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

+ **ITA 294/2023**

**THE COMMISSIONER OF INCOME TAX - INTERNATIONAL
TAXATION -3**

..... Appellant
Through: Mr Ruchir Bhatia, Sr Standing
Counsel with Mr Pratyaksh Gupta,
Advocate.

versus

STARWOOD (M) INTERNATIONAL INC. Respondent
Through: Mr Divyanshu Agrawal with Ms
Pooja Mittal and Mr Vaibhav Niti,
Advs.

CORAM:

HON'BLE MR. JUSTICE RAJIV SHAKDHER

HON'BLE MR. JUSTICE GIRISH KATHPALIA

ORDER

22.05.2023

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[Physical Hearing/Hybrid Hearing (as per request)]

CM Appl.27008/2023

1. This is application filed on behalf of the appellant seeking condonation of delay in re-filing the appeal.
2. According to the appellant/revenue, the period of delay involved is 300 days.
3. Mr Divyanshu Agrawal, who appears on behalf of the non-applicant/respondent, does not oppose the prayer made in the application.
4. Accordingly, the delay is condoned.
5. The application is disposed of in the aforesaid terms.

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6. This appeal concerns Assessment Year (AY) 2014-15.

7. The appellant/revenue has laid challenge to the order dated 30.07.2021 passed by the Income Tax Appellate Tribunal [in short, "ITAT"].

8. Mr Ruchir Bhatia, learned senior standing counsel, who appears on behalf of the appellant/revenue, concedes that the issue raised in the instant matter is covered in the respondent/assessee's own case in other AYs.

8.1 In this context, Mr Bhatia has placed before us, the order dated 05.04.2023 passed in ITA 197/2023 and ITA 200/2023.

9. The Tribunal, in short, has held that centralized services fee earned by the respondent/assessee is not taxable. The fee concerns various aspects, such as sales and marketing, loyalty programs, reservation service, technological service, operational service and training programs/human resources.

10. The Tribunal has noted, that the issue stands covered by the judgment of the coordinate bench in the case of ***Director of Income Tax v. Sheraton International Inc*** (2009) 178 taxmann 84 (Del).

11. Furthermore, in the respondent/assessee's case for other AYs, the coordinate bench has followed the same approach i.e., accepted the ratio of the judgment in ***Sheraton International Inc***.

12. In view of the above, according to us, no substantial question of law arises for our consideration in the above-captioned appeal.

12.1 Accordingly, the above-captioned appeal is closed.

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13. In view of the fact, that the appellant/revenue has preferred an appeal qua the judgment rendered by the Division Bench of this Court in Sheraton International Inc., it is made clear, that if the appellant/revenue were to succeed in the said matter, parties will abide by the final decision rendered by the Supreme Court.

RAJIV SHAKDHER, J

GIRISH KATHPALIA, J

MAY 22, 2023/pmc

[Click here to check corrigendum, if any](#)

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