

TRIPURA STATE ELECTRICITY CORPORATION LIMITED

(A Govt. of Tripura Enterprise)



No.F.HRM/3.22/TSECL/2019-20/ 28459-519

Dated, the 01 July, 2023

To
Advanced Root Knowledge Informatics Pvt. Ltd.,
Ashirbad House, North Joynagar, Agartala,
Tripura (West), Pin – 799001

Sub:- Reply against letter regarding delay in bill release and IT-TDS dated 16/03/2023 and 11/05/2023.

Ref. No. i) LoA No.F.HRM/3.22/TSECL/2022-23/42399- 458 Dated 20th October, 2022.

ii) Revised LoA No.F.HRM/3.22/TSECL/2022-23/6976-7035 Dated 2nd February, 2023.

iii) LoA No.F.HRM/3.35(2)/TSECL/Manpower Outsourcing/2022/47551-613 Dated 3rd December, 2022.

iv) LoA No.F.HRM/3.35(3)/TSECL/Manpower Outsourcing/2022/47614-676 Dated 3rd December, 2022.

Sir,

In reference to your request letter regarding delay in bill release and IT-TDS dated 16/03/2023 and 11/05/2023, the matter has been perused by the appropriate authorities of TSECL and views have been sought from the empaneled Chartered Accountants namely S.Basu Thakur & Co., Agartala. The views received from the CA Firm is given below:-

- i. As per the contract between TSECL and Contractor (ARKIPL), payment is made to the contractor for undertaking work in the name of 'TDS to be deducted on such payment' as per the specified rate in Section 194C of the Income Tax Act, 1961.
- ii. TDS on Labour charges/contract value shall be deducted on invoice value, excluding the value of GST (if such value is mentioned separately in the invoice)- as per Circular No.23/2017.
- iii. TDS shall be deducted on the entire invoice value (if the value of GST is not mentioned separately in the invoice)- as per Circular No.23/2017.
- iv. ARKIPL has submitted bill showing value of GST separately. Therefore, TDS is to be deducted on "monthly remuneration, EPF charges, ESI charges and Service charges" as quoted by Management of ARKIPL. Therefore, TDS will be deducted Gross Contract Bill value minus only GST Component (CGST, SGST, IGST).
- v. However, if ARKIPL is able to submit separate bill for reimbursement of EPF charges and ESI charges, then TDS will not be applicable for reimbursement of EPF & ESI charges.
- vi. Contractor assessee also stated "the department (TSECL) deducting IT-TDS @2% on both salary of the worker and service charges of the agency. As a worker has not come under the tax segment" is not true. Because, both "salary of worker and service charges of the agency" are turnover of the contractor assessee and that turnover must be shown under Income Tax Act as well as Company's Act since both amount credited in bank account and it is contractor assesses responsibility to E-file Income Tax return regularly within due time and to get income tax and to get income tax return form Income Tax department.

Corporate Office, Bidyut Bhavan, North Banamalipur, Agartala- 799001, West Tripura
Phones: 0381-232-8001 / 232-5843 / 231-7815 // FAX: 0381-231-9427 / 222-5356

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However, regarding delay in payment it is to mention that as per clause no. 20 of the above referred Letter of Agreements, “the Service Provider shall make payment to the ‘**Technical Assistant**’ provided by them through DBT by 5th of ever following month for which their remuneration is due, otherwise it would be deemed to be a breach of terms of Contract, making Service Provider shall raise an invoice in triplicate to TSECL along with their employees’ Attendance sheet (duty countersigned by the concerned officer of TSECL), proof of payment of Remuneration, EPF, ESI, GST, etc. for reimbursement by TSECL”.

This is issued as per approval of the TSECL authority vide MD U.O No. 3805 dated 01/ 07/ 2023 for favour of your information and necessary action please.

Yours faithfully,


01/07/23
(Er. Mrinal Kanti Das)

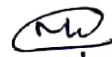
Dy.General Manager (HRD)
Corporate Office, TSECL

No.F.HRM/3.22/TSECL/2019-20/

Dated, the ___ July, 2023

Copy to:-

1. P.S to the Managing Director, TSECL, Agartala.
- 2-3. The Director (Technical/Finance), TSECL Agartala.
- 4-7. The General Manager (Distribution/Finance/Transmission/Generation), TSECL.
8. The CS & NO (Legal), Corporate Office, TSECL, Agartala for information
- 9-22. The Additional General Manager, EC-I, Agartala/ EC-II, Agartala/ EC-Gomati/ EC-Belonia/ EC-Sepahijala/EC-Dharmanagar/EC-Unakoti/EC-Khowai/EC-Dhalai/ Transmission Circle/ Generation Circle/ DP&C/ C&SO, Agartala/ Central Civil Circle, Agartala, for information & needful.
- 23-56. The Deputy General Manager, Corporate/ ED-I, Banamalipur/ ED-II, Bardowali/ ED-Capital Complex/ ED-Mohanpur/ ED-Jirania/ ED-Teliamura/ ED-Khowai/ ED-Bishalgarh/ ED-Jampuijala/ ED-Sonamura/ ED-Udaipur/ ED-Amarpur/ ED-Belonia/ ED-Sabroom/ ED-Santirbazar/ ED-Ambassa/ ED-Manu/ ED-Kamalpur/ ED-Kumarghat/ ED-Kailashahar/ ED-Dharmanagar/ ED-Panisagar/ ED-Kanchanpur/ TD-Agartala/ TD-Udaipur/ TD-Kumarghat/ GTED-Baramura/ GTED-Rokhia/ GED-Jatanbari/ SLDC/ Testing & Communication Div./ Commercial & Tariff/ MM Div./ Central Civil Div., TSECL for information and compliance.
57. The Project Manager (IT), TSECL for information and uploading the same in the TSECL website accordingly.
58. The OS-II, Corporate office, TSECL, Agartala & needful.
- 59-60. Sri Sarajit Debbarma, Budget Section/Sri Ananda Talukdar, Cash Section, Corporate Office, TSECL, Agartala for information & needful.
61. Office Order Book.


01/07/23
Dy.General Manager (HRD)
Corporate Office, TSECL

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