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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\# **CNR No. DLHC010978092023**

\+ ITA 188/2025 & CM APPL. 36317/2025

\# **CNR No. DLHC010978182023**

\+ ITA 191/2025 & CM APPL. 36402/2025

PR. COMMISSIONER OF INCOME TAX, DELHI-7 .....Appellant

Through: Mr. Puneet Rai, SSC with Mr.Ashvini Kumar & Mr. Rishab Nangia, JSCs, Mr. Nikhil Jain & Ms. Nancy Jain, Advs.

versus

SUZUKI MOTORCYCLE INDIA PVT LTD .....Respondent

Through: Mr. Ajay Vohra, Sr. Adv. with Mr.Neeraj Jain & Mr. Aniket D Agrawal, Advs.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

O R D E R

% 10.08.2026

1. By way of the present appeals preferred under Section 260A of the Income Tax Act, 1961, laying a challenge to the order dated 22.11.2022 passed by the Income Tax Appellate Tribunal, Delhi Bench 'I', New Delhi (hereinafter referred to as '*the Tribunal*'), the appellant/Department has proposed the following question of law:

> *"Whether on the facts and circumstances of the case and in law, the Tribunal was justified in rejecting the Advertising, Marketing, and Promotion (AMP) adjustment by applying the Bright Line Test, by relying*

> *upon the cases of* ***Sony Ericsson Mobile Communications India Pvt. Ltd. v. Commissioner of Income Tax*** **[2015] 374 ITR 118 (Delhi)** *and* ***Maruti Suzuki Ltd. v. Commissioner of Income Tax*** **[2016] 381 ITR 117 (Delhi)**, *when the matter in these cases is pending before Hon'ble Supreme Court of India on the issue of AMP expenses?"*

2. The question itself suggests that the Tribunal has relied upon the judgments rendered by this Court in the cases of ***Sony Ericsson (supra)*** *and* ***Maruti Suzuki Ltd (supra)*.**

3. Mr. Vohra, learned senior counsel for the respondent/assessee, submitted before us, a compilation containing a series of judgments and submitted that this Court has, in innumerable cases, held that the Bright Line Test is not a method sanctioned by law and therefore, the present appeals are liable to be dismissed.

4. He further submitted that SLP being **SLP(C)29270/2016** titled ***Commissioner of Income Tax (LTU) v. M/s Whirlpool Of India Ltd.,*** filed against the judgment dated 22.12.2015 rendered by this Court in **ITA 610/2014** titled ***The Commissioner of Income Tax-LTU v. Whirlpool Of India Ltd.,*** has also been rejected by the Supreme Court vide order dated 20.11.2024.

5. Mr. Rai, learned senior standing counsel for the appellant/Department, on the other hand, submitted that the SLP(s) against the judgments of this Court rendered in ***Sony Ericsson (supra)*** and ***Maruti Suzuki (supra)*** are pending and the very issue as to whether the Bright Line Test method can be used for the purpose of determining as to whether incurring AMP expenses result in international transaction itself, is pending before the Supreme Court.

6. Having regard to facts and circumstances of the case, we dismiss these

appeals filed by the Department, following the judgments of this Court in ***Sony Ericsson (supra)*** and ***Maruti Suzuki (supra)***. We, however, make it clear that the Revenue shall not be required to file separate appeal(s) against the order instant and in case, the SLP(s)/appeal(s) filed by the Revenue against the judgment rendered in ***Sony Ericsson (supra)*** and ***Maruti Suzuki (supra)*** is allowed, the law so declared shall *mutatis mutandis* apply to assessee's case, as well and consequence shall follow.

7. All pending applications are also disposed.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

AUGUST 10, 2026
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