CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH

REGIONAL BENCH - COURT NO. I

Excise Appeal No. 60937 of 2018

(Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-803-18 dated 27.03.2018 passed by the Commissioner (Appeals), CGST, Chandigarh)

M/s Ajnala Cooperative Sugar Mills Ltd ......**Appellant**
Bhalla Pind, Ajnala, Amritsar, Punjab-143102

VERSUS

Commissioner of Central Excise & Service Tax, Jalandhar ......**Respondent**
GST Bhawan, F-Block, Rishi Nagar, Ludhiana,
Punjab-141001

APPEARANCE:

Shri Sudeep Singh Bhangoo, Advocate for the Appellant

Shri Varun Sharma, Authorized Representative for the Respondent

CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)
HON'BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)

FINAL ORDER NO. 61641/2025

DATE OF HEARING/ DECISION: 06.11.2025

P. ANJANI KUMAR:

Heard both sides and perused the records of the case.

2. The brief issue involved in this case is as to whether the appellant's sugar factory is required to reverse the credit availed on common inputs or pay an amount under Rule 6(3) of CENVAT Credit Rules, 2004 for the reason that during the manufacture of sugar and molasses, exempted items i.e bagasse and press mud come into existence. Learned Counsel for the appellants submits that the issue is no longer res integra having been decided by the Hon'ble Supreme

Court in the case of DSCL Sugar Ltd. – 2015 (322) ELT 769 which was followed by this Bench and other benches of the Tribunal in a number of cases. Learned Authorized Representative for the Revenue, on the other hand, reiterates the findings of the impugned order dated 27.03.2018 passed by the Commissioner (Appeals), on an appeal filed by the appellants against the Order-in-Original dated 12.01.2017, in conclusion of the proceedings initiated vide show cause notice dated 27.05.2016.

3. We find that the issue is no longer res integra having decided by this Bench in the cases of M/s Naraingarh Sugar Mills Ltd. Vs. CCE Panchkula Final Order No.60987/2025 dated 07.08.2025 and M/s Budhewal Cooperative Sugar Mills vide Final Order No. 61612-61613/2025 dated 24.10.2025.

4. In view of the above, the appeal is allowed.

(Operative part of the order pronounced in the open court)

(S. S. GARG)
MEMBER (JUDICIAL)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

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