



CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)



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

Dated: 27th September, 2017

GST CIRCULAR-7

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

Sub: Tax (GST) Deduction at Source

As per Notification No. 33/2017 dated 15.09.2017, the Central Government hereby notified Public Sector Undertakings to deduct tax from the payment made or credited to the supplier of taxable goods or services or both as per section 51 of CGST Act 2017 with effect from a date to be notified subsequently by the Central Government.

Effective date once notified shall be intimated separately.

In this regard, following actions are required to be taken:

1. Obtaining of Registration:

As per Rule 5 of the Registration Rules, an application duly signed in Form GST REG-07 is required to be submitted electronically for obtaining registration as deductor of tax through common GST portal.

2. Tax would be deducted @ 2% (1% CGST + 1% SGST) in case of intra state supplies and 2% (IGST) in case of inter-state supplies, of value of supply where the value of supply under a contract shall exceed Rs. 2,50,000/- (value of supply shall be excluding the tax amount indicated in the invoice). Thus, cases where the individual supplies/invoice/payment are less than Rs. 2,50,000/-, but if contract value is more than Rs. 2,50,000/- TDS would have to be deducted.

3. The amount deducted as tax under this section shall be paid to the Government by the deductor within 10 days after the end of the month in which such deduction is made. E.g. if tax is deducted in the month of October, 2017, the same is required to be deposited by 10th of November, 2017.

4. Furnishing of Certificate:-

The deductor should furnish a certificate to the deductee (mentioning the contract value, rate of deduction, amount deducted & amount

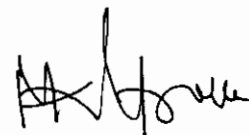
deposited to Government) within 5 days of crediting the amount to the appropriate Government. The certificate shall be in form GSTR-7A. E.g. if tax is deducted in the month of October, 2017, deposited on 8th November, 2017, then certificate is to be issued to the deductee latest by 13th of November, 2017.

5. Furnishing of Return:-

As per Section 39(3) of the CGST Act, 2017, every person required to deduct the tax at source shall furnish the return in Form GSTR-7 electronically within 10 days after end of the month in which the tax is deducted. Thus, if tax is deducted in the month of October 2017, the return is required to be filed by 10th of November, 2017.

6. Penalty:-

- If the deductor after deduction of tax fails to pay the same to the Government, then he shall be liable to pay interest at the rate of 18%.
- If the deductor fails to furnish the certificate to the deductee within five days of depositing of amount so deducted to the Government then he shall be liable to pay Rs.100 per day from the expiry of such five days until the failure is rectified, subject to maximum amount of Rs. 5,000/-



(N.K. GROVER)

Group General Manager(F&A)

Copies for information 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.


CPK


28/9/17