CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH

REGIONAL BENCH - COURT NO. I

Excise Appeal No. 60449 of 2024

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

M/s Dabur India Ltd (Unit-II) **......Appellant**
Phase II, SIDCO Industrial Complex,
Bari Brahmana, Jammu,
J&K- 181133

VERSUS

Commissioner of Central Excise, Goods and Service Tax, Jammu **......Respondent**
OB 32, Rail Head Complex, Bahu Plaza, Jammu,
J&K 180012

WITH

2. Excise Appeal No. 60450 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)
[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

3. Excise Appeal No. 60451 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)
[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

4. Excise Appeal No. 60452 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)
[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

5. Excise Appeal No. 60453 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)
[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

6. Excise Appeal No. 60454 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)
[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

7. Excise Appeal No. 60455 of 2024 (M/s Dabur India Ltd Unit-II vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-01-07-2024-25 dated 25.04.2024 passed by the Commissioner (Appeals), CGST, Jammu]

8. Excise Appeal No. 60456 of 2024 (M/s Dabur India Ltd vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-121-125-23-24 / JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 passed by the Commissioner (Appeals), CGST, Jammu]

9. Excise Appeal No. 60457 of 2024 (M/s Dabur India Ltd vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-121-125-23-24 / JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 passed by the Commissioner (Appeals), CGST, Jammu]

10. Excise Appeal No. 60458 of 2024 (M/s Dabur India Ltd vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-121-125-23-24 / JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 passed by the Commissioner (Appeals), CGST, Jammu]

11. Excise Appeal No. 60459 of 2024 (M/s Dabur India Ltd vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-121-125-23-24 / JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 passed by the Commissioner (Appeals), CGST, Jammu]

12. Excise Appeal No. 60460 of 2024 (M/s Dabur India Ltd vs. CCE & CGST, Jammu)

[Arising out of Order-in-Appeal No. JNK-EXCUS-APP-121-125-23-24 / JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 passed by the Commissioner (Appeals), CGST, Jammu]

APPEARANCE:

Ms. Krati Singh and Ms. Jashanpreet kaur, Advocates for the Appellant

Shri Maheswar Maji and Ms. Amita Gupta, Authorized Representatives for the Respondent

CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)
HON'BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)

FINAL ORDER NO.60509-60520/2026

DATE OF HEARING: 04.08.2026
DATE OF DECISION: 11.08.2026

<u>P. ANJANI KUMAR</u>:

M/s Dabur India Ltd., the appellants, have two units i.e Unit -I and Unit-II and are engaged in the manufacture of hair oils, shampoo, perfumes and toiletries and have availed area-based exemption contained under Notification No.56/2002-CE dated 14.12.2002; Government has issued Notifications No. 19/008 dated 27.03.2008 and 34/2008 dated 10.06.2008 restricting the refund of excise duty on the value addition by the appellant and provided for fixation of special rate of value addition. Along with others, the appellants challenged the vires of the notification before the Hon'ble High Court of Jammu & Kashmir. The proceedings culminated with the decision of the Hon'ble Supreme Court in the case of VVF Ltd. – 2020 (372) ELT 495 (SC) wherein the validity of the notifications restricting the benefit was upheld. Subsequent to such decision, the appellants approached the Department for fixing special rates of value addition for different products and were accordingly fixed.

2. While the above proceedings were in progress, SCNs were issued to the appellants demanding the pay back of refund/ self-credit availed by them over and above the value addition prescribed in the amending notification and were confirmed/upheld by respective authorities. The appeals are as follows:

UNIT-I APPEALS **Order-in-Appeal No. JNK-EXCUS-APP-121-125- 23-24/JNK-EXCUS-APP-117-121-23-24 dated 14.02.2024 (communicated on 17.05.2024)**					
Sr. No.	***Appeal No.***	***Period***	***Order fixing the special rate***	***Demand of Self-Credit***	***Demand of Excise Duty***
1	E/60459/2024	Sep,09 to Dec,09	Order dated 19.08.2020 *(attached as Annexure-7 @pg.no. 175 to 221 of the E/60460/2024)*	46,29,322/-	
2	E/60456/2024	Jan,10 to Dec,10	Order dated 23.08.2023 *(attached as Annexure-9 @pg.no. 252 to 301 of the E/60460/2024)*	1,78,21,102/-	
3	E/60457/2024	Jan,11 to Dec,11		78,27,444/-	
4	E/60458/2024	Jan,12 to Sep,12		30,33,025/-	
5	E/60460/2024 (Main File)	Oct, 12 To Nov,12		12,41,024/-	12,41,024/-
TOTAL				**3,45,51,917/-**	**12,41,024/-**

UNIT-II APPEALS **Order-in-Appeal No. JNK-EXCUS-APP-OI -07-24- 25 dated 25.04.2024 (communicated on 30.04.2024)**					
Sr. No.	***Appeal No.***	***Period***	***Special Rate Fixed***	***Demand of Self-Credit***	***Demand of Excise Duty***
1	E/60452/2024	Sep, 2009 to Dec, 2009	Order dated10.07.2020 *(attached as Annexure-6 @pg.no. 163 to 234 of E/60455/2024)*	27,23,403/-	
2	E/60449/2024	Jan, 2010 to Nov, 2010		1,38,14,596/-	
3	E/60451/2024	Dec, 2010 to Nov, 2011		1,32,51,469/-	
4	E/60450/2024	Dec, 2011		2,94,592/-	2,94,592/-
5	E/60454/2024	Jan, 2012 to March, 2012		51,49,508/-	51,49,508/-
6	E/60455/2024 (Main file)	April, 2012 to Aug, 2012		1,28,80,267/-	1,28,80,267/-
7	E/60453/2024	Sept 2012 to Nov, 2012		59,74,610/-	59,74,610/-
TOTAL				**5,40,88,445/-**	**2,42,98,977/-**

3. Ms. Krati Singh, learned counsel for the appellants, submits that the impugned orders have been passed without keeping in mind the orders passed granting special rate of value addition fixed by the competent authority; the appellants are entitled to the benefit of special rate of value addition in terms of Notification No.19 & 34 as cited above. Hon'ble Supreme Court has also clarified in the case of VVF Ltd. (supra) that refunds are not to be granted merely as per the rates already prescribed in the notification and the authorities should give effect to all the requirement and conditions contained in the amending notifications. She submits that the fact that special rates were fixed in respect of Units-I & II was already communicated to the Appellate Authority; however, the impugned orders have been passed disregarding the submissions and ignoring the special rate of valuation fixed. She submits that as the demand itself is not sustainable, interest is not payable.

4. Learned counsel further submits that in respect of Appeal Nos. E/60460/2024, E/60450/2014, E/60454/2024, E/60455/2024 & E/60453/2024, there is duplication of demand inasmuch as the excess availed refund as well as the refund taken as credit and utilized for subsequent clearances have been demanded; it is erroneous as on the one hand, the self-credit availed by the appellant under the exemption notification has been confirmed and on the other, excise duty paid through self-credit was subsequent clearances has also been demanded; the Department should have demanded

and confirmed only one of them as held in Rollsprint Packaging Pvt. Ltd. – 1996 (5) TMI 226-CESTAT Mumbai and Gemini Engi. Fab Ltd. – 2019 (9) TMI 242-CESTAT Ahmedabad.

5. Learned Authorized Representative for the Department reiterates the findings of the impugned order. However, he fairly submits that the matter should be remanded back to the appellate authority to calculate the demands after giving allowance to the special value addition fixed by the competent authority.

6. Heard both sides and perused the records of the case. We find that the impugned proceedings are result of the working of the Department in different silos where the left hand is not aware of what the right hand was doing. While it is understandable that the Department issued demands to protect the revenue's interest where the appellants have availed excess self-credit than is permitted in the amending notifications. Though, justifiably the Department waited till the final word on the issue was spelt out by the Hon'ble Apex Court, in the case of VVF Ltd. (supra), they could have also taken care to see whether any applications for fixation of special value addition in terms of the notifications cited above were made by the appellant and were decided by the competent authority. Such a step would have gone a long way to reduce litigation at various levels. Be it so, having passed the orders confirming the demands, not keeping in mind the special value addition fixed by the competent authority, the respective authorities are required to re-do the whole exercise. In addition, the issue of duplication of demand as submitted by the

learned counsel for the appellants needs also to be looked into. As held in the cases cited by the appellant as above, demanding both the excess refund and utilization of credit amounts to causing double jeopardy to the assessees/ appellants. We are of the considered opinion that one of them can only be demanded back.

7. In view of the above, the appeals are allowed by way of remand to the appellate authority with a direction to recalculate the demands taking into account the special rates of value addition fixed by the competent authority and our observations on duplicity of demand in respect of appeals cited above.

(Order pronounced in the open court on 11/08/2026)

(S. S. GARG)
MEMBER (JUDICIAL)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

PK