कार्यालय मुख्य आयुक्त
OFFICE OF THE CHIEF COMMISSIONER
सी.जी.एस.टी, केन्द्रीय उत्पाद शुल्क एवं सीमा शुल्क, भोपाल ज़ोन
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Minutes of the 2nd State Co-ordination Committee Meeting for the States of M.P. & Chhattisgarh held on 27.03.2024

The 2nd meeting of the State Co-ordination Committee for the states of M.P. & Chhattisgarh was held jointly on 27.03.2024 in virtual mode. The meeting was attended by the following officers:

CGST BHOPAL ZONE			SGST MADHYA PRADESH & CHHATTISGARH	
Sl. No.	**Name of the Officer (Shri/ Mrs./Ms.)**	**Designation**	**Name of the Officer (Shri/ Mrs./Ms.)**	**Designation**
1	Sh. C. P. Goyal	Chief Commissioner, Madhya Pradesh & Chhattisgarh	Sh. Swatantra Kumar Singh	Commissioner, Madhya Pradesh
2	Sh. Rakesh Goyal	Pr. Commissioner, Bhopal	Sh. Rajat Bansal	Commissioner, Chhattisgarh
3	Sh. Pratul Tiwary,	Commissioner, Indore	Smt. Rajni Singh	Special Commissioner, Madhya Pradesh
4	Sh. Abu Sama	Commissioner, Raipur	Sh. Pratik Jain	Additional Commissioner (Technical), Chhattisgarh
5	Sh. M.P Meena	Commissioner, Audit Raipur	Sh. Manoj Kumar Chaubey	Additional Commissioner (Technical), Madhya Pradesh
6	Sh. Rajendra Kumar Meena	Additional Director General, DGGI, Bhopal Zonal Unit	Sh. N.K Verma	Joint Commissioner (Enforcement), Chhattisgarh

7	Sh. Vinod Kumar Agrawal	Additional Director General, DGGI, Raipur Zonal Unit	Sh. Neeraj Srivastav	Joint Commissioner (AEB), Madhya Pradesh
8	Sh. Faraz Ahmad Qureshi	Additional Commissioner (CCO), Bhopal	Sh. Manish Mishra	Deputy Commissioner (Technical), Chhattisgarh
9	Dr. Pinky Baskey	Deputy Commissioner (CCO), Bhopal	Sh. Hemant Sinha	Deputy Commissioner (GSTN), Chhattisgarh

2. The following officers also attended the 2nd State Co-ordination Committee meeting of Madhya Pradesh and Chhattisgarh:

i. Shri Milind Lanjewar, Additional Director General, NACIN ZTI, Bhopal.
ii. Smt. Ashima Bansal, Joint Secretary, GST Council.
iii. Shri Arvind Kumar, Assistant Director, DGGST, Western Zonal Unit, Mumbai.

3. At the outset, the Additional Commissioner (CCO), Bhopal Zone on behalf of the Convener & Chief Commissioner, M.P. & C.G., welcomed all the members to the 2nd meeting of State Co-ordination Committee for the state of Madhya Pradesh and Chhattisgarh. He then requested Dr. Pinky Baskey, DC (CCO) to conduct the meeting and introduce the agenda points of the meeting.

4. Thereafter, following agenda points were taken up for discussion:

i. Review of minutes of the first State Coordination Committee meeting for the state of Madhya Pradesh and Chhattisgarh held on 11.12.2023.
ii. Establishment of GSTAT Benches in the state of MP & Chhattisgarh.
iii. Transition of Central GST to GSTN BO.
iv. Sharing of best practice by both Centre and State.
v. Ease of doing business: Regular meetings with Trade bodies (endorsed by Commissioner, SGST Chhattisgarh).
vi. Issue of fake registration (endorsed by Commissioner, SGST Chhattisgarh).
vii. Sharing of Incident Reports (endorsed by Commissioner, SGST Chhattisgarh).
viii. Role of NACIN in capacity building of officers from CGST as well as SGST (endorsed by Chief Commissioner, CGST & Central Excise, Bhopal Zone).

5. Dwelling on the first agenda point, the minutes of the first State Co-ordination committee were reviewed, which were deliberated as under:

5.1 Appointment of separate Nodal Officers for Enforcement, Legal, GST registration and General Coordination in state as well as Central Tax administration for better coordination and information sharing: Shri C.P Goyal, Chief Commissioner, M.P & C.G, re-emphasized the importance of information sharing in these matters and the pivotal role of Nodal officers for coordination. He informed that the finalization of the nodal officers for these matters is still pending. He further informed that due to the administrative changes affected in the State Tax bureaucracy after the State Assembly Elections, a revised list of nodal officers may also be required.

5.1.2 It was also mutually agreed to complete the exercise of appointing Nodal officers by Central GST, State Tax Madhya Pradesh, and State Tax Chhattisgarh and share the list of appointed nodal officers within ten days positively; along with their complete details, including the email-id and mobile number for effective coordination.

5.2 Mutual participation in Audit Monitoring Committee Meeting (MCM): During the deliberations of first state coordination meeting Shri C.P Goyal, Chief Commissioner, M.P & C.G had suggested that monthly Monitory Committee Meeting (MCM) held by the Audit Commissionerates of CGST in Madhya Pradesh and Chhattisgarh may be attended by the officers of SGST and *vice-versa*.

5.2.2 Shri C.P. Goyal reiterated the importance of knowledge sharing in audit matters. He noted that audit findings with tax implications are often specific to particular sectors. Therefore, an issue identified by CGST Audit in a specific sector can help SGST identify similar issues during audits of other taxpayers in the same sector. He further instructed the Commissioner of CGST Audit, should provide prior intimation at least 3-4 days before the Monthly Coordination Meeting (MCM) and to share their Draft Audit Plans (DAPs) with state officials in advance. This would allow them to contribute effectively to the discussions.

6. Shri Swantantra Kumar Singh, Commissioner, SGST Madhya Pradesh put forward a point that a nodal officer from CGST maybe designated to provide updated status on the request sent to CGST for verification/cancellation of suspicious firms/bogus dealers under CGST's administrative control.

6.1 Shri Faraz Ahmad Qureshi, Additional Commissioner, CCO informed that in response to the special drive against fake entities initiated on the directions of the Honorable Revenue Secretary of the Government of India, all fake entities detected during verification, as received from all four Central Goods and Services Tax (CGST) commissionerates in Madhya Pradesh, are being shared with the State Goods and Services Tax (SGST) department, along with their recipients in Annexure-B. Additionally, alert notices issued in respect of suppliers in such cases are also being shared with the SGST. He further informed that such data can also be shared with the email address of the nodal officer in enforcement matters from SGST.

6.2 Smt. Rajni Singh, Special Commissioner, SGST informed that other than the list shared for the special drive, SGST have also sent D.O. letter containing list of bogus dealers. She requested that cancellation/verification status of such dealers maybe provided to SGST so that they can finalize their investigation.

6.3 Smt. Ashima Bansal, Joint Secretary, GST Council informed that with respect to the special drive against fake registration the total no. of cases which have been transferred by all the jurisdictions within their own jurisdiction and to other jurisdictions is 1.5 lakhs whereas in the follow up cases, the number of cases which have been shown as receipt is only 50,000 cases on pan-India basis. There is a gap of one lakh cases across pan-India data. In this context, she suggested that Bhopal Zone may look into the data shared and if required a special drive to reconcile and consolidate list of all the cases transferred and received may be conducted.

6.4 Shri C.P Goyal, Chief Commissioner, M.P & C.G highlighted the lack of responses in cases involving Annexure-B issuances and the need for an institutional mechanism to track them. He suggested consolidating all references made to the other tax authority, proposing regular meetings of nodal officers for proper monitoring and coordination. The first meeting could be held within 15 days to discuss actions taken on references between SGST and CGST for better tracking of such cases.

6.5 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh informed that they have also shared a list of around 130 dealers to CGST for verification and the reply is still awaited from CGST.

6.6 It was suggested that a centralized nomination of a nodal officer for CGST at CCO level will be better for monitoring and coordination. Shri C.P Goyal, Chief Commissioner, M.P & C.G, stated that Shri Faraz Ahmad Qureshi, ADC would be the nodal officer for MP and CG, with a dedicated cell of officers from CCO, to monitor the same.

7. Continuing further, the portal developed by SGST Madhya Pradesh for sharing enforcement action details to avoid duplication and enhance information sharing was discussed. The then Commissioner, SGST, Madhya Pradesh, shared this during the first State Co-ordination Committee Meeting. It was mentioned that provisions were made for sharing credentials with CGST administration to access this portal.

7.1 Smt. Rajni Singh, Special Commissioner, SGST Madhya Pradesh informed that they have written a letter regarding the same wherein a PPT containing screenshots of the portal was also shared. She further informed that they need details of credentials for CGST officials to create login IDs for giving access to the portal to CGST officer. She further informed that in the portal there is also an option for the CGST to feed their own cases booked which will remove the requirement of sending the same separately. She also informed that they can also plan a brief training of CGST officers by their technical team to get hands-on experience of the portal.

7.2 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh informed that at present, they do not have any such portal in Chhattisgarh. Shri C.P Goyal, Chief Commissioner, M.P & C.G, reiterated the importance of avoiding multiple investigations on the same issues. He suggested mutual information sharing between CGST and SGST departments of, M.P & C.G through respective nodal officers on enforcement matters.

8. Continuing further, deliberations were made on the issue of closure of cases where taxpayer had requested for conclusion of proceedings and issuing closure order for the same. Shri C.P Goyal, Chief Commissioner, M.P & C.G, emphasized the importance of this process. He explained that when a taxpayer voluntarily pays taxes, interest, and penalty during an inquiry/investigation and requests conclusion of proceedings under Section 73(5) or Section 74(5) of the CGST Act, 2017, a conclusion order is issued by CGST. This order contains details of the case like brief facts and taxpayer's voluntary payment; and also serves as written acknowledgment of the conclusion of proceedings. He added that they have a format for these orders, which will be shared with SGST for adoption. He also stated that CGST officers have been directed to ensure that a copy of conclusion orders issued by CGST is provided to SGST for coordination.

8.1 Shri Manoj Chaubey, Additional Commissioner (Technical), Madhya Pradesh inquired from Smt. Ashima Bansal, Joint Secretary, GST Council about the facility to close the proceedings on the portal in cases where only DRC-01A has been issued to the taxpayer. Smt. Bansal informed that last time when she was apprised on the issue, the facility was under process. She informed that she will take an update and inform accordingly.

9. With respect to the agenda point on establishment of GSTAT Benches in the state of Madhya Pradesh and Chhattisgarh, the committee deliberated as under:

9.1 Shri C.P Goyal, Chief Commissioner, M.P & C.G stated that this issue needs to be divided into several parts including:

i. Identification of office premises for GSTAT and furnishing of the office space,
ii. Providing officers who will assist in the functioning of GSTAT,
iii. Categorization of cases pending for appeal.

9.2 Shri Manoj Chaubey, Additional Commissioner (Technical), SGST Madhya Pradesh informed that space for GSTAT in Madhya Pradesh has been allocated, and they have appointed a nodal officer for SGST-CGST coordination. He also updated on the selection progress for State-side GSTAT members.

9.3 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh informed that they don't have any available government premises for GSTAT office. He informed that they have identified premises in Raipur and Bilaspur and are coordinating with CPWD for approval. He also updated on the progress of selecting State-side members for GSTAT.

9.4 Shri C.P Goyal, Chief Commissioner, M.P & C.G informed that the selection of Central Members for GSTAT is being done centrally at the Board level. He added that work is ongoing to finalize the list of officers for GSTAT's functioning. He also informed that the Principal Commissioner of CGST Bhopal and Commissioner of CGST Raipur have been designated as nodal officers for coordinating the establishment of tribunals in Madhya Pradesh and Chhattisgarh, respectively, and their details will be communicated shortly.

10. With respect to the agenda point on transition of Central GST to GSTN-BO, the committee deliberated as under:

10.1 Dr. Pinky Baskey, Deputy Commissioner, CCO informed that CGST is transitioning to GSTN Back Office. She thanked officers of SGST Madhya Pradesh and Chhattisgarh for their active participation in the PoC tests done by DG System for the same.

10.2 Shri C.P Goyal, Chief Commissioner, M.P & C.G informed that tentatively from 01.06.2024, CGST is transitioning from the GST-ACES platform to the GSTN BO, which is also used by SGST. He mentioned that CGST may require some initial handholding from SGST during this transition and solicited their help.

11. With respect to the agenda point Ease of doing business: Regular Meeting with Trade bodies, which was added based on the request from SGST Chhattisgarh, the committee deliberated as under:

11.1 Dr. Pinky Baskey, Deputy Commissioner, CCO detailed about the last GRC meetings conducted in the State of Madhya Pradesh and Chhattisgarh.

11.2 Shri C.P Goyal, Chief Commissioner, M.P & C.G informed that as per the available records substantial time has elapsed since the last GRC meeting in respect of Chhattisgarh. He further requested the Commissioner, SGST Chhattisgarh to convene this meeting so that he can attend the same personally in Chhattisgarh.

11.3 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh, highlighted a broader context to the agenda. He mentioned a review meeting at the highest level in State Government due to numerous complaints against GST authorities. They were instructed to take a deep-dive into the matter, leading them to engage with various trade bodies, including smaller ones. A schedule has been set up by SGST Chhattisgarh wherein officers have to meet with these bodies to resolve complaints as well as to prevent such complaints. Shri Bansal further informed that they will be sharing a confidential/sensitive report in this regard soon.

11.4 Shri C.P Goyal, Chief Commissioner, M.P & C.G emphasized the importance of taxpayers as key stakeholder in GST, suggesting that the communication channel with them should always remain open. He also informed that if a GRC or any other high-level meeting with trade bodies is convened by SGST, he would like to personally attend the same.

11.5 Smt. Rajni Singh, Special Commissioner, SGST Madhya Pradesh suggested planning the GRC meeting in the next quarter after Phase-4 voting in the General Elections 2024.

12. With respect to the agenda point on issue of fake registration, which was added based on the request from SGST Chhattisgarh, the committee deliberated as under:

12.1 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh informed that as informed by him earlier, they have shared a list of around 130 dealers pertaining to CGST for which verification report is awaited. He further informed that he is aware that CGST is thinly staffed across the state of Chhattisgarh so verification is a bit difficult however, they are seeing a disproportionate large number of bogus registrations which are registered under the administrative control of CGST. In this context, he informed that if required, SGST officers can collaborate with the CGST officers for verification of such suspect entities to clamp-down on bogus registrations.

12.2 Shri C.P Goyal, Chief Commissioner, M.P & C.G agreed with the urgency emphasized by the Commissioner, SGST Chhattisgarh, to crackdown on fake entities issuing bogus invoices, as these impact the revenue of both CGST and SGST. He assured that timely verification of the list of around 130 registrations received from SGST Chhattisgarh would be a priority.

13. With respect to the agenda point on sharing of Incident Reports, which was added based on the request from SGST Chhattisgarh, the committee deliberated as under:

13.1 Shri Rajat Bansal, Commissioner, SGST Chhattisgarh stated that as discussed earlier, they will be issuing Incident Report along with Closure Report.

13.2 Smt. Rajni Singh, Special Commissioner, SGST Madhya Pradesh informed that while they are receiving the incident reports issued from DGGI, they are not getting the same from CGST. Receiving the same will be very helpful to them.

13.3 Shri C.P Goyal, Chief Commissioner, M.P & C.G instructed the officials of CGST to ensure that Incident Reports are shared to the SGST on a weekly basis. He also directed to look into the possibility of sharing the same through the portal developed by SGST Madhya Pradesh.

14. Continuing further, the committee deliberated on the role of NACIN in capacity building of both CGST and SGST officials, as under:

14.1 Shri Milind Lanjewar, ADG, NACIN ZTI, Bhopal informed that NACIN ZTI, Bhopal, has signed an MoU with the State Government for capacity building of SGST officers. He highlighted that based on feedback from State GST officers attending NACIN programs, there is a need for slightly different capacity building for State GST officers compared to Central GST officers. They may require special assistance in audit, handling of cases involving services, classification and HSN, drafting of SCN, and preparation of adjudication orders, etc. In Chhattisgarh, they are already coordinating with SGST officials and will begin combined coordination programs from April 2024 onwards. He urged SGST officers from Madhya Pradesh to initiate similar efforts and offered to share specific training modules for audit and SCN-drafting for officers and also to train newly recruited state officers, if required by them.

14.2 Shri C.P Goyal, Chief Commissioner, M.P & C.G urged the Additional Director General, NACIN ZTI, Bhopal to make SGST officials aware of the weekly training program “Har Budhwar, GST Vaar”. Shri Milind Lanjewar, ADG, NACIN ZTI, Bhopal, explained that they have a unique weekly GST training program every Wednesday, focusing on relevant GST topics. He mentioned that some State GST officers from both MP and Chhattisgarh are already participating and providing constructive feedback. He suggested popularizing this program throughout MP and Chhattisgarh, as it would benefit both CGST and SGST officers. He also encouraged State GST officers to share their training needs on GST issues with NACIN, so that these topics could be incorporated into the weekly program.

14.3 Shri C.P Goyal, Chief Commissioner, M.P & C.G requested the Additional Director General, NACIN ZTI, Bhopal, to appoint a nodal officer from NACIN for coordinating the training programs. Shri Milind Lanjewar, ADG, NACIN ZTI, Bhopal, mentioned that Smt. Shivi Sangwan, Deputy Director, RTI, NACIN, Raipur is already coordinating with Chhattisgarh SGST, and a similar setup can be arranged for MP SGST if approached.

14.4 Smt. Rajni Singh, Special Commissioner, SGST Madhya Pradesh informed that they are also planning training for their officers on drafting notices and requested NACIN to organize training for SGST officers in this regard. She also requested training on circulars issued to be included in NACIN's weekly training program. She further informed that they would formally communicate these requests to NACIN, ZTI, Bhopal soon. Shri Milind Lanjewar, ADG, NACIN ZTI, Bhopal, stated that Shri Pranesh Gupta, Additional Director, NACIN ZTI, Bhopal, would be the coordinating officer between NACIN and State GST officers.

14.5 Shri C.P Goyal, Chief Commissioner, M.P & C.G informed that during his tenure as Additional Director General, NACIN ZTI, Kanpur they prepared concise e-books on taxation related matters titled - Drafting Good SCN, Drafting of Adjudication Order, Principles of Natural Justice, Arrears Recovery, etc. and the same are available in public domain as a ready reference on all important topics of GST.

15. Schedule of next Meeting:

The date of next State Co-ordination Committee Meeting was decided to be informed in due course.

16. The Meeting ended with a vote of thanks.

Signed by
Faraz Ahmad Qureshi
Date: 09-04-2024 13:37:34

(Faraz Ahmad Qureshi)
Additional Commissioner (CCO)

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.
5. The ADG, NACIN ZTI, Bhopal.

Additional Commissioner (CCO)