Pr. Commissioner of Income-tax-7, Delhi v. Steria India Pvt. Ltd.

ITA 739/2025

2025:DHC:11271-DB | ITA 739/2025, CM APPL.77781/2025 | Delhi High Court, 12 December 2025 | 2025-12-12

Transfer pricing: covered comparable-company issues, operating foreign exchange treatment under Ameriprise, and 1,265-day re-filing delay; Revenue appeal dismissed.

Income-tax Act, 1961: section 92F(ii); Income-tax Rules, 1962: rule 10B(2)–(3)

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

Assessment years: 2010-11

01 FACTS OF THE CASE

Revenue challenged ITAT's common order dated 17 November 2020 in ITA 512 and 511/Del/2016 for AYs 2010-11 and 2011-12; counsel identified this appeal principally with ITA 512 and AY 2010-11. Proposed questions disputed foreign exchange treatment and comparable exclusions. Revenue accepted that all proposed questions except 2.2 were covered against it by the authorities in the filed chart.

Source: PDF p.1

02 DISCUSSION BY THE HON'BLE COURT

The reproduced chart linked exclusions to brand value, functional differences, amalgamation, related-party transactions and absent segmental data, depending on the company. For question 2.2 the Court applied Ameriprise, ITA 206/2016, decided 23 March 2016, concerning operating treatment of exchange gains/losses from trading items. It held that question likewise did not arise. Additionally, a 1,265-day delay in re-filing independently disinclined the Court to interfere.

Source: PDF p.4

03 JUDICIAL DECISION

The appeal and pending application were dismissed. The Court relied on the covered issues and additionally the re-filing delay.

Source: PDF p.8

04 OUTCOME / IN WHOSE FAVOUR

The challenged Tribunal relief survived for this appeal. The order does not set a universal list of excluded companies for every taxpayer or assessment year.

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05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Distinguish the conceded issues from the reasoned forex point — Revenue accepted precedent coverage except question 2.2. That remaining issue was separately disposed of through Ameriprise, whose quoted reasoning links exchange effects to trading items and cost-plus pricing. It does not support classifying all exchange movements as operating regardless of their underlying transaction.

A comparables chart requires company-specific reading — The chart gives different reasons for different companies: brand value for certain large providers, amalgamation and other features for Accentia and Infinite, and functional/segmental concerns elsewhere. It also includes Infosys Technologies and Wipro, with numbering differing from the proposed questions. Use the named company, segment and cited underlying decision, rather than treating the chart as one generic six-company exclusion rule.

Keep quoted facts and procedural grounds with their own case — The 22 January 2016 APA and Ameriprise USA agreement occur inside the quoted precedent, not as Steria findings. The Court's separate re-filing ground is 1,265 days; it gives no detailed account of a sufficient-cause explanation. Both the precedent disposition and that additional ground should accompany reliance on the result.

Source: PDF p.3

SOURCE & VERIFICATION

High Court of Delhi official judgment PDF — AKHB Repository (20251212_DLHC010593032021.pdf)

8-page official High Court of Delhi order/judgment PDF (20251212_DLHC010593032021.pdf, 116,063 bytes).

All 8 original pages read and visually inspected; all five panels audited.

Open cited source rendition

All eight original pages, including the comparable-company chart, visually checked against source text.

STATUTORY SCOPE

Section 92CC appears only in the quoted Ameriprise decision. That quotation does not establish an advance pricing agreement for Steria. This appeal principally concerns AY 2010-11.

LATER TREATMENT

Source checked 2026-10-21. Subsequent 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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