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

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*Date of decision: 24.04.2025*

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**ITA 112/2025**

**PR. COMMISSIONER OF INCOME**

**TAX-7, DELHI**

.....Petitioner

Through: Mr. Puneet Rai, Advocate.

versus

**M/S WRIGLEY INDIA PVT. LTD.**

.....Respondent

Through: Ms Mohna M. Lal, Ms Anushka Arora, Advocates.

**CORAM:**

**HON'BLE MR. JUSTICE VIBHU BAKHRU**

**HON'BLE MR. JUSTICE TEJAS KARIA**

**ORDER**

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**24.04.2025**

**VIBHU BAKHRU, J. (Oral)**

**CM APPL. 23898/2025**

1. Exemption is allowed, subject to all just exceptions.
2. The application is disposed of.

**CM APPL. 23899/2025**

3. For the reasons stated in the application, the delay of 89 days in refiling the present appeal is condoned.
4. The application is disposed of.

**ITA 112/2025**

5. The Revenue has filed the present appeal impugning an order dated 24.07.2024 passed by the learned Income Tax Appellate Tribunal [**‘the Tribunal’**] in ITA 7440/Del/2017 in respect of assessment year [**‘AY’**]



2012-13. By the impugned order, the learned Tribunal dismissed the appeal [ITA 7440/Del/2017] preferred by the Revenue against the order passed by the CIT(A), whereby the CIT(A) had accepted that the Advertising, Marketing and Promotional [‘AMP’] expenses do not constitute a separate international transaction and it is erroneous to benchmark such expenses by using the Bright Line Test [‘BLT’].

6. It is material to note that the Transfer Pricing Officer [‘TPO’] had rejected the Assessee’s contention that the AMP expenses are not an international transaction by referring to the articles and information available on the internet, to the effect that the Wrigley Group had undertaken an exercise for strengthening their brands world-wide.

7. The CIT(A) found that in the given facts of the case, the AMP expenses were not incurred as a separate international transaction. As noted above, the said view was upheld by the learned ITAT.

8. It is noted that the decision of the CIT(A) as well as the learned ITAT are based on the given facts in the present case. Undisputedly, AMP expenses cannot be considered as separate international transactions where the same are incurred in the normal course of business and there is no material to establish the same were incurred as a transaction between the Assessee and its associate enterprises. Concededly, the said issue is covered in the favour of Assessee by the decisions of this Court in *Sony Ericsson Mobile Communication India Pvt. Ltd. v. CIT-3:[2015] 374 ITR 118 (Delhi)* and *Maruti Suzuki India Ltd. v. CIT: (2016) 381 ITR 117*. It is also relevant to note that in the Assessee’s own case being *Principal Commissioner of Income Tax-9 v. Wrigley India Pvt. Ltd.: Neutral Citation No. 2023:DHC:7818-DB*, this Court had, following the decision in the case of *Maruti Suzuki India Ltd. v. CIT (supra)* rejected the Revenue’s



appeal in respect of AY 2010-11. The present appeal will necessarily have to bear the same fate.

9. In the given facts, we find that no substantial questions of law arise for consideration of this Court.

10. The appeal is, accordingly, dismissed.

**VIBHU BAKHRU, J**

**TEJAS KARIA, J**

**APRIL 24, 2025**

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*Click here to check corrigendum, if any*