

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 14.07.2017

**Coram
The Hon'ble Mr.Justice T.S.Sivagnanam**

Writ Petition No.22406 of 2004

and

W.P.M.P.Nos.27128 of 2004

and

W.V.M.P.No.1794 of 2006

Shree Karthick Papers Ltd.,
rep. by its Managing Director,
Mr.M.S. Velu.

...Petitioner

Vs.

1. The Deputy Commissioner,
Tax Recovery Cell,
Office of the Commissioner of Central Excise,
Coimbatore- 18.
2. The Superintendent of Central Excise,
Pollachi II Range, Jothi Nagar D Colony,
Pollachi.

...Respondents

Writ Petition, filed under Article 226 of the Constitution of India, for issuance of Writ of Mandamus, forbearing the respondents from in any manner, taking steps to recover the sum of Rs.6,97,567/- being the interest on delayed payment of excise duty for the financial year 2000- 01 and 2001- 02, and till the Appeal No.194 of 2003 is disposed of, by the Appellate

Authority for Industrial and Financial Reconstruction.

For Petitioner : Mr.M.Krishnappan, Senior Counsel
for M/s.R.Swarnalatha

For Respondents : Mr.K.S. Ramasamy
Senior Panel Counsel

ORDER

The petitioner has filed this Writ Petition, praying for issuance of a writ of mandamus, to forbear the respondents from taking steps to recover the interest for the delayed payment of excise duty for the financial years 2000- 01 and 2001-02, and till the Appeal in A.No.194 of 2003 is disposed of by the Appellate Authority for Industrial and Financial Reconstruction (AAIFR).

2. Heard Mr.M.Krishnappan, the learned Senior Counsel, for M/s.R.Swarnalatha, the learned counsel appearing for the petitioner and Mr.K.S. Ramasamy, learned Senior Panel Counsel for the respondents.

3. The learned Senior Counsel for the petitioner submits that, during the pendency of the proceedings, a Draft Rehabilitation Scheme has been sanctioned by the Board for Industrial and Financial Reconstruction (BIFR), vide proceedings, dated 11.05.2007, in which, a direction has been

issued to waive the interest levied by the Excise Department, for the financial years 2002 and 2005 respectively, for delayed payment of excise duty. In the light of the same, the respondents are restrained from demanding interest amount and shall abide by the decision of the BIFR in the Scheme, which was sanctioned on 11.05.2007.

4. The Writ Petition is ordered. No costs. Consequently, connected Miscellaneous Petitions are closed.

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To

1. The Deputy Commissioner,
Tax Recovery Cell,
Office of the Commissioner of Central Excise,
Coimbatore- 18.

2. The Superintendent of Central Excise,
Pollachi II Range, Jothi Nagar D Colony,
Pollachi.

14.07.2017

T.S.Sivagnanam, J.

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