



# **Agenda for**

# **20<sup>th</sup> GST Council Meeting**

# **Volume-3**

**5 August 2017**

**New Delhi**





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# Discussion on Agenda Items

## **Agenda Item 5: Recommendations of the Fitment Committee (Goods)**

### **(i) Indigenous Handmade Musical Instruments**

1. During the meetings of the Fitment Committee held on 25 July 2017, 31 July 2017 and 1 August 2017 various references on rates were examined and compiled which constitutes the Detailed Agenda Notes for Agenda Item 5 (Fitment Recommendations-Goods) for the 20<sup>th</sup> GST Council Meeting. In respect of S. No. 74 of Annexure II of the said Detailed Agenda Notes relating to Indigenous handmade musical instruments (HS Code 92) which attracts Nil rate of GST, in order to remove ambiguity, there is a need define “Indigenous handmade musical instruments”. In this context, the Fitment Committee observed the following -

- i. West Bengal may provide a list of Indigenous handmade musical instruments
- ii. The entry in notification can be modified to say Indigenous handmade musical instruments including these instruments.

2. Accordingly, the Commissioner (Commercial Taxes), West Bengal, vide email dated 3 August 2017, forwarded a list of musical instruments for specific inclusion in the exemption list. The list is as follows:

- |                                     |  |
|-------------------------------------|--|
| 1. Bulbul Tarang                    | 33. Mayuri Vina or Taus                              |
| 2. Dotar, Dotor, or Dotara          | 34. Onavillu   |
| 3. Ektara                           | 35. Behala (violin type)                             |
| 4. Getchu Vadyam or Jhallari        | 36. Pena or Bana                                     |
| 5. Gopichand or Gopiyatra or Khamak | 37. Pulluvan veena - one stringed violin             |
| 6. Gottuvadhyam or Chitravina       | 38. Ravanahatha                                      |
| 7. Katho                            | 39. Folk sarangi                                     |
| 8. Sarod                            | 40. Classical sarangi                                |
| 9. Sitar                            | 41. Sarinda  |
| 10. Surbahar                        | 42. Tar shehnai                                      |
| 11. Surshringar                     | 43. Gethu or Jhallari                                |
| 12. Swarabat                        | 44. Gubguba or Jamuku - Percussion string instrument |
| 13. Swarmandal                      | 45. Pulluvan kutam                                   |
| 14. Tambura                         | 46. Santoor - Hammered chord box                     |
| 15. Tumbi                           | 47. Pepa   |
| 16. Tuntuna                         | 48. Pungi or Been                                    |
| 17. Magadi Veena                    | 49. Indian Harmonium: Double reed                    |
| 18. Hansaveena                      | 50. Kuzhal   |
| 19. Mohan Veena                     | 51. Nadaswaram                                       |
| 20. Nakula Veena                    | 52. Shehnai  |
| 21. Nanduni                         | 53. Sundari  |
| 22. Rudra Veena                     | 54. Tangmuri   |
| 23. Saraswati Veena                 | 55. Alghoza - double flute                           |
| 24. Vichitra Veena                  | 56. Bansuri  |
| 25. Yazh                            | 57. Venu (Carnatic flute) Pullanguzhal               |
| 26. Ranjan Veena                    | 58. Mashak   |
| 27. Triveni Veena                   | 59. Titti  |
| 28. Chikara                         | 60. Sruti upanga                                     |
| 29. Dilruba                         | 61. Gogona   |
| 30. Ektara violin                   | 62. Morsing  |
| 31. Esraj                           | 63. Shruti box                                       |
| 32. Kamaicha                        |  |

64. Harmonium (hand-pumped)
65. Ekkalam
66. Karnal
67. Ramsinga
68. Kahal
69. Nagphani
70. Turi
71. Dhad
72. Damru
73. Dimadi
74. Dhol
75. Dholak
76. Dholki
77. Duggi
78. Ghat singhari or gada singari
79. Ghumot
80. Gummata
81. Kanjira
82. Khol
83. Kinpar and Dhopar (tribal drums)
84. Maddale
85. Maram
86. Mizhavu
87. Mridangam
88. Pakhavaj
89. Pakhavaj jori - Sikh instrument similar to tabla
90. Panchamukha vadyam
91. Pung
92. Shuddha madalam or Maddalam
93. Tabala / tabl / chameli - goblet drum
94. Tabla
95. Tabla tarang - set of tablas
96. Tamte
97. Thanthi Panai
98. Thimila
99. Tumbak, tumbaknari, tumbaknaer
100. Daff, duff, daf or duf Dimdi or dimri - small frame drum without jingles
101. Kanjira - small frame drum with one jingle
102. Kansi - small without jingles
103. Patayani thappu - medium frame drum played with hands
104. Chenda
105. Dollu
106. Dhak
107. Dhol
108. Dholi
109. Idakka
110. Thavil
111. Udukai
112. Chande
113. Nagara - pair of kettledrums
114. Pambai - unit of two cylindrical drums
115. Parai thappu, halgi - frame drum played with two sticks
116. Sambal
117. Stick daff or stick duff - daff in a stand played with sticks
118. Tamak'
119. Tasha - type of kettledrum
120. Urumee
121. JaltarangChimpta - fire tong with brass jingles
122. Chengila - metal disc
123. Elathalam
124. Geger - brass vessel
125. Ghatam and Matkam (Earthenware pot drum)
126. Ghungroo
127. Khartal or Chiplya
128. Manjeera or jhanj or taal
129. Nut - clay pot
130. Sankarjang - lithophone
131. Thali - metal plate
132. Thattukazhi mannai
133. Kanch tarang, a type of glass harp
134. Kashtha tarang, a type of xylophone

3. The Council may approve that the rate of GST on all indigenous handmade musical instruments as listed in paragraph 2 above shall be nil and to suitably modify the entry in Notification No.2/2017-Central Tax (Rate) dated 28 June 2017 and the corresponding SGST notifications.

## **Agenda Item 7: Any other agenda item with the permission of the Chairperson**

### **7. (ix) Special provisions in GST in case of supplies to/from Nepal and Bhutan**

1. In case of supplies to/from Nepal and Bhutan, certain provisions under the existing laws are proposed to be continued in accordance with international treaties so as to encourage trade between India and these countries. The specific provisions in this regard are as follows:

#### **GST on services associated with transit cargo to/from Nepal and Bhutan (land locked countries)**

2.1. In the pre-GST regime, Notification No. 38/96-Customs (Tariff) dated 23.07.1996 exempted all customs duties on transit cargo to/from Nepal and Bhutan (i.e., goods imported into India from a foreign country for the purpose of export to Bhutan/Nepal and goods imported into India from Bhutan/Nepal for the purpose of export to a foreign country). This exemption has been continued even in GST regime after 01.07.2017 by virtue of amending the said notification vide Notification No. 43/2017-Customs (Tariff) dated 30.06.2017.

2.2. Further, Circular No. 204/2/2017-Service Tax dated 16.02.2017 clarified that service tax is not applicable on the services by way of transportation of goods by a vessel from a place outside India to the customs station in India with respect to goods intended for transshipment to any country outside India. In GST regime, exemption for such services is not available. Therefore, in principle approval of the GST Council is sought that GST would not be leviable on such services in line with the provisions existing pre-GST. The Law/Fitment Committee would work out the modalities to implement this decision.

#### **To provide for receipt of payment in Indian rupees in case of export of services to Nepal and Bhutan**

3.1. The Bilateral Treaties signed by India with Nepal and Bhutan provide for payment of exports from India to Nepal and Bhutan to be received in Indian Rupees. However, section 2(6) of the IGST Act, 2017 defines supply of any service as “export of services” subject to conditions specified therein. One of the conditions is that the payment for such service has been received by the supplier of service in convertible foreign exchange. Thus, in cases of supply of services to Nepal and Bhutan where the payment for such supply is received in Indian rupees, integrated tax would be leviable in accordance with section 5(1) of the IGST Act, 2017 being inter-State supplies. Such services were not subject to service tax as place of provision of such services is out of India. It is proposed to continue the same practice namely, not to levy GST if services are supplied to Nepal and Bhutan, but payment thereof is received in Indian rupees. Such supplies would continue to be zero rated if payment is received in convertible foreign exchange. Therefore, in principle approval of the GST Council is sought to exempt from the levy of integrated tax on the supply of services to Nepal and Bhutan in cases where the payment is received in Indian rupees. The Law Committee/Fitment Committee would provide a suitable formulation to implement this decision.

**7. (x) Modification in FORM REG -13 to remove mandatory requirement of PAN for Embassies / Consulates and other UN Organizations**

1. The Ministry of External Affairs had raised the issue that Embassies / Consulates / Diplomatic Missions and other UN organizations and their authorized representatives do not have a PAN and therefore a lot of challenge was being faced by them to get a Unique Identification Number under GST.
2. The issue was discussed in the Law Committee meeting held on 11.07.2017 where it was decided that the mandatory requirement for PAN for Embassies / Consulates / Diplomatic Missions and other UN organizations or their authorized representatives may be removed.
3. It is therefore proposed that FORM REG-13 may be amended and the mandatory requirement of PAN for Embassies / Consulates / Diplomatic Missions and other UN organizations or their authorized representatives may be removed. Proposed revised form is enclosed.
4. This proposal is placed before the Council for approval.



**Form GST REG-13**

[See Rule -----]

**Application/Form for grant of Unique Identity Number (UIN) to UN Bodies/ Embassies /others**

State /UT –

District –

**PART A**

(i)	Name of the Entity	
(ii)	Permanent Account Number (PAN) of entity, <del>if any (applicable in case of any other person notified)</del> (Not applicable for Embassies/UN Bodies/ High Commissions etc.)	
(iii)	Name of the Authorized Signatory	
(iv)	PAN of Authorized Signatory  (Not applicable for Embassies/UN Bodies/ High Commissions etc)	
(v)	Email Address of the Authorized Signatory	
(vi)	Mobile Number of the Authorized Signatory (+91)	

**PART B**

1.	Type of Entity (Choose one)	UN Body <input type="radio"/>	Embassy <input type="radio"/>	Other Person <input type="radio"/>
2.	Country			
<u>2A.</u>	<u>MEA's Recommendation, if applicable</u>	<u>Letter No.</u>	<u>Date</u>	
3.	Notification <u>d</u> Details	Notification No.	Date	
4.	Address of the entity in State			
	Building No./Flat No.	Floor No.		
	Name of the Premises/Building	Road/Street		
	City/Town/Village	District		
	Block/Taluka			
	Latitude	Longitude		
	State	PIN Code		
	Contact Information			
	Email Address	Telephone number		
	Fax Number	Mobile Number		
7.	Details of Authorized Signatory, if applicable			
	Particulars	First Name	Middle Name	Last name
	Name			
	Photo			
	Name of Father			

	Date of Birth	DD/MM/YYYY	Gender	<Male, Female, Other>
	Mobile Number		Email address	
	Telephone No.			
	Designation /Status		Director Identification Number (if any)	
	PAN <u>(not applicable for Embassies/UN bodies etc.)</u>		Aadhaar Number <u>(not applicable for Embassies/UN bodies etc.)</u>	
	Are you a citizen of India?	Yes / No	Passport No. (in case of foreigners)	
	Residential Address			
	Building No/Flat No		Floor No	
	Name of the Premises/Building		Road/Street	
	Town/City/Village		District	
	Block/Taluka			
	State		PIN Code	
8	Bank Account Details (add more if required)			
	Account Number		Type of Account	
	IFSC		Bank Name	
	Branch Address			
9.	<p>Documents Uploaded</p> <p><i>The authorized person who is in possession of the documentary evidence (other than UN Body/ Embassy etc.) shall upload the scanned copy of such documents including the copy of resolution / power of attorney, authorizing the applicant to represent the entity.</i></p> <p><b>Or</b></p> <p><i>The proper officer who has collected the documentary evidence from the applicant (UN Body/ Embassy etc.) shall upload the scanned copy of such documents including the copy of resolution / power of attorney, authorizing the applicant to represent the UN Body / Embassy etc. in India and link it along with the UIN generated and allotted to respective UN Body/ Embassy etc.</i></p>			
11.	<p>Verification</p> <p><i>I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.</i></p>			

Place: (Signature)

Date:

Name of Authorized Person:

Or

(Signature)

Place:

Date:

Name of Proper Officer:

Designation:

Jurisdiction:

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**Instructions for submission of application for registration for UN Bodies/ Embassies/others notified by the Government.**

- Every person required to obtain a unique identity number shall submit the application electronically.
- Application shall be filed through Common Portal or registration can be granted suo-motoby proper officer.
- The application filed on the Common Portal is required to be signed electronically or through any other mode as specified by the Government.
- The details of the person authorized by the concerned entity to sign the refund application or otherwise, should be filled up against the “Authorised Signatory details” in the application.
- PAN / Aadhaar will not be applicable for Embassies / UN bodies or any other entities recommended by MEA for claiming refund on purchases.