

IN THE INCOME TAX APPELLATE TRIBUNAL  
“A” BENCH : BANGALORE

BEFORE SMT ASHA VIJAYARAGHAVAN, JUDICIAL MEMBER  
AND SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

IT(TP)A No.384/Bang/2013
Assessment year : 2005-06

M/s. Volvo India Private Limited, Yalachahally Village, Tavarakere Post, Hoskote, Bangalore, Karnataka. <b>PAN : AAACV6747N</b>	Vs.	Commissioner of Income Tax (Appeals), LTU, Bangalore.
APPELLANT		RESPONDENT

Assessee by	:	Shri. P. J. Pardiwala, Sr. Counsel
Revenue by	:	Shri. G. R. Reddy, CIT-DR-I

Date of hearing	:	22.09.2016
Date of Pronouncement	:	16.12.2016

**ORDER**

*Per Inturi Rama Rao, Accountant Member*

This is an appeal filed by the assessee company directed against the order of learned Commissioner of Income Tax(Appeals), Bangalore dated 19-12-2008 for the assessment year 2005-06.

2. The appellant raised the following grounds of appeal:

- 1) That the order of the Learned Deputy Commissioner of Income Tax, LTU, Bangalore (hereinafter referred to as the 'Learned Assessing Officer' or 'AO') passed under section 143 (3) of the Income-tax Act, 1961 ('the Act') in respect of Assessment Year 2005-06 is arbitrary, contrary to law, facts and circumstances of the case and liable to be quashed.
- 2) That the order of the Learned Additional Director of Income Tax (Transfer Pricing) - II (the 'Transfer Pricing Officer') passed under section 92CA of the Act in respect of Assessment Year 2005-06 is bad in law and arbitrary, contrary to facts, law and circumstances of the case and liable to be quashed for the following reasons:
  - a) That the Learned Transfer Pricing Officer erred in not appreciating that the Appellant had prepared the Transfer Pricing documentation bona fide and in good faith in compliance with the Act and Income tax Rules, 1962 ('the Rules') and selected uncontrolled comparable companies based on a detailed Functional, Asset and Risk (FAR) analysis, following a methodical and consistent benchmarking process in respect of the various international transactions with associated enterprises.
  - b) The Learned Transfer Pricing Officer erred in considering the international transactions relating to the payment of management & marketing support fees in isolation of the Transfer Pricing Documentation maintained by the Appellant, thereby ignoring the TNMM analysis undertaken by the Appellant on an aggregate basis to substantiate the international transactions of the Appellant with its associated enterprise are at arm's length while admitting that the operating profit margin (of which the international transactions formed a part) of the enterprise was at arm's length.
  - c) The Learned Transfer Pricing officer erred in not appreciating the economic value/ commercial value derived by the Appellant from the management & marketing support services received from the associated enterprise.
  - d) That the Learned Transfer Pricing Officer erred in transgressing the powers provided under section 92CA of the Act by arbitrarily adjudicating on the justification for the expenses incurred for the business rather than whether the value of the international transactions were in accordance with the arm's length principle.

- e) That the adjustment/ disallowance made by the Learned Transfer Pricing Officer is based on surmise, conjecture, presumption and without any material on ground.
  - f) That the Learned Transfer Pricing Officer erred in disregarding the submission of Appellant's Associated Enterprise, Volvo Truck Corporation, AB, Sweden which was received by the Learned Transfer Pricing Officer through Foreign Taxation Division of CBDT (Exchange of Information) which was regarding the nature of management services.
  - g) That the Leaned Transfer Pricing Officer erred in disregarding the fact that the marketing spend of Volvo Group as a ratio of Volvo Group sales, when applied in the proportion of India sales would be greater than the amount of management and marketing support fees paid by Volvo India, thereby ignoring the contention that Volvo India derived more than commensurate benefits from the Volvo Group as a result.
  - h) That the Learned Transfer Pricing Officer erred in disregarding the planning study and the benchmarking analysis submitted by the Appellant without prejudice in substantiation of the management & marketing support fees.
  - i) That the Learned Transfer Pricing Officer erred in disregarding the collective evidence provided in justification of the transaction pertaining to the management and marketing support fees and its arm's length character.
- 3) That the Learned Assessing Officer erred in not granting an opportunity of being heard to the Appellant and not taking into cognisance the submission made by the Appellant after receiving the TP Order.
  - 4) That the Learned Assessing Officer erred in charging interest of Rs 32,111,998 under section 234B of the Act.
  - 5) That the Learned Assessing Officer erred in charging interest of Rs 5,523,696 under section 234D of the Act.
  - 6) That on the facts and in the circumstances of the case, the Learned Assessing Officer erred in law in initiating penalty proceedings under section 271(1)(c) of the Act.
3. Briefly the facts of the case are that the appellant is a company incorporated under the provisions of the Companies Act, 1956. It is a

100% subsidiary of M/s. Volvo Truck Corporation, AB, Sweden. It is engaged in the business of manufacture and sale of trucks, buses and distribution of construction equipment, etc.

4. The appellant filed the return of income for the assessment year 2005-06 on 31.10.2005 declaring a total income of Rs.162,76,44,630/-. The said return of income was taken up for scrutiny assessment after issuing requisite notice under section 143(3). The AO, after noticing that the appellant had entered into following international transactions with its AE had referred the matter to the TPO for the purpose of bench marking the above international transactions with its AE:

Sl. No.	Nature of International Transactions	Amount (Rs.)
1	Purchase of truck kits in completely knocked down and semi knocked down condition	95,08,88,904
2	Purchase of spares and components	2,10,98,147
3	Exports of components	8,37,53,300
4	Exports of Trucks	46,06,93,174
5	Warranty claims	10,88,49,924
6	Purchase of Bus Kits completely knocked down and semi knocked down condition	33,91,55,491
7	Purchase of automotive parts and components	24,07,23,341
8	Purchase of VCE kits completely knocked down condition	135,36,12,365
9	Purchase of capital equipment	38,043
10	IT enabled services provided	27,36,14,493
11	IT enabled services availed	1,10,98,890
12	Reimbursement of expenses received	2,50,93,152
13	Reimbursement of expenses paid	64,49,360
14	Royalty	6,96,99,000
15	Purchase of printed matter and subscription	9,19,704
16	Management fee (Mfg & distribution)	26,22,91,000
17	Technical Fee Paid	8,80,00,000

5. The appellant in his TP study had applied Transactional Net Margin Method (TNMM) to establish the transaction with its AE at arm's length.



The TPO while accepting that the transaction other than the management fee and royalty are at arm's length, had proceeded to determine the ALP in respect of management fee and royalty of Rs.26,22,19,000/- paid to Volvo Truck Corporation, Sweden, the parent company of the appellant. Out of this, Rs.13,60,00,0000/- was paid in respect of manufacturing segment and Rs.12,62,19,000/- was paid towards distribution agreement. During the course of proceedings before the TPO, the appellant submitted vide its letter dated 21.09.2007 regarding nature of services rendered by its AE in respect of marketing and support services in respect of Volvo group.

**“Marketing and Management Support services rendered by Volvo Group**

*Volvo Group is one of the world's largest producers of trucks, buses, construction equipment. It holds a leading position in the fields of marine engines, industrial power systems and aircraft engine components. Volvo Group owns virtually all the valuable intellectual property rights (know-how, copyrights, etc.) and other commercial or marketing intangibles (brand names, trademarks, etc.) and is involved in complex operations like initial product R&D and engineering apart from continuous research and development.*

*Volvo India is engaged in the manufacture of trucks and buses and undertakes distribution of construction equipment and after market parts. Volvo India also provides marketing support and administrative support services for IT outsourcing to other Volvo Group companies worldwide. Volvo India carries out these activities based on the Master Agreement with AB Volvo (Pvt), a Group company dated April 01, 2001.*

*Volvo India sells its products in India under the brand name of “Volvo”. Volvo Group has supported your assessee in brand building, creating a corporate identity and in protecting the brand identity in India. Moreover, as part of brand protection initiative, Volvo Group has reimbursed substantial legal costs incurred by assessee in appointing investigation agencies to identify Volvo imitations in the Indian market and to curb the rise of the same by initiating legal proceedings against imitators.*

*All the marketing material like brochures, souvenirs, films and material for putting up of stalls at exhibitions or events is provided to your assessee by Volvo Group.*

*Volvo Group also organizes for customer visits to its various facilities to boost customer confidence levels. As part of brand building exercise, media personnel from India were sponsored for a trip to Sweden by Volvo Group. These efforts have provided your assessee with a strong brand image in India and without the assistance of Volvo Group the same would not have been possible.*

*Volvo Group as part of corporate social responsibility has initiated a Volvo environmentalist award and several Indians have won the same over years. Several safety, emission and quality seminars are held as part of promoting the Volvo Group's core values across the globe. A select batch of school children from India was called for a tour to Sweden by Volvo Group to generate environment consciousness among young global citizens. Volvo Group sponsors several sports events like Golf, motor events and boat races across the world such as Volvo Youth Sailing Regatta which is also known in the sailing world as the Youth Olympics as part of global sailing strategy that culminates every four years in the Volvo Ocean Race. Such global brand building exercise helps your assessee to project a global image in India.*

*Several brand surveys as well as customer satisfaction surveys (Volvo Attitude survey) are undertaken by Volvo Group and the results of the same are shared with Volvo India.*

*These provide valuable inputs of positioning its products to the requisite customers in India. Thus, through all the above initiatives Volvo Group provides your assessee with the required brand identity, value and culture for marketing the products in India.*

*As a knowledge sharing initiative, Volvo Group has hosted intranet website containing information on contacts handling, marketing communication, results of Volvo Global surveys, films on brands and product and general communication portal. All the above help*

*the personnel at Volvo India feel a part of the Global Volvo team and focus on their functions better.*

*Volvo Group also provides and shares the product and market strategies and plans with your assessee's personnel, thereby providing an insight for them into the Volvo global business operations. Knowledge of other market experiences is also shared with India. Volvo Group has undertaken Customer profiling for Volvo India by means of launch under Area Asia. All the above mentioned support flowing from Volvo Group to assessee has helped it secure a niche position in the Indian market. The same has contributed to the growth in revenues of assessee.*

*Further, Volvo Group also provides after market services to Volvo India in the nature of assistance in drafting the service agreements; education, audit expertise, training etc to the employees in respect of warranty services; technical education and training; training to the drivers along with the presentations, films etc. Specific Volvo Group personnel come down to perform the above training services and assist in analysis of complicated technical issues.*

*Volvo India has been receiving these services over a period of time which has contributed to an increase in its revenues and operating margins. Accordingly, the Master Agreement was amended and an "Addendum To Master Agreement" was executed between Volvo India and AB Volvo (Pvt) to include the management support services among other things.*

**Benefits accrued to Volvo India from such services**

*The marketing and management services received from Volvo Group have helped your assessee to create a niche in the Indian market as well as export its products to other Asian regions. This would not have been possible without the support from Volvo*

*Group as the compliance of other countries as well as other regulatory compliances would have been difficult to map.*

*Firstly, the usage of the trademark and brand name of "Volvo" provides a definite advantage to Volvo India, as this is a well-known brand in the international market. Hence, the charge towards the use of brand is commercially justified in view of the competitive advantage that assessee garners in the commercial vehicles market due to the association with the "Volvo" brand.*

*These services have also added value to Volvo India in all perspectives and have resulted in significant gains both from the economic and commercial perspective of the company. All the functional departments, Production, Planning, Sales, Marketing, Distribution, Stores, Purchase, Finance and Accounts have reflected better performances by benefiting from these services. The Human Resource Department has also been able to effectively and efficiently manage employees through imparting training to its employees with the help of the services received from Volvo Group. This has reduced the bottlenecks in production process and inventory management and working capital management, which has led to reduced operating and administrative costs that has resulted in increased profitability. Through these services your assessee has benefited as is evident from the overall efficiency achieved by your assessee in its entire spectrum of operations (provided in the latter part of the submission).*

*In the instant case it can be clearly seen that the Volvo Group provides valuable commercial benefits/ services to assessee, which normally would have a positive affect on the revenue growth. The nature of marketing and management services rendered by Volvo Group are critical to the core business of your assessee. As can be seen from the nature of services outlined in the Agreement, most of them would enable assessee regulate or improve its business capabilities, and being a player in the commercial vehicles industry, where technology and quality are the profit drivers and differentiate the company from competitors, these services would definitely boost profits. The above paragraphs have actually been rendered and that benefit has accrued to assessee which is evident from the profit margins achieved by your assessee over a period of time (Please refer the table below)*

Amount Rs in '000s

Particulars	2002-03	2003-04	2004-05			2005-06		
			Mfg	Dist	Total	Mfg	Dist	Total
Sales	2,213,744	3,226,901	3,479,485	3,301,339	7,091,878	3,671,295	5,599,113	10,397,379
Operating Expenses	2,154,650	2,639,659	3,068,378	2,192,174	5,536,172	2,966,048	3,648,281	7,157,827
Operating Profit	59,094	587,242	411,107	1,109,165	1,555,706	705,247	1,950,832	3,239,552
OP/ Sales	3%	18%	12%	34%	-	19%	35%	-

*Payments for Management & Marketing Services*

*The managerial support provided by Volvo Group to assessee results in the payment of management fees towards the building and retention of the Volvo image in India and world-wide.*

*Volvo Group has supported assessee for its brand building, creating a corporate identity and for protecting the brand identity in India. Volvo Group endeavors to create and maintain customer confidence and invites customers and the media to visit their plants at various locations across its facilities. This has provided assessee with strong brand image in India that would otherwise require strong efforts and a large capital outlay to build.*

*Volvo Group as part of managerial support also provides various performance benchmarks for the assessee to measure itself thereby helping to improve the efficiencies, productivity, and revenue per person and consequently helping to achieve organizational objectives and goals. Volvo Group also assists Volvo India to roll out several training programs for its personnel and thereby contributes in enhancing the skills of assessee personnel. The performance appraisal system of Volvo India's personnel is also centralized and monitored by Volvo Group thereby ultimately monitoring the competency development of the assessee's personnel.*

*During the assessment year 2005-06 Volvo India has paid the management services and marketing assistance fees in respect of both the Manufacturing and Distribution segments.*

*Your good self would appreciate that the fees paid has been benchmarked separately for the Manufacturing segment and Distribution segment on an aggregate basis under the Transactional Net Margin Method (TNMM). (Please refer the Transfer Pricing Study submitted to your good office vide letter dated February 19, 2007). Further, the operating margin earned by your assessee in each of the segments is higher than the operating margin of comparable companies as demonstrated in the Transfer Pricing Study as well as per the*

*contemporaneous data furnished vide letter dated June 18, 2007. This further strengthens our case that the international transactions of Volvo India that impact its profitability are at arm's length and hence satisfy the 'Arm's Length' standard required under the Indian Transfer Pricing Regulations.*

*We have attached herewith the copy of the invoices and documents evidencing that the services have been received and benefits derived by Volvo India.*

6. Thus it was submitted before the TPO that the Volvo Group had supported the appellant in brand creating, corporate identity and in protecting the brand identity in India. When the assessee was asked to produce the details of the expenditure incurred on the following, no details or evidences in respect of such expenditure were furnished by the appellant before the TPO:



1. Customer visits to various facilities of Volvo Group.
2. Mediaperson visits to Sweden
3. Visit of school children from India to Sweden
4. Sponsoring by Volvo Group several sports events
5. Brand surveys undertaken by Volvo Group in India
6. Knowledge sharing
7. Volvo Group shares product and market strategies
8. Customer profiling done by Volvo Group
9. Assistance in drafting service agreements
10. Training of taxpayer's personnel by the technical people of Volvo group entities.

Therefore, the TPO concluded that no actual services were rendered by the AE and also no benefit out of such expenditure was derived by the assessee company and therefore concluded that the ALP in respect of the above transactions is "Nil". The conclusions of the TPO on these transactions are as under:

1. The taxpayer paid management fee through a single invoice raised in September, 2005, much after the closure of the financial year 2004-05
2. The taxpayer did not pay any management fee in the previous year 2003-04, but started paying substantial amounts of Rs. 26.22 crores, Rs. 37.89 crores and Rs. 42.62 crores for the FY 2004-05, FY 2005-06 and FY 2006-07.
3. The taxpayer failed to produce any evidence regarding the expenditure incurred by the AE on behalf of the taxpayer.
4. The AE, Volvo Truck Corporation, also did not give any details of expenditure incurred by it in connection with management fee received by it. Further, as per the transfer pricing strategy adopted by the AE, the profitability of Volvo India is the determining factor in deciding the management fee and is not based on the services rendered by it.
5. The taxpayer changed its stand many times during the course of hearings that the payment is made towards marketing services and / or brand, trademark etc.
6. The taxpayer has not shown whether such services are rendered except producing invoice copy and describing the nature of services.
7. The taxpayer has not shown how such services would be valued by an independent entity dealing in similar circumstances.

8. The taxpayer did not show what is the tangible and substantial commercial benefit derived by such huge payment of Rs. 26.22 crores, when compared to Nil payment made during the preceding year. The taxpayer tried to explain the tangible benefit by showing the improved profitability in this year when compared to last year. But, the actual reason for the improved profitability is due to the increased (doubled when compared to the previous year) gross margin in the distribution segment of construction equipment, where no service element is involved except the difference between the purchase and sale price.
9. As admitted by the taxpayer, in the commercial vehicle industry, the revenues were driven by technology and quality and not by the marketing efforts as evidenced by low selling and business promotion expenses in the case of taxpayer for the last two to three years.
10. When the taxpayer is capable of rendering marketing services to its group company in respect of Volvo products in India and Asian region, it would be very difficult to agree with the taxpayer that it has taken the help of the AE for marketing efforts, especially when the marketing is majorly concentrated in India.
11. The taxpayer's management fee is nothing but siphoning off profits from India with minimum incidence of tax as the taxpayer has paid only 10% , when compared to the tax rate of 40% (30% tax + 10% dividend tax) if the same was shown as profits and remitted as dividend.
12. The imports from AEs constitute major consumption of raw material / purchases indicating that the AEs are already compensated enough in the form of purchase price and also compensated for the value addition in India by way of royalty paid based on the technology received from AE.
13. The taxpayer did not prove the arm's length nature of management fee paid to Volvo Truck Corporation.

7. Thus the AO concluded that the ALP in respect of management support services is "Nil" and suggested adjustment of Rs.26,22,19,000/- under section 92CA of the Act. The AO passed the final assessment order under section 143(3) vide order dated 19.12.2008, incorporating the above adjustment.

8. Being aggrieved, an appeal was preferred before the CIT(A), Large Taxpayers Unit, Bangalore, who vide impugned order had confirmed the addition. Hence, the appellant is before us in the present appeal.

9. The learned Sr. Counsel Shri. Pardiwala vehemently contended that the TPO cannot determine ALP at "Nil" by holding that there was need to incur such expenditure and by questioning the necessity of benefit of

expenditure incurred and reliance in this regard was placed on the decision of Hon'ble Delhi High Court in the case of CIT Vs. EKL Appliance Ltd., 345 ITR 241. As regards the rendering of services, the learned counsel vehemently argued that the TPO impliedly satisfied with the condition of rendition of services. Alternatively, he submitted that the transaction of payment of management support fee should be aggregated and be considered to be a single transaction and ALP should be determined by applying TNMM. On other hand, the learned CIT(DR) placed reliance on the orders of TPO and CIT(A) and submitted that the condition of rendition of services is sine qua non for allowing the same as a deduction.

10. We heard the rival submissions and perused the material on record. The issue in the present appeal is whether the AO/TPO was justified in adopting the ALP at Rs.Nil in respect of management and support services fee paid by the appellant to its AE. Primarily, the TPO determined the ALP as Nil for the following reasons:

- i. The assessee paid management fee through a single invoice, raised much after the closure of the financial year.*
- ii. The Assessee failed to produce any evidence regarding the expenditure incurred by the AE on behalf of the assessee.*
- iii. The AE, Volvo Truck Corporation also did not furnish any details of expenditure incurred by it in connection with the management fee received by it.*
- iv. The assessee changed its stand many times during the course of the hearings that the payment is made towards marketing services and / or brands, trademarks etc.*

11. No doubt, now it is settled proposition of law that it is beyond scope and powers of AO/TPO to question the necessity of incurring any

expenditure. The Hon'ble Delhi High Court in the case of CIT Vs. EKL Appliance Ltd. 345 ITR 241 held that TPO cannot determine the ALP at Nil by holding that there was no need to incur any expenditure. The above decision was followed by the several coordinate benches of the Tribunal, some by them are as follows:

- i. *Dresser-Rand India (P.) (supra)*
- ii. *Ericsson India (P.) Ltd. v. Dy. CIT [2012] 25 taxmann.com 472 (Delhi)*
- iii. *AWB India (P.) Ltd. v. ACIT [IT Appeal No. 4454 of 2011] (Delhi - ITAT); AY 2007-08*
- iv. *SC Enviro Agro India Ltd. v. Dy. CIT [2013] 34 taxmann.com 127/143 ITD 195 (Mum. - Trib.)*
- v. *Abhishek Auto Industries Ltd. v. Dy. CIT [2011] 9 taxmann.com 27 (Delhi)*
- vi. *McCann Erickson India (P.) Ltd. (supra)*
- vii. *DSM Anti-Infectives India Ltd. v. Addl. CIT [2014] 50 taxmann.com 239 (Chd. - Trib.)*
- viii. *TNS India (P.) Ltd. (supra)*
- ix. *Atotech India Ltd. v. Asstt. CIT [2014] 148 ITD 670/42 taxmann.com 468 (Delhi - Trib.)*
- x. *Nippon Leakless Talbros v. ACIT [IT Appeal No. 5931 (Delhi) of 2012] - AY 2008-09*
- xi. *Nippon Leakless Talbros v. ACIT [IT(TP) Appeal No. 475 (Delhi) of 2015] - AY 2010-11*
- xii. *Hughes Systique India (P.) Ltd. v. Asstt. CIT [2013] 36 taxmann.com 41 (Delhi - Trib.)*
- xiii. *Knorr-Bremse India (P.) Ltd. v. Asstt. CIT [2013] 56 SOT 349/27 taxmann.com 16 (Delhi - Trib.)*
- xiv. *Thyssen Krupp Industries India (P.) Ltd. v. Asstt. CIT [2013] 55 SOT 497/[2012] 27 taxmann.com 334 (Mum. - Trib.)*
- xv. *LG Polymers India (P.) Ltd. v. Addl. CIT [2011] 48 SOT 269/15 taxmann.com 79 (Vishakhapatnam)*

12. Thus in the light of the above legal position, the ALP of services of AE cannot be determined at Nil by questioning the necessity of benefits of expenditure incurred. But the matter does not end there. The onus lies on the assessee to prove that the services are actually rendered by the AE. But the assessee had failed to discharge this onus lying upon it despite being asked to do so by the TPO. The TPO had especially invited the assessee company to produce the proof in support of the services

rendered by AE. The appellant only had tried to prove this by producing some correspondence which does not prove that the services are actually rendered. The failure by the assessee to discharge the onus can be presumed that the assessee had no evidence to establish that services of management support are rendered by its AE in consideration to payment of Rs.26,22,19,000/-. This presumption can be drawn even as per the provisions under section 86 of Indian Evidence Act. The submission that the TPO had impliedly accepted the rendition of services cannot be accepted as there was no finding given by the TPO that services are actually rendered. In fact, the TPO while summarizing this observation vide page No. 30 of his order vide column No.6 had specifically mentioned that the assessee had failed to prove that the services are actually rendered by AE. Furthermore the finding of the TPO that the invoice was raised much after the closure of the accounting year and the payment of management fee in nothing but siphoning of the profits from India with the intention of avoiding tax are serious enough to doubt the genuineness of transactions. The appellant had made no effort to controvert the findings of the TPO. Therefore, in our considered opinion the TPO/AO is justified in adopting ALP at Nil.

13. Now we shall deal with the alternative submission of the learned counsel for the appellant that the transaction of management and support fee should be bundled with other transactions and bench marked by adopting TNMM cannot be accepted for the reason that bundling of transactions is permissible only when the transactions are closely related to

each other and reliance in this regard can be placed on the decision of Delhi High Court in the case of Sony Ericsson Mobile Communications India Pvt. Ltd., Vs. CIT 374 ITR 118 and Punjab Haryana High Court in the case Knorr Bremse India (P) Ltd., Vs. Asst. CIT 2016 (380 ITR 307). It is not the case of the appellant that these transactions are closely linked with the other transactions and therefore the submission that these transactions should be bundled with other transactions cannot be accepted.

14. In the result, the appeal filed by the assessee is dismissed.

*Pronounced in the open court on this 16<sup>th</sup> day of December, 2016.*

**Sd/-**  
**(ASHA VIJAYARAGHAVAN)**  
**Judicial Member**

**Sd/-**  
**(INTURI RAMA RAO)**  
**Accountant Member**

Bangalore.  
Dated: 16<sup>th</sup> December, 2016.  
/NS/

Copy to:

1. Appellants
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT, Bangalore.
6. Guard file

By order

Assistant Registrar,  
ITAT, Bangalore.