



GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE JUTE COMMISSIONER
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DF BLOCK, SECTOR-I, SALT LAKE CITY, KOLKATA-700064

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Dated the 26th December 2018

Sub: Minutes of the Meeting at Office of the Jute Commissioner, Kolkata on 20th December 2018 with Representatives of SPAs and Jute Mills on account of "TDS under GST w.e.f 1st October 2018" – reg.

The undersigned is forwarding herewith for information and necessary action the minutes of the meeting at Office of the Jute Commissioner, Kolkata on 20th December 2018 with representatives of SPAs and jute mills on account of "Payment Modalities under TDS under GST w.e.f 1st October 2018".

Scanned Copy of List of Participants for the meeting is attached.

(Lopa Banerjee)
Deputy Director(Executive & Financial)

- i) SPAs
- ii) IJMA
- iii) All Officers Concerned

Minutes of the Meeting at Office of the Jute Commissioner, Kolkata on 20th December 2018 with Representatives of SPAs and Jute Mills on account of “TDS under GST w.e.f 1st October 2018”

Date: 20th December 2018

Time: 11:00 am

Participants: List Attached

Venue: Conference Room, o/o the Jute Commissioner, Kolkata

1. At the outset, the Jute Commissioner (JC) welcomed the participants and reiterated the need for regularising TDS under GST payments by the SPAs by depositing tax to Govt. within 10 days after the end of the month in which deduction was made and submit returns and furnish system generated TDS certificate to the supplier mills within 5 days of crediting TDS payment to the Govt.
2. The Deputy Jute Commissioner (DJC) made a detailed presentation on the
 - Status of Indents/PCSOs as on/after 01.10.2018 for the SPAs showing amount of fund remitted/to be remitted against new indents
 - Status of SPAs w.r.t depositing TDS under GST
 - Clarification (from CBEC website) on the “deductor” liable to deposit TDS for B.Twill Procurement .Citing FAQs and examples , DJC clarified that since the GST invoices are raised by the suppliers/mills on the SPAs, hence all the above provisions are to be dealt with by the SPAs. The o/o the Jute Commissioner is only authorizing the payment as per the existing system on behalf of the SPAs and keeping aside the TDS amount for depositing the same by the SPAs. The fund belongs to SPAs and the bank account from where payment is released also belongs to SPAs with the exception that JCO having operating privilege. The buyers are SPAs and sellers are jute mills which is established from the invoices.
 - DJC also clarified that since Tea Board takes consideration/profit as an e-commerce operator and deducts TCS (Tax Collected at Source), the same stance does not apply to o/o the Jute Commissioner. Same is clarified in details in section 52 of the CGST Act of 2017.
3. DJC clarified that SPAs are to take registration as a “TDS Deductor under GST” (that is different from Registration of SPAs under GST) and upload “Tax Deductor GSTINs” in JuteSMART portal against regular GSTINs so that the field gets mapped and TDS liability month-wise (October 2018 onwards) for each “Tax Deductor GSTIN” may be easily generated from the TDS report available in the portal itself which can be viewed by every SPAs by logging

in. This will also help mills reconcile credits whenever received with deductions made.

4. It was also deliberated that in monthly cost sheet for transferring funds commensurate to new indents, since agencies are required to deposit the TDS under GST at the rate of 2% as per GST notification, 98% of the total fund requirement of the indents (as available in cost sheet) may be transferred from the month of Dec '18 onwards for the new indents that will be created. Agencies like Odisha were in favour of this system as this would reduce delay and help the SPAs save interest on borrowed funds.

However, some other agencies (e.g. all 5 agencies of Punjab) opined that they wanted to transfer full fund (100%) against new indents and issue instructions with details of bank account, TDS under GST fund @ 2% amount to be refunded every month by the 2nd /3rd day of every month to service their GST obligations. Deputy Director (E&F), JCO mentioned that bank account details must be clearly reflected for refund for non-ambiguity and details of amount for refund may be indicated by the agency by reconciling funds from JuteSMART TDS report. Frequent bank account changes would be discouraged.

It was decided that SPAs will provide dedicated Bank A/C details for refund of GST TDS amount. DJC requested to issue a letter to all SPAs on this.

5. Agencies in Punjab (Markfed- Punjab, Pungrain, PSWC) expressed interest for delegating the task of depositing TDS every month to their nominated banker(s) as an internal arrangement.
JC office has no specific comments to such internal arrangements.
6. Director (Cost) mentioned that SPAs need to furnish their TAN nos. for payment w.r.t inspection charges.
7. Several SPAs raised requests for submission of original physical hard copies of tax invoices. The modalities of the same are being deliberated. SPAs also requested IJMA members for timely acceptance of TDS payments for supplier mills to receive TDS certificates for claiming Input Tax Credit (ITC).

8. The position of “TDS under GST compliance” for all SPAs present were noted down with TDS liabilities reported by them/IJMA members (For October & Nov’18 as per TDS report available to IJMA):

Sl.No.	Name of the SPA	Estimated TDS liability (in Rs.) (approx.)	Whether TDS Registration done	Whether TDS is/has been deposited	Whether return is /has been deposited
1.	PAFC	12.70 Lakhs	Yes Uploaded GST nos. on JuteSMART portal but not visible by IJMA	Yes	No
2.	PSWC	5.87 lakhs	Yes	Yes (for Oct & Nov’18)	No
3.	Punsup	47.90 lakhs	Yes	No	No
4.	Pungrain	75 lakhs (67.11 lakhs as per IJMA)	Yes (22 GST nos.)	No	No
5.	Markfed, Punjab	37.81 lakhs	Yes	Yes	Yes Problem: Millers not accepting data and hence all TDS certificates have not been generated; Data in JuteSMART system changed initially during implementation stage changing TDS liability month-wise
6.	HAFED	46.24 lakhs	Started	No	No
7.	HSWC (Haryana State Warehousing Corp.)	61.60 lakhs	Yes	Yes	No
8.	HRDFS (Food & Civil Supplies, Haryana)	69.14 lakhs	Yes	Yes	No
9.	HAIC (Haryana Agro)		Out of purchase of B.Twill- Not Applicable		
10.	Odisha (OSOSC)	13.72 lakhs	Yes	TDS to be deposited in 1-2 days	
11.	West Bengal (WBESESC)	32.4 lakhs	Yes	No (to be made in 1st week of Jan’19)	No
12.	Uttar Pradesh	3.46 crores	No (No idea about TDS under GST registration modalities)	No	No
13.	FCI	No Order	No	No	No

9. Liabilities of Absentee SPAs as reported by IJMA are as under:

Status of Absentee SPAs:

Sl.No.	Name of the SPA	Estimated TDS liability (in Rs.)
1.	Madhya Pradesh	2.47 Crore (No action so far)
2.	Chattisgarh	3.23 crore (No action so far)
3.	Bihar	No order
4.	Jharkhand	None
5.	Andhra Pradesh	1.55 crores (No action so far)
6.	Telangana *	1.78 Crores (Returns submitted)
7.	Uttarakhand	33.91 lakhs (No action so far)

From the above table, it is clear that several SPAs despite substantial TDS liabilities (Uttarakhand, Chattisgarh, Andhra Pradesh, Telangana, MP) despite notices to attend the meeting were not present. Considering the gravity of the situation, letters citing absenteeism matter and requesting immediate intervention be drafted to the competent authorities/administrative authorities of concerned State Governments for n/a.

10. The meeting ended with a vote of thanks to the Chair.
