C.No.IV/16/266/2016-CCO.(Tech.I) Dated: 31.01.2017

MINUTES OF MEETING OF REGIONAL ADVISORY COMMITTEE

Sub: Central Excise – Regional Advisory Committee [RAC] - Minutes of the Zonal RAC meeting held with the members of RAC on 30.01.2017 - Reg.

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The Central Excise Chennai Zonal Regional Advisory Committee Meeting for the 3rd and 4th quarter of 2016 was held on 30.01.2017 at 15:30 hours in the Conference Hall, Chennai-I Commissionerate, Nungambakkam, Chennai-34 under the Chairmanship of Shri.C.P.Rao, Principal Chief Commissioner of Central Excise, Chennai Central Excise Zone. The meeting was attended by the following members of the RAC / Representatives and the Officers from the Department:

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<th>SL No.</th>
<th>Name of the Member [S/Shri..]</th>
<th>Name of Association / Chamber</th>
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<tbody>
<tr>
<td>1</td>
<td>V. Murali</td>
<td>Hindustan Chamber of Commerce &amp; Institute of Cost Accountants of India</td>
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<td>2</td>
<td>T.G. Srinivasan</td>
<td>Andhra Chamber of Commerce</td>
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<td>3</td>
<td>K.K. Sekar</td>
<td>Motor Vehicles, &amp; Allied Industries Association</td>
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<td>4</td>
<td>Ruban Hobday</td>
<td>FICCI, Tamilnadu State Council</td>
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<td>5</td>
<td>Chozha Naachiar Rajasekar</td>
<td>The Tamil Chamber of Commerce</td>
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<tr>
<td>6</td>
<td>M.S. Raghunathan *</td>
<td>M/s CPCL</td>
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<td>7</td>
<td>Syed Muneer Ahmed</td>
<td>National Chamber of Commerce</td>
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<td>8</td>
<td>C. Raju</td>
<td>FASII &amp; AIEMA</td>
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<td>9</td>
<td>P.R.Aruloli, C.A.</td>
<td>Institute of Chartered Accountants of India [SIRC]</td>
</tr>
<tr>
<td>10</td>
<td>P. Jagadeesh</td>
<td>Directorate of Industries &amp; Commerce</td>
</tr>
</tbody>
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* Representative of nominated member
2. The Chairman welcomed the members and introduced himself to the members. He requested the members to introduce themselves, being the first Zonal RAC meeting chaired by him as the Principal Chief Commissioner, Chennai Central Excise Zone.

4.0 Then, the Committee proceeded to take up the points sponsored for discussion.

4.1 Shri. Ruban Hobday, Head, FICCI, Tamilnadu State Council was requested during the previous Zonal RAC meeting to forward details of a reference on availability of exemption to Sulphuric acid raised by one of their members, which was not received in time for the previous RAC. The same was forwarded by the member and the said lone point was taken up for discussion. The details of discussion and decision are as under:

**Point:** M/s Vaikash EXIMS, Exporter from Tuticorin have raised a query as to whether FICCI membership is enough to get Excise Duty exemption on Sulphuric Acid meant for export, as FICCI is treated as an Export Promotion Council - **Sponsored by Shri. Ruban Hobday, Head, FICCI, Tamilnadu State Council**

**Discussion & Decision:**

The Chairman requested the Member representing FICCI to inform if FICCI was registered as an Export Promotion Council. Shri. Ruban Hobday, FICCI informed that FICCI was not registered as an Export Promotion Council. The Chairman observed that considering that the query has been raised assuming FICCI as an Export Promotion Council, it was within the purview of FICCI and it would be appropriate for FICCI to clarify its member. However, the Chairman clarified that an option is available to the Merchant Exporter to avail the benefits on the subject goods meant for export if the requisite export documents are filed by the manufacturer of the said goods on behalf of the merchant exporter.
5.0 Thereupon, the Chairman requested the members to put forth any specific issues / queries for discussion. The members informed that though the Government have addressed many of the issues raised in their representations relating to the proposed GST, they expressed concern over certain practical issues such as transformation of existing accounting IT infrastructure and accounting system, new procedures that may be prescribed for movement of goods for job work, etc, obtaining separate registration for each state, even when a service provider may be performing his services only on one-time basis in a particular state, etc.

5.1 The Chairman observed that the GSTN is a completely different body and any issue could be sorted out. The Chairman further observed that the issue involving obtaining state-wise registration is a requisite in the IGST mode of taxation in respect of certain activities and added that the various procedural and other aspects would be known once the GST is notified and requested to await the same.

5.2 The Chairman observed that the Tamilnadu State comprise of cluster of industries engaged in the manufacture of similar goods in a specific region such as Automobile and Auto ancillary units in and around Chennai, concentration of machinery and textile industries in Coimbatore District and such could be the case in respect of other goods such as Sugar, Chemicals, Agro based industries etc also. Observing so, the Chairman suggested that there could be service-specific or industry-specific issues to be addressed to facilitate hassle-free transition to the GST regime and requested the members to conduct industry-wise / service-wise study to identify such issues and communicate the same to the department, which in turn will highlight the same to the CBEC for examination.

6. The Chairman referred to the on-going migration process in GSTN and requested the members to bring to the notice if any difficulty is encountered. The members replied that the respective chambers / associations are being sensitized about the requirement to migrate and no difficulty has been noticed so far. The member representing AIMEA informed that they have formed a help desk which provides support to their members in the migration and most of their members have already migrated. The Chairman suggested the members not to wait till the last moment and to complete the process at the earliest to avoid technical issues at the last minute.
7. The Chairman referred to the compilation of FAQ released by the National Academy for Excise, Customs and Narcotics [NACEN] and informed the members that the FAQ has been released in vernacular languages also and requested the members to sensitize their members about the same to know the various aspects of GST. The Chairman further requested the members to examine the issues that are not covered in the FAQ and send a compilation of the same for addition in the FAQ.


8. The Chairman informed the members that the Department shall provide resource persons to sensitize and educate the members of the Business Chambers and Industry Associations about the salient features and procedural aspects as envisaged in the Model GST Law and suggested that the members may organise seminars / workshops based on their needs on mutually convenient dates, which would serve as interactive sessions to address the doubts of the members of the trade and industry.

9. The meeting concluded with the vote of thanks to all the members present in the meeting.

10. This issues with the approval of the Principal Chief Commissioner of Central Excise, Central Excise, Chennai Central Excise Zone.

[Signature]

K.V.V.G. DIWAKAR
ADDITIONAL COMMISSIONER

To
1. All Members of RAC [As per mailing List]
2. The Indirect Tax Ombudsman, Chennai Zone
3. The Principal Commissioner / Commissioner of Central Excise
   Chennai - I / II / III / IV / Puducherry / LTU / Audit-I / Audit-II
4. The Additional Director General, Directorate General of Taxpayer Services, Chennai Zone

Copy submitted to
5. The Chief Commissioner of Service Tax, Chennai Service Tax Zone

Copy to
6. P.S. to Principal Chief Commissioner
7. The Superintendent, Computer Section, Chennai-I Commissionerate
   [For uploading the minutes in the website]