



PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB, Head Office, The Mall, Patiala-147001, Punjab, India)

Corporate Identity Number - U40109PB2010SGC033814,

Office of CFO, AO/Taxation, Shakti Sadan, Patiala

E-mail: ao-taxation@pstcl.org, Tel/Fax No. 0175-2203637

Taxation Circular 03/2018

To

All Addl. SEs/Sr. Xens/AOs (DDOs)
Under PSTCL

Memo No. - ^{2041/2086}/CFO/Taxation/11

Dated: - 02.08.2018


Subject: - Deduction of TDS on Deposit Works and Contribution Works executed on behalf of PSTCL by third parties.

PSTCL is also getting the jobs executed through Deposit Works and Contribution Works from PSPCL and other third parties. It has come to the notice of this office that TDS is not deducted at the time of making payment for such works.

Deposit works and Contribution works are covered under works contract and TDS is deductible under Section 194C of the Income Tax Act, 1961 (@1% in case of Individual and 2% in case of other) on following basis:

- **Where any sum is paid or credited for carrying out any work mentioned in sub-clause (e) of clause (iv) of the Explanation of Section 194C, tax shall be deducted at source-**
 - (i) **on the invoice value excluding the value of material, if such value is mentioned separately in the invoice; or**
 - (ii) **on the whole of the invoice value, if the value of material is not mentioned separately in the invoice.**

To avoid any legal hassles, TDS on amount paid against Deposit works and Contribution works needs to be deducted and deposited as per the relevant provisions of the Income Tax Act, 1961.


Accounts Officer/ Taxation
PSTCL, Patiala.

Endst No: - ^{2087/2025}/CFO/Taxation/11

Dated: -02.08.2018

Copy of the above is forwarded to the following for information and further necessary action please.

1. Chief Engineer/TS, PSTCL, Patiala.
2. Chief Engineer/SLDC, PSTCL, Patiala.
3. Chief Engineer/P&M PSTCL Ludhiana.
4. Chief Engineer/HIS&D PSTCL, Patiala.

5. Financial Advisor PSTCL Patiala.
6. Company Secretary, PSTCL.
7. Chief Auditor, PSTCL, Patiala.
8. All Dy.CEs/SEs under PSTCL.
9. All Dy. CAOs / Dy. CAS / Dy. FAs under PSTCL.
10. All Addl. SEs/Sr. Xens (under PSTCL).
11. All AOs under PSTCL (other than DDOs).
12. SE/IT, PSTCL, Patiala for placing the circular on website of PSTCL.



Accounts Officer/Taxation
PSTCL, Patiala.

CC:

1. Sr. PS to CMD, PSTCL, Patiala for kind information of CMD, please.
2. Sr. PS to Director/F&C, PSTCL, Patiala for kind information of Director, please.
3. Dy. Secy. to Director/Tech., PSTCL, Patiala for kind information of Director, please.
4. Sr. PS to Director/Admn., PSTCL, Patiala for kind information of Director, please.