

**IN THE CUSTOMS, EXCISE & SERVICE TAX
APPELLATE TRIBUNAL
SOUTH ZONAL BENCH, CHENNAI**

ST/146/2008

(Arising out of Order-in-Revision No. 3/2008 dated 27.3.2008
passed by the Commissioner of Service Tax, Chennai)

M/s. Reynold's Pens India Pvt. Ltd.

Appellant

Vs.

Commissioner of Service Tax, Chennai

Respondent

Appearance

Smt. Radhika Chandrasekar, Advocate for the Appellant
Shri S. Govindarajan, AC (AR) for the Respondent

CORAM

Hon'ble Shri D.N. Panda, Judicial Member

Hon'ble Shri Madhu Mohan Damodhar, Technical Member

Date of Hearing / Decision: **02.02.2017**

Final Order No. 4014/2017

Per D.N. Panda

It is agreed proposition by both sides that when there was no provision in law for levy of taxes on the service recipient during the material period, the appellant shall not be liable to tax. Service tax has been imposed on royalty payment under "Consulting Engineering Service" with effect from 18.4.2006 on reverse charge mechanism. The Hon'ble



Supreme Court in the case of Union of India Vs. Indian National Shipowners' Association as reported in 2010 (17) STR 157 (SC) having affirmed the decision of the Hon'ble High Court of Bombay as reported in 2009 (13) STR 235 (Bom.), *holding above proposition of law*, there shall be no further controversy to demand service tax from the appellant.

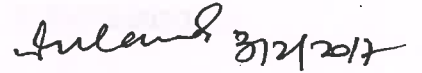
2. Accordingly, the appeal is allowed.

(Dictated and pronounced in open court)



06⁰²
2017

(MADHU MOHAN DAMODHAR)
Technical Member



(D.N. PANDA)
Judicial Member

Rex



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सामान्य उल्पादशुल्क एवं सेवा कर
अपील अधिकारम/(CESTAT)
चेन्नै/Chennai