Pr. Commissioner of Income Tax-1 v. Casio India Company Pvt. Ltd.

ITA 505/2025

ITA 505/2025 (Del HC, decided 09.10.2025) | 2025-10-09

AMP adjustment: Revenue appeal for AY 2017-18 dismissed following Casio's earlier cases rejecting the bright-line method.

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

Assessment years: 2017-18

01 FACTS OF THE CASE

Revenue challenged the ITAT order dated 19 July 2022 for AY 2017-18. The Tribunal had allowed Casio's appeal by following a coordinate-bench decision. The High Court condoned 980 days' delay in re-filing before considering the appeal.

Source: PDF pp.1–2, paras 1–3

02 DISCUSSION BY THE HON'BLE COURT

The Court followed its earlier Casio decisions in ITA 211/2022 and 67/2022 and noted the further decision in ITAs 415 and 416/2025. The reproduced reasoning concerns AMP adjustments and rejection of the bright-line test following Sony Ericsson. The figures and earlier assessment years in that quotation belong to those earlier cases.

Source: PDF pp.2–4, paras 4–5

03 JUDICIAL DECISION

For the same reasons as ITA 211/2022, ITA 505/2025 was dismissed because no substantial question of law arose.

Source: PDF p.4, para 6

04 OUTCOME / IN WHOSE FAVOUR

Assessee successful for AY 2017-18; the ITAT relief remains undisturbed.

Source: PDF p.4, para 6

05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

Identify the benchmark actually rejected: The adopted reasoning rejects the bright-line method used for AMP adjustments in the earlier Casio litigation. It supports comparison with the same issue and methodology, rather than a statement that every marketing expense is incapable of being an international transaction. The short present order does not independently examine every possible AMP arrangement. (PDF pp.3–4)

Separate present facts from quoted history: AY 2017-18 is the year before this Court. The Rs.5,92,56,798 proposed adjustment and Rs.7,65,16,936 upward adjustment appear in the quotation about AY 2011-12; they are not quantified relief for this appeal. Similarly, the quoted AY 2014-15 decision should not be relabelled as the current case. (PDF pp.2–3)

Read the outcome against the complete order: Page 2 refers to earlier decisions favouring the respondent/revenue, although Revenue is the appellant. The reproduced decisions and operative paragraph consistently dismiss Revenue's appeals. The isolated party-label error does not reverse the result. Also, condonation of re-filing delay is separate from the substantive dismissal. (PDF pp.1–4)

Source: PDF pp.3–4

SOURCE & VERIFICATION

Original High Court judgment PDF — AKHB source repository

Complete 4-page original reviewed; source bytes verified.

Full original and all five panels re-reviewed on 21 October 2026.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

STATUTORY SCOPE

Current law and subsequent treatment not independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have 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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