

File No. NRRDA-A013-15(2)/2018-F&A-361164
National Rural Infrastructure Development Agency
Ministry of Rural Development
Govt. of India, New Delhi-110066

Dated 03.01.2019

Circular

Subject: Reimbursement of Service Tax/GST on honorarium paid to PTAs/STAs for the services rendered for PMGSY works.

Attention is invited to this office circular no. P-11014/1/06-Technical/1792-1821 dated 07.06.2018 forwarded therewith a copy of Ministry of Finance, Dept. of Revenue-(TRU) O.M. No. 354/171/2017-TRU dated 4th June, 2018 to all Principal Technical Agencies(PTAs) and State Technical Agencies(STAs) regarding payment of Service Tax/GST for services carried out in connection with PMGSY.

2. Ministry of Finance, Dept. of Revenue-(TRU) vide above O.M. dated 04.06.2018 has clarified that the honorarium paid by NRRDA (now NRIDA) to STAs/PTAs for the services rendered by them is liable to pay Service Tax/GST. In view of this clarification, it has been decided that NRIDA will reimburse the amount of Service Tax/GST on the honorarium paid by NRIDA to technical agencies for the services rendered to NRIDA, in case they have deposited the same with the respective authorities of Service Tax/GST.

3. It is further clarified that NRIDA is not liable to pay any Service Tax/GST along with penal interest if any payable due to non deposit of Service Tax/GST on time by the technical agencies for the period from the inception of PMGSY. The honorarium to STAs/PTAs for their services is paid by NRIDA on yearly basis through the vouchers generated on OMMAS(R&P Module).

4. Hence, NRIDA will not pay the Service Tax/GST in advance at the time of payment of honorarium and will only reimburse the amount of Service Tax/GST paid by the technical agencies that too only on production of challan/certificate from the Chartered Accountant/Head of Finance wing through which the payment of Service Tax/GST has been deposited to the concerned statutory authorities.

5. This issues with the approval of competent authority.


(Uttam Kumar)
Director (F&A)

To
All Principal Technical Agencies (PTAs) and State Technical Agencies (STAs).