



THE ODISHA STATE POLICE HOUSING & WELFARE CORPN. LTD.

(A Government of Odisha Undertaking)

BHOINAGAR, BHUBANESWAR-751022,

Ph.:0674-2541545/2542921, Fax : 0674-2541543/2541206, E-mail: policehousing@rediffmail.com,

Web:ophwc.ori.nic.in

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Letter No. 17149 /OPHWC

Dt. 12.12.2017

To
The Divisional Heads
Balasore, Berhampur, Bhubaneswar, Bhawanipatna,
Cuttack, Electrical, Koraput & Sambalpur,
OPHWC

Sub : Accounting of Project Expenditure (Post GST)

Subsequent to introduction of GST w.e.f. 01.07.17, no payment should be made to contractors / suppliers without proper tax invoice, except in case of contractors / suppliers who are not coming under the ambit of GST Act. The GST amount paid to the contractors / suppliers will be available to us as input tax credit (ITC) against our output GST liability. Therefore, GST amount paid to contractors / suppliers should be debited input tax credit account of contractor / supplier instead of debiting to project account.

An example of accounting entry which should be passed in the books accounts is given below :

Project Account	Dr.	100.00
ITC- C ABC & Company(CGST 6%)	Dr.	6.00
ITC-S ABC & Company(SGST 6%)	Dr.	6.00

To IT ABC & Company (1% on Project Expenditure)	1.00
To CE ABC & Company (1% on Project Expenditure)	1.00
To Royalty Payable (Approximate)	0.50
To SM ABC & Company	5.00
To SC ABC & Company	104.50

(Being tax invoice no.....dt..... amounting to Rs.112.00 towards execution of project work for accounted for.)

Tally Limit against the project will be equivalent to work order value less GST amount as GST amount should not be booked under project account.

Amount paid to contactors / suppliers towards GST should be verified by the division in the GST portal in the subsequent month of payment. If amount paid to

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contractors / suppliers towards GST is not reflected in our account in the GST portal, the said amount should be held up from their subsequent bills or otherwise the contractors / Suppliers should be reminded to deposit the same or refund the said amount to the Corporation. This is a statutory requirement and has to be followed strictly.

Chartered Accountant

17150

Memo No. /OPHWC

Dt. 12.12.2017

Copy to the PS of CMD, for kind information for CMD

Chartered Accountant

17151

Memo No. /OPHWC

Dt. 12.12.2017

Copy to the Chief Engineer, for information.

Chartered Accountant

17152

Memo No. /OPHWC

Dt. 12.12.2017

Copy to the FA / SE / CS / DGM (Engg.) / DGM (D&D) / Project Manager (Monitoring) / Joint Manager (Monitoring) / Accountant (H.O.) for information.

Chartered Accountant