

	<p style="text-align: center;">कार्यालय मुख्य आयुक्त OFFICE OF THE CHIEF COMMISSIONER सी.जी.एस.टी, केन्द्रीय उत्पाद शुल्क एवं सीमा शुल्क, भोपाल ज़ोन C.G.S.T., CENTRAL EXCISE & CUSTOMS, BHOPAL ZONE 35-C, जी.एस.टी .भवन, प्रशासनिक क्षेत्र, अरेरा हिल्स, भोपाल (म.प्र.) 35-C, GST Bhawan, Administrative Area, Arera Hills, Bhopal Tel. No. 0755-2765208 Email: ccu-cexbpl@nic.in</p>	
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21-02-2025

Minutes of the Grievance Redressal Committee of the State of Madhya Pradesh, held on 22.11.2024

The meeting of the Grievance Redressal Committee for the State of Madhya Pradesh was held on 22.11.2024 at Conference Hall, SGST Office, Plot No. 19-20, Jail Rd., Arera Hills, Bhopal, Madhya Pradesh.

2. The complete list of attendees are enclosed as “*Annexure-A*”.
3. At the outset, Shri Faraz Ahmad Qureshi, Additional Commissioner and Member Secretary while welcoming all the members remarked that there has been a long gap of 2 years since the last GRC meeting. He stated that new members have been nominated for this meeting and he look forward to coordinated and cooperated effort by all new members of GRC in the coming years.
4. Subsequently, Shri Dhanaraju S, Commissioner, SGST Madhya Pradesh, and Co-Chair of the forum, gave the welcome address. Welcoming all the attendees, he remarked that the GRC meeting for the State of Madhya Pradesh was being held after a gap of approximately 16-17 months, the last one having been conducted in June 2023. He marked this as a positive step in revitalizing the forum and commented that the frequency of GRC meetings would be increased moving forward. He emphasized that an efficient and effective administration requires a robust feedback mechanism for hearing and redressing taxpayer grievances. He expressed hope that continuous dialogue through this forum would further strengthen the same.
5. Thereafter, Shri C.P. Goyal, Chief Commissioner, CGST Bhopal Zone, and Co-Chair of the forum, addressed the gathering. At the outset, he thanked all the members of the committee for taking their valuable time to attend the meeting, especially those who had travelled long distances. He noted that this was the first meeting of the Grievance Redressal Committee (GRC) of Madhya Pradesh in the financial year 2024-25. Reflecting on the reasons for this delay, he mentioned that due to elections in the State and at

the Centre, coupled with administrative restructuring in both Central and State GST departments, had contributed to non-convening meetings during this period. He further acknowledged that, as per the guidelines, GRC meetings are meant to be held quarterly. Shri C.P. Goyal emphasized the importance of the administration's responsibility to hold regular interactions with stakeholders in GST to understand and address their grievances effectively. He assured the participants that, moving forward, GRC meetings would be conducted at regular intervals to ensure consistent dialogue and timely resolution of issues.

6. Shri C.P. Goyal remarked that GST accounts for around 50-60% of the State's revenue resources, making its growth a key indicator of the state's overall economic growth. He informed that the GST revenue growth for Madhya Pradesh during the current financial year is approximately 7%, which is far below the national average of around 10% and significantly lower than the targeted growth of around 18%. He noted that this is a cause for concern.

7. He highlighted the initiatives taken by the government in the 53rd and 54th GST Council meetings, emphasizing efforts to minimize disputes in the GST regime by identifying and addressing issues that have the potential to escalate into widespread challenges. Shri Goyal remarked that disputes mainly arise from either interpretational issues of law or those originating from deliberate evasion or violation of law. He pointed out that disputes impose costs, including legal expenses, inconvenience, and time wastage for both taxpayers and the government. The recent GST Council decisions are focused on reduction of such disputes effectively.

8. In the context of the dispute resolution mechanism, he updated the forum on the progress made in establishing and operationalizing the GST Appellate Tribunal (GSTAT) bench at Bhopal, noting that Madhya Pradesh is making significant strides in this area. He also spoke about the establishment of GST Suvidha Kendras (GSKs) for biometric Aadhaar-based authentication of registration applications. Referring to the results of the department's recent anti-fake invoice drive, he informed that 46 GSKs are being established in Madhya Pradesh, with a notification recently issued, and operations set to commence soon. He emphasized that this initiative is expected to curb the menace of fake invoicing, which has been a persistent issue undermining trust in the GST ecosystem. Addressing the challenge of stagnant revenue growth in the state compared to the national average, Shri Goyal highlighted the importance of compliance with two critical GST returns: GSTR-1 and GSTR-3B. He observed that as of October, only 60% of taxpayers in the state had filed their GSTR-1 returns by due date, which is merely a declaration of liability. Furthermore, as of 21.11.2024, only 82% of taxpayers had filed their GSTR-3B returns, leaving 18% (approximately

50,000 taxpayers) non-compliant. He further stressed that GST operates on a self-assessment and trust-based system, and such large-scale non-compliance threatens its sustainability. Highlighting the consequences of non-filing or delayed compliance, Shri Goyal explained that it tarnishes the taxpayer's image, as taxpayer return filing status is publicly accessible on GSTN website. It also increases taxpayers' risk score, potentially increasing the chances of them being subjected to greater scrutiny, such as audits or return scrutiny. Additionally, non-compliance may lead to the payment of 18% interest on delayed tax payments and the inability to pass-on ITC to the buyers in the same month. He urged representatives from taxpayer and tax professional associations to raise awareness among taxpayers about the importance of timely return filing to ensure smooth operations and compliance within the GST framework. He also said that such non-compliance would affect the GST Compliance Rating of the taxpayers, which is planned to be used by other organisation like Banking to check the compliance history of the applicant, hence it is imperative for the taxpayer to keep his record clean and tax compliant.

9. Thereafter, Shri C.P. Goyal gave a brief presentation explaining, inter-alia revenue trends, return filing compliance, and recent taxpayer-friendly decisions aimed at reducing disputes and resolving existing ones taken during the 53rd and 54th GST Council meetings along with latest circular and notification issued by CBIC.

10. Thereafter, the representative from trade/taxpayer professional associations were requested one-by-one to deliberate on the representations/submissions by them for the meeting. The points raised and responses are mentioned in following paragraphs:

11. Points raised by Sh. Mradul Arya, Tax Law Bar Association, Bhopal in their submission:

- i. **Welcoming New Businesses to the GST Network:** *A fundamental aspect of effective tax collection is broadening the tax net. Every businessman seeking to join the GST network should be welcomed. Upon registration, their details become available to the department, facilitating cross-verification with other departments. However, it is observed that both Central and State authorities often create unnecessary hurdles in granting registrations. While it is understood that not all dealers are genuine, it is equally important to recognize that not every businessman is bogus. Therefore, a balanced approach is needed to grant as many registrations as possible. The department's technical capabilities should be leveraged to monitor new registrations for the first six months. If any discrepancies or wrongful activities are identified, appropriate actions can be taken against the offenders.*

- ii. **Streamlining the Process for Registration Cancellation:** *The process of getting a GST registration canceled is often as challenging as obtaining a new one. Officers frequently request numerous documents, sometimes more than those required during audits. Typically, it takes multiple rejections before a cancellation order is finally granted, and even then, it often depends on luck. There should be a defined time limit for officers to act on registration cancellation applications. Currently, once an application is submitted the portal automatically suspends the registration, preventing the filing of returns for subsequent periods. If the application is rejected after a prolonged period, such as a year dealers face an unnecessary burden of late fees. Implementing a time-bound procedure for handling cancellation requests would alleviate these issues and reduce undue stress on dealers.*

Shri C.P. Goyal, Co-chair, acknowledged that in some cases there could be delay in cancellation of registration at the request of taxpayer. He informed that such delay in cancellation is not only inconvenient for the taxpayer but also negatively impact our taxpayer service delivery score. The department takes such service delivery very seriously and Central GST is daily monitoring of the number of cancellation application pending at their end of the day and the number of days for which it is pending with an officer. It is done both at CCO level and Commissionerate level. However, he stated that in some deserving cases the process definitely takes time and it is important to critically examine the issues that need to be resolved under GST before initiating the cancellation of registration. He outlined three key aspects that must be addressed:

- i. Stock in hand and ITC reversal: Proper verification of the stock and the reversal of Input Tax Credit (ITC) is essential.
- ii. Pending demand: Any pending tax demand needs to be settled or appropriately dealt with before proceeding.
- iii. Filing of the final return (ASMT-10): This is a pressing issue, as there are a significant number of non-filers under this category.

He acknowledged that due to the criticality of these issues, officers are not able to immediately cancel registrations. From their perspective, they prefer to resolve these matters upfront before approving cancellation applications. He advised that all the taxpayers specially the members of the taxpayer's representative association need to ensure that all documents and declaration is properly and correctly made at the time of applying for cancellation. The details of the documents to be submitted is already known to the taxpayer, hence the applicant need to take due caution and fulfill compliances beforehand so that the application is scrutinized early and avoid any

inconvenience caused by delay. However, he assured that the Zonal Office and Commissionerate is regularly monitoring the pendency and if there are case-specific grievances in this regard where unnecessary delay is noticed, they can be directly addressed to him for prompt resolution.

- iii. **Ensuring Impartial Assessments under State GST**: *Currently, when a dealer is audited under section 65 by an officer from the audit wing and fails to deposit the extra demand raised, the case proceeds to assessment. In these cases, in the SGST department the same officer who conducted the audit also performs the assessment, which contradicts the principle of natural justice. In contrast, under CGST the case is transferred to a jurisdictional or other officer for assessment after the audit. This practice allows the taxpayer to present their submissions to an independent authority who was not involved in the audit. We request the SGST Commissioner to adopt this practice used by the CGST department to ensure fairness and impartiality in assessments.*

Elaborating further on their written submission, Shri Mradul Arya mentioned that the officer who has issued SCN already has a mindset that the tax demand is valid and it is likely that if the same officer adjudicated the SCN, he will be prejudiced accordingly and this may violate the principles of natural justice.

Shri Dhanaraju S, Co-Chair responded that this point raised in respect of the SGST department is valid and is under active consideration by them.

- iv. **Addressing Issues with Blocking of Input Tax Credit (ITC)**: *The SGST department has been blocking ITC on the list of dealers provided by the Head office without verifying the status of the dealer or his history. Whereas as per rule 86A officer should satisfy himself before blocking ITC that dealer received the ITC from fraud and not block the ITC in a mechanical manner and this fact was also ratified by various High Courts.*

Elaborating further on their submission, Shri Mradul Arya stated that there have been instances where ITC has been blocked two times on the same issue. Summary blocking of ITC violates the principle of natural justice.

Shri Dhanaraju S, Co-Chair responded that this may be substantiated by submission of specific instances for further deliberation and taking corrective measure, if required.

- v. **Revising Penalty Provisions for Small Taxpayers under Section 73:**
As per Section 73(9) the penalty on demands raised is 10% of the tax or Rs. 10,000, whichever is higher. This provision is excessively harsh for small taxpayers who have minimal demands below Rs.10,000 due to minor errors. In such cases, a hefty penalty of Rs.10,000 is imposed on honest taxpayers who are willing to pay the pending tax amount along with interest, this unnecessarily increases litigation. We suggest revising this provision to make the penalty proportional to the amount of tax due, which would be fairer for small taxpayers and reduce the burden of litigation.

Shri C.P. Goyal, Co-Chair responded that the suggestion is, prima facie, a policy matter requiring amendments in law. He further explained that before the imposition of a penalty under Section 73(9) of the CGST Act, taxpayers are given multiple opportunities to settle their demand without penalty. Firstly, a letter is issued to the taxpayer at the time of initiation of scrutiny/enquiry and during the course of investigation, multiple opportunities are available to close the proceedings on making voluntary payment of tax in question. Secondly, a Show Cause Notice (SCN) in Form DRC-01 is issued demanding the tax amount, after which the taxpayer has the option to pay the tax without penalty within 30 days of the issuance of the SCN. This time period has been now further extended to 60 days. However, if, despite these opportunities, the taxpayer chooses to contest the demand raised by the department, it displays a conscious decision on the part of the taxpayer to do so.

Shri Goyal emphasized that before making a representation to the policy wing on such matters, proper deliberation and in-depth analysis needs to be undertaken. He requested that detail proposal may be submitted explaining as to how the above legal steps or options provided to taxpayer before confirmation and imposition of penalty under section 73(9) are not enough and fair. If a proper case is made with reasonable request, the same shall be definitely studied and the representation shall be forwarded to the policy wing for consideration and further necessary action.

12. Points raised by Shri A.K Lakhotia, MP Tax Law Bar Association in their submission:

- i. जीएसटी की देनदारी में IGST, CGST एवं SGST से सम्बंधित 'इनपुट टैक्स-क्रेडिट' को किसी भी क्रम/मद में समायोजित किए जाने हेतु प्रावधान में संशोधन बाबत:

देश में जीएसटी के अवधारणा “एक-देश, एक-बाज़ार, एक-कर” जैसे मूलसूत्र के तहत अवधारित की गई थी, किन्तु इसके सरकार एवं जीएसटी परिषद द्वारा इसके ठीक विपरीत इस अप्रत्यक्ष कर कानून प्रणाली में प्रावधान समाहित किए जाकर इसे तकनीकी रूप से जटिलतम रूप में कानून का रूप दिया गया है।

कहने का तात्पर्य यह है कि, जीएसटी में कर की देनदारी को उपलब्ध ‘इनपुट टैक्स क्रेडिट’ की विभिन्न मदों - IGST, CGST एवं SGST आदि में पृथक्-पृथक् रूप से समायोजित किए जाने के कारण करदाता के पास किसी एक मद में ITC उपलब्ध होने पर भी इसका लाभ अपनी कुल देनदारी के विरुद्ध नहीं कर पाने से जहाँ दोहरे करारोपण हो रहा है वहीं उनके द्वारा व्यवसाय में विनियोजित कार्यशील पूंजी भी समाप्त होती जा रही है।

जिसके कारण कई छोटे व्यवसायी, लघु उद्योग आदि पूर्णतः बंद होने की कगार पर खड़े हैं। अतः देश के समस्त व्यवसाय जगत की ओर से विनम्र अपील है कि, करदाता के पास किसी भी मद में उपलब्ध शेष ‘इनपुट टैक्स क्रेडिट’ का समायोजन उनके द्वारा देय किसी भी मद की देनदारी के विरुद्ध समायोजित किए जाने संबंधित प्रावधान जीएसटी कानून में आवश्यक रूप से समाहित किया जाना निवेदित है।

Shri Manoj Chaubey, Additional Commissioner, State GST, Madhya Pradesh, responded that through Circular No. 98/17/2019-GST dated 23.04.2019, it has been clarified that IGST credit, after being used to offset liability under the IGST head, can be utilized to offset either CGST or SGST liability based on the taxpayer's requirements. However, in rare instances, there may be cases where a taxpayer has significant IGST liability exceeding the ITC available under the IGST head. In such cases, after exhausting the IGST credit, the CGST liability is required to be offset first. This could result in a situation where SGST credit remains unutilized as a balance. He requested a detailed submission of the issue so that it can be taken up further in the Law Committee.

ii. GSTR-1 से सम्बंधित विलम्ब शुल्क के सम्बन्ध में स्पष्ट प्रोसीजर होना चाहिए: धारा 37 में वर्णित प्रावधान अनुसार GSTR-1 देरी से प्रस्तुत करने पर लेट फीस लगाई जा सकेगी किन्तु पोर्टल पर आज दिनांक तक ऐसी विलम्ब शुल्क वसूल नहीं की गई है, जबकि विभागीय ऑडिट अथवा रिटर्न स्कूटनी के सन्दर्भ में जारी किए जाने वाले सूचना पत्र के पालन में इस प्रकार की लेट फीस जमा करायी जा रही है, जिससे परस्पर व्यवहार भिन्नता का वातावरण निर्मित हो रहा है। अर्थात्, जिस करदाता ने इस प्रकार की लेट फीस जमा नहीं की है वह इस प्रकार की विलम्ब शुल्क के भुगतान से बच जायेंगे तथा जिनका ऑडिट या कर निर्धारण हो रहा है, उन्हें लेट फीस जमा करनी पड़ रही है, जो न्यायसंगत नहीं है। अतः या तो पोर्टल पर GSTR-1 से सम्बंधित विलम्ब शुल्क जमा करने की सुविधा प्रारंभ की जावे या इसे पूर्ण रूप से समाप्त किया जावे।

Elaborating further on the submission, Shri A.K. Lakhotia stated that the late fee for the delayed filing of GSTR-1 is primarily being collected during the audit and scrutiny of taxpayers conducted by Central GST, resulting in inconsistency in treatment.

Shri C.P. Goyal, Co-Chair responded that the department agrees with the view that the collection of late fees for the delayed filing of GSTR-1 should be implemented at the system level, similar to GSTR-3B. However, as per the law, late filing of GSTR-1 attracts penal action, hence when during the course of Audit or Scrutiny when Central GST officers note late filing of GSTR-1, they are bound to impose and require the taxpayers to deposit the late fee for delayed filing of GSTR-1, as per the applicable provisions of the law.

Shri Dhanaraju S, Co-Chair added that this matter is already under consideration, and discussions regarding its implementation are underway in Law Committee. The matter is policy related and is under consideration in the appropriate forum.

iii. GST रिटर्न में संशोधन की समय सीमा 30 नवम्बर के स्थान पर 31 दिसम्बर करने के सम्बन्ध में:

पूर्व वर्ष से संबंधित GST रिटर्न में संशोधन की समय सीमा 30 नवम्बर है; इसे GSTR-9 की अंतिम तिथि के समान ही 31 दिसम्बर होना चाहिए।

एवं, न्याय सिद्धांतों के अनुसरण में GSTR-9 के अनुसार ऑफर की गई कर की देयता एवं लेखा-पुस्तकों के अनुसार क्लेम की गई ITC (इनपुट टैक्स क्रेडिट) को अनिवार्यतः मान्य किए जाने संबंधित प्रावधान स्पष्ट रूप से जीएसटी कानून में किए जाना निवेदित है।

Elaborating further on their submission, Shri A.K Lakhota stated that in case it is found during filing of GSTR-9 that some B2B transactions have been inadvertently left out, while the tax for the same is paid, as per the law the ITC on such payment cannot be availed since it is past the due date of 30th November.

Shri C.P Goyal, Co-chair responded that while 31st December is the last date for filing GSTR-9, there is no limitation to file the same at an earlier date. The date has already been shifted from 30th September to 30th November on the request and deliberation at the appropriate forum and now the request is from November to December of the year. The members should contemplate on such request themselves and find out the difficulty in filing the return timely, not only annual but also the monthly or quarterly ones by some of the taxpayers.

iv. व्यवसायिक उपयोग हेतु किराये से प्राप्त किए जाने वाले व्यवसाय स्थल/गोदाम आदि पर RCM की कर-देयता, कृषि उपज एवं करमुक्त मालों के भंडारण पर निर्धारित नहीं की जाना चाहिए: विगत दिनों जीएसटी में एक नया प्रावधान जोड़ा गया है कि, 10/10/2024 से या इसके बाद किसी भी करदाता द्वारा व्यवसायिक उपयोग हेतु कोई व्यवसाय स्थल या गोदाम आदि किराये पर लिया गया है, तो इसके किराये की राशि पर 18% की दर से RCM के तहत कर देय होगा। यहाँ यह निवेदित है कि, किराये पर प्राप्त किए गए ऐसे किसी गोदाम में सिर्फ "कृषि-उपज" तथा "करमुक्त-वस्तुओं" का भंडारण किया गया है, तो ऐसी दशा में

RCM के तहत कर की देयता नहीं होनी चाहिए। इस बाबत स्पष्ट प्रावधान लाया जाए।

Shri Manoj Chaubey, Additional Commissioner State GST Madhya Pradesh responded that this is a policy matter, a detailed submission maybe made for forwarding the same.

v. इनवाइंस मैनेजमेंट सिस्टम (IMS) को अधिक व्यावहारिक एवं पारदर्शी बनाया जाना आवश्यक है: ITC के क्लेम को सरल व सुगम बनाए जाने हेतु सरकार द्वारा करदाताओं की सुविधाओं को दृष्टिगत रखते हुए इस माह यानी नवंबर 2024 से जीएसटी पोर्टल पर IMS सुविधा उपलब्ध कराई गई है, जो निश्चित ही स्वागत योग्य व लाभकारी कदम है, तथा जिसमें हमें जीएसटी की मूल अवधारणा के तहत प्रावधानित फॉर्म-GSTR2 की धुंधली सी परछाई अवश्य दिखाई देती है, परंतु अब भी IMS पूर्ण रूप से form GSTR-2 के अनुरूप न होकर ITC क्लेम करने की स्वतंत्रता व पारदर्शिता जैसे उद्देश्यों को पूर्ण करने योग्य नहीं है।

उदाहरणस्वरूप: जीएसटी कानून के मूल प्रावधान अनुसार GSTR-2 में वस्तु एवं सेवा के प्राप्तकर्ता व्यवसायी को उससे संबंधित बीजकों को स्वयं के द्वारा स्वीकार, अस्वीकार, पेंडिंग अथवा संशोधित करने संबंधित नियम प्रावधानित किए गए थे, जबकि IMS के तहत केवल इतनी ही सुविधा प्रदान की गई है कि प्राप्तकर्ता व्यवसायी GSTR-2B में दिखाई देते बीजकों को स्वीकार, अस्वीकार या पेंडिंग कर सकेंगे। इनमें कोई संशोधन स्वयं के स्तर से नहीं कर पाएंगे। इसके लिए उन्हें केवल सप्लायर से बार-बार अनुरोध करना तथा उनके द्वारा किए जाने वाले कार्य व समय पर निर्भर रहना होगा, जो तकनीकी रूप से कतई व्यावहारिक एवं पारदर्शी नहीं है, और न ही न्यायपूर्ण कार्यप्रणाली की परिधि में आता है।

अतः IMS व्यवस्था को और अधिक सरल, सुगम, स्पष्ट, व्यावहारिक एवं पारदर्शी बनाया जाना निवेदित है, जिससे वास्तविक ITC क्लेम हेतु फॉर्म GSTR-2 के समकक्ष कार्य उद्देश्यों का लाभ एवं सुविधा वस्तु/सेवा के प्राप्तकर्ता व्यवसायियों को प्राप्त हो सके।

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Shri C.P. Goyal, Co-chair, responded that allowing a recipient to amend or modify the invoice details furnished by their suppliers would significantly compromise the integrity of the data. He emphasized that any amendments should be made only by the entity that originally created the information. The proposed system allows the provision of accepting and rejecting the invoice details which were not received from their Suppliers, thereby keeping their GSTR-2B in check.

Shri Dhanaraju S, Co-Chair added that permitting such modifications would undermine the very purpose of the Invoice Management System. Moreover, it has just been launched recently and time should be given for the IMS to stabilize and mature and the matter can again be visited in the next GRC.

vi. जीएसटी में क्रमशः टैक्स के भुगतान, अभिस्वीकृती एवं कार्यवाही समापन संबंधित प्रारूप- DRC-03, DRC-04 एवं DRC-05 को अधिक न्यायसंगत बनाए जाने बाबद:

a. प्रारूप-DRC-03 के माध्यम से किए जाने वाले टैक्स-पेमेंट हेतु यदि कोई “विवादित टैक्स” के विरुद्ध कोई राशि जमा की जा रही है, तो ऐसी राशि के भुगतान हेतु प्रारूप DRC-03 में “Under Protest” भुगतान का विकल्प उपलब्ध कराया जाना न केवल आवश्यक है।

b. इसी प्रकार प्रारूप DRC-04 प्रक्रियात्मक रूप से DRC-03 के संदर्भ में अभिस्वीकृति (Acknowledgement) फार्म है। इसे जारी किए जाने पर टैक्स डिमांड आदि की कार्यवाही ग्राह्य की जाना मान्य की जाती है।

c. महोदय, इसी कड़ी में अंतिम रूप से कर-निर्धारक अधिकारी द्वारा संबंधित प्रकरण में कार्यवाही समाप्त किए जाने के संदर्भ में करदाता को प्रारूप-DRC-05 जारी कर, करदाता के विरुद्ध स्थापित की गई कार्यवाही समाप्त कर दी जाती है। जबकि कतिपय मामलों में ऐसी समाप्ति की गई विभागीय कार्यवाही से संबंधित करदाता सहमत नहीं होते हैं, तथा वे अपने कानूनी अधिकार के तहत विकल्प स्वरूप ऐसी कार्यवाही के विरुद्ध सक्षम प्राधिकारी के समक्ष अपील आदि प्रस्तुत करना चाहते हैं।

किन्तु, चूंकि कानून में प्रावधानित “प्रारूप-DRC-05” को किसी प्रकार का “आदेश/ऑर्डर” नहीं माना गया है, केवल इस कारण से विभाग द्वारा जारी किए गए प्रारूप-DRC-05 के खिलाफ चाहकर भी अपील प्रस्तुत नहीं की जा सकती, जो करदाता के कानूनी अधिकारों का हनन है।

अतः DRC-05 को DRC-07 के तरह ही कर-निर्धारण आदेश माना जाने संबंधित संशोधन जीएसटी कानून में किया जाना निवेदित है।

Shri C.P. Goyal, Co-Chair responded that under the GST law, there are two well-defined paths of payment of tax dues in case of tax dispute for the taxpayers:

a. Voluntary Payment by the Taxpayer: The taxpayer agrees to the liability brought to his notice by tax officers and accordingly make the payment using DRC-03 voluntarily. This is followed by an acknowledgment of the payment through DRC-04 and the subsequent issuance of DRC-05, signifying the closure of proceedings.

b. As result of Litigation Process: In case the taxpayer does not agrees to the liability, the tax officers issues a demand notice in the form DRC-01. This notice is subsequently adjudicated and based on demand confirmed by the Adjudicating Authority DRC-07 is issued which gets populated in the Taxpayers' liability register where he has the option to go for appeal or pay the dues again vide form DRC-03. Therefore, there appears no provision for payment “under protest” in GST. DRC-03 represents a voluntary payment by the taxpayer. If a taxpayer does not agree with the tax officer's contention or demand, they have the option to refrain from making any payment and contest the matter through the litigation route. Further, the DRC-05 is intimation of conclusion of proceedings.

13 . Points raised by Shri Ramesh Khandelwal, Ahilya Chamber of Commerce and Industries, Indore in their submission:

i . इन्दौर (म.प्र.) की व्यापारिक एवं औद्योगिक राजधानी कहलाई जाती है । स्टेट जी.एस.टी. का मुख्यालय, सीजी.एस.टी. कमीशनर कार्यालय, एम.पी. कमर्शियल टैक्स,

अपील बोर्ड एवं हाईकोर्ट म.प्र. की बेंच इन्दौर में स्थित है। रेल, सड़क एवं हवाई मार्ग से पूरे देश की connectivity (कनेक्टिविटी) उपलब्ध है। प्रदेश में सर्वाधिक राजस्व का भी भुगतान इन्दौर के व्यापारी व उद्योगपति करते हैं। अनेक commodities (कमोडिटीज) के exporter (एक्सपोर्टर) एवं importer (इम्पोर्टर) भी शहर इन्दौर में हैं। साथ ही प्रदेश के करदाताओं का एक बहुत बड़ा भाग इस शहर के आसपास स्थित है। इन सभी विशेषताओं के बावजूद काफी लम्बे समय से उठाई जा रही माँग को दरकिनार करते हुए इस शहर में जी.एस.टी. ट्रिब्यूनल बेंच की स्थापना की घोषणा नहीं होना, अत्यन्त ही पीढ़ादायक है। म.प्र. से छोटे कई राज्यों में दो या इससे भी अधिक जी.एस.टी. ट्रिब्यूनल की बेंच है।

Shri Dhanaraju S., Co-Chair, responded that the grievances received from the trade have been forwarded to the Madhya Pradesh Government.

Shri C.P. Goyal, Co-Chair responded that GSTAT has not yet become operational, and once it starts functioning, a clearer picture will emerge regarding the pendency of appeals from various regions of Madhya Pradesh. If a trend of significant workload of appeals pending from Indore and nearby areas is observed, a decision could be taken regarding the creation of a bench in Indore. Hence, he observed that request for Indore Bench is pre-mature presently.

14. Points raised by Shri Praveen Agrawal, M.P Chamber of Commerce and Industries, Gwalior

i. ग्वालियर में सीजीएसटी कमिश्नरेट की स्थापना: चीफ कमिश्नरेट कार्यालय द्वारा अंडर सेक्रेटरी सीबीआईसी, नई दिल्ली को 02 अप्रैल, 2024 को ग्वालियर में सीजीएसटी कमिश्नरेट विस्तारपूर्वक प्रस्ताव भेजा था। वर्तमान में यह प्रस्ताव सीबीआईसी, नई दिल्ली में विचाराधीन है। म.प्र. चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री से विस्तारपूर्वक एक प्रस्ताव गया था ताकि ग्वालियर और ग्वालियर संभाग के आसपास के जिलों के व्यापारियों को सीजीएसटी कार्यालय की स्थापना से सुगमता आएगी और सरकार के राजस्व में भी बढ़ोत्तरी होगी। इसके लिए कमेटी को पुनः अंडर सेक्रेटरी सीबीआईसी, नई दिल्ली को प्रस्ताव प्रेषित करना चाहिए। म.प्र. चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री द्वारा प्रेषित पत्र की छायाप्रति संलग्न है।

Shri C.P. Goyal, Co-Chair, responded that a detailed letter advocating for the establishment of a CGST Commissionerate at Gwalior has already been sent to the Board for consideration and the same is under consideration at higher forum.

ii. ई-वेबिल:- ई-वेबिल की प्रोसिडिंग्स कॉमर्शियल टैक्स विभाग-एसजीएसटी के द्वारा की जा रही है। उसमें यह देखा जाता है कि जरा सी त्रुटि होने पर भी गाड़ी को रोक लिया जाता है और उसके आगे की कार्यवाही प्रारंभ कर दी जाती है। सेक्शन 129 के तहत कोई टैक्स इवेजन नहीं होना चाहिए लेकिन अब यह देखा जा रहा है कि हल्की सी भी त्रुटि होने पर गाड़ी को जम कर लिया जाता है, जिससे व्यापारियों को अत्याधिक परेशानी होती है। यदि कोई मानवीय भूल है तो इस प्रकार की कड़ी कार्यवाही नहीं करना चाहिए और व्यापारी भी इतना सक्षम नहीं हैं कि छोटी-छोटी त्रुटियों को लेकर गाड़ी रोक ली जाये और फिर डिमांड मांगी जाये। प्रायः देखा जाता है कि ऐसे प्रकरण अपील पर जाते-जाते छूट जाते हैं। ऐसा नहीं होना चाहिए और केस वही बनने चाहिए जिन पर कि टैक्स का इवेजन व्यापारी द्वारा किया जा रहा हो।

Further elaborating on their submission, Shri Praveen Agrawal provided an example of today while driving down from Gwalior to Bhopal for this meeting, of vehicles being intercepted by Central GST officials over minor technicalities that had no tax implications. Shri Dhanaraju S, Co-Chair added that e-way bill verification is being carried out by SGST officials and also requested the details for further verification.

15. Points raised by Shri Neelesh Khushwaha, Member, All India Federation of Tax Practitioners (Central Zone)

- i . उनके पार्टियों (जिनकी इनवॉइस की संख्या ज्यादा हैं) उनका ई इनवॉइस एक्सेल शीट डाउनलोड होने में 3 से 4 दिन का समय लगता है।
- ii . अंतिम तिथि जैसे की 11 तारीख और 20 तारीख को पोर्टल का स्लो या ठप होना एवं एचएसएन राउंड ऑफ में स्वीकार रहा है। इससे मिसमैच की प्रॉब्लम आ रही है।

Shri C.P. Goyal, Co-Chair, responded that they would take up the issues related to the slow portal with GSTN. He further added that with the implementation of the Invoice Management System, taxpayers might no longer need to download invoice details.

Additionally, Shri Neelesh Kushwaha was requested to share the screenshot of the ticket raised with GSTN regarding the issue with their jurisdictional officer in case resolution is not provided by GSTN. There are instructions to field officers to raise ticket from their dashboard and if required the case can also be escalated to DG(System) and resolution from GSTN is taken up at the highest level.

Shri Dhanaraju S, added that GSTN is actively working on improving the portal, and the server capacity is expected to be enhanced in the coming days.

16. Points raised by Sh. Krishan Garg, Secretary, Tax Practitioners Association, Indore

- i. *Orders not appearing for getting relief allowed under Section 16(4) cases: Orders are not uploaded on portal due to which taxpayer is unable to file online application for rectification of mistake as suggested in terms of No. 22/2024-CT dated 08.10.2024.*

Elaborating on their submission, Shri Krishan Garg said that due to system glitch, they are not able to file application for amnesty scheme under Section 128A.

Shri C.P. Goyal, Chief Commissioner, CGST Bhopal Zone, requested to provide the details of the issue and ticket raised by the

taxpayer so that the same will be forwarded to GSTN .

i i . Notices in fake invoice cases are issued only under section 74 without verifying the involvement of purchaser. In these cases, notices should be issued under section 73 until intent to evade payment of tax is proved for purchaser.

Shri Dhanaraju S., Co-chair, responded that the involvement of the recipient is also a matter of suspicion and is subject to investigation on a case-to-case basis, requiring justification. If the supplier is non-existent, it becomes difficult to justify the non-involvement of the recipient, as conducting business with such a supplier is improbable. Therefore, it is considered as deemed involvement in the issue.

Shri Rakesh Goyal, Principal Commissioner, CGST Bhopal, further added that there is an option to conclude the proceedings under Section 74 of the CGST Act, 2017, by payment of a nominal penalty of 15%, thereby avoiding litigation.

17. Points raised by M.s Parul Shrivastava (ICAI Bhopal Branch)

i. In case of appeals filed belatedly and without condonation of delay application, it is defective appeal for which opportunity for correction should be provided. However, such appeals are rejected summarily on limitation.

Shri C.P. Goyal, Co-Chair, requested the members to provide details of the specific case along with examples. He also suggested that a meeting be held with the concerned Appeal Commissionerate to address the issue.

Furthermore, he requested the members to share details of orders where a speaking order was not passed, emphasizing that non-speaking orders constitute a denial of the principles of natural justice.

ii. The due date for filing of the appeal computed by the system as per the is auto-generated date of service of the order, which unfortunately, is mostly erroneous. In case it is not corrected manually and the appeals are filed online, the due date auto-populated is taken for computing limitation and the appeals are rejected summarily on limitation.

Shri C.P. Goyal, Co-Chair, responded that there is an option to amend the date on the user portal. However, he also said that meeting will be fixed with commissioner appeals and member of GRC for the issued related to appeals. Central GST Appellate Authorities where

working in ACES-GST application till June,2024 and due to issues in the functionality, cases were handled manually. Since 01.06.2024, CGST has also shifted to GSTN BO, the issue should not persist in new cases, however if the same is found to happen in respect of post 01.06.2024 Orders also then the details may be brought to the proposed meeting for further scrutiny of the issue.

iii. Recognition of public holiday: It has been observed that various compliance due dates under GST often fall on public holidays, including Sundays, festivals, and other non-working days. Despite such occurrences, the due dates are not extended at the GST portal, compelling taxpayers and professionals to adhere to these deadlines under challenging circumstances.

Shri C.P. Goyal, Co-Chair, responded that returns of the GST is filed online therefore there should not be any hindrance on filling GST returns even on holidays from any place in the worst situation, as ideally it is advised not to wait for the last date to file the return. Shri Dhanaraju S, Co-Chair added that public holidays vary across the country and implementation at system level on regional basis is not viable.

18 . Points raised by Shri Ameet Dave, National Association of Tax Practitioners, Indore

i. Additionally Shri Amit Dave highlighted a specific issue that appeals filed against orders issued by Central GST in Ujjain have landed up at the State Portal and is pending in the task list of the State GST officer and at present there is no mechanism to handle this issue and the only option is to reject such appeals.

Shri C.P Goyal, Co-Chair requested to provide details of the such cases so that the same will be taken up with GSTN for resolution, if the same cannot be tackled by sub state admin at the Zonal level, at the earliest.

ii. Temporary warehousing be recognized.

Suggestion: Warehouse occupied for temporary / short periods in a special circumstances be recognized as additional place of business by a simple intimation on a portal. (No specific enrolment is required as required in regular amendment) The exporters / Importers, mandi traders and even other business modules also requires such temporary arrangements of godowns. The provisions should be brought to protect fair business practices and further to protect genuine

taxpayers from unwarranted penal consequences under GST.

Shri C.P Goyal responded that this issue needs further analysis and ensured that it will be looked into. Inputs from field formations will also be taken.

19. Points raised by Shri Shriniwas Dubey

मासिक GSTR -1 फाइलिंग में त्रुटि हो जाने पर कृतकर्ता को असुविधा एवं आर्थिक क्षति से बचने हेतु GSTR-1 शर्तों के साथ पुनः रिटर्न दाखिल करने की सुविधा दी जाये।

Shri Shriniwas Dubey further elaborated that there should be offline tool to upload GSTR-1A like GSTR-1.

Shri C.P Goyal, Co-Chair responded that this is a valid point as it is policy and system related issue, the matter will be forwarded to Policy wing.

20. Points raised by Shri, D. R. Jeswani, President Mahakaushal Udyog Sangh

i. One of the most burning issues which has already been raised by me during last two meetings and has yet not been resolved is as follows: That the liability of payment of GST against sales made to Govt. Departments should be within seven days of receipt of payment from the concerned govt. department. Reason: In most of the cases, the payment against supplies made to govt. departments is received after long time. When the payment is released by the govt. departments, deduction of GST @ 2 % is made as per the rules laid down. Till the date of releasing payment, the whole amount of value of goods supplied as well as GST amount are kept in the Govt. Treasury/ custody against which no interest is paid. As per the rules in force, after raising the Invoice to Govt. departments, the liability of payment of GST on that bill remains from 18th to 22nd of next month. Due to such rule, the Govt. Suppliers have to block huge amount with Govt. departments and as a result they feel very much inconvenience in doing business. Hope, this issue will be resolved on priority basis.

Shri C.P. Goyal, Co-Chair, responded that the issue would be examined further.

ii. Less GST rate of micro businessman to compete with large businesses: So many Micro Enterprises of repacking and selling of unregistered branded flour, Semolina, porridge, gram flour and poha etc. are established in the state. The applicability of rate of GST on these items is same. i.e 5% of micro as well as big players viz. Micro

enterprises are not able to compete with the said big players. In this situation, tax rate should be 2% for micro enterprises.

Shri C.P. Goyal, Co-Chair, responded that the suggestion is, prima facie, a policy matter requiring amendments in law and would and would be referred to Policy Wing.

iii. In case the interstate sale is made against which the IGST has been paid by the seller, after that the purchaser sends back the part quantity to the seller due to any reason. As per the rules laid down, the amount of IGST on goods returned shall have to be adjusted in IGST only against subsequent interstate sales made. Suppose interstate sale is not made for indefinite time by the seller, how will he receive back that amount of IGST. This is a matter of great concern. Therefore the system of crediting back of IGST amount against goods returned to seller's Bank Account should be there or alternatively the provision of adjusting IGST in CGST/SGST should be there.

Shri C.P. Goyal, Co-Chair, replied that the suggestion requires to be examined from the legal view point and only then can and authoritative response be given in this matter. Since all the issues raised pertain to policy matters, the same are required to be examined critically before forwarding the same to higher authorities.

iv. In case the constitution of business is changed, the GST registration number should not be changed to avoid the inconvenience to the businessmen

Shri C.P. Goyal, Co-Chair responded that GST registration is PAN based and every change of constitution requires changing of the PAN itself. Shri. Manoj Chawbey, Additional Commissioner, MP GST also explained that transition from proprietorship to partnership are two different legal person/entity even for Income tax purpose and GST registration which is based on PAN also are separate legal persons. Therefore, the proposal cannot be considered as a proper request.

21. Points raised by Shri Kedar Heda, Commercial Tax Practitioner Association, Indore

i . जीएसटी में अपील प्रस्तुत करने की समय सीमा 3 माह से 6 माह किये जाने: जीएसटी एक्ट के अधीन पारित किसी भी आदेश के विरुद्ध अपील करने के लिए वर्तमान में निर्धारित 3 माह की समय सीमा को बढ़ाकर 6 माह किया जाना एवं साथ ही पूर्ववत कानूनों में प्रचलित मेनुअल आदेश तामील करने सम्बन्धित

व्यवस्था आवश्यक रूप से लागू किया जाना निवेदित है ।

Shri C.P Goyal, Co-Chair responded that the time for filing appeal by department is presently kept as 6 months, and in his opinion the period for taxpayer can also be kept 6 months in parity. But as it is a policy matter, he requested that a detailed request with valid reasons may be submitted for the department to consider and then send the recommendation to the higher authorities for consideration.

Secondly, as far as the request for allowing manual process of serving the appellate order is not sustainable as whole GST System is moving toward paperless making all records/documents/data linked to GSTIN.

i i . रिफंड आवेदन की समय सीमा बढ़ाये जाने बाबद:अतः नैसर्गिक न्याय सिद्धांतों के अनुसरण में सीजीएसटी कानून की धारा 54(1) में वर्णित प्रावधान अनुसार रिफंड आवेदन की समय सीमा 2 वर्ष को बढ़ाकर 3 वर्ष किया जाना निवेदित है ।

Shri Dhanaraju S, Co-chair, responded that it should be the responsibility of the taxpayer to file the refund application on time and claim their dues to augment their working capital. As such, there is no reasonable merit in extending the time limit.

iii. एक व्यवसाई को एक ही विषय पर दोनों विभागों द्वारा सूचना पत्र जारी होने से संशय की स्थिति के निराकरण बाबद:

कतिपय मामलों में एक व्यवसाई को एक ही तकनीकी बिंदु पर जवाब देने हेतु दोनों विभाग द्वारा नोटिस एवम समन आदि जारी किये जा रहे हैं जिससे संबंधित व्यवसाई के समक्ष भ्रम की स्थिति निर्मित हो रही है । इस संबन्ध में विभागीय स्तर पर एक वेबपेज बनाया जाकर उस पर जानकारी अपलोड किया जाना न्याय उचित होगा । जिससे समानांतर रूप से दोनों ही विभाग के संज्ञान में ऐसे बिंदु के ऊपर की जा रही कार्यवाही की जानकारी उपलब्ध हो सकें।

Shri C.P. Goyal, Co-Chair, responded that while this is a valid issue and he acknowledge that such instances have been brought to their notice earlier also. Firstly, this issue should be seen from the point as to why it occurs. The details of all the taxpayers are available to various agencies of the department simultaneously and taxation-related offenses often have inter-agency implications, hence taxpayer should strive to remain on the right side of the law and even in cases where multiple agencies approach taxpayers , usually the taxpayer

inform the agency about the ongoing investigation and accordingly after inter-agency communication the matter is dealt by only one authority and no such cases were noticed where two show cause notices have been issued. Therefore, the details of the instant case may be given so as to understand the issue properly. Further, in the present times, attempt has been made to share the data seamlessly across centre and state GST to avoid such instances.

22. The meeting concluded with a vote of thanks given by the Additional Commissioner, CCO and Secretary.

23. The issues raised by the members, as detailed in points 11 to 21 above, were discussed during the meeting. However, due to a time constraints, all the points submitted by the members could not be discussed. The points that could not be discussed have been enclosed as “*Annexure-C*” along with the department’s responses. In case members feel the need for further deliberation on these issues, the same may be taken up during the next GRC meeting.

24. Schedule of next Meeting:

The date of next meeting for the fourth quarter of F.Y 2024-25 will be decided and informed in due course.

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

(Faraz Ahmad Qureshi)
Member Secretary, GRC Madhya Pradesh
and Additional Commisisoner, CCO Bhopal

Copy To:

- i. All the members for information and necessary action please.
- ii. The DGGST, New Delhi for information/necessary action please.
- iii. The DGGST, Western Zonal Unit, Mumbai for information/necessary action please.
- iv. All the Members of State Co-ordination Committee of Madhya Pradesh.