

Pan India Network Infravest Pvt Ltd - ITAT - Mumbai

Outcome: **In favour** of taxpayer

Category: **Notional Interest adjustment**

It is held that the transaction of share application money given to Associated Enterprise (AE) by the taxpayer **cannot be characterised as loan transaction** and no notional interest is chargeable on such amount. Reference was placed on the decision of **Bharti Airtel Limited**, which was decided on similar lines.

Johnson & Johnson Limited - ITAT - Mumbai

Outcome: **In favour** of taxpayer

Category: **Marketing Intangible**

The Tax Court held that the **'Bright Line Test' (BLT) has no statutory mandate and therefore it cannot be used as most appropriate method** to benchmark the transaction of Advertisement, Marketing and Promotion.

Accordingly, the Tax Court remanded the issue back to the file of TPO and **directed TPO to apply all the principles as laid down in Delhi HC ruling in Maruti Suzuki India.**

Johnson Controls (India) Pvt Ltd - ITAT - Mumbai

Outcome: **In favour** of taxpayer

Category: **Indenting transactions**

With respect to benchmarking of commission income for provision of indenting services to its AE, it is held that **Comparable Uncontrolled Price method** is the most appropriate method.

Further, with regards to the rate of commission to be treated as Arm's Length Price (ALP), it is held that **3.63 per cent** is the appropriate rate to be considered as ALP.

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IT Simplification Committee **releases 78 pages report (part-1)** containing draft recommendations for various stakeholders; keeping in view the complexity of law and mandate of the Committee. The Simplification Committee recommends **deferment of ICDS** in order to provide more time to taxpayers grappling with regulatory changes.

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