

**F. No. 25/Committees-1/GST Council
GST Council Secretariat**

New Delhi
29 May, 2017

OFFICE MEMORANDUM

**Subject: Constitution of GST Implementation Committee, Standing Committees
and Sectoral Groups for Smooth roll-out of GST**

1. As decided in the 14th GST Council meeting held on 18-19 May 2017 in Srinagar, Jammu & Kashmir, in order to ensure smooth roll-out of GST, a three-tier structure is being constituted and shall consist of the Office of the Revenue Secretary, a GST Implementation Committee (GIC) and eight (8) Standing Committees. The three-tier structure will facilitate quick administrative decisions required before and after the roll-out; effective coordination between the Centre and the States; coordination amongst the States and flagging important issues to the Revenue Secretary and the GST Council. In addition, there shall be eighteen (18) Sectoral Groups representing various sectors of the economy. The GST Council Secretariat shall coordinate the efforts of the GST Implementation Committee, Standing Committees and Sectoral Groups.

2. Based on the list of members to various Standing Committees and Sectoral Groups circulated during the meeting and the nominations received subsequently, the GIC, Standing Committees and Sectoral Groups are constituted as follows: –

- **GST Implementation Committee (GIC)** – The GIC shall be the decision-making body at the top tier and shall formulate its procedure for working. The GST Council Secretariat shall provide support in terms of coordination, documentation and technical inputs on various issues after collecting the same from the Standing Committees/Sectoral Groups. The GIC shall take decisions to the extent possible and where necessary, place the issues of importance before the Revenue Secretary/Union Finance Minister/GST Council for decision.

The constitution of the GST Implementation Committee is at **Annexure 'A'**.

- **Standing Committees**: Eight (8) Standing Committees are expected to identify steps to be taken in their area of responsibility and to provide a blue-print for step wise action to be undertaken before and after the roll-out of GST. The blueprint prepared by the convenors may be approved by the GIC and thereafter circulated to the Centre and States by the GST Council Secretariat. This would lead to uniformity and clarity regarding actions to be taken by the respective revenue administrations and the expected time-lines for the same. The eight Standing Committees with their suggested area of responsibility are as follows:

i. Law Committee

- Preparing all the draft Rules
- Drafting of all notifications
- Trouble shooting and simplifying business process design
- Examining all representations of trade on Legal issues

ii. Information Technology Committee

- Monitor IT preparedness of GSTN
- Monitoring IT preparedness of the Centre and the States
- Monitoring linkages between various networks

iii. Single Interface Committee

- Coordinating migration and verification of past credit
- Rules for single interface including in IGST in coordination with Law Committee
- State-wise coordination teams for assigning assesseees
- Any other administrative issue needing resolution at the State level

iv. Fitment Committee

- Recommending rates of taxes on all commodities and services
- Recommending interest rates under various sections and rules
- Recommending composition rates
- Recommending any other rate provided in Act or Rules
- Examining all representations of trade on rate and other issues

- v. **Publicity and Outreach Committee**
 - Publicity in print, electronic and social media
 - Outreaching assessees
 - Circulating publicity material for uniformity of messaging
 - Publicity in vernacular media particularly on issues such as on issues such as cascading of taxes, benefits of GST, anti-profiteering etc.
- vi. **Capacity Building and Facilitation Committee**
 - Capacity building of officers
 - Capacity building of trade
 - Preparing material for field offices to act as facilitation centers
- vii. **Fund Settlement Committee**
 - All issues relating to revenue subsumed and compensation post GST rollout
 - CST Compensation, if any
 - IGST fund settlement
 - Any legal issue relating to any of the above.
- viii. **Guidance Notes Committee**
 - To prepare guidance notes on important legal provisions
 - To finalize guidance notes on important sectors of the economy based on inputs received from the Sectoral Working Groups

The constitution of the Standing Committees is at **Annexure 'B'**.

- Eighteen (18) **Sectoral Groups** representing various sectors of the economy are being constituted with the following objectives –
 - i. Interact and examine representations received from trade and industry associations/bodies of their respective sectors
 - ii. Highlight specific issues for smooth transition of the sector to the GST regime
 - iii. Prepare sector-specific draft guidance notes

The 18 Sectoral Groups are as follows –

- (i) Banking, Financial and Insurance Sector
- (ii) Telecommunication
- (iii) Exports including EOUs and SEZs
- (iv) IT/ITES
- (v) Transport and Logistics
- (vi) Textiles
- (vii) MSMEs, including job work
- (viii) Oil and Gas (upstream and downstream)
- (ix) Gems and Jewellery
- (x) Services received and provided by the Government
- (xi) Food Processing Sector
- (xii) E-commerce
- (xiii) Big infrastructure (Airports & Sea ports including Maintenance, Repair and Overhaul, Power Sector, Housing and Construction)
- (xiv) Travel and tourism
- (xv) Handicrafts (Exports)
- (xvi) Media and Entertainment
- (xvii) Drugs and pharmaceuticals
- (xviii) Mining

The Sectoral Groups shall make use of the reports/inputs of the ten Sectoral Groups earlier constituted by the Central Board of Excise & Customs (CBEC) vide Order F.No.349/36/2017-GST dated 24 March 2017.

The constitution of the Sectoral Groups is at **Annexure ‘C’**.

3. In view of the limited time available, it may not always be possible for all members of the GIC, Standing Committees and Sectoral Groups to meet at frequent intervals. Therefore, the committees/groups may evolve their own procedures for the meetings and make extensive use of video conferencing, Email/WhatsApp groups, etc. for timely deliverables and quick decision-making.

4. The convenors of the Standing Committees and Sectoral Groups may co-opt more members from the Centre and States, where necessary. Any State that desires to be included in any of the Standing Committees/Sectoral Groups can do so after informing the name of the nominee to the GST Council and the concerned convenor.

3. This issues with the approval of the Union Finance Minister.

- *Sd* -

(Arun Goyal)

Additional Secretary,
GST Council

To:

1. Convenors of all the Standing Committees/Sectoral Groups
2. Nodal Officers of GST from all the States for wide circulation and informing all members from their respective States representing the various committees/groups.
3. Commissioner, GST Policy Wing for informing all members of CBEC representing various committees/groups.

Copy for information to:

1. Chairperson, CBEC
2. All Members of CBEC
3. Additional Secretary, Department of Revenue
4. Chairman, GSTN
5. Joint Secretary, Department of Revenue
6. PS to Hon'ble Union Finance Minister
7. PS to Hon'ble Minister of State (Finance – Revenue)
8. OSD to Secretary, Department of Revenue