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OSMANIA UNIVERSITY
HYDERABAD-500 007

No. 90 /GST/2018-2019/Budget-Gen.

Date: 08-01-2019

C I R C U L A R

Sub:- Osmania University – Telangana Goods and Services Act,2017 – Tax deduction at sources (TDS) by the Government departments, Local authorities and Governmental agencies – Implementation of TDS provisions w.e.f.01-10-2018- Guidelines for DDo's - Issued.

- Ref:-**
1. Circular Memo No.8213/291/A1/TFR/2018, Ddt.16-11-2018.
 2. The Telangana Goods and Services Tax Act, 2017 (Act No.23 of 2017)
 3. Gol.Notification No.50/2018, Dt.13-09-2018.
 4. Gol, Ministry of Finance, Dept.of Revenue Circular No.65/39/2018 – DOR,F.No.S.31011/11/2018-ST-1-DOR,Dt.14-09-2018.
 5. Memo.No.1304/68/WP/A2/2018, Dt.27-09-2018, Finance (WP) Dept.
 6. Ref No.A(1)/63/2017,Dt.28-09-2018 of Commissioner of State Tax, Telangana State, Hyderabad.
 7. Memo.No.DWA/TS/Hyd/Sn.I/A1/2018-19/358, Dt.04-10-2018.
 8. Lr.No.F4/3864/2018,Dt.08-10-2018, of the Director of Treasuries and Accounts, Telangana State, Hyderabad.

As per Section-51 of the CGST/TGST Act 2017 provides for deduction of 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. The amount deducted as tax under this section shall be paid to the Government by deductor within ten days after the end of the month in which such deduction is made alongwith a return in FORM GSTR-7 giving the details of deductions and deductees. Further, the deductor has to issue a certificate to the deductee mentioning therein the contract value, rate of deduction, amount deducted, etc.

As per the Act, every deductor shall deduct the tax amount from the payment made to the supplier of goods or services or both and deposit the tax amount so deducted with the Government account through NEFT to RBI or a Cheque to be deposited in one of the authorized banks, using challan on the common the common portal. In addition, the deductors are entrusted the responsibility of filing return in FORM GSTR-7 on the common portal for every month in which deduction has been made based on which the benefit of deduction shall be made available to the deductee. All the DDOs in the Government, who are performing the role as deductor have to register with the common portal and get the GST Identification Number (GSTIN) for the purpose of TDS.

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The GST Act which provides for tax deduction at source was not notified to come into force with effect from 1st July, 2017, the date from which GST was introduced. Government of India vide reference 3rd cited have notified that these provisions shall come into force with effect from 1st October, 2018 and issued guidelines vide reference 4th cited:

In order to comply as per Section 51 of the Act, a process flow of deduction and deposit of GST TDS deducted by the DDO's and its Guidelines are as follows.

The following steps are required to be taken:-

A. Registration as Tax Deductors in the GST common portal.

B. Deduction of GST TDS amount as per the provisions from the bills to be paid to the suppliers /Contractors / Deductees etc.

C. Deposit the GST TDS amount in to appropriate government accounts.

D. File Tax Returns for GSTTDS within the prescribed time limit.

- i) The Drawing and Disbursing Officers are required to deduct GSTTDS amount from the payment to be made to the Supplier / Deductee at the rate of 2% (i.e. 1% Telangana GST+1% Central GST in case of Intra-State Supply and 2% IGST in case of Inter-State Supply). Once such deduction is made by the Tax Deductor, the TDS amount is required to be deposited by the Tax Deductor in the Government account (TGST / CGST / IGST, as the case may be) within 10 days from the end of the month in which the deduction is made.
- ii) The DDO will have to deduct the GST TDS from each bill of expenditure individually by obtaining GST No. of the concerned firm / vendor etc.
- iii) The DDO shall prepare the Bill based on the expenditure sanction containing (a) Gross Amount, (b) **2% TDS amount of GST on Total amount (TGST/ CGST / IGST, as the case may be)**, (c) net amount payable to the Contractor / Supplier/ Vendor.
- iv) The DDO shall clearly indicate the Gross Amount, Net Amount payable to the Contractor/Supplier/Vendor and 2% to be deducted as GST TDS.
- v) The Joint Registrar (Accounts) Pre-Audit, should maintain a register as per Proforma given in Annexure 'A' to keep record of All TDS deductions made during the Month.
- vi) The Deputy Registrar (Accounts – Treasury) shall file monthly return in FORM GSTR-7 by 10th of the following month and also maintain a register to keep record of all the GST Remittances.
- vii) The Deputy Registrar (Accounts – Treasury) shall generate TDS Certificate through the GST portal in FORM GSTR-7A after filing of monthly returns.

All the Drawing and disbursing Officers are hereby informed to follow the above procedure for deduction of GST TDS amount deducted from the payments to be made to Contractor/Supplier/Vendor and furnish the information as such payments to DR (Accounts Treasury) by 5th of every month.

The Executive Engineers I & II are also informed to continue to allow GST on payments being made to the contractors of works as per the rates indicated in the relevant G.O's cited and deduct 2% GSTTDS, file returns regularly (as per previous practice) as indicated in the above guidelines.

The circular is available on Internet and can be accessed at "osmania.ac.in".


REGISTRAR

Forwarded for information and necessary action to: -

1. All the Principals / Directors / and all the Administrative Officers of Campus & Constituent Colleges, including District P.G.Colleges, O.U.
2. The Dean, Development & UGC Affairs, O.U.
3. The Joint Registrar (Administration), Osmania University.
4. The Joint Registrar (Accounts/Pre-Audit), O.U. -
5. The Deputy Registrar (Accounts), O.U.
 - a. i) Centralized Pay-Bills ii) Treasury iii) Cheque-I iv) Compilation
6. The Secretary to the Vice-Chancellor, O.U.
7. The P.A. to the Registrar, O.U.
8. The P.A. to the Finance Officer, O.U.
9. The Supdt. (Accts-Budget-), O.U. - Sanctions file for the year **2018-19**.

Annexure A

Annexed to the Circular Memo No.8213/291/A1/TFR/2018, Dated:16-11-2018

Record to be maintained by the DDO for filing of GSTR7

Sl. No.	GSTIN of the Deductee	Trade Name	Amount paid to the Deductee on which tax is deducted	Integrated Tax	Central Tax	State/UT Tax	Total