

**BEFORE THE FULL BENCH, ODISHA SALES TAX TRIBUNAL:
CUTTACK**

S.A. No. 20 (C) of 2008-09

(Arising out of order of the learned ACST, Balasore Range,
Balasore in Appeal No. AA – 14/BDC – 2006-07,
disposed of on 24.01.2008)

Present: **Shri G.C. Behera, Chairman**
Shri S.K. Rout, 2nd Judicial Member &
Shri B. Bhoi, Accounts Member-II

State of Odisha, represented by the
Commissioner of Sales Tax, Odisha,
Cuttack

... Appellant

-Versus-

M/s. Ferro Alloys Corporation Ltd.,
Laxmi Bhawan, Kuansa, Bhadrak

... Respondent

For the Appellant : Sri D. Behura, S.C. (CT)
For the Respondent : Sri D. Mohanty, Advocate &
Sri P.K. Sahu, Advocate

Date of hearing : 09.03.2023 *** Date of order : 06.04.2023

ORDER

State assails the order dated 24.01.2008 of the Asst. Commissioner of Sales Tax, Balasore Range, Balasore (hereinafter called as 'First Appellate Authority') in F A No. AA –14/BDC – 2006-07 reducing the demand raised in assessment order of the Sales Tax Officer, Bhadrak Circle, Bhadrak (in short, 'Assessing Authority').

2. The facts of the case, in short, are that –

M/s. Ferro Alloys Ltd. manufactures ferro chrome at Bhadrak and sells the same in course of inter-State trade and commerce. The assessment

relates to the year 2000-01. Regular assessment u/r. 12(5) of the Central Sales Tax (Odisha) Rules, 1957 (in short, 'CST (O) Rules') was completed earlier. The Assessing Authority raised tax demand of ₹6,47,615.00 u/r. 10 of the CST (O) Rules basing on the A.G. (Odisha) objection.

Dealer preferred first appeal against the order of the Assessing Authority before the First Appellate Authority. The First Appellate Authority reduced the tax demand to the original assessment and allowed the appeal. Being aggrieved with the order of the First Appellate Authority, the State prefers this appeal. Hence, this appeal.

The Dealer files cross-objection supporting the order of the First Appellate Authority to be just and proper.

3. The learned Standing Counsel (CT) for the State submits that the attestation of the corrected RC by the concerned authority is not proper and for that reason, the acceptance of 'C' form is not valid. So, he submits that the order of the First Appellate Authority accepting 'C' form is not proper and the same requires interference in this appeal.

4. Per contra, the learned Counsel for the Dealer submits that the concerned authority of the Karnataka State Govt. reported that the RC is valid since its inception. He further submits that the acceptance of 'C' form on valid RC cannot be interfered in this appeal. So, he submits that the appeal of the State must fail.

5. Having heard the rival submissions and on going through the materials on record, it transpires from the assessment order that the Dealer had produced 'C' form and relevant books of account for verification. The Assessing Authority observed that the purchasing dealer, who issued the 'C' form, had no valid RC. So, the Assessing Authority treated the said 'C' form as invalid and computed the tax liability as per law.

The order of the First Appellate Authority reveals that the number of RC has been corrected. The First Appellate Authority accepted the 'C'

form as valid and genuine and deleted the tax liability raised by the Assessing Authority. So, the State prefers this appeal.

6. The State challenges the correction of RC and acceptance of 'C' form by the First Appellate Authority. The State challenges the attestation in correcting the number of RC by the authority. The Dealer produced the xerox copy of the corrected RC along with correspondence of the concerned Taxing Authority of Karnataka Govt. mentioning therein that the CST registration certificate is in force from its inception and is genuine and valid. State could not produce any material to the contrary that the RC is not a valid one and acceptance of 'C' form by the First Appellate Authority is not proper. So, we do not find any impropriety or illegality in the order of the First Appellate Authority in accepting the 'C' form and thus, the order of the First Appellate Authority needs no interference. Hence, it is ordered.

7. Resultantly, the appeal stands dismissed and the impugned order of the First Appellate Authority is hereby confirmed. Cross-objection is disposed of accordingly.

Dictated & Corrected by me

**Sd/-
(G.C. Behera)
Chairman**

**Sd/-
(G.C. Behera)
Chairman**

I agree,

**Sd/-
(S.K. Rout)
2nd Judicial Member**

I agree,

**Sd/-
(B. Bhoi)
Accounts Member-II**