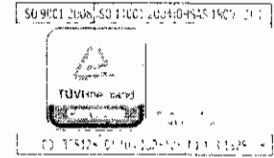




**CENTRAL WAREHOUSING CORPORATION**  
**(A GOVT. OF INDIA UNDERTAKING)**



No. CWC/FD- Taxation/GST/2017-18

Dated: 3<sup>rd</sup> July, 2017

**OFFICE ORDER (REVISED)**

**Sub: Restructuring of Construction Cells, Warehouses, Training Centre at Hapur and Guest Houses**

With the approval of competent authority, the following restructuring is made w.e.f. 1.7.2017 in view of GST Law becoming effective from the said date:

1. In view of the Goods and Services Tax Act (GST) becoming effective w.e.f. 1.7.2017, the units in each State have to keep their records for the output supplies as well as the input supplies and have to maintain separate Accounts including separate Profit & Loss Account.
2. Under the new GST Law, Corporation can only have one GST Registration for each State. All output and inputs supplies are to be recorded Statewise.
3. Reorganization of Construction Cells:

W.e.f. 1.7.2017, the Construction Cells at Delhi, Navi Mumbai, Chennai and Kolkata will not have separate identity and will become part of ROs Delhi, Navi Mumbai, Chennai and Kolkata respectively. The Construction Cell shall report to Regional Manager for administrative purposes and to Chief Engineer at Corporate Office for functional purposes as per the guidelines enclosed (Annex-A).

4. Restructuring of UP and Haryana warehouses attached with RO Delhi

The ICD-Kundli and CW Gurgaon situated in the Haryana State but operating under Delhi Region will get merged with RO-Panchkula w.e.f. 1.7.2017 for the purpose of accounting and compliance of GST Law as per details given in Annex-B.

*Please host on website.*

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*5/7/17*

*Supra/GMS*  
*CPK*

Contd...2

*AK Grover*

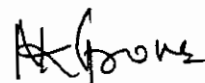
The Warehouses at CW-Greater Noida-I, CW-Greater Noida-II, CW Kasna, CW Noida, CW, Noida(NSEZ), CW Sahibabad-I, CW Sahibabad-II, CW-Surajpur and ICD-Loni presently attached with RO-Delhi will be merged with RO Lucknow w.e.f. 1.7.2017 for the purpose of accounting and compliance of GST Law as per details given in Annex-B.

Regional Manager, RO-Delhi will be responsible for the marketing and performance of the above Warehouses. For this purpose, the detailed guidelines for functioning of these Warehouses as per Annex-B are to be followed.

5. Training Centre at Hapur situated in UP State is presently attached with Corporate Office. Its income is being booked in RO-Delhi and expenses being accounted for at Corporate Office.

W.e.f. 1.7.2017, the income and expenses of Training Centre at IGMRI Hapur shall be accounted for in RO-Lucknow. The detailed guidelines for running of Training Centre at Hapur will be issued by Personnel Division shortly.

6. The income and expenses of Guest Houses at Bhubaneswar, Chennai, Lucknow, Mumbai, Shimla will be booked in the books of concerned State by the respective Regional Offices and GST compliance will be made. However, the income and expense of Guest House at Delhi including GST Compliance shall be looked after by Corporate Office.



( N.K.GROVER )  
Group General Manager

Encls: As above

**To,**

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

**Copy to:**

1. PPS to Managing Director, CWC, CO, New Delhi
2. AM to Director(Finance) / SAM to Director(Personnel) / PS to Director(MCP), CWC, CO, New Delhi
3. PS to CVO / PPS to GGM(A/cs), CWC, CO, New Delhi
4. All HODs at CWC, Corporate Office, New Delhi
5. All DGMs/AGMs/Managers / (Sr.) Asstt. Managers / Accountants in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi
6. ✓ PPS to GM(Systems), CWC, CO, New Delhi with a request to place this Circular on CWC's Website
7. Manager (Rajbhasha), CWC, CO, New Delhi with a request to arrange Hindi Version of this Circular.

Sub: Guidelines for functioning of Construction Cells in the Regional Offices

1. The salary / employee related payments and other expenses of the Construction Cells will be accounted for in the Regional Office concerned . The salary / employee related payments and other expenses of Engineers posted in the field will be accounted for in the respective Regional Office where they are posted as they will be on the roll of that Regional Office. The expenses of construction cell shall be booked in such a manner that they can be easily identified. For this purpose, Cost Centre Code 11 (Construction Expenses) shall be used alongwith the Account No. of the Expense Account Code.
2. The DOP for grant of leave, contingent expenditure, purchase of stationery, telephone, postage, TADA and tour advance of employees / officers in construction cell, transfer of SO / AE / Draftsman shall be within the DOP of Construction Cell Incharge. However, for Engineers posted in the field, this will be approved by RM concerned and all expenses incurred by him will be booked in that Region. If any Engineer incurs lodging expenses in any hotel on his visit to a Centre, the payment shall be made by the concerned Regional Office.
3. The Chief Engineer shall remain the approving authority for sanctioning of tour programme / tour diary of Construction Cell Incharge and sanctioning of his leaves. The Chief Engineer will also exercise the present DOP for activities of the Construction Cells.
4. The cost estimates, invitation of tenders, issuing purchase / procurement orders for works, checking of invoices of the contractors, passing of invoices, issue of sanction orders for all works shall be done as per the existing jurisdiction of Construction Cells. However, it will be done in the name, address and GST Registration No. of the concerned State where the Unit is situated. The copy of all these documents shall be made available to the concerned RO. After passing of the contractor's Invoice, it will be sent by Construction Cell to the concerned Regional Office alongwith the pass order for its accounting.
5. The payment of contractor's bills shall be made at Construction Cells through their separate bank account after deduction of TDS. The accounting of invoices of contractors' for repairs and construction work shall be made in the concerned Regional Office for which the work is carried out i.e. where the Centre is situated, for example the payment made to the contractors for repairs

*A. G. Gowda*

carried out at a warehouse in the State of Telangana will be booked by RO-Hyderabad in the books maintained for State of Telangana. The payment made shall be charged to Work in Progress Account (WIP) in case of Capital Works and to Repair & Maintenance in case of repair works. The TDS will be deposited by the Regional Office concerned where the payment is being made to the Contractor.

The Construction Cell Incharge in the Regional Office shall send the original invoice of the contractor with pass order to the respective Regional Offices on weekly basis i.e. on 1<sup>st</sup>, 8<sup>th</sup>, 15<sup>th</sup> and 22<sup>nd</sup> of each month in a bunch (under a covering letter). If this day happens to be a holiday, then these documents shall be sent on a working day before.

6. The accounting policy on absorption of construction expenses to Repair & Capital Works shall be amended suitably in discussions with the Auditors and shall be conveyed separately.
7. The capitalization of work-in-progress (WIP) of the completed work shall be made by the concerned Regional Office where the Centre is situated based on the handing / taking over Note (signed by the concerned Warehouse Manager and Asstt. Engineer) and the Completion Certificate. Where part of the work is handed / taken over for the purpose of use of the constructed asset, capitalization can be made on the basis of handing / taking over note.
8. RMs will continue to carry out the repair works for which they are authorized as per the instructions in vogue through the Engineers posted under them.
9. The budget estimates for capital works, repair works, major upgradation / renovation shall be prepared by Construction Cell based on the information received from the concerned Regional Office. For example Construction Cell in Regional Office Delhi shall prepare their budget estimates for repair and construction works for warehouses in the State of Delhi, Haryana, Punjab, UP, HP and Rajasthan based on the information received from ROs - Delhi, Panchkula, Chandigarh, Lucknow, Jaipur and Corporate Office.
10. The expenditure on ARMO / Special Repairs shall be accounted for in Account No.R788 and major upgradation / renovation expenses shall be accounted for in Account No. R789.
11. The GST paid on repair / construction works and other construction expenses for Units in a Region, shall be included in the GST Return of the concerned Region and the Input Credit as per the GST Law can be availed.

*AK Grewal*

Sub: Guidelines for accounting and compliance of GST Law for warehouses earlier attached to RO-Delhi but now part of RO-Lucknow and RO-Panchkula

1. The warehouses of ICD Kundli and CW, Gurgaon are attached to RO-Panchkula w.c.f. 1.7.2017 for the purpose of accounting and compliance of GST Law, however, for marketing and administrative purposes, they will be with RO-Delhi as per details given in Para 3 and 4 below.
2. The warehouses of CW Greater Noida-I, CW-Greater Noida-II, CW-Kasna, CW-Noida, CW, Noida(NSEZ), CW-Sahibabad-I, CW-Sahibabad-II, CW-Surajpur and ICD-Loni are attached to RO-Lucknow w.e.f 1.7.2017 for the purpose of accounting and compliance of GST Law, however, for marketing and administrative purposes, they will be with RO-Delhi as per details given in Para 3 and 4 below.
3. RM-Delhi shall be responsible for marketing and administration of above warehouses. The following activities which shall be within the scope of RM-Delhi:
  - (a) Marketing of warehouse and tariff fixation,
  - (b) manpower control (attendance, sanctioning of leave, approval of tour, writing annual performance report, sanctioning of advances to staff),
  - (c) tendering for H&T contract and security and also signing of the agreements under the name, address and GSTN of the concerned State i.e. address and GST No. of State of UP and State of Haryana.
  - (d) Purchase of supply items, stores, plant & machinery, equipments, chemicals etc. under the name, address and GSTN of the concerned State.
  - (e) Sanctioning of supplier bills for supplies of shall be done by RM-Delhi. and he can issue the sanction order under the name, address and GSTN of the concerned State. However, payment shall not be made from RO-Delhi but by concerned Regional Office i.e. RO-Panchkula and RO-Lucknow as the case may be.
  - (f) To ensure timely and correct billing to customers and follow up for payment.
  - (g) Correspondence with the customers and the suppliers under the name, address and GST No. of RO-Lucknow and RO Panchkula, as the case may be.

*AK Goyal*

4. RM-Delhi shall report the occupancy of above warehouses, its income and expenditure in his monthly reporting to Corporate Office. For this purpose, the warehouses shall send the information both to RM Delhi and RM Lucknow.
5. For all other matters, concerned Regional Manager at Lucknow and Panchkula shall be responsible including the following:
  - (a) Accounting of invoices, debit notes, credit notes, bills of supplies, self invoices for reverse charge mechanism, receipt vouchers, payments vouchers for transactions made in the Warehouse and maintenance of necessary accounting records;
  - (b) Payment of bills sanctioned by RM-Delhi relating to H&T, Security, Supply Items, Stores, Plant & machinery, Equipments, Chemicals after deduction of necessary TDS;
  - (c) Deposit of GST, availing input credit and filing of GST Returns;
  - (d) Payment of salary and other employee related payments like medical bills, entertainment expenses, local conveyance for staff.
  - (c) The accounts for above warehouses will be maintained in a manner that separate income and expenses are available for the purpose of administrative control and performance measurement.
6. The funds from Warehouse Collection Account shall be sent to concerned RO e.g. ICD-Loni will send its funds to RO-Lucknow.

*H. G. Grew*