BEFORE THE CHAIRMAN, ODISHA SALES TAX TRIBUNAL: KATAKA

S.A. No. 13(C) of 2024

(Arising out of order of the learned Addl. Commissioner of Sales Tax (Appeal), Bhubaneswar, in Appeal No. AA-CST-03/JA/2023-24, disposed of on 12.03.2024)

Present: **Shri G. Sharma, Chairman**

M/s. Bacardi India Private Limited,
Plot No.A/11 & A/12,
Food Processing Park,
Industrial Area, Dist. Khordha-752055 ... Appellant

-Versus-

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

For the Appellant : Mr. A. Mishra, Advocate
For the Respondent : Mr. S.K. Pradhan, Addl. S.C. (CT)

Date of hearing: 18.08.2026 *** Date of order : 10.09.2026

O R D E R

Challenging the legality and propriety of order dated 12.03.2024 passed by the learned Addl. Commissioner of Sales Tax (Appeal), Bhubaneswar (hereinafter referred to as 'First Appellate Authority') in Appeal No.AA-CST-03/JA/2023-24, this appeal has been filed by M/s. Bacardi India Pvt. Ltd. (hereinafter referred to as 'Dealer').

2. The brief facts relevant for disposal of this appeal run thus–

The Dealer, in the instant case, engaged in manufacturing of foreign liquor including IMFL by utilizing raw materials like Ethyl alcohol and other spirits, caramel, essence, flavours etc. The Dealer has effected both intra-State sales to Odisha State Breweries Corporation, Bhubaneswar and inter-State sales to West Bengal State Breweries Corporation, Kolkata. Basing on the Notification No.5655 dated 30.04.2022 of the Commissioner of CT & GST, Odisha, the Deputy Commissioner of Sales Tax, CT & GST Circle, Jatni (in short, 'Assessing Authority') initiated assessment proceeding U/r.12(3) of the Central Sales Tax (Orissa) Rules, 1957 (hereinafter referred to as 'CST(O) Rules') against the Dealer for the period 01.04.2019 to 31.03.2020. On verification of the books of account and required statutory declaration forms filed by the Dealer, the Assessing Authority found that the Dealer has filed 'F' form value of ₹10,31,37,086/- for the claim of branch transfer, but failed to submit statutory declarations in Form 'C' against the claim of concessional CST sale for an amount of ₹63,13,627/- out of total inter-State sales of goods to the tune of ₹3,95,90,881/-, accordingly, completed the assessment and raised a tax demand of ₹30,36,282/- including interest on the Dealer for the impugned period. Being aggrieved with the order of assessment, the Dealer preferred first appeal before the First Appellate Authority. The First Appellate Authority in absence of wanting statutory declaration in Form 'C', confirmed the assessment and dismissed the appeal, hence this appeal.

3. The State filed cross objection.

4. Learned Counsel appearing on behalf of the Dealer submitted that due opportunity was not granted by the authorities below to submit the required 'C' declaration forms, which was beyond the control of the

Dealer. Before this forum, he furnished two declaration 'C' forms for an amount of ₹2,10,22,266.62 for the impugned period having been received from the purchasing dealer and prayed for acceptance of the same in the ends of justice by remanding the matter to the Assessing Authority. Accordingly, he argued that the impugned order of the First Appellate Authority confirming the assessment order is liable to be set aside.

5. Per contra, learned Addl. Standing Counsel (CT) appearing for the State submitted that since the Dealer failed to submit the statutory declaration forms despite sufficient opportunities, the authorities below have rightly assessed the Dealer by imposing tax and interest. He also raised objection for acceptance of 'C' forms produced before this forum on the ground of delay.

6. Admittedly, in the present case, the Dealer could not able to produce the required declarations in Form 'C' for the claim of concessional CST sale before the Assessing Authority so also First Appellate Authority. As a result, the authorities below computed tax liability along with interest for the period under assessment.

7. Notably, the declarations in Form-C are supplied to the seller by the dealers outside the State, which is beyond the control of the seller. The Dealer filed two 'C' forms for the claim of concessional CST sale for the period under appeal before this Tribunal, and if the said statutory forms are not accepted, the Dealer shall be prejudiced. Therefore, this Tribunal feels it proper to remand the matter to the Assessing Authority with a direction to the Dealer to furnish the required 'C' forms in original before the Assessing Authority as the original forms have already been returned to the Dealer keeping xerox copies thereof in the record. The Assessing Authority in turn shall

verify such statutory forms and accept the same, if found to be proper, and recompute the tax liability of the Dealer as per law.

8. In the result, the appeal filed by the Dealer stands allowed and the order of the First Appellate Authority is hereby set aside to the above extent. The matter is remitted back to the Assessing Authority for recomputation of tax liability for the period under assessment as per law keeping in view the observations made supra within a period of three months from the date of receipt of this order. Cross objection is disposed of accordingly.

Dictated & Corrected by me

Sd/-
(G. Sharma)
Chairman

Sd/-
(G. Sharma)
Chairman