

NO. EM1(10)98/DDA/Vol-II/Pt.-16/ 12115

Dt. 13.10.2001

CIRCULAR NO. 544

Sub: EXECUTION OF DEPOSIT WORKS BY DELHI DEVELOPMENT AUTHORITY.

In partial modification to the instructions issued by EM, DDA Circular No. -3, vide EM1(13)83/2412 dt. 4/5/83 and consequent to the addition of Appendix-76 in Para NO. 3.6.3 of CPWD Manual Vol-II 1988 vide CPWD Office Memorandum NO. DGW/Ecn./24 dt. 26/9/94 and further amendment to para 3.6.3 as well as Appendix-76 issued by CPWD Office Memorandum DGW/MAN/63 dt. 15/3/2001. It has been decided that the modified Para 3.6.3 of CPWD Manual Vol-II 1988 and modified Appendix -76 has been made applicable in DDA also with immediate effect.

The extract of modified para 3.6.3, is mentioned below and copy of modified Appendix - 76 is enclosed for ready reference.

MODIFIED PARA 3.6.3

" While submitting preliminary estimates for Deposit work for obtaining administrative approval and expenditure sanction, a copy of the terms and conditions under which the works would be taken up by DDA as given in Appendix-76 should also be enclosed with the Preliminary Estimate. "

All other conditions/ instructions as contained in the above mentioned DDA Circular No. 3 shall remain unchanged.

This issues with the approval of VC, DDA.

APPENDIX - 76

( S.P. RUSTOGI )

CHIEF ENGINEER (HE),  
DDA.

LETTER OF ACCEPTANCE OF DEPOSIT WORKS IN DELHI DEVELOPMENT AUTHORITY

( REFER PARA - 3.6.3 )

( TO BE ISSUED TO THE CLIENT DEPARTMENT )

To

.....  
.....

SUBJECT: EXECUTION OF DEPOSIT WORKS IN DELHI DEVELOPMENT AUTHORITY

.....

( INDICATE THE NAME OF WORK )

The above work can be taken up by the DDA as deposit work under Para - 118 - 119 of CPD Code Subject to the following Terms and Conditions for taking up deposit works.

( REFER PARA 3.6.3 ) :-

1. Full Estimated Cost of the work as worked out by Delhi Development Authority including departmental charges will have to be deposited by the client department before the work is taken up for execution. No interest will be paid by DDA to the client department for such deposits .
2. The client department should hand over vacant possession of land/ site to DDA. DDA may, if so required , take responsibility for demolition / disposal of existing buildings/ structures.

BY TC:-

All CEs (Civil/Elect./QC/HQ and Design), Chief Architect, DDA.

All SEs (Civil/Elect./C/DC and Design), Sr. Architect, circulation through Chief Architect, DDA.

CVD, DDA.

SE(Vi.) I, SE(Vig.) II and SE(Vig.) III, DDA.

Project Manager Flyover Projects Gr. I, II, DDA.

DAO, DDA.

Dir. (Hort.) North and South, Dir. (MM), DDA.

Director (Works), DDA.

All CEs (Civil/Elect./QC/Design) through their respective CEs/  
Directors/Project Manager (Fly Over /SEs(Vig.)), DDA.

All Dy. /Jt. DAO's attached with CEs/FCs to Dir. (Hort.)  
North and South, CE(Elect.) and Director (MM), DDA.

All Jt. Dir./Dy. Dir. (Hort.) Circulation through respective  
Dir. (Hort.), DDA.

EO-I, II, III and IV to EM, DDA.

AG(Plan) to EM, DDA.

File NO. EM1(10)98/Vol-I

COPY FOR INFORMATION TO:-

VC, DDA.

EM, DDA.

*V. K. Chopra*  
(V. K. CHOPRA)  
EO-I to EM,  
DDA.

4. CVO, DDA with 15 spare copies for circulation among his SEs and EEs.
5. CAO, DDA with 15 spare copies for circulation.
6. Project Manager (Flyover) Gr. I and II with 7 spare copies each for circulation among EEs and FOs.
7. Dir.(Hort.) North and South with 10 spare copies each for circulation among Jt. /Dy. Directors.
8. Dir.(FM) with 7 spare copies for circulation among his EEs and FOs.
9. Director (Works).
10. EO-I,II,III, PPC-1,PPC-2 to EM, DDA.
11. AO(Plan), DDA.
12. File NO. EM1(10)98/Vol-I

COPY FOR INFORMATION TO:-

1. VC, DDA.
2. EM, DDA.
3. FM, DDA.

*Seen*  
(Er. V.K.CHOPRA),  
EO-I to EM, DDA.

OFFICE OF THE COMMISSIONER OF SALES  
TAX, BIKARI KAR MAJAN, I.P. ESTATE,  
NEW DELHI.

WORKS CONTRACT CELL.

NO. CST/DC/WCC/2000-2001/4602-4613

Dt. 29/11/2000

CIRCULAR

Consequent upon the enactment of Delhi Sales Tax on Works Contract Act, 1999 on 1st Dec., 1999, all the contractors carrying out the business of execution of Works Contract came in the ambit of the new Act. Since this Act was introduced for the first time in Delhi, there were certain problems in its implementation. In order, to bring about more transparency hassle free compliance and to make it more user friendly, following simplifications are introduced in the implementation of the Delhi Sales Tax Act and Works Contract Act, 1999.

1. That all the contractors doing Govt. Contracts including Corporate Bodies, Cooperative Societies etc., shall be treated as a special category of 'Govt. Contractors'.
2. All the Govt. Contractors will be allowed the facility of getting their total tax liability of Work Contract Tax deducted at source by giving them option for such deduction. This will be purely optional for the contractors. This will be given in writing to the Contract Awarding Agency.
3. The Govt. Contractors would give a copy of this consent to the Works Contract Cell. This information will entitle the contractors for composition.
4. The contractor in such case would be authorized to deduct 4% as composition amount instead of 2% as TDS from all payments made to the contractor. This tax would be deposited by the Contract Awarding Agency in the nationalized banks in favour of Commissioner, Sales Tax.
5. In all such contracts where any contractor awards or appoints a subcontractor to execute the job, the Principal Contractor will exercise this option and the Contract Awarding Agency would deduct tax at source @ 4% from the payments being made to the Principal Contractor and the Principal Contractor will not deduct tax from the payment made to the sub-contractor. The responsibility in such a case would be of the principal contractor and his sub-contractors would be bound by his option of TDS of 4% at source.
6. Since the subcontractor's liability of tax deposit would be taken care of by the principal contractor they will also be entitled for composition scheme and consequent summary assessment, provided they are only taking sub-contracts and are a registered contractor.
7. All the Govt. Contractors who opt for total tax deduction at source would be entitled for the composition scheme and would be exempt from the production of STCC i.e., Sales Tax clearance certificate. The contract awarding agencies will take an affidavit from such Govt. Contractors to this effect that they are only doing Govt. Contracts and have opted for the scheme of composition of tax and total tax deduction at source @ 4% for their works.
8. All such Govt. Contractors going in for the scheme of composition would be considered for summary assessment wherein they will not be required to produce their books of accounts.
9. For such Govt. Contractors who opt for the composition scheme the scheme for filing of annual returns is being contemplated to avoid frequent trips to the departments.

10. During the course of execution of Works Contract, some of the Govt. Contractors issue certain material to the contractors such as cement, iron and steel etc., for use in Works Contract. Deduction on account of such goods shall be given as per provisions of clause 5 (6) of the Act in case the contractor has not taken the value of these goods in his bill. In all such cases where the value of the material issued to the contractors is taken in the bill of the contractor, these deductions would not be allowed and total value of the bill would be taken into consideration for calculating the tax liability under the composition scheme.

sd/-  
( P.K.Tripathi ),  
Commissioner of Sales  
Tax.  
Dt. 29/11/2000.

Copy for information:- 4602 - 4613

1. All Contract Awarding Agencies.
2. Joint front of contractor Association.
3. Policy Branch.
4. Guard File
5. DC(WC)/AC(WC)
6. All STOs of Works Contract Branches.