IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL, WEST ZONAL BENCH AT MUMBAI

COURT No. I

Appeal No. E/88007/17
E/CO/85136/18

(Arising out of Order-in-Appeal No. MKK/50/RGD APP/2017 dated 15.09.2017 passed by Commissioner of Central Tax (Appeals), Belapur, Navi Mumbai)

Commissioner of Central Excise, Belapur | **Appellant**

Vs.

Auxichem | **Respondent**

Appearance:

Shri D.S. Chauhan, Supdt. (AR) for appellant
Shri Karan Sarawgi, Advocate for respondent

CORAM:

Hon'ble Mr. M.V. Ravindran, Member (Judicial)

Date of Hearing & Decision: 13.03.2018

FINAL ORDER NO. A/86193/2018

Per: M.V. Ravindran

This appeal is directed against Order-in-Appeal No. MKK/50/RGD APP/2017 dated 15.09.2017.

2. Heard both sides and perused the records.

3. The relevant facts that arise for consideration are the respondent herein are manufacturers of excisable goods; the dispute on the classification of the products was raised which was settled in their favour. During the proceeding of the classification dispute, the respondent have deposited an amount of Rs.14,03,666/- with authorities on 05.09.1988 and claimed refund of the said amount. The matter travelled upto Hon’ble Bombay High Court and refund was sanctioned to the respondent-assessee on 03.03.2017. Respondent claimed interest from 05.09.1988 on the refunded amount which was rejected by the adjudicating authority. On appeal, first appellate authority remitted the matter back to the adjudicating authority for reconsideration. Revenue is aggrieved by the impugned order on the ground that the first appellate authority has remitted the matter back to the adjudicating authority which he should not have done so, hence this appeal.

4. I find that the matter can be decided by this Tribunal without any remand to adjudicating authority.

5. The issue being grant of interest on the amount which have been refunded to the respondent-assessee, is now settled by the decision of the Hon’ble Apex Court in the case of *Ranbaxy Laboratories Ltd. v. Union of India – 2011 (73) ELT 3 (SC)* wherein their Lordships have settled the law inasmuch as that

interest liability arises on Revenue authorities after the expiry of three months from the date of application for refund. The said ratio, is law of land today and respectfully following the same, I hold that the respondent-assessee is eligible for interest on the amount after the expiry of three months from the date of refund application till the date cash refund.

6. Appeal stands disposed as indicated herein above. Cross objection also stands disposed of.

(Order dictated in Court)

(M.V. Ravindran)
Member (Judicial)

nsk