IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.09.2025

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

W.P.No.6378 of 2024
and W.M.P.No.7096 of 2024

M/s.Promptech Engineering Syndicate
Represented by its Proprietor,
K.Shakthivel,
No.5/2A Srinidhi Garden,
Eachanari to Madukkarai Road,
Madhukarai Post,
Coimbatore-641 105. ... Petitioner

Vs.

1. The Commissioner of Central Excise,
No.6/7, A.T.D.Street,
Race Course Road,
Coimbatore-641 018.

2.The Deputy Commissioner of CGST & Central Excise,
Coimbatore III Division,
No.1441, Elgi Building, Trichy Road,
Coimbatore-641 018.

3.The Superintendent of Central Excise,
Customs and Service Tax,
CBE III 'E' Range,
No.9/4, Tamanujam Nagar,
B.K.Pudur,
Coimbatore-641 008.

4.The Inspector Central Excise,
CBE III 'E' Range,
No.9/4, Tamanujam Nagar,
B.K.Pudur,
Coimbatore-641 008. ... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorari, to call for the entire records in pursuant to the order passed by the second respondent vide C.No.V/16/02/2021, Misc.DIN:202402S9XM000000AB2F dated 07.02.2024 and quash the same.

For Petitioner	:	Mr.K.Sankaranarayanan
For Respondents	:	Mr.Rajinish Pathiyil Senior Panel Counsel

O R D E R

This Writ Petition has been filed challenging the proceedings of the second respondent dated 07.02.2024, wherein, the second respondent, based on Rule 8(3A) of the Central Excise Rules, 1944, has directed the petitioner to pay the arrears amount of Rs.18,20,797/- for the period from August 2011 to March 2012 in cash.

2. Heard Mr.K.Sankaranarayanan, learned counsel appearing for the petitioner and Mr.Rajinish Pathiyil, learned Senior Panel Counsel appearing for the respondents.

3. As per Rule 8 of the Central Excise Rules, 2002, the central excise duty on the goods removed from the factory or the warehouse during a month shall be paid by the 6^{th} day of the following month, if the duty is paid electronically through internet banking and by the 5^{th} day of the following month, in any other case. Further, as per the Cenvat Credit Rules, 2004, the Cenvat Credit is allowed for duty paid on 'specified

inputs/capital goods' and service tax paid on 'specified input services' used in the manufacture of finished goods and Cenvat credit can be utilized towards payment of duty on finished goods, subject to fulfilment of certain conditions.

4. The case against the petitioner is that they have filed their excise returns for the period from August 2011 to March 2012 declaring the total duty payable as Rs.29,15,030/- and have paid Rs.18,20,797/- through Cenvat Credit and the balance Rs.10,94,233/- in cash. On scrutiny of the returns, it was found that the petitioner was not eligible to avail and utilize the Cenvat Credit for the period from August 2011 to March 2012 as per Rule 8(3A) of the Central Excise Rules, 2002. Accordingly, the liability on the part of the petitioner was calculated at Rs.18,20,797/- since this is the amount which represents the wrong utilization of Cenvat Credit in contravention of Rule 8(3A) of the Central Excise Rules, 2002.

5. Notices were sent to the petitioner in this regard and ultimately, the impugned proceedings came to be passed by the second respondent dated 07.02.2024 demanding arrears amount of Rs.18,20,797/- from the petitioner.

6. It is not necessary for this Court to go into the merits of the case, since Rule 8(3A) of the Central Excise Rules, 2002, has already been struck down by various High Courts and orders have been passed even by this Court in this regard.

7. Useful reference can be made to the judgment of the Division Bench of this Court in the case of ***Commissioner of C.Ex., Chennai-III vs. Star Drugs and Research Labs Limited***, reported in ***2016 (338) E.L.T. 652 (Mad.)***.

8. This Court had taken into consideration the fact that Rule (3A) of the Central Excise Rules, 2002, has been struck down.

9. In view of the above, the demand made against the petitioner through the impugned proceedings of the second respondent dated 07.02.2024 is unsustainable and hence, the same is hereby quashed.

10. Accordingly, this Writ Petition stands allowed. There shall be no order as to costs. Connected miscellaneous petition is closed.

12.09.2025

(½)

NCC: Yes / No
Index : Yes / No
Speaking Order : Yes / No
ssb

To

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N.ANAND VENKATESH, J.

ssb

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