$~7

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

\+ ITA 84/2026

PR COMMISSIONER OF INCOME TAX (CENTRAL) 3 NEW DELHI .....Appellant

Through: Mr. Shlok Chandra, SSC with Ms.Naincy Jain, JSC Ms.Madhavi Shukla, JSC & Mr. Udit Dad, Adv.

versus

OPPO MOBILES INDIA (P) LTD .....Respondent

Through: Mr. Vishal Kalra, Mr. Anil Kumar & Ms. S. Kalra, Advs.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE VINOD KUMAR

O R D E R

% 17.03.2026

CM APPL. 6933/2026 ***(Exemption)***

1. The application seeking exemption from filing certified copies of the annexures is allowed.

2. The application is disposed of.

CM APPL. 6934/2026 ***(Delay in filing)***

3. For the reasons stated, the application seeking condonation of 7 days' delay in filing the appeal is condoned.

4. The application is disposed of.

CM APPL. 6935/2026 ***(Delay in re-filing)***

5. For the reasons stated, the application seeking condonation of 560 days' delay in re-filing the appeal is condoned.

6. The application is disposed of.

ITA 84/2026

7. The instant appeal has been preferred to set aside the order dated

23.01.2024 passed by Income Tax Appellate Tribunal, Delhi Bench "E" *(hereinafter referred to as "Tribunal")* and to seek adjudication of the following questions of law:

1) Whether on the facts and in the circumstances of the case and in the provisions of law, the Tribunal was correct in deleting the additions made by the assessing officer without appreciating the facts of the case?

2) Whether on the facts, circumstances, and law of the case, the Tribunal was justified in upholding the deletion of the Brand Ambassador expenses as revenue expenditure, while failing to appreciate that such massive outlays for brand building in a nascent market result in an enduring benefit and the creation of an intangible asset?

3) Whether on the facts, circumstances, and law of the case, the Tribunal was justified in confirming the deletion of Advertisement and Sales Promotion expenses by ignoring the Assessing Officer's finding that expenditures on hoardings and neon signs provide benefits extending beyond the current assessment year, thus warranting treatment as capital or deferred revenue expenditure?

4) Whether on the facts, circumstances, and law of the case, the Tribunal was justified in upholding the deletion of the Provision for Warranty by incorrectly classifying a contingent liability as a present obligation?

5) Whether the Hon'ble ITAT's findings in the impugned order dated 23.01.2024 are perverse in law, insofar as the Tribunal summarily dismissed the Revenue's appeal by relying on the Assessee's claims of *"commercial expediency" without independently scrutinising the nature of the advantage obtained in a commercial sense, as required by the "enduring benefit" test?*

6) Whether the impugned order is otherwise bad in law and deserves to be set aside to the extent impugned in the present appeal?

8. Mr. Vishal Kalra, learned counsel for the respondent at the outset submitted that the issues under question Nos. 2 and 3 concerning 'Brand Ambassador expenses' and 'expenditures on hoardings and neon signs' are covered by the judgment of this Court dated 30.03.2011 rendered in the case of ***Commissioner of Income-Tax-V v. Pepsico India Holdings (P.) Ltd.*** **[2012] 21 taxmann.com 165 (Delhi)** and the issue relating to 'warranty' involved in question No. 4 is covered against the Department by another judgment of Hon'ble the Supreme Court rendered in the case of ***Rotork Controls India (P.) Ltd. v. Commissioner of Income-Tax, Chennai*** **[2009] 180 Taxman 422 (SC).**

9. Ms. Naincy Jain, learned Junior Standing Counsel for the appellant was not in a position to controvert the aforesaid position of law.

10. Having heard learned counsel for the parties and upon going through the above referred judgments, we find the contentions of Mr. Kalra to be correct. The appeal is, therefore, dismissed.

11. The appeal stands disposed of.

DINESH MEHTA, J.

VINOD KUMAR, J.

MARCH 17, 2026/kk