CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL HYDERABAD

Regional Bench - Court No. – I

Excise Appeal No. 30365 of 2018

(Arising out of Order-in-Original No.HYD-EXCUS-0004-COM-028-17-18 dt.25.01.2018 passed by Commissioner of Central Tax, Rangareddy-GST)

M/s Penna Cement Industries Ltd
Ganeshpahad Village, Wadapally (PO), Damarcherla Mandal, Nalgonda Dist., Telangana – 508 355 **......Appellant**

VERSUS

Commissioner of Central Tax
Rangareddy - GST
Posnett Bhavan, Tilak Road, Ram Kote, Hyderabad, Telangana – 500 001 **......Respondent**

Appearance

Shri Y. Chaitanya Tejas, Advocate for the Appellant.
Shri B. Sangameshwar Rao, AR for the Respondent.

Coram: **HON'BLE MR. P.V. SUBBA RAO, MEMBER (TECHNICAL)**
HON'BLE MR. ANGAD PRASAD, MEMBER (JUDICIAL)

FINAL ORDER No. A/30517/2026

Date of Hearing: 17.09.2026
Date of Decision: 17.09.2026

[Order per: P.V. SUBBA RAO]

This Appeal has been filed to assail the Order-in-Original dt.25.01.2018[1] passed by the Commissioner in which he decided the proposals made in the SCN dt.09.11.2017 and held that the appellant, M/s Penna Cement Industries Ltd, was not entitled to avail Cenvat credit on the Clean Energy Cess which it had paid and therefore, confirmed denial and recovery of Cenvat credit of Rs.8,37,49,447/-. Since the assessee had already reversed this amount on being pointed out and under protest, he appropriated the amount so reversed and vacated the protest. He also imposed penalty of Rs.5,000/- only in terms of Rule 15(1) of the Cenvat Credit Rules, 2004[2].

2. The short point of dispute in this case is whether Clean Energy Cess was available as Cenvat credit to the appellant under Rule 3 of CCR. Both sides fairly submit that in Final Order No. A/30684-30692/2019

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[1] Impugned Order
[2] CCR

dt.16.07.2019, this Bench had disposed of 9 appeals pertaining to different assessees including the appellant herein on the same issue. After hearing both sides, through a detailed order, this Tribunal had held that Clean Energy Cess, not being covered under Rule 3 of CCR, is not available as Cenvat credit to the assessees. Accordingly, the denial of Cenvat credit on Clean Energy Cess was upheld but the penalties were set aside.

3. Learned Counsel for the appellant submits that the aforesaid order has been assailed before the Hon'ble High Court of Andhra Pradesh but there is no stay against the order.

4. We find no reason to differ from our previous order. Following our previous order, we modify the impugned order to the extent of setting aside of penalty of Rs.5,000/- and uphold the rest of the order.

5. Appeal is partly allowed as above.

(Dictated and pronounced in the Open Court)

(P.V. SUBBA RAO)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)

Veda