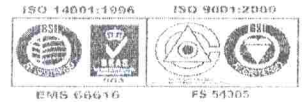




CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)



No. CWC/FD-Taxation/TDS/11-12

21st February 2012

IT Circular # 20

1. All the Regional Managers of Central Warehousing Corporation.
2. All the Executive Engineers in-charge of Construction Cells of Central Warehousing Corporation.
3. All the AGMs/Managers/ (Sr.) Asstt. Managers (Accts) in-charge of Finance & Accounts Wings of all the Regional Offices & Construction Cells of Central Warehousing Corporation.

Subject = Submission of TDS Certificates/Data & Modified Accounting System.

- 1.0 Reference is invited to this Office IT Circular # 8 (No. CWC/FD-Taxation/ITC/09-10) dated 23.06.2010 on the above subject, whereby detailed Guidelines with regard to the submission of TDS Certificates/Data and implementation of Modified Accounting System of TDS were issued.
- 2.0 As already informed vide CO IT Circular # XV dated 06.06.2011, wherein reference was invited to CBDT Circular No. 3/2011 dated 13.05.2011 (File No. 275/34/2011-ITB) which makes the issuance of TDS certificate in Form 16A to be downloaded from TIN website mandatory w.e.f. 01.04.2011. Such TDS certificates received from the clients/ Parties shall be downloaded from TIN website and shall invariably be addressed to the Corporate Office, New Delhi, based on the Registered Address of CWC as per PAN Records of the Income Tax Department.
- 3.0 It might happen that some Physical TDS certificates in original in respect of few parties may reach the Corporate Office directly based on the address printed on the TDS certificates downloaded from TIN Website. Such TDS certificates shall for the time being be retained at CO only and details of such TDS certificates in the prescribed format shall be circulated to Regional Offices periodically and based on such details, the Regional Offices would be required to link the relevant Certificates pertaining to their Regions and account for same accordingly under intimation to CO. It may be noted that w.e.f. Financial year 2011-12, the TDS certificates shall be issued for each Quarter separately and the consolidated TDS certificate for the entire Financial Year would no longer be valid, which should, therefore, not be accepted.
- 4.0 Effective from Financial year 2011-12 i.e. for the Tax deducted at source w.e.f. 01.04.2011, the process of sending Physical TDS Certificates in Original to the Corporate office may be discontinued and the original TDS may be retained at the concerned Regional Office. Since the Original TDS Certificates are likely to be called

for by the Assessing Officer during the Assessment Proceedings or there-after, the Field Units would be required to ensure that the Original TDS Certificates are retained by them in their safe custody, duly serially numbered and spiral bound. However, the detailed information in respect of such TDS Certificates, with their serial number being the basis, should be furnished to the Corporate Office periodically, preferably within 60 days of the end of each quarter, as per the format in **Annexure A**.

- 5.0 There may be instances, where the Depositor/Client having centralized TAN, may be having dealings with more than one Regional Office, as a result of which it may not be possible for them to issue separate TDS Certificates to every Regional Office pertaining to their respective dealings. In such cases, the Regional Office, which receives such TDS Certificate, would be required to seek the details of all the transactions with the Depositor on which TDS was affected across all the Regional Offices to enable them to pass on their respective TDS Credit to the concerned Region, besides verifying their Credit from 26AS.
- 6.0 The Regional Offices would pass transfer entries from "TDS Control Account (P 447)" to "Income Tax deducted at Source Account (P 433)" on quarterly basis for TDS certificates pertaining to each Quarter separately in respect of only such amounts for which Physical TDS certificates have actually been received by them, complete in all respect after their credit verification from 26AS. It may be noted that the Corporation must have the Physical TDS Certificate as well as their credit in 26AS for the entire TDS amount appearing in "Income Tax deducted at Source Account (P- 433)". If it is found at any point of time that the Entry in respect of any such TDS has been passed by the Regional Office without ensuring its Credit being reflected in 26AS, the Corporate Office would be at liberty to reverse such Entry passed by Regional Office.
- 7.0 The Ledger of the "TDS Control Account (P 447)" should be maintained with year-wise and party-wise details of each Tax Deduction at Source. The TDS Control Account (P 447) as at the year end shall contain the details of TDS affected, for which TDS certificates either have not been received or the credit in 26AS is not being reflected. The year-wise and party-wise details of TDS Control Account in Schedule No. C-69 annexed to the Annual Accounts of Regional Office may be furnished in the format as prescribed in **Annexure B**. The balance in TDS control account (P 447) as on 31.03.2012 should represent the pending TDS for the Financial Year 2010-2011 and 2011-2012 only. Any pending TDS for the Financial Year 2009-2010 or any earlier year can no longer be claimed from the Income Tax Department, and as such, the same may be transferred to respective Debtors account to realize the amount as outstanding dues.
- 8.0 The details in respect of "Tax Deducted at Source Account (P 433)" contained in Schedule B-8 forming the part of Annual Audited Accounts of the Regional Office should represent the amount of TDS affected during the year for which the physical TDS certificates as well as the Credit in 26AS has been received. The details of this Account have to be furnished in the format as prescribed in **Annexure A**. If any TDS

for the year 2010-11 or earlier has not been accounted in earlier years, the same may also be accounted now, but the year wise and party wise details for the same may be furnished separately. Advance copy of Ledger Account P 433 and P 447 in the prescribed format may be send via Email at bchirania@yahoo.co.in before finalization of Accounts for its vetting at CO.

- 9.0 It is once again reiterated that the Income Tax Department would now be relying upon the Credit of TDS being reflected in 26AS for affording TDS Credit to the Corporation instead of relying on Physical TDS certificates. It would, therefore, be the responsibility of the Regional Office to ensure that the Credit of the Tax deducted is actually reflected in 26AS, failing which, the amount may be recovered from the respective parties (deductor) as outstanding debts. The physical TDS certificates, without its corresponding Credit being reflected in 26AS is like a cheque issued in favour of the Corporation but dishonored by the party's banker. Hence the furnishing of physical TDS certificates merely shall not discharge the Tax deductor from his liability towards the Corporation.
- 10.0 Please also bear in mind that the debit balance in the TDS Control Account is the Outstanding Debt and the Field Units are required to furnish Depositor/Party-wise & Year-wise details of outstanding TDS Certificates as appearing in Account Code P-447 for every Review Meeting including the Video Conference.
- 11.0 Receipt of this communication may please be acknowledged and its contents be brought to the notice of all concerned for strict compliance. Please note that the matter would be reviewed periodically at the highest level at CO.



(N K Grover)

General Manager (F&A)

Encls. As above.

Copies for information to:

1. DGM (F&A), CWC, Corporate Office, New Delhi.
2. AGM (Fin-I)/AGM (Fin-II), CWC, Corporate Office, New Delhi with the advice to bring the contents of this Circular to the Notice of all concerned for similar action in respect of CO transactions.
3. AGM (IA), CWC, Corporate Office, New Delhi with the request to advise its Field Units to check the compliance of these instructions in the Field Units while carrying out the Internal Audit.
4. PS to MD, CWC, Corporate Office, New Delhi.
5. PS to OSD (Recovery), CWC, Corporate Office, New Delhi.

Corporate Office: Warehousing Bhawan, 4/1, Siri Institutional Area, August Kranti Marg
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