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OFFICE OF THE CHIEF COMMISSIONER
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Minutes of the State Co-ordination Committee Meeting of Chhattisgarh, held on 06.03.2025

The State Co-ordination Committee for the state of Chhattisgarh was held on 06.03.2025 in the conference hall at CGST, Raipur. The meeting was attended by the following officers:

CENTRAL GST			STATE GST	
Sl. No.	**Name of the Officer**	**Designation**	**Name of the Officer**	**Designation**
1	Sh. C. P. Goyal	Chief Commissioner, Madhya Pradesh & Chhattisgarh	Smt. Nilima Tigga	Additional Commissioner (SGST)
2	Sh. Rakesh Goyal	Pr. Commissioner, Raipur	Sh. N.K Verma	Joint Commissioner (Enforcement), Chhattisgarh
3	Sh. Vinod Kumar Agrawal	Additional Director General, DGGI, Raipur Zonal Unit	Sh. Deepak Giri	Joint Commissioner
4	Sh. Faraz Ahmad Qureshi	Additional Commissioner (CCO), Bhopal	Sh. Hemant Sinha	Deputy Commissioner
5	Sh. Prabhat Dandotiya	Additional Commissioner, Raipur	----	----
6	Sh. Pankaj Kumar	Additional Director, DGGI, Raipur	----	----
7	Sh. Rajat Saxena	Joint Commissioner, Raipur	----	----
8	Dr. B.N.	Joint	----	----

	Sandeep	Commissioner, Raipur		
9	Dr. Pinky Baskey	Deputy Commissioner (CCO), Bhopal	----	----

2. Additionally, the meeting was also attended by the following:

i. Smt. Swati Nokhwal, Under Secretary from GST Council Secretariat

ii. Shri Arvind Kumar, Assistant Director, DGGST, WZU Mumbai

3. Shri Faraz Ahmad Qureshi, Additional Commissioner (CCO) and Member Secretary, SCC, Chhattisgarh, after taking permission from the Chair, opened the meeting by welcoming all the attendees of the meeting. He stated that, although the State Coordination Committee (SCC) meetings are mandated to be held every quarter, the current meeting is being convened after a gap of approximately one year. The last meeting was held on 27.03.2024, and the delay was attributed to various reasons such as elections and the corresponding engagement of the administrative machinery, along with administrative reshuffling, which caused scheduling challenges.

4. Thereafter, the Member Secretary, SCC, Chhattisgarh, provided a brief overview of the genesis of the SCC meetings. He noted that the formation of the State Coordination Committee was in line with the decision taken during the 50th GST Council Meeting held on 11.07.2023. Following this, the official guidelines regarding the constitution, functions, and mandate of the SCC were issued by the GST Council Secretariat and thereafter, the formal constitution of the committee for Chhattisgarh took place in October 2023. Subsequently, the main functions of the Committee, its periodicity, and the details of previous meetings were briefed by Member Secretary, SCC, Chhattisgarh. The last meetings were held on 11.12.2023 and 27.03.2024 via video conferencing, covering both Chhattisgarh and Madhya Pradesh. However, no meetings could be held thereafter due to administrative reshuffling and elections. The Member Secretary, SCC, Chhattisgarh assured that going forward, the SCC meetings will be conducted every quarter in physical mode.

5. Subsequently, a brief was provided on the progress made so far in the initiative taken in previous State Co-ordination Committee meetings and the same was deliberated as under:

<u>A. Nodal officers for co-ordination:</u>

5.1. Shri Faraz Ahmad Qureshi, Member Secretary, SCC, Chhattisgarh pointed out that Nodal officers have been appointed for various domains such as Audit, Registration, Legal, Enforcement, and Verification/Identification of Bogus Firms. However, due to administrative changes these appointments require updating. It was decided that the same will be updated at the earliest.

B. Mutual participation in MCM meetings:

5.2. The Member Secretary, SCC, Chhattisgarh, further stated that mutual participation in each other's Monthly Coordination Meetings (MCMs) was one of the agenda items discussed during the previous SCC meeting held on 27.03.2024. Shri N.K. Verma, Joint Commissioner, State Tax, Chhattisgarh, informed that currently there is no institutionalized mechanism in place within Chhattisgarh State GST for holding monthly meetings to discuss and finalize audit paras arising from audit proceedings. However, he mentioned that State GST officers are attending the MCMs organized by the CGST Raipur Audit Commissionerate. Elaborating further, Shri Verma clarified that, unlike in Central GST, the Audit function has not yet been made a dedicated vertical in State GST. Nevertheless, he informed that two posts of Joint Commissioner (Audit) have recently been created exclusively for audit-related functions. Going forward, the State GST also intends to formalize a mechanism for holding regular MCM-like meetings for audit matters.

5.3. Shri C.P. Goyal, Co-chair, emphasized the advantages of mutual participation in audit meetings for cross-learning and capacity building. He requested the ADC, Audit Commissionerate that, Draft Audit Reports (DARs)which are to be discussed in MCMs, be shared in advance with State GST officers to enable more meaningful participation. He further highlighted a good practice being followed by the CGST Bhopal Audit Commissionerate, where taxpayers whose audits have been conducted and whose DARs are scheduled for discussion are invited to attend the MCMs. This allows them to present their views on the audit paras. Emphasizing the benefits of this approach, he encouraged exploring the possibility of replicating the same practice in Chhattisgarh.

C. Special Drive for weeding out fake registrations:

5.4. Shri Faraz Ahmad Qureshi, Member Secretary, SCC, Chhattisgarh, informed that as decided in the previous SCC meeting, he is Nodal Officer at the Zonal level. He also has a dedicated team in place for this purpose. Accordingly, any correspondence received from State GST to the Zonal Office is immediately forwarded to the concerned Central GST Commissionerate. Likewise, in case of any correspondence from Central GST regarding verification or non-existence of State-administered GST taxpayers, the same is promptly forwarded to State GST for necessary action. In this regard, he enquired whether State GST has been receiving timely responses from the concerned CGST Commissionerates on their references or communications or not.

5.5. Shri N.K. Verma, Joint Commissioner, SGST, informed that they had shared 21 alert notices and 164 intimation letters with Central GST regarding non-existent firms. However, the compliance or action taken reports on these communications are still pending.

5.6. Shri C.P. Goyal, Co-Chair SCC, Chhattisgarh and Chief Commissioner, Bhopal Zone, directed that all alert notices and related correspondence received from State GST be listed along with the corresponding action taken, and the same be immediately submitted to State GST. Likewise, he requested State GST to carry out a similar exercise for the correspondence received from Central GST and submit an action taken report accordingly. Upon mutual discussion, it was decided that the same should be done within one month.

5.7. Shri Rakesh Goyal, Principal Commissioner, CGST Raipur, acknowledged that correspondence from State GST in this regard is being received, and efforts are made to take appropriate action on all such communications/references. However, he also noted that there is a lack of a proper feedback mechanism for tracking and responding to these correspondences. In this context, he requested that a consolidated list of alert notices and related correspondence be shared, so that the information can be compiled efficiently. This would enable the preparation and sharing of an Action Taken Report, and any pending action—if not already initiated—can be taken up immediately.

D. Sharing of Incident Reports/Closure Reports:

5.8. Subsequently, the matter of mutual sharing of Incident Reports (IRs) was discussed. Shri N.K. Verma, Joint Commissioner, SGST, informed that IRs up to January 2025 have been shared with the concerned authorities.

5.9. Shri Vinod Kumar Agrawal, Additional Director General, DGGI, Raipur Zonal Unit, informed that IRs related to cases booked by DGGI are being regularly shared with State GST. However, he noted that IRs issued by SGST are not being received by DGGI.

5.10. Shri C.P. Goyal, Chief Commissioner, Bhopal Zone, emphasized the critical importance of timely sharing of such reports. He stated that this practice not only helps avoid redundant investigations but also ensures that taxpayers are not subjected to inquiries by multiple agencies on the same issue. He further elaborated on the policy in Madhya Pradesh, where all IRs are shared with the members of the Regional Economic Intelligence Committee (REIC). The Bhopal Zone office currently chairs the REIC in that state. He highlighted that tax evasion cases often have implications beyond GST, and therefore, such coordinated sharing is essential. He requested that copies of all IRs should also be sent to REIC, Chhattisgarh, in line with the established practice in Madhya Pradesh.

5.11. The discussion then shifted to the closure of cases where taxpayers had requested the conclusion of proceedings and the issuance of closure orders. The Member Secretary, SCC, Chhattisgarh, informed that the advantages of this process were discussed during the last SCC meeting, and he briefed the attendees on its benefits. He mentioned that a draft format for the closure order had been prepared and was shared as an outcome of the previous meeting.

5.12. Shri C.P. Goyal, Chief Commissioner, further emphasized the significance of this process. He explained that when a taxpayer voluntarily pays the applicable tax, interest, and penalty during the course of an inquiry or investigation and seeks closure of proceedings under Section 73(5) or Section 74(5) of the CGST Act, 2017, CGST issues a conclusion order. This order summarizes the key details of the case and acknowledges the taxpayer's voluntary compliance, serving as an official confirmation of the closure of proceedings. He added that the standardized format for the conclusion order would be shared again for implementation.

E. Capacity-Building Initiatives:

5.13. Shri Faraz Ahmad Qureshi, Additional Commissioner (CCO), Bhopal Zone, informed that during the last SCC meeting, it was deliberated that NACIN, Regional Training Institute, would coordinate with State GST to create tailor-made courses for the training of State GST officers. He enquired whether any such courses had been conducted so far.

5.14. Shri N.K. Verma, Joint Commissioner, SGST, informed that one joint course had recently been organized. He further mentioned that a 15-day training program for newly recruited Inspectors of State GST is being planned by NACIN, tentatively scheduled for April 2025.

5.15. Thereafter, Shri Faraz Ahmad Qureshi, informed that as an outcome of previous SCC meetings, eBooks on various aspects of GST administration were shared. He further added that additional eBooks have been developed since then, and the earlier ones have been updated. All eBooks will be shared at the earliest.

F. Conduct of regular GRC meetings:

5.16. The Member Secretary, SCC, Chhattisgarh briefed that since then, GRC meeting for the last quarter was held on 14.10.2024 and for this quarter is scheduled to be held on 07.03.2025.

G. Operationalization of GSTAT:

5.17. Issues concerning impediments in finalizing office space for operationalization were deliberated upon. Shri. Rakesh Goyal, Pr. Commissioner, CGST Raipur requested the state authorities to use their personal contact with the authorities of their sister department, so that the work of operationalization of GSTAT gets expedited.

6. Thereafter, agenda point of Comparative GST Return Filing Status, Strategies for Enhancing Return Filing Compliance and Revenue Augmentation was discussed and deliberated upon as under:

6.1. Shri C.P. Goyal, Chief Commissioner, stated that, statistically, if just 1% of taxpayers in Chhattisgarh fail to file their returns, approximately Rs. 25 crore in revenue remains stuck. He emphasized that return filing is one of the key parameters in the performance evaluation system developed by the GST Council Secretariat for ranking both Central GST Zones and State GST departments. This evaluation is broadly categorized into three areas: Tax Compliance, Taxpayer Services, and Tax Administration.

6.2. Following this, Dr. Pinky Baskey, Deputy Commissioner (CCO), presented the details of the evaluation framework, including the subcategories and the weightage assigned to each. She then provided a brief overview of the GST return filing status of Chhattisgarh in comparison with other states and the national average. The following trends were highlighted:
(i) The percentage of GSTR-1 and GSTR-3B filings in Chhattisgarh is much lower than the national average.
(ii) Taxpayers under the administrative control of State GST exhibit a higher filing percentage compared to those under Central GST, a trend consistent with national patterns.
(iii) The compliance rate among quarterly filers remains a concern, as their filing percentage is comparatively lower.

6.3. Shri C.P. Goyal, Chief Commissioner, stated that this is a cause of concern and while significant improvement has been achieved, a lot more needs to be done specially in Chhattisgarh.

6.4. Shri Deepak Giri, Joint Commissioner, SGST informed that State have engaged their inspectors in door-to-door campaigns targeting taxpayers who have not filed returns, along with conducting physical verification of non-filers. Out of approximately 30,000 taxpayers verified, 4,388 were found to be non-existent, of which 1,779 taxpayers under Central GST were identified as fake. The details of these cases were shared with the Central GST authorities, however no action taken report is received till date.

6.5. Shri C.P. Goyal, Chief Commissioner, expressed displeasure with the CGST Raipur Commissionerate, noting that no action had been taken in this regard. In response, Shri Rakesh Goyal, Principal Commissioner, CGST Raipur enquired about the details of how and when the list was shared. He requested that the list, along with supporting documents, be sent again immediately, preferably through a special messenger, so that prompt cancellation action can be initiated.

6.6. Further, Shri C.P. Goyal, Chief Commissioner, Bhopal Zone, requested that in the future, a copy of such correspondence also be marked to the Zonal Office to enable monitoring and follow-up.

7. Subsequently, Dr. Pinky Baskey, Deputy Commissioner, CCO Bhopal, discussed the practice in Central GST of identifying taxpayers based on TDS/TCS deductions reflected in GSTR-7 filed by deductors, where corresponding GSTR-3B returns have not been filed by the deductees for the same period. Shri Deepak Giri, Joint Commissioner, SGST informed that State GST is also following the same practice and recently shared the data for the month of January 2025 with their field formations for necessary action. Further, the method adopted by State GST to generate such data was deliberated upon. Shri Deepak Giri, Joint Commissioner, SGST informed that they develop various “use cases” for data analysis and have engaged Deloitte to assist in this work. Shri C.P. Goyal, Chief Commissioner, Bhopal Zone, requested that if such data includes Central GST taxpayers, it may also be shared with the CGST authorities so that appropriate action can be taken. He also suggested that an action taken report should be invariably called for.

8. Thereafter, Dr. Pinky Baskey shared the practice of circulating system-generated DRC-01B and DRC-01C notices from GSTN-BO, which highlight discrepancies between the tax liability declared in GSTR-1 versus the tax paid in GSTR-3B (DRC-01B), and the ITC auto-populated versus the ITC claimed in GSTR-3B (DRC-01C). Since these lists include taxpayers under both Central and State jurisdictions, the approach adopted by State GST in handling such cases was deliberated upon. Shri C.P. Goyal, Chief Commissioner, provided a brief overview of the system generated DRC-01B and DRC-01C and emphasized the importance of timely verifying such system-generated discrepancies promptly, given the significant revenue potential they have.

9. Dr. Pinky Baskey, Deputy Commissioner (CCO), shared details of arrears pending recovery under Central GST in Chhattisgarh. Following this, State GST officials were invited to share the practices adopted by them, which were discussed and deliberated upon. These included issuance of DRC-22, sending letters to lead banks to identify additional bank accounts for attachment, and the challenges faced in attaching properties during arrear recovery proceedings. The discussion also touched upon the potential impact of Section 16(4) cases and the benefits availed by taxpayers under the newly introduced Section 128A of the CGST Act, 2017, in reducing arrears. Shri C.P. Goyal, Chief Commissioner, Bhopal Zone, suggested that Central GST Raipur and State GST authorities hold a joint meeting to explore the possibility of coordinated action for recovery of arrears.

10. Thereafter, the issue of pending refund applications due to bank validation failures was briefly discussed, along with possible solutions for handling such cases effectively.

11. In his concluding remarks, Shri C.P. Goyal, Chief Commissioner, Bhopal Zone, suggested that while the State Coordination Committee meetings are held quarterly and attended by the Chief Commissioner and the Commissioner of State Tax, monthly meetings should also be scheduled between officers of CGST Raipur Commissionerate and State Tax, Chhattisgarh. This would facilitate quicker resolution of issues and enhance coordination on various issues.He emphasized the importance of Communication, Coordination, Cooperation, and Collaboration between the Central GST and State GST departments, noting that efforts made by one department ultimately benefit the other.

12. The meeting concluded with the vote of thanks proposed by Shri Faraz Ahmad Qureshi, Member Secretary, SCC, Chhattisgarh.

13. This issues with the approval of the Co-chairs.

Signed by
Faraz Ahmad Qureshi
Date: 09-04-2025 14:04:43

(Faraz Ahmad Qureshi)
Additional Commissioner(CCO) &
Member Secretary, SCC, Chhattisgarh

Copy to:

1. All the Members of State Co-ordination Committee of Madhya Pradesh and Chhattisgarh.
2. The DGGST, New Delhi for information please.
3. The DGGST, Western Zonal Unit, Mumbai for information please.
4. The GST Council Secretariat, for information please.