IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 2ND DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE S.G.PANDIT

AND

THE HON'BLE MR. JUSTICE RAJESH RAI K

CENTRAL EXCISE APPEAL NO. 17 OF 2026

BETWEEN:

LOTUS PRINTERS PRIVATE LIMITED
A PRIVATE LIMITED COMPANY
REPRESENTED BY ITS AUTHORIZED SIGNATORY,
MR. MANJUNATH DEVENDRAGOWDA PATIL, SON OF MR.
D S PATIL,
AGED ABOUT 62 YEARS,
RESIDING AT VILLA 330,
5TH LANE, ADARSH PALM RETREAT,
BELLANDUR, BENGALURU - 560 103.
EMAIL SRIVATSALAW@GMAIL.COM
PHONE 91 89714 70774

...APPELLANT

(BY SRI. PRADYUMNA G H.,ADVOCATE)

AND:

THE COMMISSIONER OF CENTRAL EXCISE,
BANGALORE III COMMISSIONERATE
C.R. BUILDING, QUEEN'S ROAD,
BENGALURU - 560 001.

...RESPONDENT

(BY SRI. ARAVIND V.CHAVAN, ADVOCATE)

THIS CEA FILED UNDER SECTION 35G OF THE CENTRAL EXCISE ACT PRAYING TO SET ASIDE THE IMPUGNED ORDER BEARING FINAL ORDER NO.S 21709/21710/2025 IN CENTRAL EXCISE APPEAL NO.S 20984/2015AND 21004/2015 DATED 30.10.2025 PASSED BY THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, BENGALURU (ANNEXURE A.)

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.G.PANDIT
AND
HON'BLE MR. JUSTICE RAJESH RAI K

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE S.G.PANDIT)

The appellant is in appeal under Section 35G of the Central Excise Act, 1944 (for short, 'Act, 1944') questioning the final order No.FO/A/21709-21710/2025-EX(DB) dated 30.10.2025 (Annexure-A) passed by the Customs, Excise and Service Tax Appellate Tribunal, Bengaluru (for short, 'the Tribunal'), raising the following substantial questions of law:

"(a) Whether, in the facts and circumstances of the case, the Hon'ble Tribunal was justified in not rendering any finding on whether the proviso to Section 11A(1) of the Central Excise Act, 1944 could be invoked by the Department to extend the period of limitation for issuance of the Show Cause Notice?

(b) Whether, in the facts of circumstances of the case, the Hon'ble Tribunal was justified in not rendering its findings on whether Show Cause

Notice issued by the department against the Appellant was time-barred despite the Appellant specifically making submissions on the same?

(c) *Whether, in the facts and circumstances of the case, the Hon'ble Tribunal was justified in remanding the matter to the Original Authority solely for reconsideration on merits, without first addressing the question of whether the show cause notice was hit by limitation?*

(d) *Whether, in the facts of circumstances of the case, the Hon'ble Tribunal was justified in not considering the ratio laid down by the Hon'ble Apex Court as regards specific circumstances under which extended period of limitation as provided under proviso to Section 11A(1) of the Central Excise Act, 1944, was invocable by the revenue?*

(e) *Whether findings and conclusions reached by the Hon'ble Tribunal are valid under the facts and circumstances of the case?"*

2. Heard learned counsel Sri.Pradyumna.G.H., for appellant and learned counsel Sri.Aravind V. Chavan for respondent/Revenue.

3. The appellant is a private limited company engaged in the manufacture of journals, newsletters, periodicals, cartons, packaging materials etc. On the basis of investigation and available information, a show-cause notice dated 30.01.2012 came to be issued to the appellant to show cause as to why demand, interest and penalty under Sections 11A, 11AB and 11AC of the Act, 1944 shall not be imposed. The appellant filed reply to the said show cause notice raising the question of limitation.

4. The Adjudicating Authority by its order dated 15.01.2013 confirmed the demand, interest and penalty while rejecting the contention of limitation raised by the appellant, holding that as there is suppression, the authorities rightly invoked the extended limitation. Aggrieved by the said order in original, appellant filed appeal before the Commissioner of Central Excise (Appeals) and the said appeal was dismissed by order dated 30.01.2015, confirming the order in original. Against the order in original as well as appellate order, appellant

approached the Tribunal and the Tribunal under impugned order remanded the matter back to the Adjudicating Authority to re-determine the aggregate value of clearances of all excisable goods including goods which attracts "Nil" rate of duty, by scrutinizing the claim of export sales etc.

5. The only grievance of the appellant in this appeal is that the Tribunal failed to answer the question of limitation raised by the appellant. Learned counsel for the appellant would submit that the appellant had informed that all clearances are made during the years 2007-08 to 2008-09. As such, the show cause notice could have been issued within one year. He submits that the show cause notice issued in January-2012 is barred by limitation. It is his specific contention that though the Tribunal noted the contention, has failed to answer the same. Therefore, he prays for remanding the matter to the Tribunal to answer the question of limitation raised by the appellant.

6. Learned counsel Sri.Aravind V. Chavan for respondent/Revenue would submit that since there was suppression by the appellant, the authorities rightly invoked the extended limitation and issued show cause notice on 30.01.2012. Further, learned counsel for respondent/Revenue invites attention of this Court to the findings of the Adjudicating Authority that the assessee has suppressed the fact of manufacturing and clearing the excisable goods with an intent to evade payment of duty. As such, it is submitted that the authorities rightly invoked the extended limitation. Furthermore, learned counsel would submit that the Tribunal has remanded the matter back to the Adjudicating Authority and before the Adjudicating Authority itself the appellant could raise the question of limitation. Thus, he would pray for dismissal of the appeal.

7. Having heard the learned counsel appearing for the parties and on perusal of the entire appeal papers, we are of the view that the Tribunal has failed to consider the

question of limitation specifically raised by the appellant herein, as such, the matter needs to be sent back to the Tribunal only to answer the question of limitation raised by the appellant, while confirming the order of remand on merits.

8. It is an admitted fact that the show cause notice came to be issued on 30.01.2012 (Annexure-B) calling upon the appellant to show cause as to why demand, interest and penalty shall not be imposed under Sections 11A, 11AB and 11AC of the Act, 1944. It is brought to the notice of this Court that the appellant had specifically raised question of limitation contending that the matter relates to the years 2007-08 to 2008-09 and if at all the authorities found any irregularities, ought to have issued show cause notice within one year. However, he submits that the notice issued on 30.01.2012 is barred by limitation. Therefore, it is contended that the matter requires to be remanded to the Tribunal.

9. We have perused the order of the Tribunal and we find that the Tribunal noted at paragraph 3.3 as follows:

> *"3.3 Learned advocate has submitted that the demand for the period April 2007 to March 2009 was being issued on 30.01.2012; hence barred by limitation as the appellant had not suppressed any facts nor mis-declared to the Department in availing SSI benefit under Notification No.8/2003-CE. All the clearances are duly recorded in their books of accounts; hence invocation of extended period of limitation and also imposition of penalty on the appellant-company as well as on the Executive Director cannot be sustained."*

10. However, the Tribunal failed to answer the question of limitation. When a party raises a question of limitation, the Tribunal ought to have answered the question of limitation. As rightly contended by learned counsel for the appellant, if he succeeds on the question of limitation, he need not go before the Adjudicating Authority. In the above circumstances, we are of the considered opinion that the matter needs to be sent back

to the Tribunal to decide the question of limitation, while confirming the order of remand to consider on merits. If the appellant succeeds on the question of limitation, he need not go before the Adjudicating Authority and the remand order passed by the Tribunal would no more survive for consideration.

11. With the above, appeal stands disposed of and remanded to the Tribunal to consider the question of limitation raised by the appellant.

Sd/-
(S.G.PANDIT)
JUDGE

Sd/-
(RAJESH RAI K)
JUDGE

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