

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

S.A. No.149(V) of 2015-16

(Arising out of the order of the learned Addl.CST,
Odisha, Cuttack in Appeal Case No. AA-JR-
32/2010-11 disposed of on 03.06.2015)

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

M/s. Neelachal Ispat Nigam Ltd.,
Kalinga Nagar, Duburi, Jajpur,
TIN-21731400956. Appellant.

-Versus -

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

For the Appellant : : Mr. J Mohanty, Advocate
For the Respondent : : Mr. S.K. Pradhan, Addl.S.C.(C.T.)

Date of Hearing : 01.11.2023 * Date of Order: 30.11.2023**

O R D E R

The dealer-assessee is in appeal against the order dated 03.06.2015 of the Additional Commissioner of Sales Tax, Odisha, Cuttack (in short, 'ld. FAA') passed in Appeal Case No. AA-JR-32/2010-11 upholding the tax assessed on account of excess ITC claim and shot collection of output tax at assessment passed by the Deputy Commissioner of Sales Tax, Jajpur Range, Jajpur Road (in short, 'ld. assessing authority') under Section 42 of the Odisha Value Added Tax Act (in short, 'OVAT Act').

2. The summary of the case is that M/s. Neelachal Ispat Nigam Ltd., Kalinga Nagar, Duburi, Jajpur, TIN-21731400956 is a limited

company incorporated under Companies Act, 1956. It carries on business in manufacturing and sale of Pig Iron, coke, slag etc. The learned assessing authority completed assessment under Section 42 of the OVAT Act for the tax period 01.04.2005 to 31.03.2006 basing on the allegations contained in the Audit Visit Report (AVR) and raised demand of ₹2,9,74,678.00 including penalty of ₹1,39,83,118.00. The demand so raised in assessment was reduced ₹67,96,302.00 including penalty of ₹45,30,868.00 in the first appeal preferred by the dealer-assessee.

3. The dealer-assessee on being aggrieved with the order of the Id.FAA preferred second appeal before this forum contending that disallowance of input tax credit for an amount of ₹17,80,315.00 in spite of production of a statement of materials purchased at assessment and demand of short collection of ₹4,79,399.00 of output tax is illegal, arbitrary and unjust.

The State has filed cross objection supporting the order of the Id.FAA.

4. The orders of the forums below together with the grounds of appeal are gone through. The dealer-company has tabled a written note on 01.11.2023 before this forum at the time of hearing of this case conveying that the management of this instant company limited has been taken over by M/s Tata Steel Long Product ltd admitting in principle that the outstanding tax liability of ₹67,96,302.00 would be discharged by the present company i.e. M/s Tata Steel Long Product ltd. Notwithstanding the above, admittedly, the first appeal order disallowing claim of excess ITC to the tune of ₹17,80,315.00 and demand of ₹4,79,399.00 towards short collection of output tax justifies no interference.

6. Under the above facts and in the circumstances, it is ordered that the appeal filed by the dealer-assessee is dismissed. The order of the ld.FAA is upheld. Cross objection filed is hereby disposed of accordingly.

Dictated & Corrected by me

Dictated & corrected by me.

Sd/-
Bibekananda Bhoi)
Accounts Member-II

I agree,

Sd/-
(Bibekananda Bhoi)
Accounts Member-II

Sd/-
(G.C. Behera)
Chairman

I agree,

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