

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD**

REGIONAL BENCH - COURT NO. - I

Excise Appeal No. 25830 of 2013

(Arising out of **Order-in-Original** No.05/2013-C-Ex. dated 15.01.2013 passed by
Commissioner of Central Excise, Customs & Service Tax, Guntur)

M/s The Andhra Sugars Ltd.,

Venkatarayapuram,
Tanuku,
West Godavari District,
Andhra Pradesh – 534 202.

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APPELLANT

VERSUS

**Commissioner of Central Excise
Guntur**

P.B.No. 331,
C.R.Building,
Kannavari Thota,
Guntur,
Andhra Pradesh – 522 004.

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RESPONDENT

APPEARANCE:

Shri Anand. N, Advocate for the Appellant.

Shri K. Raji Reddy, Authorized Representative for the Respondent.

**CORAM: HON'BLE Mr. A.K. JYOTISHI, MEMBER (TECHNICAL)
HON'BLE Mr. ANGAD PRASAD, MEMBER (JUDICIAL)**

FINAL ORDER No. A/30570/2025

Date of Hearing: 02.12.2025

Date of Decision: 02.12.2025

[ORDER PER: A.K. JYOTISHI]

M/s The Andhra Sugars Ltd., (hereinafter referred to as appellant) are in appeal against the Order-in-Original dated 15.01.2013, covering the period September 2011 to June 2012 involving a demand of Rs. 92,98,847/-. The Adjudicating Authority has confirmed the demand as well as imposed penalty under Section 11AC (impugned order).

2. The issue involved is non-payment of central excise duty on Unsymmetrical Di-Methyl Hydrazine (UDMH) used in the manufacture of UH-25 and subsequently cleared to Indian Space Research Organization (ISRO) under exemption notification No. 64/95-CE dated 16.03.1995 (Sl. No.7). The view of

the Department was that since UH-25 is exempted, therefore UDMH manufactured within the factory and used captively is required to discharge central excise duty. Many periodical show cause notices were issued, which were adjudicated as also appealed against by the appellant as well as Department.

3. Learned Advocate submits that the same issue has been decided by the Tribunal in their own favour vide Final Order No. 1161 & 1162/2006 dated 30.06.2006, whereby, the Tribunal had dismissed the appeal filed by the Revenue. Further, the Department took this Order-in-Appeal before the Hon'ble Supreme Court, where the Hon'ble Supreme Court dismissed the same on 11.05.2007 as reported in [2007 (213) ELT A143(SC)]. He also highlights that in respect of other period also, the matter is now been settled in their favour and demands have been dropped. He also invites attention to the decision of the Co-ordinate Bench in their own case i.e. Andhra Sugars Vs CC, CE & ST [2015 (324) ELT 591 (Tri-Bang)], where similar matter was decided and the Tribunal held that there was no manufacture involved nor there was any new product emerging by mixing UDMH and HH and therefore appeals were allowed in favour of the appellant.

4. Learned AR reiterates the findings of the Adjudicating Authority.

5. Heard both the sides and perused the records.

6. We find that this matter is no longer res-integra. The issue involved has been examined by different Adjudicating and Appellate Authorities as also by the Tribunal and it has also been upheld by the Hon'ble Supreme Court. Therefore, there is no ground to consider imposition of any excise duty on the product UDMH emerging in the factory and used for mixing and then cleared as UH-25. It is also noted that if UDMH or UH-25 are cleared as such to ISRO,

they will still remain exempted in terms of said notification. Therefore, respectfully following the judgments cited by the Learned Advocate, we do not find any merit in upholding the impugned Order-in-Original and therefore the impugned order is set aside.

7. Appeal allowed.

(Dictated and pronounced in open court)

(A.K. JYOTISHI)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)