IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL, CHENNAI

Excise Appeal Nos. 42084 and 42085/2017

(Arising out of Order in Appeal No. 67 & 68/2017 dated 29.05.2017 passed by the Commissioner (Appeals), LTU, Chennai)

Rane (Madras) Limited **Appellant**
Plot No. 143/A, S.V. Co-op. Industrial Estate
Medak District – 502 325.

Vs.

Commissioner of GST & Central Excise **Respondent**
Medhcal Commissionerate
GST Bhavan, 1st Floor
LB Stadium Road, Basheerbagh
Hyderabad – 500 004.

APPEARANCE:

Shri M. Karthikeyan, Advocate for the Appellant
Smt. G. Krupa, Authorised Representative for the Respondent

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Hon'ble Shri P. Dinesha, Member (Judicial)
Hon'ble Shri Vasa Seshagiri Rao, Member (Technical)

FINAL ORDER NOS. 40429-40430/2026

Date of Hearing: 29.01.2026
Date of Decision: 27.03.2026

Per P. Dinesha,

These appeals are filed against Orders in Appeal No. 67 & 68/2017 dated 29.05.2017. The only issue in both these appeals is the adjustment of the refunds / rebate sanctioned against demands of earlier years / periods against the appellant.

2. Heard Shri M. Karthikeyan, Ld. Advocate for the appellant and Smt. G. Krupa, Ld. Departmental

Representative for the Revenue, we have carefully perused the impugned order, Orders in Original and the documents placed on record.

3. It is the contention of the Ld. Advocate, at the outset, that the impugned order has no legal stand since the only reason given for dismissal of the appeals by the First Appellate Authority is that the appellant did not challenge the earlier demands in time, and in this connection, he invited our attention to recent Final Order No. 40536/2025 dated 27.05.2025 passed by the Chennai Bench in the appellant's case in respect of the earlier demands, by which, this Chennai Bench has remitted the matter back to the file of the appellate authority for passing denovo order in accordance with law. We agree with the contention of the Ld. Advocate that the reasons attributed in the impugned orders stand set aside in view of the fact that there has been an appeal against the earlier demands and that the earlier appellate order stands set aside by the Chennai Bench.

4. In view of the above, we are of the view that the adjustment of refund / rebate directed by the original authority lacks legal force since, apparently, when the rebate sanction order was passed, followed by an order of adjusting the sanctioned rebate, there was no demand in existence since the alleged demand had not attained finality, which fact is now established by the final order of this Bench. In view of

the above, we are of the view that the impugned order upholding the adjustment of sanctioned rebate against the earlier demands cannot stand in the eye of law for which reason, the same is required to be set aside, which we hereby do.

5. Resultantly, the appeals stand allowed with consequential relief to the appellants, as per law.

(Order pronounced in open court on 27.03.2026)

Sd/-	Sd/-
(**VASA SESHAGIRI RAO**)	(**P. DINESHA**)
Member (Technical)	Member (Judicial)

Rex