



**IN THE HIGH COURT OF MADHYA PRADESH
AT INDORE
BEFORE**

HON'BLE SHRI JUSTICE VIVEK RUSIA

&

HON'BLE SHRI JUSTICE BINOD KUMAR DWIVEDI

ON THE 4th OF JULY, 2025

WRIT PETITION No. 16898 of 2022

***M/S TANEJA IRON AND STEEL CO. LTD. THROUGH MANOJ
TANEJA***

Versus

***THE CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
(CGST AND CENTRAL EXCISE) AND OTHERS***

Appearance:

Shri Abhishek Tugnawat – Advocate for the petitioner.

Shri Prasanna Prasad – Advocate for the respondent No.2.

Reserved on	:	27.06.2025
Pronounced on	:	04.07.2025

ORDER

Per: Justice Vivek Rusia

The petitioner has filed this present petition under Article 226 of the Constitution of India being aggrieved by the orders dated 05.05.2020 and 05.04.2022 whereby an application and appeal under the Scheme called 'Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019' (SVLDR) have been dismissed.

The facts of the case, in short, are as under:-

2. The petitioner company is registered with the Central Excise Department for manufacturing of 'Springs Assembly and Leaves'. On 09.03.2010 in a visit of the Preventive Officers of the respondents/



department, 93270 No. spring leaves valued at Rs. 2,76,58,852/- were found uncounted. The seized goods were seized for violation of provisions of the Central Excise Act and Rules, the seizure culminated in the confiscation of goods under Rule 25 of the Central Excise Rules, 2002 with an option to redeem the same on payment of redemption fine of Rs. 50 Lacs. A case was registered and after due adjudication a penalty of Rs. Ten Lacs was imposed under Rule 25 of the Central Excise Rules 2002 along with a penalty of Rs. Five Lacs was imposed on the Director of the Company. The Appellate Authority vide order dated 18.10.20212 uphold the confiscation of goods valued at Rs. 2,45,30,779/- and set aside the confiscation of the rest of the semi-finished goods valued Rs. 31,28,073/-. The redemption fine has been reduced to Rs. 30 Lacs and a penalty was reduced to Rs. 5 Lacs. Being aggrieved by the aforesaid order, an appeal was preferred before the Customs, Excise and Service Tax Appellate Tribunal, New Delhi which came to be dismissed. Hence, the order in appeal had attained finality.

3. The Central Government introduced a Scheme called 'Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019' notified under Chapter V of the Finance Bill 2019-20. The petitioner submitted an application for settlement of payment of redemption fine Rs. 30 Lacs imposed in lieu of confiscation of goods.

4. Vide impugned order dated 30.07.2020, the committee constituted under the aforesaid Scheme has rejected the application of the petitioner. Thereafter, respondent No.3 issued a demand notice for a deposit of Rs. 30 Lacs redemption fine and penalty of Rs. 10 Lacs totaling Rs. 40 Lacs. Hence, this petition before this Court.

**Submission of Petitioner's counsel.**

5. Learned counsel for the petitioner submits that a similar issue came up for consideration before the High Court of Gujarat at Allahabad in the case of *Synpol Products Pvt. Ltd. vs. UOI* reported in **2020 (374) E.L.T.851 (GUJ)**, in which the Division Bench has held that the test which is required to be applied to ascertain what is the amount in arrears as per the Scheme, it would include both the amount of duty as well as the amount of redemption fine which is required to be recovered from the taxpayers. The amount of redemption fine cannot be treated separately then the amount of the duty under the Scheme. In the aforesaid case the petitioners against whom orders-in-original have been made by the adjudicating authority confirming the demand of duty, ordering recovery of interest, imposition of penalty and ordering confiscation of goods and imposing fine in lieu of confiscation, against which appeal was pending before the appellate forum and during pendency of appeal the petitioner therein submitted an application before the designated committee made under the SVLDR, 2019. Therefore, the lis or dispute between the petitioner and the department was pending and during the pendency of such lis and dispute, the scheme was introduced and the application was submitted.

Appreciation and conclusion

6. As per Section 125 of the Finance Act “All persons shall be eligible to make a declaration under this Scheme except those who have filed appeal before the appellate forum and such appeal have been heard finally on or before 30.06.2019, who have been issued show cause notice under the Indirect Tax enactment and the final hearing has taken



place on or before 30.06.2019 and who have been subjected to enquiry or investigation and in which the investigation and audit have been quantified on or before 30.06.2019, therefore, the matter which has been heard and closed or decided before 30.06.2019 in such case the person shall not be eligible to make a declaration under this Scheme. For ready reference Section 125 of the Finance Act is reproduced below:-

“125. Declaration under the Scheme

(1) All persons shall be eligible to make a declaration under this Scheme except the following, namely:-

(a) who have filed an appeal before the appellate forum and such appeal has been heard finally on or before the 30th day of June 2019;

(b) who have been convicted for any offence punishable under any provision of the indirect tax enactment for the matter for which he intends to file a declaration;

(c) who have been issued a show cause notice, under indirect tax enactment and the final hearing has taken place on or before the 30th day of June 2019;

(d) who have been issued a show cause notice under indirect tax enactment for an erroneous refund or refund;

(e) who have been subjected to an enquiry investigation or audit and the amount of duty involved in the said enquiry or investigation or audit has not been quantified on or before the 30th day of June 2019;

(f) a person making a voluntary disclosure,

(i) after being subjected to any enquiry or investigation or audit; or

(ii) having filed a return under the indirect tax enactment, wherein he has indicated an amount of duty as payable, but has not paid it;

(g) who have filed an application in the Settlement Commission for settlement of a case;

(h) persons seeking to make declarations with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944.

(2) A declaration under sub-section (1) shall be made in such electronic form as may be prescribed."

7. In the present case, the case of the petitioner had been adjudicated upto the Cess Tax much before the 1st of September 2019 when this Scheme was introduced. It is seen that the case of the petitioner is distinguishable from the case of *Synpol Products Pvt. Ltd* (supra) before the High Court of Gujarat, therefore, the designated committee has



rightly rejected the application of the petitioner as the petitioner is not eligible under Section 125 of the Finance Act.

8. In view of the above, the present petition stands dismissed. No order as to costs.

(VIVEK RUSIA)
JUDGE

(BINOD KUMAR DWIVEDI)
JUDGE

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