60%. Following Ameriprise and Springer, the Court accepted the APA's guidance value for the uncovered year. ITAT's deletion remained subject to verification of the margin computation.

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03 JUDICIAL DECISION

The Court concurred with ITAT and the requirement to compare the relevant FAR profiles. Revenue's appeal was dismissed because no substantial question of law arose.

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04 OUTCOME / IN WHOSE FAVOUR

Assessee retained transfer-pricing relief, including the recorded computation-verification condition.

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05 EXPERT COMMENTS

Persuasive use is distinct from contractual coverage — AY 2010–11 is not FY 2010–11. The judgment treats the APA as guidance for an uncovered assessment year, not an automatic extension of its contractual or statutory rollback period.

Unchanged FAR and computation matter — The result depended on comparable functions, assets, risks and transactions and the stated margin comparison. The Tribunal expressly retained verification; the note should not certify that verification has already occurred.

Do not manufacture a reconciled quantum — The source's paragraphs 7–10 use inconsistent segment labels and adjustment figures. The operative margin-based reasoning is retained without converting those inconsistent figures into a supposedly verified deletion total.

Source: PDF p. 10

SOURCE & VERIFICATION

High Court of Delhi official judgment PDF — AKHB Repository (20250917_DLHC010575202021.pdf)

10-page official High Court of Delhi order/judgment PDF (20250917_DLHC010575202021.pdf, 102,695 bytes).

Complete source text and every original page visually reviewed; identity and SHA-256 checked. AI-assisted source analysis.

Open cited source rendition

All 10 physical source pages read and visually inspected. SHA-256: 6bcc4932bc61ff6a97bd34e9ed49522cd6e762d0b18c2df85683658eaeff0016.

STATUTORY SCOPE

The source applies the persuasive value of an APA for an uncovered year with unchanged functions, assets and risks. Section 92CD(5) appears within a quoted other-case direction, not a new present-case order.

LATER TREATMENT

Source checked 2026-10-21. Subsequent judicial treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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