

**Minutes of the State Co-ordination Committee meeting of the State of West Bengal for the quarter ending June 2024 jointly held by the Central GST Authority and State GST Authority.**

The State Coordination Committee Meeting for the quarter ending June 2024 was held on 28.08.2024 at Board Room, Chief Commissioner's Office, CGST & CX, Kolkata Zone, GST Bhawan, Kolkata-700107, co-chaired by the Chief Commissioner, CGST & CX Kolkata Zone and the Commissioner, State Tax, West Bengal. The list of officers from Centre and State who attended the meeting is at Annexure A.

At the outset Shri Sanjay Bangartale, Additional Commissioner, CCO, Kolkata Zone greeted and welcomed the Co-chairs and all the members of Co-ordination Committee, present in the meeting and narrated the agenda points in brief.

Thereafter, each agenda point was discussed and deliberated at length. The details of the same and the decisions taken are as follows:

**1. Sector specific enforcement action**

Senior officers of State Authority, present in the meeting, commented that some sectors have been identified by them and enforcement actions have been initiated. Real Estate sector is one of such sector where they have booked around 255 nos. of cases for (i) continuation of business though GST registration cancelled as defaulter of filing returns; (ii) non-payment of appropriate GST on Transfer of Development Rights; (iii) misclassification of supply (eg. paying tax @1% or 5% but availing ITC etc., classified Taxable supply as Exempted supply); (iv) nonpayment of tax under RCM (eg. against purchase of cement etc.). They have also initiated enforcement action against Banquet Hall service provider by way of decoding the data obtained from seized mobile phones, CCTV footage etc. in their cyber forensic lab.

Shri Shrawan Kumar, Chief Commissioner, CGST & CX, Kolkata Zone commented that during the material period some isolated cases have been booked by the Central Tax authorities level. However, the sector specific data is being analysed and the development in this regard will be shared in next meeting.

## **2. Progress and discussion on setting up of GST Subidha Kendras for Biometric Aadhar Authentication for GST Registration.**

Shri Devi Prasad Karanam, Commissioner, State Tax, West Bengal stated that it is already functional and weekly reports are also being generated.

Shri Shrawan Kumar, Chief Commissioner, CGST & CX, Kolkata Zone also informed that these Kendras of Central Tax are also working well. He further instructed that Central Tax should keep contact with the State authority and check the modalities in respect of generation of report so that such reports can be generated every week.

## **3. Thematic Audit Plan for the Banking Sector**

Senior officers of State Authority, present in the meeting, commented that out of the list of the banking sectors, as provided, they have completed field audit of three taxpayers which fall under the administrative control of State. They have also formulated draft audit plan with the help of expertise and sent to the competent authority for vetting.

Shri Shrawan Kumar, Chief Commissioner, CGST & CX, Kolkata Zone commented that the nodal officers of Audit Commissionerates under Kolkata Zone should contact with the nodal audit officer of State authority to share the information and also directed Additional/Joint Commissioner of Kolkata Audit-II Commissionerate to coordinate with the State counterpart.

#### **4. Sharing of major detection and recoveries through Anti-Evasion, Audit and Modus Operandi for evasion**

All the members appreciated the need of sharing information in this regard as the same would help in preventing evasion of tax and encourage uniformity in enforcement.

Shri M. K. Kedia, Pr. Commissioner, CGST & CX, Kolkata North Commissionerate shared one modus-operandi on monetization of fake ITC on Cigarettes and TMT Bar by way of claiming refund against export of cigarettes to Bhutan.

Shri Shrawan Kumar, Chief Commissioner, CGST & CX, Kolkata Zone commented that four/five items are already identified and the jurisdictional officers have already been instructed to keep vigil and thorough scrutiny of all related documents related to export of such items vis-à-vis claiming refund of accumulated ITC.

#### **5. Practices followed for identifying fake registrations and passing of fake ITC and recovery thereof**

Shri Devi Prasad Karanam, Commissioner, State Tax, West Bengal commented that for identifying fake registrations, local information/intelligence is being followed.

It was informed by Shri Shrawan Kumar, Chief Commissioner, CGST & CX, Kolkata Zone that second All India drive against fake registrations is being undertaken by all Commissionerates of Kolkata CGST Zone. He stressed upon the fact that more proactive measures need to be taken to find out the operators / master minds and appropriate action needs to be taken against such operators / master minds to create deterrent action.

#### **6. One representation dated 10.07.2024 has been received from the Bengal Timber Importers Association**

Shri Devi Prasad Karanam, Commissioner, State Tax, West Bengal stated that let the association meet with the concerned State Authority and their concerns will be taken care of as per the prevailing statute.

## **7. Any other issue**

### **1. Appointment of Nodal Officers:**

***Decision: Nodal Officers from both State & Central Authorities have already been appointed.***

### **2. Cancellation of GST registration:**

Shri M. K. Kedia, Pr. Commissioner, CGST & CX, Kolkata North Commissionerate commented that GST registrations of the taxpayers are being cancelled on the basis of the communication received from State authority but because of lack of detail information about the case, Central authority remains in the dark about the future course of action, if there be any, which is required to be undertaken for safeguarding government revenue. State authority was requested to send the report in details mentioning clearly what action to be taken by the Central Authority.

Senior officers of State Authority, present in the meeting, commented that in certain cases, no action taken report has been received from Central authority against their requests of cancellation of registration.

***Decision: Both the authorities will provide case history in each case with the proposal for cancellation of registration and detailed-action-taken report against the proposal.***

### **3. Miscellaneous:**

Shri Devi Prasad Karanam, Commissioner, State Tax, West Bengal pointed out the need for presence of a nominated member from commercial section of the regional Railway Authority to avoid the constraints faced during physical verification of the consignments booked through Railway.

***Decision: A letter to be issued to the General Manager, Eastern Railway with the request to nominate an official from their part for the subsequent Coordination Committee Meetings.***

The meeting concluded with vote of thanks.