

Minutes of the 44<sup>th</sup> Meeting of the GST Council held on 12<sup>th</sup> June 2021

The 44<sup>th</sup> meeting of the GST Council (hereinafter referred to as 'the Council') was held on 12<sup>th</sup> June, 2021 at New Delhi under the Chairpersonship of Hon'ble Finance Minister, Smt. Nirmala Sitharaman. The list of the Hon'ble Members of the Council who attended the meeting is at **Annexure-I**. The list of officers of the Centre, the States, the GST Council, the Goods and Services Tax Network (GSTN) who attended the meeting is at **Annexure-II**.

2. The Secretary, GST Council (hereinafter referred to as 'The Secretary') welcomed all the Members to the 44<sup>th</sup> meeting of the GST Council and sought the permission of the Chairperson to begin the proceedings of the meeting. He stated that there was only one agenda for the 44<sup>th</sup> GST Council meeting which emanated from the 43<sup>rd</sup> GST Council meeting held on 28<sup>th</sup> May, 2021.

2.1 In the 43<sup>rd</sup> meeting of the GST Council, in agenda item No.11 there were two items under consideration:

- First, to extend the scope of the ad hoc exemption notification to include the import of COVID related materials on payment basis and provided free to the people, to the State/ Centre or State agencies.
- Second, to include certain more COVID related items and reduce taxes on them.

2.2 There was consensus on the first item in the said meeting and the notifications have already been issued, which provides for exemption for individuals and institutions who import COVID related notified items on payment basis and provide these free of cost for COVID relief.

2.3 On the second item, there were different viewpoints and accordingly, a Group of Ministers (GoM) was constituted on 29/05/2021 with Hon'ble Chief Minister of Meghalaya as the Convenor with Members from seven other States. In total, there were eight Members including the Convenor (Annexure A).

2.4 He then requested the Hon'ble Chief Minister of Meghalaya being the Convenor of the GoM to present the report along with the recommendations of the GoM to the Council.

3. The Hon'ble Member from Meghalaya and the Convenor of GoM thanked the Hon'ble Chairperson for providing him the opportunity to deliberate on this very important issue and

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table recommendations of the GoM for the Council to consider. He also thanked all the Members of the GoM for their valuable inputs. He made a presentation (**Annexure III**) outlining the recommendations of the GoM as well as the principles they had adhered to in the GoM. He stated that the GoM had considered giving relief to the common man in these difficult times as the paramount consideration. The GoM also sought to minimize the impact of the exemptions on the manufacturing sector and to ensure that the manufacturing sector was not adversely affected. He stated that the Committee looked at the overall GST structure and avoided tinkering with the fundamental GST rate structure besides minimizing the impact of their recommendations on the resources of the Central as well as the State Governments.

3.1 He stated that two options of zero rating and a lower rate of GST like 0.1% were considered along with the option of full exemption. He mentioned that the Hon'ble Member from Kerala had sent a letter reiterating that zero-rating or 0.1% rate should be considered. The Hon'ble Member from Odisha also suggested for zero-rating or 0.1% rate for vaccines.

3.2 He informed the Council that the GoM felt that while exemptions would lead to Input Tax Credit related issues in the long run; zero-rating would require amendments under the GST Laws and it may tinker with the fundamentals of the GST rate structure. Also, a 0.1% rate would affect manufacturing units adversely in the short, medium as well as in the long term. Therefore, looking at all these aspects, the GoM did not recommend zero-rating or a 0.1% rate.

3.3 He then stated that tax rate for vaccines was the main issue which was considered, and that 85-90% of vaccines were being procured by the State or the Central Governments, out of which over 50% were being procured by the Central Government, which indicated that for vaccines, the major impact of the rate would not fall upon the end consumers. Therefore, keeping in mind the adverse impact of rate reduction in manufacturing, the Deputy Chief Minister of Maharashtra had also recommended keeping GST rate on vaccines at 5% and not at a lower rate.

3.4 He also stated that the GoM had felt that creating domestic demand in the long run was very important and bringing down the rates to 0.1% or zero-rating would impact that adversely and therefore they had decided not to opt for zero-rating or a 0.1% rate. The GoM discussed each of the items individually and broadly categorized them into five categories as follows and presented their recommendations:

- A. Vaccines
- B. Medicines



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- C. Oxygen, oxygen generation equipment, and related medical devices
- D. Testing kits and machines, and
- E. Other covid-19 related relief materials

He then presented the recommendations of the GoM based on the discussions on these goods as detailed below.

### 3.5 Vaccines

He stated that for vaccines, the GoM opined that there should not be any change and it should remain at 5% only as mentioned earlier. Though some of the States in the GoM had suggested that the GST rate should be brought down, but for the reasons mentioned earlier, it was felt that it would create more issues in the long-run. Besides, the direct impact to the end consumers was not there as the Centre and the State Governments were procuring most vaccines. Further, as it has recently been decided that the Central Government would be procuring all the vaccines and paying for the same, there would not be any impact on the end consumers.

### 3.6 Medicines

He stated that on medicines, there was a suggestion from the Hon'ble Member of Maharashtra to either exempt or zero-rate or to bring down the rate to 0.1% on Tocilizumab and Amphotericin B as these were used for treatment of severe Covid-19 and Black Fungus infections post-COVID complications respectively. Though the GoM did not want to opt for zero-rating or a 0.1% rate due to concerns about structural issues, the GoM had suggested that these medicines be exempted in accordance with the suggestions of Hon'ble Member from Maharashtra and the other States which had supported that view, even though in the short run, there might be some impact on the manufacturing sector. As at the moment these medicines were largely imported, the issues of ITC blockage etc. may not arise in the short period. As regards other medicines, it was decided to bring down the rate to 5% as the cost was being borne by the patient and directly impacted them.

### 3.7 Oxygen, oxygen generation equipment, and related medical devices

He stated that the GoM discussed the other items that were very critical for the treatment of COVID-19 and looked at the direct impact on the end consumers. It was recommended to keep

rate of 5% for all the materials and machines that were directly used for COVID-19 treatment now, as it would help the institutions in the long run which would eventually benefit the end consumers. This shall help in developing health infrastructure.

3.8 Testing kits and Machines

He stated that in case of testing kits, they were also very crucial and though some States were paying for them but in many cases, they were being paid for by the end consumers directly. Therefore, the GoM decided to give relief to people and recommended rate reduction on COVID-19 testing kits, diagnostic kits namely D-Dimer, IL-6, etc. Regarding RT-PCR machines, other genome sequencing and RNA extraction machines, the GoM opined that as most of the machines had been purchased, there was no direct impact on the patients as such. Therefore, no change was recommended. Similarly, for raw materials for COVID-19 testing kits, no change was suggested.

3.9 Other covid-19 related relief materials

He stated that hand sanitizer directly affected the consumers and some suggestions had come to reduce the rate to 12% from 18%. The Hon'ble Member from Goa had suggested that even 6% is a large decrease but post discussions, it was decided to reduce the rate to 5%. There was a concern that other similar products may also be impacted and people might ask for relief on those products as well. However, the GoM opined that if relief was given in a time bound manner, then it would not have too much of an impact on other complementary products.

In the case of pulse oximeters, it was felt that relief could be given on it in a time bound manner by bringing down the rate from 12% to 5%. Similarly, for temperature check equipment there were recommendations to reduce the rate by 6% (from 18% to 12%). Regarding gas/electric and other furnaces for crematorium, there was also a Court case and the GoM had been asked to give recommendation on it. Therefore, considering not just the current situation which the country was facing but also long-term environmental impact, it was recommended to reduce rates on them from 18% to 12%. Most of the items like PPE kits, N95 masks were already in the lower rate bracket (i.e., 5%) and therefore no change was recommended on these. In the case of ambulances, being an automobile, it was opined that they should remain at 28% only. For portable hospitals, the GoM felt that they should remain at 18% only.

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3.10 He stated that while making recommendations, they had kept public interest in the forefront and had opined that rate should be reduced on all those items which would directly benefit the public. Zero-rating or a 0.1% rate was not recommended as it would adversely impact the manufacturers in long run as well as short run. Regarding vaccines, it was felt that a 0.1% rate would impact manufacturing; zero-rating would require amendments to the GST Laws and exemption would lead to ITC issues. It was also noted that as the Hon'ble Prime Minister had announced that all the vaccines would be procured by the Central Government, it would not impact the public now.

4. The Secretary, GST Council thanked the Hon'ble Convenor of the GoM for his elaborate presentation and opened the floor for discussion.

5. Hon'ble Member from Madhya Pradesh welcomed the decisions taken by the GoM. He stated that the GoM had suggested that for medicines and other items which were directly procured by the public and where the GST burden was borne by the public, GST rates should be kept at a minimum. The GoM further considered that the changes in GST rates should not impact the Country's resources. He thanked the GoM for considering these issues. He then stated that as vaccines were mostly being procured by the Central Government and the GST on vaccines would be paid by Central Government only, the GoM has recommended no change in rates, and that this was a welcome step. He then expressed his gratitude for Hon'ble Prime Minister's decision of bearing the entire expenditure pertaining to vaccines by the Union Government.

6. Hon'ble Member from Bihar thanked the Co-convenor of the GoM for coming up with the recommendations on various issues pertaining to the public at large in such a short span of time which had made it possible to hold the GST Council meeting quickly again for a decision. He also thanked Hon'ble Prime Minister and all his colleagues for their concern towards the public in announcing free vaccination for the people of India. He fully supported the GoM report and welcomed the report for exempting medicines required for the treatment of Black Fungus and for reducing rates on other medicines, medical grade oxygen, concentrators, ventilators, COVID testing kits etc. He stated that the demand pertaining to reducing the rates on thermometers and hand sanitizers was first made by Bihar and the GoM had accepted that and for that he expressed his gratitude towards the Hon'ble Chairperson and the Members of the GoM. He thanked GoM for reducing the rates on gas/ electric and other furnaces for crematorium for which a request had been made by him. This report took care of the domestic

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manufacturers as well. Simultaneously, reducing the rates on medicines needed for the treatment of COVID, as recommended by the Union Ministry of Health and Family Welfare of the Union of India would give great relief to the public. He expressed full support for the GoM recommendations and requested the Council to accept it with consensus and implement the recommendations to provide relief to the maximum people at the earliest.

7. Hon'ble Member from Manipur stated that the GoM had taken into consideration the deliberations which took place in the 43<sup>rd</sup> GST Council meeting. He stated that there were numerous demands for zero-rating and a 0.1% rate but the Convenor of the GoM had explained that with a view to promoting the manufacturing sector and developing the economy, these could not be considered. He then stated that he has particularly requested for rate reductions in case of ventilators and hand sanitizers and that had been taken into consideration by the GoM. He stated that what he found was, that those items which would directly affect the public in fighting with COVID had been taken into consideration and relief on such items had been provided to the public. He stated that the GoM had adopted a very balanced approach. On the one hand, they had provided relief to the people in fighting COVID and on the other, they had also taken into consideration the fact that States would need revenues from GST. He stated that Manipur depended a lot on GST. He fully supported the recommendations of the GoM.

8. Hon'ble Member from Assam appreciated the sincere efforts made by the GoM to resolve some of the important issues on COVID-19 related items. She stated that the GoM had done a very commendable job by submitting the report in a very short period of time. The GoM had rightly concluded that the concept of zero-rating was limited to exports under GST laws. There was no provision of zero-rate in domestic supply and it was not possible to make amendments in the CGST, SGST and IGST Acts in such a short period of time. Regarding application of a 0.1% rate, the GoM felt that there was no point in creation of separate rate for domestic supplies which would only lead to inverted rate structure and would not be beneficial to anyone. She then stated that the Committee had very meticulously gone through each and every COVID related item and then made their observations and recommendations. She fully agreed with the views of the GoM and supported the recommendations of the GoM.

9. Hon'ble Member from Punjab stated that he appreciated the hard work done by the Hon'ble Members of the GoM, however, having read the report, he felt disappointed. He stated that there were two ways to look at the report, either every item could be examined individually

  
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and then it could be decided what the appropriate rate was, or one could holistically look at the issue. Healthcare services were exempt per se and this had been so even under Service Tax and it included any medicine which was given as part of healthcare in allopathy, homeopathy, naturopathy and even yoga. So, all supplies of medicines were also actually exempt, and there was a liberal healthcare policy in India as far as taxation was concerned. He then stated that it was being debated whether to restrict vaccines only for Government hospitals as private hospitals would probably make a profit, but the hospitals were treating people and it would be difficult for them to get registration and start billing 2.5% CGST and 2.5% SGST and then file returns. The optics of the GST being in the final bill were not good and as profit had been restricted to only Rs. 150 on vaccination, there was no rationale in saying that the hospitals would be making profit on vaccination. He further stated that he did not think that the Council would want the revenues to come from crematoriums and cremation services. Similarly, in RT-PCR machines it had been decided to retain the rate of 18%. He stated that even if these machines were bought at concessional rates, most State Governments had set the rates and he did not think profiteering was possible in this. He stated that he was in favour of zero-rating or a 0.1% rate. He suggested that exemptions may be given till 31<sup>st</sup> March, 2022. He stated that he would not be able to go along with the proposals of the GoM. He requested for the appointment of a Vice-Chairperson to the Council as also to operationalize the Dispute Resolution Mechanism.

10. Hon'ble Member from Tripura stated that Convenor of the GoM had given a very elaborate presentation. The recommendations showed a very balanced view. He further stated that Hon'ble Chief Minister of Meghalaya had rightly pointed out the concerns in the zero-rate and 0.1% rate and he had rightly made the point that tinkering with the fundamentals of GST or GST Council was perhaps not wise and most articles that would benefit the common man had been exempted and on vaccines he had elaborately explained why they could not be exempted. On sanitizers, as discussed in the previous meeting, rates had been reduced. So, this recommendation given by the GoM had good logic, and a wide perspective. He wholly and fully supported the recommendations made by the GoM.

11. Hon'ble Member from Jharkhand thanked Hon'ble Chairperson for constituting the GoM. He stated that all the Members of GoM deserved appreciation for their hard work, but Jharkhand did not agree with these recommendations. He seconded the view of the Hon'ble Member from Punjab and said that they demanded that for COVID-19 related materials and



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medicines GST should be at a 0.1% rate to benefit the common man. He requested for a 0.1% rate on COVID related materials and medicines and asked for the relief to be provided till 31<sup>st</sup> March, 2022.

12. Hon'ble Member from Rajasthan thanked Hon'ble Prime Minister of India for announcing free vaccines for the people above 18 years of age. Then, he mentioned that in Rajasthan the positivity rate was quite high and there was a danger of Black Fungus as a number of people were getting admitted to the hospitals but there was a dearth of medicines. He stated GoM had made changes only in some goods out of the recommendations made by the Fitment Committee and then questioned the purpose of constituting a GoM, as the Council could have accepted the Fitment Committee recommendations only in that case. He also asked for concessions/ relief to be given beyond 31<sup>st</sup> August, 2021 keeping in view the anticipated third wave of COVID around September/ October. He stated that exemptions should be extended at least till 31<sup>st</sup> March, 2022.

He also requested the release of pending GST Compensation for FY 2020-21 amounting to Rs. 4,635 crores to cope up with the situation and to continue the existing welfare schemes and announce new schemes. He disagreed with the proposals given by the GoM and stated that if not zero-rated then at least a 0.1% rate should be considered and that it would not impact the finances of the Government much.

13. Hon'ble Member from Himachal Pradesh thanked GoM for coming up with the recommendation in a very short span of time. He stated that their recommendations on the one hand gave relief to the people in these difficult times and on the other hand also took care of the domestic manufacturers in the long run. He fully supported the recommendations of GoM and thanked Hon'ble Prime Minister of India for free vaccines to all.

14. Hon'ble Member from Chhattisgarh expressed his disagreement with the recommendations made by the GoM and registered his protest at the formulation of the GoM. He stated that the suggestions made by the GoM did not appear to show consistency in the rates that had been suggested for various items and the reasoning that had been given. He referred to the Section 9(1) CGST Act, 2017 which stated that "*at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person.*" So, the intent of the Parliament clearly states that the rates of CGST could be up to 20% and hence,



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zero-rated taxes were permissible under GST laws. So, he could not be in agreement with the suggestion of the Fitment Committee which stated that zero rating was against the provisions of the law. He further referred to the Section 17(2) and Section 54(3) of the CGST Act and stated that there were provisions in the law for zero-rated supply and it was erroneous to state that the Act did not have a provision. He also stated that when nil rates had been provided for Tocilizumab and Amphotericin B, then there could be nil rates on other items also. He suggested that the period of relief in taxation should be beyond August and should be extended to March, 2022 or a flexible date. He stated that Chhattisgarh was in the process of setting up of many labs. Government too could set up labs as per the recommendations made by Ministry of Health of Government of India to enable maximum testing through RT-PCR. So, rates on machinery pertaining to RT PCR tests too should be reduced to check the drain on the exchequer.

15. Hon'ble Member from Delhi stated that while GoM had put in lots of efforts, he was not in agreement with their recommendations and demanded that vaccines, oxygen cylinders, concentrators, PPE kits, masks, oximeters, and thermometers should either be exempt or zero-rated. He further stated that public was looking at the outcome of the meeting with the hope that the cost of masks, sanitizers, thermometers, etc. would be reduced from their monthly budget. He also stated that every State Govt. was trying to increase the number of ventilators in small hospitals to cope up with the anticipated third wave of the COVID-19 and such hospitals also have hope that after this meeting, there would be a new price which would have no GST. He opposed the GoM recommendations and sought retrospective effect ( i.e. from 3<sup>rd</sup> May ) to be given to the ad-hoc exemptions on the goods imported on payment basis stating that it would benefit those people who had donated the COVID related goods to the Government and hospitals in the peak time.

16. Hon'ble Member from Karnataka stated that for Zero Rate supply as given in Section 16 of the Act, is only for exports and not for supply within India. Thus, zero rating was not brought into the GoM. For 0.1% the ITC on the input goods / services would be high and there would be inverted duty structure and blockage of capital. Then domestic producers would be affected. Rates on crematoriums and ambulances and temperature checking equipment could be further reduced. He thanked the Chairperson for giving compensation to the States which could be used for COVID relief work. He accepted the report of the GoM as pragmatic but suggested that the time period of relief could be extended beyond 31.08.2021. Further, the rate on temperature checking equipment is used by the common man could also be considered for

  
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reduction. He thanked the Hon'ble Chairperson for the timely arrangement of State compensation.

17. Hon'ble Member from Arunachal Pradesh thanked the Hon'ble PM for taking the responsibility of supplying the vaccine free of cost to the States for all people above the age of 18 years. He agreed with all the recommendations of the GoM.

18. Hon'ble Member from Uttar Pradesh thanked the Hon'ble PM, the Hon'ble FM and the Union Government for the free vaccination initiative. He stated that the GoM recommendations would benefit the common man and that the report was balanced. If the tax rates were reduced to zero, it would affect revenue. He stated that they were in agreement with the report and the report should be accepted by consensus.

19. Hon'ble Member from Telangana stated that they accept the report prepared by the GoM. He stated that since vaccines were being supplied free of cost by the Central Government the revenue of the States would not be affected. He stated that he accepted the report completely. He requested an increase in the FRBM limit by 1% as it would increase demand, boost the economy and employment and it would facilitate revenue inflow.

20. Hon'ble Member from Sikkim stated that the report needed to be appreciated. It reduced the rates substantially on the COVID-19 related materials. He stated the Government of Sikkim endorsed the recommendation of the GoM to avoid zero rating or concessional rates of 0.1% of GST on COVID 19 related individual items. Hence the recommendation of GoM on revised rates structures reducing the GST rates substantially on COVID relief items from 12% to 5 % on some items from 18% to 12% and allowing exemption on Tocilizumab and Amphotericin B for which there was little manufacturing capacity in India, was supported and endorsed by Government of Sikkim.

21. Hon'ble Member from West Bengal stated that the Member from Kerala had sought zero rating. Therefore, the report could not be considered unanimous and the contents of his letter needed to be elaborated. Further, the Hon'ble Member from Odisha had also requested for zero rating before the Council. Two Hon'ble Members had proposed 31<sup>st</sup> March, 2022 as the end date for exemptions. By that time, only 20% would be vaccinated. In view of a possible third COVID wave, this date should be reconsidered. He stated that zero rating should be considered and an ordinance could be passed which could amend the laws and later a bill could be taken to parliament. Further, for a 0.1 % rate, no ordinance would be required. This route



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could be adopted if the ordinance route was considered as too long. He then stated that even by reducing the rate to 5%, there would still be an inverted duty structure, so if the reduction to 5% could be made, then a 0.1% rate could also be considered. He stated that as there were two items which were nil rated as per the report of GoM, the domestic producers of these medicines would be affected adversely. In these cases, they would not be able to take advantage of the input tax credit. He urged the Chairperson to take the zero rating or 0.1% route and said that he strongly disagreed with the report. He further stated that the two medicinal items which had been put at Nil rate would adversely affect domestic producers. He also stated that rates on certain items like sanitizers, masks, PPE kits had not been changed. He stated that he strongly opposed the GOM recommendations for the reasons advanced above.

22. Hon'ble Member from Gujarat appreciated the GoM for submitting their report in a very short time window. He stated that if there was anything that the States would like to suggest on the subject matter of GoM, the same could be considered. However, the GoM report should be considered positively. The GoM was entrusted with the responsibility of coming to a consensus of GST rate relaxations for COVID related items after analysing the prevailing rates and taking into consideration the interest of all stake holders. He requested for the acceptance of the GoM report. He thanked the Hon'ble Prime Minister for understanding the issue of vaccination with the help of the Hon'ble Union Finance Minister, and undertaking this initiative of shouldering the vaccine expense.

23. Hon'ble Member from Goa congratulated the Central government and the Hon'ble Prime Minister and the Union Finance Minister for resolving the issue of vaccines. He stated that the GoM report has considered all the issues like impact on economy, finances of the Centre and the State, domestic manufacturers and also the overall context has been carefully analysed. The GoM report was unanimous and had taken a balanced view. Zero rating was meant for exports and could not be considered in the current scenario. The GoM had considered the long-term impact on the economy as well. Further, he stated that issuing an ordinance was not the right option. He stated that the Council, as a constitutional body, had been appreciated internationally and it should work by consensus. He congratulated the Convenor of the GoM for giving a well-considered report. He congratulated the Chairperson and the Honourable Prime Minister for living upto the expectation of their countrymen and that the main issue regarding vaccination had been taken care of by the Central Government.

24. Hon'ble Member from Tamil Nadu stated that GoM report was very meticulous and detailed. He stated that some issues such as vaccination had been taken care of. He stated that

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he was not in acquiescence with 5% but was looking for zero rating since the time period was very short and that there would be no fundamental change at a financial level. He stated that to bring in zero rating only an amendment may be needed in the IGST Act. He further stated that he was not comfortable with this notion of unanimity in the process and that he was supportive for zero rating and not for 5%.

25. Hon'ble Member from Kerala stated that the decision of the Union Government to provide vaccination had given them relief concerning State finances for vaccination. Further, he stated that he was relieved as the state had announced universal vaccination even though they had serious constraints of finances. He stated that he could not attend the GoM fully due to preparations for the State Budget, but had submitted a letter later to the Convenor of the GoM, stating his disagreement with the decision to not zero rate or reduce tax rate on all COVID-19 related medicines and oxygen therapy equipment to 0.1%. Further, 75% of vaccines were coming from the central pool and 25% from the private sector. In the private sector, they would transmit the tax burden to the common people, and that zero rating would be helpful there.

26. Hon'ble Member from Haryana stated that he had recommended that the GIC could finalise regarding drugs that were recommended by the Ministry of Health and Family Welfare. He further requested the Council that the tax rate on crematoriums should be further reduced from 12% to 5% as that would help reduce pollution. He also stated the Council should extend the last date for exemption by another two months.

27. Hon'ble Member from Uttar Pradesh stated that the discussions should only be in respect of the GoM and associated issues. He stated that he believed that the tradition of the Council had been to decide issues in consensus and all Members should respect that.

28. Hon'ble Chairperson stated that they had all come together to balance revenue and not to burden the consumer.

29. Hon'ble Member from Kerala clarified the background and intention behind his writing the letter to GoM specifying that he just wanted to place his opinion on record and it was not to be construed dissent note.

30. Hon'ble Convenor of the GoM stated that there was a need to consider the immediate impact of specific items and take an immediate decision. He also clarified that nil rate means that the manufacturers would not get input tax credit. However, since the two items to be nil rated were largely imported, therefore, manufacturers would not be affected. He also clarified



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that the letter received from the Hon'ble Member from Kerala. clearly mentioned that it was not a dissent, and that he wanted to record his viewpoint which supported zero rate or a 0.1% rate. He stated that the GoM had gone through all aspects to find a balance within the framework of Constitution and fundamental principles of GST while trying to give maximum relief to the people. He requested all Members to accept the recommendations of the GoM.

31. Upon a direction to explain the statutory provision relating to zero rating, JS, TRU stated that the issue as to whether zero rating is permissible for domestic supply is crucial to the whole discussion. One opinion expressed was that there were already provisions in the CGST Act which allows for zero rating, and that there was a way which allowed for it to be done. He stated that zero rating meant that GST would not to be imposed on the final product, and at the same time, refund of accumulated ITC on input goods and services to be claimed/refunded. He then stated that there were some essential steps for granting zero rating. The first step was to identify those supplies where zero rating would apply. To identify these supplies, there was only one provision in the IGST Act, which is Section 16. This section prescribes which supplies would be entitled to zero rating. Once Section 16 was applicable to certain goods and services one could go to the next step which was to apply zero rate, that is to prescribe in law that ITC would be available even if no GST on such goods or services applies. This is achieved through section 17 (2) of the CGST Act. Third step is to allow in law to refund of accumulated ITC, which is achieved through section 54 (3) of the CGST Act. That first step was only satisfied by export or supplies made to SEZ. Hence amendment would be required in section 16 of the IGST Act. Another issue raised was that if perhaps only an amendment in the IGST act was required, and not in the CGST and SGST Act. In this context he submitted that currently zero rating is only for interstate supply, that is export and supplies to SEZ, and accordingly, the supplies to which zero rating apply is prescribed only in the IGST Act, however, if zero rating is also to be considered for intra state supply, which does not fall within the ambit of IGST, then some provisions would need to be built into CGST and SGST Acts as well. Hence, for zero rating of Covid-19 relief item, which would be both inter-state and intra state, amendment would be needed in IGST Act, CGST Act and all SGST Acts.

32. The Secretary further added that in view of above discussion, it is clear that an amendment or ordinance by the Centre would not suffice and all States would need to amend their respective acts as well. He also clarified that in zero rating, input credit of capital goods would need to be carried forward, and would not be immediately available. He elucidated that

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if rate was brought down to 0.1%, then not only the credit of capital goods would need to be carried forward, but also the credit for input services would need to be carried forward, and only credit of the input goods would be available. So, the impact of these two would go into the cost of product. He then stated that while benefit should go to the customer, awareness was required as to how domestic industry or the domestic manufacturers would react to such changes, so that they would not be disagreeable to changes made. He then stated that interactions had been held with the two vaccine manufacturers, and they had stated that if the vaccine was made zero rated or 0.1%, then they would need to keep separate books of accounts for input and output of the products. Thus, the manufacturers would need to maintain separate books for the period of the relief and they were uncomfortable with such a scenario. On the exemption of the two medicines, referred to by convener of the GoM, he stated that these two medicines were imported, and this would have salutary effect on the cost, and the exemption would be over by the time any domestic manufacturer started making it. On the exemption, he stated that he wished to inform the Council that if any goods are exempted, they would not get ITC on input goods, services and capital goods. He stated that this could lead to an increase in cost. He then stated that 75% vaccines were being procured by the Central Government, and that 25% of vaccines would be purchased by hospitals. Further he stated that even though 25% of the vaccines would be purchased by hospitals, but it was not mandatory for anyone to go to private hospitals, and anyone could go to the Government hospital and get vaccinated for free. So if anyone takes the decision to go to a Private hospital, then the cost of GST would be a minor part of the cost of the vaccines, so this would be a minor consideration. He also stated that GST on vaccine is to be paid by its supplier. Therefore, no compliance burden is added for hospital. He clarified that out of the tax being paid, 70% would go to the State governments, and only 30% would go to the Central Government. He informed that the black fungus drugs had already been covered under ad hoc exemption. He expressed that he would discuss the matter raised by the Member from Delhi, about retrospective application of the exemption with officials.

33. Hon'ble Chairperson thanked the Hon'ble Convenor and all Members of the GoM particularly for the prompt report as well as for having looked at the technical matters in great detail. The exemption could be extended to September and it could be reviewed then if it was needed to be extended further based on the advice of the Ministry of Health Ministry and Family welfare and the situation at that time. The Chairperson stated that it could be explained as to how the functioning of GIC was critical. She stated that if a decision was to be taken on



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extending the exemption beyond September, the GIC being a body of officials from some States, could take guidance from the political leadership and those who are not a part of the GIC could contact it and state that they would like it to be extended. The GIC, with concurrence of the leadership, could take the call, instead of the GST council meeting again for one or two agenda items and the GIC could function with the guidance of the Council. The importance of GIC for execution purposes, particularly in a time like this was not to be lost out on. Regarding the FRBM limit, mentioned by the Telangana State, she stated that the Finance Ministry shall take a call on the same and it is not for the Council to decide on it. She also clarified that the Council had been briefed as to why two items had been nil rated. She proposed that GST rates on gas/electric and other furnaces for crematoriums could be reduced from 18% to 5% considering the environmental impact. She further proposed that on the temperature checking equipment GST could be reduced from 18% to 5% and on ambulances, the rates could be reduced from 28% to 12%. She stated that mutual hand holding was required to manage the Pandemic and nobody wanted a third wave. She said that compassion was being taken on board by saying that the vaccine shall be given for free and that she was grateful to the States who have thanked the Hon'ble Prime Minister. Vaccine policy was not a GST matter but since it had been raised, she clarified that the issue had been discussed with the States. She stated that consensus, or trying for it, had always been the culture in the Council.

34. The Secretary concluded the meeting with the permission of the chair and stated that the GoM report was accepted by the Council with modifications as proposed by the Hon'ble Chairperson. The decisions would be implemented at the earliest to give relief to the people.

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Annexure -A

F.No. S-31011/12/2021-DIR(NC)-DORGovernment of India  
Ministry of Finance  
Department of Revenue  
\*\*\*\*\*New Delhi, 29<sup>th</sup> May, 2021Office Memorandum**Subject: Constitution of a Group of Ministers (GoM) on concessions/ exemption from GST to COVID relief material-reg.**

In pursuance of the decision of the GST Council at its 43rd meeting on 28 May 2021, a Group of Ministers (GOM) has been constituted to examine the issue of GST concessions/ exemption to COVID relief material. The GOM shall consist of the following members:

S. No.	Name	Designation and State	
1.	Shri Conrad Sangma,	Chief Minister, Meghalaya	Convenor
2.	Shri Nitinbhai Patel,	Deputy Chief Minister, Gujarat	Member
3.	Shri Ajit Pawar,	Deputy Chief Minister, Maharashtra	Member
4.	Shri Mauvin Godinho,	Minister for Transport & Panchayati Raj, Housing, Protocol and Legislative Affairs, Goa	Member
5.	Shri K.N. Balagopal,	Minister for Finance, Kerala	Member
6.	Shri Niranjan Pujari,	Minister for Finance and Excise, Odisha	Member
7.	Shri T. Harish Rao,	Minister for Finance, Telangana	Member
8.	Shri Suresh Kr Khanna,	Minister for Finance, U. P.	Member

2. **Terms of Reference:** The GOM shall examine the need for GST concession/exemption and make recommendations on -

(i) COVID vaccines, drugs and medicines for COVID treatment, and testing kits for COVID detection;

(ii) Medical grade oxygen, Pulse oximeters, Hand sanitizers, Oxygen therapy equipment such as Concentrators, Generators and Ventilators, PPE kits, N 95 masks, surgical masks, temperature checking equipment; and

(iii) any other items required for COVID relief.

3. The GOM on COVID relief shall be assisted by a Committee of officers from the Centre and the States as convened by the GOM.

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4. The secretarial assistance to this GOM shall be provided by Joint Secretary (TRU-I), CBIC.
5. The GOM shall submit its recommendations to the Council latest by 8 June, 2021.

  
(Dinesh Bouddh)  
Director (DoR)  
Tel:011-23092686

To

1. All Members of GoM and Officers
2. Revenue Secretary, North Block, New Delhi
3. Chairperson, CBIC, North Block, New Delhi
4. Member (Tax Policy), North Block, New Delhi
5. Joint Secretary, TRU-I, Department of Revenue, North Block, New Delhi
6. GST Council Secretariat, New Delhi
7. PS to Hon'ble Minister of Finance, Government of India, North Block, New Delhi
8. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi.

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## Annexure -I

### List Hon'ble Ministers who have attended the 44<sup>th</sup> GST Council Meeting on 12<sup>th</sup> June 2021

S.No.	Centre/State	Name of Hon'ble Minister	Charge
1	Govt of India	Smt. Nirmala Sitharaman	Union Finance Minister
2	Govt of India	Shri Anurag Singh Thakur	Minister of State (Finance)
3	Andhra Pradesh	Shri Buggana Rajendranath	Finance Minister
4	Arunachal Pradesh	Shri Chowna Mein	Deputy Chief Minister
5	Assam	Smt. Ajanta Neog	Finance Minister
6	Bihar	Shri Tarkishore Prasad	Deputy Chief Minister
7	Chhattisgarh	Shri T S Singh Deo	Minister for Commercial Tax
8	Delhi	Shri Manish Sisodia	Deputy Chief Minister
9	Goa	Shri Mauvin Godinho	Minister for Transport and Panchayat Raj, Housing, Protocol and Legislative Affairs
10	Gujarat	Shri Nitinbhai Patel	Deputy Chief Minister
11	Haryana	Shri Dushyant Chautala	Deputy Chief Minister
12	Himachal Pradesh	Shri Bikram Singh	Minister for Industries
13	Jammu & Kashmir	Shri Rajeev Rai Bhatnagar	Advisor to Lieutenant Governor
14	Jharkhand	Dr. Rameshwar Oraon	Minister for Planning cum Finance, Commercial Taxes, Food, Public Distribution & Consumer Affairs.
15	Karnataka	Shri Basavaraj Bommai	Minister for Home Affairs, Law & Parliamentary Affairs
16	Kerala	Shri K.N. Balagopal	Minister for Finance
17	Madhya Pradesh	Shri Jagdish Devda	Minister for Finance & Planning, Commercial Tax and Statistics
18	Maharashtra	Shri Ajit Pawar	Deputy Chief Minister
19	Manipur	Shri Yumnam Joykumar Singh	Deputy Chief Minister
20	Meghalaya	Shri Conrad K. Sangma	Chief Minister



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21	Mizoram	Shri Lalchamliana	Minister for Taxation, Home, Disaster Management & Rehabilitation
22	Odisha	Shri Niranjana Pujari	Minister, Finance & Excise
23	Punjab	Shri Manpreet Singh Badal	Finance Minister
24	Rajasthan	Shri Shanti Kumar Dhariwal	Minister for Local Self Government, Urban Development & Housing, Law and Legal Affairs, Parliamentary Affairs,
25	Sikkim	Shri B.S. Panth	Minister for Tourism , Civil Aviation, Commerce & Industries
26	Tamil Nadu	Dr. Palanivel Thiaga Rajan	Minister for Finance and Human Resource Management
27	Telangana	Sri T. Harish Rao	Finance Minister
28	Tripura	Shri Jishnu Dev Varma	Deputy Chief Minister
29	Uttar Pradesh	Shri Suresh Kumar Khanna	Minister for Finance, Parliamentary Affairs, Medical Education
30	Uttarakhand	Shri Subodh Uniyal	Minister for Agriculture, Agricultural Marketing, Agricultural Processing, Agricultural Education, Garden and Fruit Industries, Silk Development
31	West Bengal	Dr. Amit Mitra	Finance Minister

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Annexure -II

List of officials who have attended 44th GST Council meeting on 12.06.2021			
Sl No	State/Centre	Name of the Officer	Charge
1	Govt. of India	Shri Tarun Bajaj	Revenue Secretary
2	Govt. of India	Dr. Krishnamurthy Subramanian	Chief Economic Advisor
3	Govt. of India	Shri M. Ajit Kumar	Chairman, CBIC
4	Govt. of India	Shri Vivek Johri	Member (GST & Tax Policy), CBIC
5	GST Council	Dr. C.S. Mohapatra	Additional Secretary
6	Govt. of India	Shri Ritvik Pandey	Joint Secretary, DoR
7	Govt. of India	Shri Sanjay Mangal	Commissioner (GST PW), CBIC
8	GST Council	Shri S.K. Rahman	Joint Secretary
9	GSTN	Shri Manish Kumar Sinha	Executive Vice President
10	Govt. of India	Shri G.D. Lohani	Joint Secretary, TRU
11	GST Council	Ms Ashima Bansal	Joint Secretary
12	Govt. of India	Shri S.S. Nakul	PS to Finance Minister
13	Govt. of India	Shri Binod Kumar	PS to MoS (Finance)
14	Govt. of India	Shri Debashis Chakraborty	OSD to Revenue Secretary
15	Govt. of India	Shri B.N. Bhaskar	Addl. PS to Finance Minister
16	Govt. of India	Shri J.S. Kandhari	Deputy Secretary, TRU
17	Govt. of India	Shri Gaurav Singh	Deputy Secretary, TRU-I

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18	Govt. of India	Shri Rahul Raja	OSD to Chairman, CBIC
19	Govt. of India	Shri Shashikant Mehta	OSD, TRU-II, CBIC
20	Govt. of India	Shri Sameer Patil	Deputy Commissioner, TRU
21	GST Council	Shri Kshitendra Verma	Director
22	GST Council	Shri Harish Kumar	Deputy Secretary
23	GST Council	Shri Arjun Kumar Meena	Joint Commissioner
24	GST Council	Shri Krishna Koundinya	Under Secretary
25	GST Council	Shri Naveen Agrawal	Under Secretary
26	GST Council	Shri Karan Choudhary	Under Secretary
27	GST Council	Shri Joginder Singh Mor	Under Secretary
28	GST Council	Shri Abhishek Kumar	Superintendent
29	GST Council	Shri Adesh Nayak	Superintendent
30	GST Council	Shri Manoj Kumar	Superintendent
31	GST Council	Shri K.K. Verma	Superintendent
32	GST Council	Shri Rakesh Joshi	Inspector
33	GST Council	Shri Vijay Malik	Inspector
34	Andhra Pradesh	Dr Rajath Bhargava	Special Chief Secretary, Revenue Department
35	Andhra Pradesh	Shri Peeyush Kumar	Chief Commissioner of State Tax
36	Andhra Pradesh	Shri D. Venkateswara Rao	OSD to Special Chief Secretary, Revenue
37	Andhra Pradesh	Shri K. Ravishankar	Commissioner State Tax GST (FAC)

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38	Andhra Pradesh	Shri J. V. M Sarma	Joint Commissioner State Tax, GST
39	Arunachal Pradesh	Shri Kanki Darang	Commissioner
40	Arunachal Pradesh	Shri Tapas Dutta	SNO (GST)
41	Assam	Shri Manish Thakur	Commissioner & Secretary, Finance
42	Assam	Shri Rakesh Agarwala	Principal Commissioner of State Tax
43	Assam	Md. Shakeel Saadullah	Additional Commissioner of State Tax
44	Bihar	Dr. Pratima	Commissioner cum Secretary, Commercial Taxes
45	Bihar	Shri Arun Kumar Mishra	Special Secretary, Commercial Taxes
46	Chandigarh	Shri Mandip Singh Brar	Excise & Taxation Commissioner
47	Chandigarh	Shri Rakesh Kumar Popli	Additional Excise & Taxation Commissioner,
48	Chhattisgarh	Shri Gaurav Dwivedi	Principal Secretary, Commercial Tax
49	Chhattisgarh	Shri Sameer Vishnoi	Commissioner of State Tax
50	Delhi	Shri Sandeep Kumar	Secretary, Finance
51	Delhi	Shri Ankur Garg	Commissioner, GST
52	Delhi	Shri Anand Kumar Tiwari	Additional Commissioner, GST
53	Goa	Shri Hemant Kumar	Commissioner, State Tax
54	Gujarat	Shri J. P. Gupta	Chief Commissioner, State Tax
55	Gujarat	Shri Dilip Thaker	Deputy Secretary (Tax), Finance Department,
56	Gujarat	Shri Riddhesh Raval	Deputy Commissioner, State Tax
57	Haryana	Shri Anurag Rastogi	Additional Chief Secretary, Excise & Taxation

  
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58	Haryana	Shri Shekhar Vidhyarthi	Excise & Taxation Commissioner
59	Haryana	Shri Siddarth Jain	Additional Excise & Taxation Commissioner
60	Haryana	Shri Rajeev Chaudhary	Joint Excise and Taxation Commissioner
61	Himachal Pradesh	Shri Jagdish Chander Sharma	Principal Secretary (Excise & Taxation)
62	Himachal Pradesh	Shri Rohan Chand Thakur	Commissioner of State Tax and Excise
63	Himachal Pradesh	Shri Rakesh Sharma	Additional Commissioner of State Tax and Excise
64	Jammu and Kashmir	Dr. Arun Kumar Mehta	Financial Commissioner
65	Jammu and Kashmir	Shri Showkat Aijaz Bhat	Commissioner, State Taxes
66	Jammu and Kashmir	Shri Waseem Raja	Assistant Commissioner, State Taxes
67	Jharkhand	Ms Aradhana Patnaik	Secretary, Commercial Tax
68	Jharkhand	Ms Akanksha Ranjan	Commissioner, Commercial Tax
69	Jharkhand	Shri Santosh Kumar Vats	Special Secretary, Commercial Tax
70	Jharkhand	Shri Brajesh Kumar	State Taxes Officer
71	Karnataka	Shri Srikar M.S.	Commissioner of Commercial Taxes
72	Kerala	Shri Bishwanath Sinha	Principal Secretary, Taxes
73	Kerala	Shri Anand Singh	Commissioner, State Taxes
74	Kerala	Dr.S.Karthikeyan	Special Commissioner, State Tax
75	Kerala	Shri. Abraham Renn	Addl. Commissioner, State Taxes
76	Kerala	Shri Mansur.M.I	Joint Commissioner, State Taxes
77	Madhya Pradesh	Shri Manoj Govil	Principal Secretary, Finance

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78	Madhya Pradesh	Shri Raghwendra Kumar Singh	Commissioner, Commercial Taxes
79	Madhya Pradesh	Shri R.K. Sharma	Joint Commissioner, Commercial Taxes
80	Maharashtra	Shri Manoj Saunik	Additional Chief Secretary, Finance
81	Maharashtra	Shri Nitin Gadre	Principal Secretary ( Financial Reforms )
82	Maharashtra	Shri Rajiv Mittal	Commissioner of State Tax
83	Maharashtra	Ms. VishakhaBorse	Joint Commissioner of State Tax
84	Maharashtra	Shri Kiran Shinde	Deputy Commissioner of State Tax
85	Manipur	Shri YumnamIndrakumar Singh	Assistant Commissioner of Taxes
86	Meghalaya	Smt S. A. Synrem	Commissioner & Secretary, Excise, Registration, Taxation & Stamps
87	Meghalaya	Shri ArunkumarKhembavi	Commissioner , SGST
88	Meghalaya	Shri L. Khongsit	Additional Commissioner, SGST
89	Mizoram	Shri VanlalChhuanga	Commissioner & Secretary , Taxation Department
90	Mizoram	Shri KailianaRalte	Commissioner of State Tax
91	Nagaland	Shri Y Mhathung Murry	Special Commissioner of State Taxes
92	Nagaland	Shri WochamoOdyuo	Additional Commissioner of State Taxes
93	Odisha	Shri Ashok K. K. Meena	Principal Secretary, Finance
94	Odisha	Shri Sushil Kumar Lohani	Commissioner, Commercial Taxes & GST
95	Puducherry	Shri Shurbir Singh	Secretary (Finance)
96	Puducherry	Shri L. Kumar	Commissioner (ST)

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97	Puducherry	Shri K. Sridhar	Deputy Commissioner (ST)
98	Punjab	Shri A. VenuPrashad	Additional Chief Secretary(Taxation)
99	Punjab	Shri Nilkanth S. Avhad	Commissioner of State Taxes
100	Punjab	Shri Ravneet Khurana	Additional Commissioner (Audit)
101	Rajasthan	Shri Akhil Arora	Principal Secretary(Finance)
102	Rajasthan	Shri T. Ravikanth	Secretary, Finance(Revenue)
103	Rajasthan	Shri Ravi Jain	Chief Commissioner, State Tax
104	Rajasthan	Shri Ketan Sharma	Special Commissioner (GST)
105	Rajasthan	Shri Vibhu Gautam	Assistant Commissioner, GST
106	Sikkim	Shri V.B. Pathak	Additional Chief Secretary, Finance & Planning
107	Sikkim	Shri J.D. Bhutia	Commissioner, Commercial Taxes
108	Sikkim	Shri Bikash Diyali	Deputy Director (GST), CTD
109	Tamil Nadu	Shri S. Krishnan	Additional Chief Secretary, Finance
110	Tamil Nadu	Shri M. A. Siddique	Principal Secretary/Commissioner, Commercial taxes
111	Tamil Nadu	Ms B. Jothi Nirmalassamy	Secretary, Commercial Taxes & Registration
112	Tamil Nadu	Shri K. Gnanasekaran	Senior Additional Commissioner (Policy and Public Relations)
113	Telangana	Shri Somesh Kumar	Chief Secretary
114	Telangana	Ms Neetu Prasad	Commissioner of Commercial Taxes
115	Telangana	Shri N. Sai Kishore	Additional Commissioner (ST) (Legal)
116	Telangana	Ms Rupa Sowmya	Deputy Commissioner(ST) Policy

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117	Telangana	Ms V.D.N. Sravanthi	Deputy Commissioner(ST) Statics
118	Tripura	Shri Apurba Roy	Secretary, Finance
119	Tripura	Dr. Vishal Kumar	Chief Commissioner of State Tax
120	Tripura	Shri Badal Baidya	Assistant Commissioner of State Tax
121	Tripura	Shri Ashin Barman	Nodal Officer, GST
122	Uttarakhand	Ms Sowjanya	Secretary, Finance
123	Uttarakhand	Shri Vipin Chandra	Additional Commissioner, State Tax
124	Uttarakhand	Shri Anil Singh	Additional Commissioner, State Tax
125	Uttarakhand	Shri Amit Gupta	Additional Commissioner, State Tax
126	Uttarakhand	Dr Sunita Pandey	Joint Comm/Nodal Officer, State Tax
127	Uttarakhand	Shri Pramod Joshi	Joint Commissioner, State Tax
128	Uttarakhand	Shri S.S. Tiruwa	Deputy Commissioner, State Tax
129	Uttar Pradesh	Shri Sanjiv Mittal	Additional Chief Secretary, State Tax
130	Uttar Pradesh	Ms Ministhy S	Commissioner, Commercial Tax
131	Uttar Pradesh	Shri Vivek Singh	Joint Commissioner (GST), Commercial Tax HQ
132	Uttar Pradesh	Shri Manoj Tiwari	Joint Commissioner (Statistics), Commercial Tax HQ
133	West Bengal	Shri Manoj Pant	Principal Secretary, Finance Department
134	West Bengal	Ms Smaraki Mahapatra	Secretary, Finance Department
135	West Bengal	Shri Khalid Aizaz Anwar	Commissioner, Commercial Taxes

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136	West Bengal	Shri Rajib S. Sengupta	Senior Joint Commissioner, Commercial Taxes
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Annexure -III

## Report of the Group of Ministers (GoM) For GST concession on Covid relief items

### Thought process of the GoM

- Relief to the common man was paramount
- Impact of GST exemptions/concessions on domestic manufacturing and supply side management
- Long-term implications on GST rate structure across all sectors of the economy
- Effect on resources of the Governments, particularly if States are to procure the vaccines
- Approach was to discuss each item at length, and arrive at consensus.



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## Discussions of the GoM

### Option of Zero Rating

Considering zero rating as an immediate short-term relief was not found feasible

### Option of 0.1% Rate

May not be considered for Covid relief items as a short-term measure

## Discussions of the GoM

### GST Exemption/Concession on Covid relief items

Items were placed in the following categories and discussed at length:

- A. Vaccines
- B. Medicines
- C. Oxygen, Oxygen generation equipment and related medical devices
- D. Testing Kits and Machines
- E. Other Covid related relief material



### Recommendations of the GoM

S. No.	Description	Present GST Rate	GoM Recommended GST Rate
<b>A. Vaccines</b>			
1.	Covid-19 Vaccines	5%	No change
<b>B. Medicines</b>			
1.	Tocilizumab	5%	Nil
2.	Amphotericin B	5%	Nil
3.	Anti-Coagulants like Heparin	12%	5%
4.	Remdesivir	12%	5%
5.	Any other drug recommended by Ministry of Health and Family Welfare and Dept. of Pharma for Covid treatment	Applicable Rate	5%

### Recommendations of the GoM

S. No.	Description	Present GST Rate	GoM Recommended GST Rate
<b>C. Oxygen, Oxygen generation equipment and related medical devices</b>			
1.	Medical Grade Oxygen	12%	5%
2.	Oxygen Concentrator/ Generator, including personal imports thereof	12%	5%
3.	Ventilators	12%	5%
4.	Ventilator masks / canula / helmet	12%	5%
5.	BiPAP Machine	12%	5%
6.	High flow nasal canula (HFNC) device	12%	5%

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## Recommendations of the GoM

S. No.	Description	Present GST Rate	GoM Recommended GST Rate
<b>D. Testing Kits and Machines</b>			
1.	Covid Testing Kits	12%	5%
2.	Specified Inflammatory Diagnostic Kits, namely D-Dimer, IL-6, Ferritin and LDH	12%	5%
3.	(i) RT PCR Machines; (ii) RNA Extraction Machines (iii) Genome sequencing machine	18%	No change
4.	Genome sequencing kits	12%	No change
5.	Raw materials for Covid Testing Kits	Applicable rate	No change

## Recommendations of the GoM

<b>E. Other Covid-19 related relief material</b>			
1.	Pulse Oximeters, including personal imports thereof	12%	5%
2.	Hand Sanitizer	18%	5%
3.	Temperature check equipment	18%	12%
4.	Gas/Electric/other Furnaces for crematorium	18%	12%
5.	PPE Kits	5%	No change
6.	N95, triple layer, surgical masks	5%	No change
7.	Ambulances	28%	No change
8.	Portable Hospital Units	18%	No change

These rate reductions/exemptions are recommended for a period upto 31.8.2021

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