IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08-06-2026

CORAM

THE HONOURABLE DR JUSTICE G. JAYACHANDRAN
AND
THE HONOURABLE MRS.JUSTICE N. MALA

C.M.A.No.1844 of 2011

M/s.M.M.Forgings Ltd.,
Plant 2, Viralimalai,
Corporate Office,
95, Anna Salai, Guindy,
Chennai-600 032

...Appellant

vs

1.Customs, Excise and Service Tax,
Appellate Tribunal, South Zonal Bench,
Shastri Bhawan, Annexe, 1st Floor,
No.26, Haddows Road, Chennai-600 006.

2.Commissioner of Central Excise
Central Excise,
1, Williams Road,
Trichy-620 001.

...Respondents

Prayer:

Civil Miscellaneous Appeal has been filed under Section 35G of Central Excise Act, 1944, to set aside the Final Order No.1242/2010, dated 07.12.2010 passed by the 1st respondent with such other consequential reliefs.

For Appellant :Mr.S.Murugappan
For Respondents :Mr.A.P.Srinivas

Judgment

(Judgment of the Court was made by G.Jayachandran, J.)

The Civil Miscellaneous Appeal has been filed by the Assessee challenging the final order passed by the Customs, Excise and Service Tax Appellate Tribunal on 08.12.2010 upholding the Assessment Order of the Assessing Officer as well as the order of the Appellate Authority regarding payment of CENVAT tax vis-a-vis the refund sought by the Assessee in respect of unutilised CENVAT credit relying upon Rule 5 of CENVAT Credit Rules 2002.

2. The Assessee, being aggrieved, has raised the following Substantial Questions of Law for consideration:-

> 1.Whether the 1^{st} respondent is right in rejecting the appellant's claim for refund by going beyond the scope of Cenvat Credit Rules, 2004?
>
> 2.Whether the 1^{st} respondent is right in introducing a formula for arriving at the refund amount when the Notification No.11/2011 CE(NT) dated 01.03.2002 does not stipulate such a formula?

3. Today, the matter is taken up for final hearing. The learned counsel appearing for the Assessee/Appellant and the learned counsel appearing for the Department were heard.

4. In the course of the argument, it is brought to the notice of this Court that the issue involved in this case has been heard and decided, in case of the very same Assessee, by the Division Bench of this Court in C.M.A.No.1729 of 2015 dated 07.06.2017 wherein it has been held as below:-

> "8.According to us, the authorities below have committed an error inasmuch as in adjusting the input credit qua stock of raw materials and finished goods, available as on 31.12.2003. As is evident from the record, the period in issue is a quarter beginning from 01.10.2003 and ending on 31.12.2013. The assessee is entitled to claim refund of unutilised credit in terms of Rule 5 of 2002 Rules read with 2002 notification against the amount standing to its credit in the CENVAT credit account. There is nothing either in the Rule i.e., Rule 5 of the 2002 Rules or the 2002 notification, which provides for safeguards, conditions and the limitations which would have us conclude that the Revenue could have made the aforementioned adjustments against the closing balance reflected in the assessee's CENVAT credit account.
>
> 9. In our view, the methodology followed by the Revenue is not in consonance, either with the Rules or the notification and therefore, such adjustment ought not to have been made. We are therefore, in agreement with the submissions made on behalf of the assessee. The impugned judgment is thus, set aside. The assessee would be refunded the balance amount, equivalent to Rs.77,453/-."

5. In view of the above said judgment rendered by the Co-ordinate Bench of this Court, following the same, ***the Civil Miscellaneous Appeal stands allowed.*** No order as to costs.

(G.JAYACHANDRAN J.) **(N.MALA J.)**
08.06.2026

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

To

1.Customs, Excise and Service
Tax Appellate Tribunal,South Zonal Bench, Shastri Bhawan
Annexe, 1st Floor, No.26, Haddows Road, Chennai-6.

2.Commissioner Of Central Excise
Central Excise, 1, Williams Road, Trichy-1.

G.JAYACHANDRAN, J.
AND
N. MALA,J.

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C.M.A.No.1844 of 2011

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