

रक्षा लेखा प्रधान नियंत्रक खातीपुरा रोड (द.प.क), जयपुर12-  
Pr Controller of Defence Accounts(SWC) Khatipura Road, Jaipur-12  
Phone No-0141-6605515 Fax No 0141-6605575

**IMPORTANT CIRCULAR**

No- GSTcell/01/2018

Dated: 30/10/2018

To

The Office I/c

- (i) All Sections in Main Office
- (ii) All sub Offices

**Sub: Guidelines for Deductions and Deposits of TDS by the DDO under GST.**

**Ref: HQRs office Circular No. A/GST/1110Gen/2018-19/vol.I dt 25/09/2018**

1. Please refer circular issued by HQrs office vide under reference. It has been notified by the Govt. Of India that provision of section 51 of the GST Act 2017 shall come into force wef 1<sup>st</sup> Oct ,2018.
2. Section 51 of the CGST Act 2017 provides for deduction of the tax by the government agencies (Deductor) or any other person to be notified in this regard, from the payment made or credited to the supplier (deductee) of taxable goods or services or both, where the total value of such supply, under a contract, exceeds **two lakh and fifty thousand rupees excluding GST.** The amount deducted as tax in a month under this section is to be paid to the Government by deductor in lumpsum by 10<sup>th</sup> of the next month alongwith a return in Form GSTR-7 giving the details of deductions and deductees within 5 days of crediting payment of TDS to the govt. i.e furnishing form GSTR-7. Further the deductor has to issue a system generated form GSTR-7A to the deductee mentioning therein the contract value, rate of deduction, amount deducted etc.
3. Accordingly, the audit section/DDO has to deduct the TDS 2% on the net amount(excluding GST amount) payable to the contractor.
4. Even if a contract has been concluded prior to 01.10.2018 and payment is made for supply made on or after 01.10.2018, then TDS will also be deducted.
5. The audit section/DDOs are required to maintain a register as per proforma given in Annexure 'A'
6. The audit section/DDO shall file the return in the FORM GSTR-7 by 10<sup>th</sup> of the following month.
7. For the units on post audit the CIN generated by RBI/Authorize banks may be rendered to concerned audit sections along with the monthly/quarterly cash accounts.

8. **Code head 00/020/04** (Defence) and **Code head 00/097/75 (MOD (civil))** may be operated (provisionally) for recovery and payment of TDS as per section 51 of the CGST Act 2017 till the allocation of proper code head by HQrs office.

9. **In order to bring uniformly in recovery and payment of TDS, Accounting procedure and details of record maintenance are given as under:**

(i) PM will be prepared at the time of recovery or TDS as under eg:

**Basic cost of Goods/Services etc: Rs 5,00,000/-**

**GST @18% =90,000**

**Recovery of TDS @2% of Basic Cost =10,000**

Month: No.	CDA:	Section	CI of Vr: II	Vr.	
Code head	(+)Rt	(-)Rt	Code head	(+)Ch	(-)Ch
93/020/91 Or 00/020/81	5,80,000		Relevant service/expenditure head	5,00,000	
00/020/04 (TDS code head for recovery and remittance)	10,000		Relevant service/expenditure head with GST Cat. Code	90,000	

(ii) **Combine PM for all deduction of the month** will be prepared at the time of remittance of TDS ( by the 10<sup>th</sup> of the following month) as under:

**Recovered TDS @2% of Basic cost =10,000**

Month: No.	CDA:	Section	CI of Vr: II	Vr.	
Code head	(+)Rt	(-)Rt	Code head	(+)Ch	(-)Ch
93/020/91 Or 00/020/81	10,000				
00/020/04 (TDS code head for recovery and remittance)		10,000			

(iii) All audit Sections will ensure that no amount should be lying under suspense Code Head 00/020//04 at end of Financial Year.

10. For detail procedure for Deductions and Deposits of TDS by the DDO under GST, please refer HQrs **office Circular No. A/GST/1110/Gen/2018-19/Vol.I dt 25/09/2018** and Gol, MoF and Department of Revenue circular no. 65/39/2018-DOR dated 14.09.2018 (copy enclosed).

11. Any doubt regarding recovery of TDS, preparation of PM etc. may be got clarified from GST cell .
12. For detailed procedure regarding above procedures, SOP on TDS(available on official site of PCDA,SWC )may be referred .
13. The contents of this circular may please be got noted by all concerned.

Please acknowledge receipt.

(Encls: Annexure 'A')

  
ACDA  
(GST Cell)

**Copy to**

1. EDP section (local): With a request to upload on the website .
2. All AOGEs : All AOGEs are requested to keep a close watch on implementation of the above orders by DDO .

  
ACDA  
(GST Cell)

