BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 20.04.2026

CORAM

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.(MD)No.26073 of 2023

M/s.Dalmia Cement (Bharat) Ltd.
Represented by its Assistant Executive Director,
No.1, Main Road, Dalmiapuram,
Trichy-621 651. .. Petitioner

\- Vs. -

1.The Assistant Commissioner of GST & Central Excise
Office of the Assistant Commissioner of GST & Central Excise
Trichy 11 Division, NOA, Williams Road,
Cantonment, Tiruchirappalli-620 001.

2.The Commissioner of Central Excise,
Office of the Commissioner of Central Excise and Service Tax,
No.1, Williams Road, Cantonment,
Trichy-620 001. .. Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order in Original No.01/2023-R, dated 14.09.2023 passed by the first respondent and to quash the same and consequentially direct the respondents to grant refund.

For Petitioner : Mr.Raghavan Ramabadran
for M/s.Lakshmi Kumaran and Sridharan Attorneys
For Respondents : Mr.Gurumoorthy
Senior Panel Counsel

ORDER

The Writ Petition is filed for a Certiorarified Mandamus, challenging the order in original bearing No.01/2023-R, dated 14.09.2023.

2. Upon hearing the learned counsel for the petitioner and perusing the material records of the case, it can be seen that by the impugned order, the refund prayed for of a sum of Rs.5,30,95,620/- as claimed by the petitioner was rejected. The learned counsel for the petitioner would submit that though the impugned order reads as if it is an order of rejection of refund, he would draw the attention of the Court to paragraph No.3 of the impugned order, whereunder, in a tabular column, the interest/compensation from 06.06.1989 till 25.08.1995 at the rate of 9% and further interest from the said date till the date of payment were calculated and the said sum was arrived at. According to the learned counsel for the petitioner, the liability of the respondents arises out of the Judgment dated 21.01.2020 passed in W.P.(MD)No.18012 of 2016. Paragraphs Nos. 41 and 42 of the said Judgement are extracted hereunder for ready reference:

> *"...41. The entitlement of the petitioner, though termed 'interest', would really fall within the realm of 'compensation' as it cannot be denied that the petitioner has been deprived of a substantial amount of capital from 1989 onwards till date and till date of payment. I am thus*

of the view that the petitioner in this case is clearly entitled to compensation for the loss of capital from the date of success in its appeal before the CEGAT, being 06.06.1989 as well as compensation on the delay on payment of interest as claimed, and I order accordingly.

42. The petitioner is entitled to interest at the rate of 9% from 06.06.1989 till 25.08.1995 on the amount of refund and thereafter at the rates specified in Notifications of the Central Board of Excise and Customs in i) Notification No. 41/2000-(N.T.), ii) Notification No. 24/2001- Central Excise (N.T.) Dt.11/05/2001 (F.No.B-10/1/2001-TRU), iii) Notification No.17/2002- CE(N.T.) Dt.13/05/2002 (F.No.B-10/3/2002-TRU) and iv) Notification No.67/2003- CE (N.T.) Dt. 12/09/2003 (F.No.04/07/2003 CX.I) and interest at the rate of 6% till date of payment, to be paid over to it within a period of six (6) weeks from date of receipt of a copy of this order."

In view thereof, the respondents have no other option than to pay the interest.

3. The learned Senior Panel Counsel for the respondents is not in a position to deny that their further appeals to the Hon'ble Division Bench of this Court as well as by the Hon'ble Supreme Court of India, have been dismissed. As a matter of fact, the Hon'ble Division Bench of this Court, by a Judgment dated 29.04.2025 in W.A.(MD)No.593 of 2021, has confirmed specifically mentioning about the interest that is payable being 9% and 6% and dismissed

the appeal filed by the respondent department. The further appeal to the Hon'ble Supreme Court of India in SLP (Civil) Diary No.7395 of 2026 was also dismissed by the Hon'ble Supreme Court of India by Judgment dated 23.02.2026. As a matter of fact, it is now brought to the notice of this Court that the assessee is also feeling aggrieved by the order as prayed for further interest and the said special leave petition in S.L.P(C) No.18733 of 2026 is pending before the Hon'ble Supreme Court of India. When the interest is calculated from the date on which the Tribunal held in favour of the petitioner, that is, 06.06.1989, at the rate of 9% till 25.08.1995. The provision comes into force, whereunder, it is expressly ordered at 9% and after 25.08.1995, when the provision itself prescribes 6%, the said amount of Rs.1,47,72,600/- is payable. Similarly, when interest is calculated at the rate of 6% from the said date on which the amount is payable and a further sum is arrived at till the date of passing of the impugned order in the year 2023 as Rs.3,83,23,020/-, the same is also payable, however, with further interest till the date of disbursement.

4. In view thereof, this Writ Petition is allowed on the following terms:

(i) The impugned order dated 14.09.2023 shall stand set aside;

(ii) The respondents are directed to pay a sum of Rs.1,47,72,600/- and the further amount of Rs.3,83,23,020/- as contained in paragraph No.3 of the impugned order along with further interest calculated till the date of disbursement and paid to the petitioner within a period of eight (8) weeks from the date of receipt of a web copy of the order without waiting for the certified copy of the order.

No costs.

20.04.2026

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NCC: No

To

1.The Assistant Commissioner of GST & Central Excise
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Trichy 11 Division, NOA, Williams Road,
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2.The Commissioner of Central Excise,
Office of the Commissioner of Central Excise and Service Tax,
No.1, Williams Road, Cantonment,
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D.BHARATHA CHAKRAVARTHY, J.

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