

Parasmal Bam Vs. Commissioner of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Aug-26-2002

Reported in : (2002)(146)ELT717TriDel

Judge : N T C.N.B., P Chacko

Appellant : Parasmal Bam

Respondent : Commissioner of Central Excise

Judgement :

1. The appeal arises from rejection of refund claim of service tax paid. The appellants were subjected to service tax as Management Consultant. It is the contention of the Id. Counsel for the appellant that the appellant did not possess any professional qualification in the area of management and that he was engaged as a Consultant mainly because he had served as Managing Director of M/s. Kasyap Sweet-ners Ltd. He took us to the terms of the engagement and submitted that from Para--3 of the order of engagement it would be clear that the appointment was not for any particular consultancy services but only to ensure that the confidential information gained by the appellant during his services as Managing Director stayed with him and is not divulged.

2. As against this, Id. SDR has referred to Consultancy Bill dated 31-1-1999 and pointed out that the payment has been made to the appellant for providing consultancy on various matters related to the company's affairs for the period from December, 1998 to March, 1999 @ Rs. 1,50,000/- per month.

3. We find nothing in the definition of Management Consultant or otherwise in support of submission that a Management Consultant should have any particular academic or professional qualification. In fact, the case may be opposite also. Years of experience in management, gives persons insights which an academic cannot gather. It is also seen from the assignment agreement (para-2) that the appellant is to advice the company on matters relating to production, commercial, marketing, financial matters, etc. Ld. DR has also rightly contended, based on the Consultancy Bill, that the payment is towards professional charges.

4. In view of the above, we find no merit in the appeal. The same is dismissed.

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