To,
Col Praveen Kumar  
GS FP Branch  
HQ (WC) Chandigarh  
Pin-908543  
C/O 56 APO

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

Please refer the GoI, MoF and Department of Revenue circular no. 65/39/2018-DOR dated 14.09.2018 in which 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.** The amount deducted as tax in a month under this section is to be be paid to the Government by deductor in lumpsum by 10th of the next month 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.

2. The subject section which provides for tax deduction at source comes into force with effect from **01.10.2018.**

3. In the bill, the DDO has to deduct the TDS 2% on the net amount payable to the Contractor.

4. The DDOs are required to maintain a register as per proforma given in Annexure ‘A’.

5. The DDO shall file the Return in FORM GSTR-7 by 10th of the following month.

6. For the units on Post Audit the TDS challan/receipt of payment may be rendered to concerned audit sections along with the monthly/quarterly cash accounts.

It is requested to issue instructions to all Army DDOs under you who are making payment either out of Cash Assignment or Imprests or are on post audit to comply with above provisions of the Act.

Please acknowledgement receipt.

(Encls: Annexure ‘A’)

**Copy to:-**  
The Officer In-Charge  
IT & S Cell

For uploading on official website

ACDA (S/C)

(Through Website)  
No. SC/I/GST/2018  
Dated: **20/09/2018**
Annexure A

Record to be maintained by the DDO for filing of GSTR7

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