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DELHI TRANSPORT CORPORATION
I.P. ESTATE, NEW DELHI

MEMORENDUM

23-10-2010

No. ADD/CAO-1/10/70

Dated: 23-10-2010

While scrutinizing the claims of M/s Tata Motors and M/s Ashok Leyland in r/o their AMC's, it has been observed that certain observations are being raised by Accounts department at the time of payment of each quarter and observations are almost the same every time. These objections are as follows -

(A). The payment requisition may be forwarded by Depot/Unit along with following documents to Manager (Bills)HQ to enable him to release payment.

1. Duly verified bill/voucher by the respective DM/RM.
2. Original sanction of competent authority.
3. Certificate in regard to correctness of Kms and no other recovery is pending as on date as per enclosed proforma

Certificate that all statutory dues like PF/ESI etc. have been paid by the contractor as per enclosed proforma.

(B) Certificate under GFR 132 by the Executing Officer may be furnished as per enclosed proforma.

As such DMs are hereby directed to submit the files regarding claim of AMC of Tata Motors after meeting out these observations before hand so that these need not be insisted upon each time otherwise respective DM will himself/herself be responsible for the payment of penal interest if any, due to delayed payment.

(MADHU SHARMA,
Addl. Chief Accounts Officer-I)

Depot managers of Low Floor Buses depots.

Encl: as stated above.

For Manager/Accounts
27/10/10
Pl specify by date

Checked by
Date 27/10/10

CERTIFICATE UNDER GFR 132(VII)

"I Executing
Officer of (Name of the Work), am personally satisfied that the
work has been executed as per the specifications laid down in the
Contract Agreement and the workmanship is up to the standards
followed in the Industry.

Name:.....

Designation.....

Certificate along with proposal for A.M.C. of buses:-

1. It is hereby certified that Kms shown/submitted by M/s Tata Motors Ltd. are tallied with our records maintained at this end and are correct. Further, so far as record there is no recovery pending with M/s Tata Motors Ltd. It is also submitted that if any recovery is found/observed at later stage i.e. after releasing payment, the same would be recovered/adjusted in the next bills of payment

2. It is certified that payment w.r.t. P.F./ESI have already been made by M/s Tata Motors Ltd. for the period from.....to.....to the respective concerned Govt. Authorities.

DEPOT MANAGER

-8- (4)

DELHI TRANSPORT CORPORATION
I.P. ESTATE, NEW DELHI-2.

No. Act/BS-II/2011/243

Dated: 30th May, 2011

CIRCULAR

The following deficiencies/lapses have been observed from the various sanctioned Accidental and Damages payment files/bills forwarded to the Corporate office by the DMs for releasing the payments to M/s TML and M/s ALL.

- 1) The copy of accident reports/AIR is not enclosed with the verified bills. ^{being}
- 2) The accidental bills are also not in sequence (Say all bills from 1st Jan. to March, 2011) and for specific period but the bills for different dates/months are sent in one lot.
- 3) The payment release memos/letters alongwith the duly verified bill/Cheque Voucher and original sanction of competent authority are not being added but they are just sending entire files to the Corporate Office without the above supporting documents.
- 4) The calculation of Tax/Cess on labour charges on repairs of accidental buses may be worked out in the file by the concerned Unit.
- 5) A certificate from the concerned Unit may be placed in the file as under:

"The bills of Spare Parts cost/Labour charges have been verified as per the DTC's approved Price list and all the bills are relating only to the accidental buses. The work has been completed satisfactory by M/s TML/ALL as per terms & conditions of the Contract. It is also certified that payment against the enclosed bills have not been made earlier."

Accordingly, all the DMs/Unit Officers of Low Floor Buses are requested to give their personal attention to the issue and adhere to the above instructions while forwarding the accidental payment files to the Corporate Office to avoid delay in releasing the payment to the VMs.

Nitin
20/5/2011
(V.N. PATIL)
Sr. Manager(A/cs)

All DMs/RMs of Low Floor Buses

- Ce to:
- 1) CGM(SBU) for kind information.
 - 2) Addl. CAO-II for kind information.
 - 3) OSD (Maintenance & Operation) for necessary action, pl.

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DELHI TRANSPORT CORPORATION
1 P. ESTATE, NEW DELHI

No. Act/AMC/Accident Bill/BS-II/2012/218

Dated:- 11/5/12

Subject:- Verification and Payment of Bills of AMC/Accidental Low Floor Buses

The Vehicle Manufacturers have reported that they are not getting payments towards AMC and accidental bills of Low Floor buses timely from DTC i.e. within 30 days (First Tender) and 15 days (Second Tender) respectively in line with the Contract Terms.

The following discrepancies have been observed by this office in the various files of accidental bills:-

- (A) The full cost of new tyre(s) is being charged in the bills instead of depreciated Cost (in cases where damage is due to fault of the driver) despite various personal requests made by the undersigned and Dy. CGM (SBU) to DMs/RMs.
- (B) In some cases, files are being sent for vetting/sanction in piece-meal for 3-4 bills only (ie for a meagre amount say Rs. 2000/-), instead of putting up 5-6 lots in one file in consolidated manner in one go.
- (C) The accidental bills are not being processed in sequence i.e. date/month/year wise on first come first serve basis. It has been noticed that some bills are of current dates whereas some are two/three years old.
- (D) In some cases, the bills of minor scratches, dents and paint touching are being verified by the DMs/RMs.

These type of discrepancies may result in double/excess payment to the VMs. To avoid such situation and to release payment strictly as per tender terms, the respective DMs/RMs need to satisfy themselves before forwarding the files to the accounts department and ensure that:-

- (i) All the requisite deductions are made from the bills.
- (ii) Sequence of submission of bills should be on FIFO basis.
- (iii) The bills should be processed timely as per schedule.
- (iv) Depreciated value of tyres is claimed by the VMs in the bills instead of new tyre cost.
- (v) New and not repaired parts are fitted/installed in the buses.
- (vi) New fitted parts have been physically verified.
- (vii) Timely preventive maintenance is done as per approved schedule.
- (viii) No bills remain pending beyond 15/30 days of its receipt.
- (ix) The payment against minor scratches, dents and prints is not to be made by DTC.

In addition to above, following certificates may also be appended on the respective AMC/accidental repair bill file(s).

- 1) Certified that all the statutory dues like PF/ESI/Service Tax etc. have been deposited by the contractor.
- 2) Certified that no payment in respect of the AMC/Accidental bill in question has been made earlier.
- 3) Certified that New parts mentioned in the bill(s) have been physically fitted by the VMs.
- 4) Certified that the recovery of Electricity/Water Charges has been made from AMC bill as per circular No. 444 dated 12/10/11 issued by Sr. Manager (Civil)-II.

This issues with the approval of the Competent Authority.

V.N.PATIL
(V.N.PATIL)
Sr. Manager (A/Cs)

All Regional Managers

- CC (cc)- 1) CGM (Finance) for kind information.
2) CGM (Tech) for kind information.
3) Addl. CAO-II for kind information.
4) Dy. CGM (SBU) for kind information.



DELHI TRANSPORT CORPORATION
Finance Department

CIRCULAR

No. Addl.CAO-2/2012/60

Dated, New Delhi, 12th June, 2012
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Subject:- Payment of AMC/Accidental Repair Bills in time bound manner

- Ref:-
1. CGM/SBU/852/2012/099 dated 4.4.2012
 2. CGM/SBU/881/2012/113 dated 16.4.2012
 3. BS-II/2011/409 dated 13.9.2011 of Sr. Manager (A/cs).
 4. Act/AMC/Accident Bill/BS-II/2012/218 dated 11/5/2012 of Sr. Mgr. (A/cs)

1. Attention of all concerned is invited to letters mentioned above. The said communications were intended for payment of AMC charges and Accidental repairs in time bound manner as per provisions under Clause 46.12 of the GCC of the AMC Contract.

2. It is re-iterated that AMC/Accidental repair bills are required to be processed and payment is to be made to the Vehicle Manufactures (VMs.) strictly in accordance with the provisions laid down in the Contract.

3. It is, therefore, instructed henceforth, all DMs shall process the AMC/Accidental Repair Bills within seven days (07) of the receipt of the bills from VMs. In case a bill is deficient on certain information/details/clarifications required on recoveries due, then DMs are required to inform the VMs with reasons and seek clarification/reconciliation within three days of the receipt of the bill. In case no clarification/reply is received from the VM within three days, the bills may be processed for payment after making deductions, if any/duly vetted from the Deputy Manager (A/cs) posted in the Region and further sanction by the RM.

4. DMs are also required to send the details of deductions made from the bills as per the contract terms & conditions, alongwith the proof of communication made to the VMs in this regard while forwarding the AMC/Accidental repair Bills to the Finance Wing of DTC for payment, also enclosing therewith Cheque voucher and requisite certificates mentioned in the letter dated 11/5/2012 issued by Sr.Manager (A/cs). No bill shall be accepted by the Finance Department unless and until DM certifies the amount to be released and also enclose the copies of communication made to VMs in respect of deficiencies in bills raised.

5. In the eventuality of claim of interest on the delayed payments on undisputed bills by the VMs, the DMs concerned shall be liable for recovery of the same.

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9. Further, all RMs are also required to send the report as per the format enclosed on fortnightly basis i.e. on every 1st and 16th of every month to the Addl. CAO-II so as to keep track of the pending payment status.


Neeraj Bharati
CGM (F)

To.

All Depot Managers (Low Floor Buses)
All Regional Managers
CGM (Operations)/Technical
CGM (Traffic)
Dy. CGM (Maintenance)
Dy. CGM (SBU)
Sr. Manager (Tr.)-I/c CMD Sect.

Name of the Depot

Dated:

Reference letter No. Addl. CAO-II/2012/60 dated 12.06.2012

No.:

STATEMENT/FORMAT SHOWING STATUS OF AMC/ACCIDENTAL BILL PAYMENT TO M/S. TMI. AND M/s. ALL.

S. No.	Period	Bill Amount	Date of Bill submitted by VM to Depot.	Date of bill forwarded by the DM to RM.	Time taken by the DM. (days)	AMC bill received in RM office for vetting / sanction.	File sent by RM to depot after sanction.	Time taken by the office of RM (days)	Sanctioned bill received from Depot along with other supporting documents to Accounts HQ. for payment.	Payment released by Accounts HQ.	Time Taken by Accounts for Payment	Remarks



Depot Manager

Addl. CAO-II

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DELHI TRANSPORT CORPORATION
I.P. ESTATE, NEW DELHI-110002
Finance Department

CIRCULAR

No.: Act/BS-II/HQ/2012/ 343

Dated:- 05/7/12

Subject:- Payment of AMC/Accidental Repair Bills in time bound manner

With a view to ensure timely payment of AMC/Accidental bills of low floor buses, it was circulated by the CGM (Finance), vide letter No. Addl. CAO-2/2012/60 dated 20th June, 2012 that henceforth, the AMC/Accidental Bills and other related matters of low floor buses shall not be forwarded to the Corporate Office for vetting. The same shall be vetted by the Accountant/Dy. Manager (A/Cs) posted in the Depot/Region and thereafter sanctioned by the Regional Manager.

Despite above, some of the DMs/RMs are forwarding the files of AMC/Accidental Bills to the Corporate office for vetting (after the same have already been vetted/sanctioned at regional level), resulting in unnecessary delay in release of payment to the VMs.

Therefore, it is once again requested that files regarding AMC/Accidental bills need not be sent to the Corporate office for vetting. The same be vetted by the Accountant/Dy. Manager (A/Cs) posted in the Depot/Region and thereafter sanctioned by the Regional Manager. The RM shall return the file to the DM concerned. The DM may forward the payment/release memo, cheque vouchers and other requisite certificates, as detailed below, to the Dy. Manager (A/Cs), Bills, HQ for timely release of payment to the VMs.

- a) Original Sanction of the Competent Authority (Keep Photocopy in your record)
- b) Duly Verified original main Bill submitted by VM. (bus-wise/date-wise bills to be kept in depot itself & stamped as "Vouched")
- c) Duly signed detailed statement of AMC/Accidental bills, indicating TDS deductions & other recoveries to be made and the net amount payable to the V.M.
- d) Certificate regarding correctness of KMs claimed in the bill and satisfactory performance of the AMC.
- e) Certificate that all statutory dues like PF/ESI/Service Tax etc. have been paid by the contractor.
- f) Certificate that the new parts mentioned in the bill(s) have been physically fitted by the VMs and no payment of the bill(s) in question was made earlier.

N.Patil
(V.N.PATIL)
Sr. Manager (A/Cs)
5/7/2012

All DMs/RMs (Low floor buses depot)

Copy to:-

- 1) CGM (Finance) for kind information.
- 2) [unclear] for kind information.

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DELHI TRANSPORT CORPORATION
1.P. ESTATE, NEW DELHI-110002
FINANCE DEPARTMENT

No. Act/BS-II/AMC/2012/ 799

Dated : 11/9/2012

CIRCULAR

Sub: - Payment of AMC /Accidental Repair Bills in time bound manner.

This has reference to the circular No. Act/BS-II/HQ/2012/303 dated 05.07.12 on the above mentioned subject. While releasing the payment to the VMs, the following discrepancies have been noticed in the AMC /Accidental Bills of M/s.TATA MOTORS LTD and ASHOK LEYLAND LTD.

1. Certificate under GFR 132 (VII) are not being sent duly signed by the Unit Officer.
2. D-VAT amount has not been deducted from the Gross AMC/Accidental amount alongwith other recoveries and voucher for the same are not being sent to Accounts Deptt. for payment.
3. Original bills of AMC/Accidental are not being verified /stamped by the Unit Officer.
4. Detail calculation for the recoveries of Electricity/Water, has not been round off to the next rupee.
5. Payment releasing memo duly signed by DM has not been sent containing full details such as Gross AMC/Accidental bill amount, deduction of all recoveries including TDS and D-VAT etc.

All RMs/DMs operating Low Floor Buses are, therefore, requested to send the AMC/Accidental files to Accounts Deptt. after completing all formalities to ensure timely payment to VMs as per terms and condition of the contract.

ALL RMs/DMs

[Signature]
Dy. Manager (BS-2) HQ

- cc : CGM (SBU) for kind information please.
cc : CGM (Operation & Maintenance) for kind information please.
cc : CGM (Finance) for kind information please.
cc : Addl. CAO for kind information please.
cc : Sr. Manager (I/c CMD Sectt) for kind information please.
- [Signature]*

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DELHI TRANSPORT CORPORATION
(GOVERNMENT OF NCT OF DELHI)
I.P. ESTATE: NEW DELHI

No. Act/BS-II/D-VAT/2013/ 336

Dated:- 17/7/13

Kindly refer to this office letter No. Acts/bills/13/137 dated 13.03.13, in which it was requested that information with respect to D-VAT deduction along with full detail may be sent to Dy. Manager (Bills) H Qr. on the same day or in a week to enable this office to remit the same to the department of TRADE and TAXES.

It has come to notice that some of units/^{are}depots not sending the required information (recently observed) to Dy. Manager (Bills) as per direction vide letter dated 13.03.13 timely. Any late remittance may attract penalty for which the concerned officer shall be answerable.

All Depot Managers/Unit Officers are therefore again requested to send the information on D-VAT deduction with full detail as per format given below to Dy. Manager (Bills) H Qr. so that amount is remitted to the concerned department in time as per direction of commissioner TRADE and TAXES.

Sl No.	Name & Address of firm	Bill No. & date	Bill Amt.	D-VAT Amt.	Rate of D-Vat	CR No. & date	Date of DFR	TIN No. of Firm
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Wairi
13/7/2013
SR. MANAGER (A/Cs)

ALL D.M./UNIT OFFICERS

Cuz

DELHI TRANSPORT CORPORATION
(GOVERNMENT OF NCT OF DELHI)
L.P. ESTATE NEW DELHI

No. Act/BS-II/2014/38

Dated:- 17-2-14

Kindly refer to D.O. letter of Commissioner Trade & Taxes addressed to CMD DTC vide F-PS/CTT/MISC/2014/521 dated 31.01.2014 (copy enclosed) in which it was requested to deduct the work contract D-VAT (TDS) @ 4% of contract value from a contractor registered in Delhi & @ 6% of the contract value from a contractor not registered in Delhi w.e.f. 16.01.2013. In case, the amount has been deducted at lower rate or not deducted at all, the same may be recovered from the contractor and the information to this effect be sent to Dy. Manager (Bills) H.Qr. as per format circulated vide circular dated 17.07.2013 for further submission to Trade & Taxes Department Government of NCT of Delhi.

It has also observed that some of the unit officers are not mentioning the TIN No. of the firm/Contractor while forwarding the data to this office. This needs to be ensured to avoid SCN/penalty from the Trade & Taxes Department.

V.N. Patil
17/2/2014
(V.N. PATIL)
Addl.CAO-II

ALL UNIT OFFICERS

Cc to: 1) Sr. Manager (A/cs) CED with the request to ensure timely payment & Filing of D-VAT returns as per rules.

: 2) Sr. Manager (Bills)HQr with the request to ensure timely payment & Filing of D-VAT returns as per rules.

Praasant Goyal
IAS



Commissioner (Trade & Taxes)
Government of NCT of Delhi
Vijaya Bhawan, I.P. Estate
New Delhi - 110 002
Phone : +91-11-23319001, 23319588
Fax : 23319474
Email : prashantgoyal@nic.in

D.O No. F. P&CTI (Misc) 2014/52
Dated 31st January 2014

4m (P)
Madam,
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Reference the discussion which came up in the Senior Officers Meeting held on 29.01.2014 under the chairmanship of Hon'ble Chief Minister, I would like to bring the following provisions of the DVAT Act to your kind notice:

(i) On any work contract activity i.e. contracts involving supply of both material and services such as civil work, electrification work, horticulture work, sanitation contracts, printing work, annual maintenance contract relating to computer system, photocopiers, ERABX, lifts, air conditioning, vehicles, etc., the contractees/work awarding agencies have to deduct **works contract TDS @ 4%** of contract value from a contractor registered in Delhi and @ **6%** of contract value from a contractor not registered in Delhi. **In case the amount has been deducted at lower rate or not deducted at all, the same may be recovered from the Contractor and immediately deposited with the Government.**

(ii) Each contractee has to deposit the TDS amount into Government Treasury within 15 days from end of month in which TDS was deducted. Besides, the TDS certificate (DVAT-43) needs to be issued to the contractor online from Department of Trade & Taxes website. Similarly, the online return (DVAT-48) has to be filed against the works contract-Tax Deduction Account Number (TAN) within 28 days, even if there is a NIL return, of end of every quarter. This would help the Department of Trade & Taxes realise the balance due tax from the contractors.

2. The failure to abide by the aforesaid provisions could lead to an imposition of penalty upto twice the amount of TDS due, besides the TDS amount and interest @ 15% for delayed deposits. In case of default, the TDS amount together with interest and penalty thereon shall be a charge upon all the assets of the person concerned.

3. The Departments/Organisations are also requested to abide by the circular No. F. 3(11)/Fin(Rev-I)/2012-13/dsVI/57-62 dated 17.01.2013 issued by the Pr. Secretary (Finance), Government of NCT of Delhi (enclosed). This would ensure that the VAT revenue accrues to the Government of Delhi rather than accrue to the States of origin of goods.

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contd...
BS II

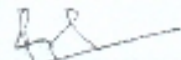
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4. The recovery of TDS is unlikely to raise the contract price since the tender price quoted is inclusive of all taxes, including work contract taxes. The compliance with the TDS provisions and the FD circular could, however, easily lead to an increase in revenue for the Delhi Government by ₹ 300 - ₹ 400 crores per annum.

with regards,

Yours sincerely,


(Prashant Goyal).

Encls: as above

Ms. Debashree Mukherjee
Chairperson-cum-Managing Director
Delhi Transport Corporation
I.P. Estate
NEW DELHI-110 002.

(K)

DEPARTMENT OF TRADE & TAXES, GOVT. OF NCT OF DELHI
OFFICE OF THE VATO (SPECIAL ZONE), 12th FLOOR,
VYAPAR BHAWAN, I.P. ESTATE, NEW DELHI- 110002.

F.No-01/2013-14/9082

Dated: 07-10-2013

To
DELHI TRANSPORT CORPORATION
INDIA PLAZA ESTATE NEW DELHI 110002.

Sub: Informing *u/s* 59(2) of the DVAT Act, 2004 regarding Maintenance Contracts awarded by your Department and details of TDS deducted at the time payments thereof.

Sir/Madam,

The comprehensive maintenance contracts/AMCs for repairing and maintenance of machines, equipments and plants like air conditioner, desert coolers, water coolers, water purifiers, photocopier, desktop computers, printers, electronic & electrical appliances etc. as well as commercial or residential buildings are taxable transactions being covered under definition of Works Contract as laid down in section 2(1)(a) of DVAT Act, 2004. Therefore, every company/firm executing the repair & maintenance in various Govt. Departments as well as in the establishments, factories in the private sector are liable to pay VAT on the valuable consideration received or receivable for these contracts as composite contract as per the provisions of section 5(2) of DVAT Act, 2004 read with Rule 3 of DVAT Rules, 2005. In case, the amount of contract is more than Rs.20000/-, the contracts awarding Departments or agencies (Contractees) are also liable to deduct TDS (Tax Deducted at Source) at the prescribed rates amended by the Department from time to time as given below in the table.

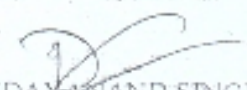
Period	From Registered Contractor	From Un-Registered Contractor
01-04-2005 to 31-03-2011	2%	2%
01-03-2011 to 31-03-2013	2%	4%
16-01-2013 to date	4%	6%

It is to be noted that as per the provisions of section 36A(8) read with Rule 59 of the DVAT Rules, 2005, the amount of TDS deducted in any of the months is to be repitted with Trade & Taxes Department to the PAN account of the contractee within 15th day of the following month. The non-compliance of the provisions of section 36A (8) DVAT Act, 2004, may invite penalty on contractee upto twice of the deductible TDS amount.

It may also be noted that contractee is liable to issue a certificate in the form of DVAT-43 to the contractor within 15 days from the date of deduction of TDS, failing which contractee shall be liable to pay, by way of penalty, Rs.100/- per day until the failure is rectified as provided under section 36(5A) of DVAT Act, 2004. In addition, returns in the form DVAT-48 are also to be submitted in Trade & Tax Department on quarterly basis.

Keeping in view to ensure the compliance of the aforesaid provisions of the DVAT Act, you are requested to visit the office of the undersigned in person or through authorized representative along with the information for the year-2009-10, 2010-11, 2011-12, 2012-13 & 1st Qtr.13-14. The information is to be furnished contract-wise on separate format for each year annexed at page no.2 within a period of one week from the receipt of this letter or latest by 17-10-2013. For any type of clarification, if required in this regard, you may contact to the undersigned on given telephone No. and Email Id.

Please take note that in the event of non-compliance of this notice or non-furnishing the information at prescribed time may invite penalty of Rs.50,000/- *u/s* 86(14) of the DVAT Act, 2004. If there is no maintenance contract in your Department/establishment, please send 'Nil' report to avoid penal action or further correspondence.


(DAYANAND SINGH)
VATO (Spl. Zone)
Mobile No- 9873043786
Email Id- dnchahal@gmail.com