

**Office of the Engineer-in-Chief, Water Resources
Secha Sadan, Odisha, Bhubaneswar.**

No. MON-PP-Grant-03/22/ 11397(MF)

/ Dated: 25/04/2023

From

Er. Bhakta Ranjan Mohanty,
Engineer-In-Chief, Water Resources

To

All CE&BMs/ CCEs (Except CE, Designs/ PPF&I/ WS/ Dam Safety/ QA/ HH,
GIS&CEM/ ISWI/ S&I)

Sub:- Clarification on GST Registration of Pani Panchayats - reg

Ref: DoWR Letter No. 775 dated 11.04.2023 (Copy Enclosed)

Sir,


In enclosing herewith the letter cited under reference, it is to state that some Pani Panchayats, engaged in works contract services, have taken registration under the GST Act, file returns under GST and pay Profession Tax and consulting fees for such compliance thereby causing a lot of hardships to them.

In this regard, the Commissioner of CT and GST, Odisha has, in the meanwhile, clarified the matter vide letter No 2730 dated 23.02.2022 in reply to an issue raised by a Pani Panchayat. (Copy Enclosed). As per the provisions of OGST Act, for registration, it is also to clarify that the Pani Panchayats are not liable for GST Registration as their annual aggregate turnover is not exceeding the threshold limit of Rs 20.00 lakh. Further, those PPs operating within such limit may apply for cancellation of their GST registration voluntarily.

In view of the above, the clarification as received from Commissioner of CT and GST may be disseminated amongst the officers involved in PP activities and members of the Pani Panchayats for greater awareness and compliance.

Encl:- As above


Yours faithfully,


Engineer-in-Chief, WR 21/4/23

Memo No.: 11398

/Dated: 25/04/2023

Copy forwarded to the Addl. Secretary to Govt. and Director CAD&PIM, DoWR for information and necessary action.

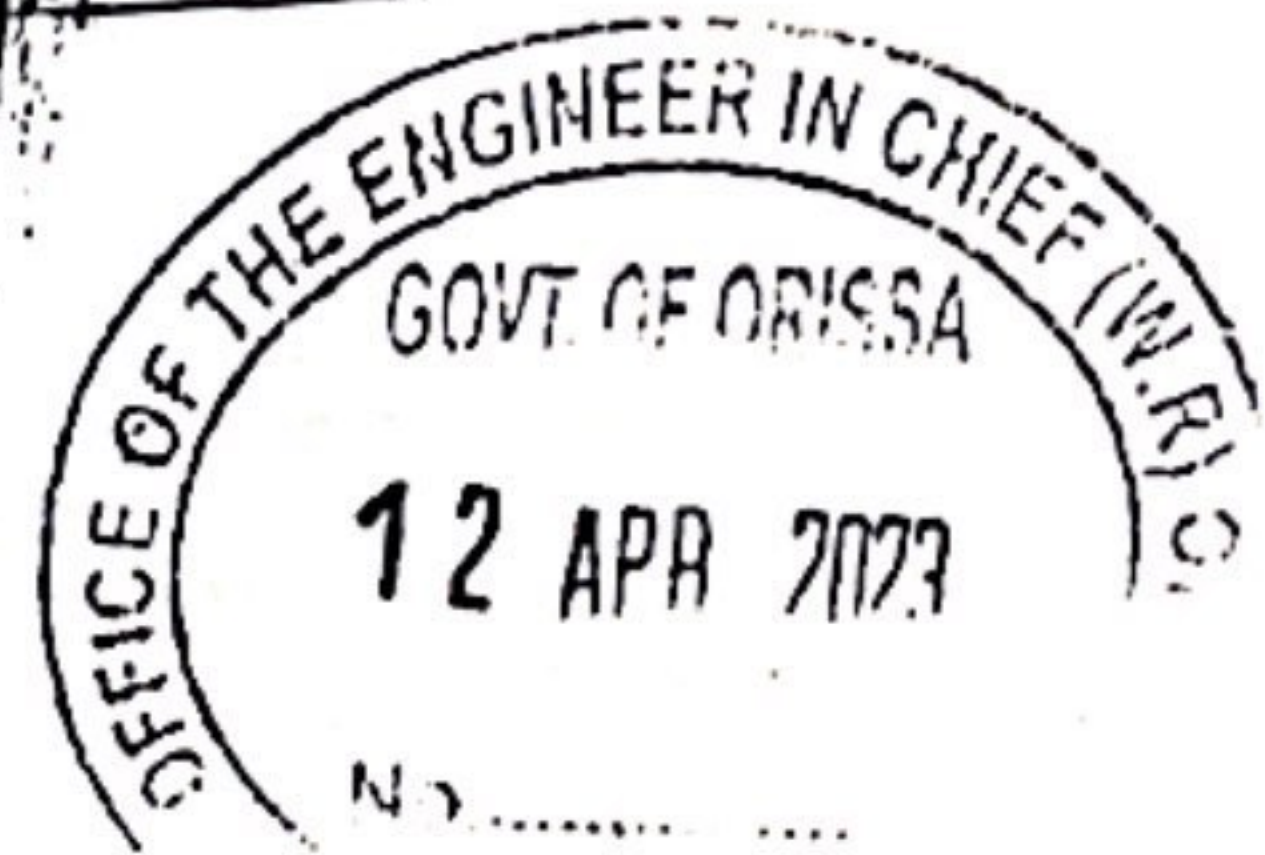

Engineer-in-Chief, WR 21/4/23

Government of Odisha
Department of Water Resources (CAD)

● WR-CPIM-PG-0007-2021 775 /CAD Dated 11/04/2023

From:

Rashmi Ranjan Nayak, OAS
Additional Secretary to Govt.
& Director, CAD-PIM



To,

The Managing Director, OLIC
The Engineer-in-Chief, Water Resources
The Chief Engineer, Minor Irrigation

Subject- Clarification on GST Registration of Pani Panchayats.

Sir,

In inviting a reference to the subject mentioned above, I am directed to say that, some Pani Panchayats, engaged in works contract services, have taken registration under the GST Act, file returns under GST, pay Profession Tax and consulting fees for such compliance thereby causing a lot of hardships.

2. The matter was taken up with the Commissioner of CT and GST, Odisha after issue was raised by a Pani Panchayat.

3. The Commissioner of CT and GST, Odisha has, in the meanwhile, clarified the matter vide letter No 2730 dated 23.02.2022 (copy enclosed).

3.1 As per the provisions of OGST Act, for registration, the threshold annual aggregate turnover of such Pani Panchayats is Rs 20.00 lakh.

3.2 Further, those PPs operating within such limit may apply for cancellation of their GST registration voluntarily.

4. Accordingly, the content of the letter as clarified by Commissioner of CT and GST may kindly be disseminated amongst the officers involved in PP activities and members of the Pani Panchayats for greater awareness and compliance.

Yours faithfully,

Encl: As above


[Signature]
Additional Secretary to Govt.
& Director, CAD-PIM

P.T.O.

Memo No 776 /CAD

Dated 11/04/2023

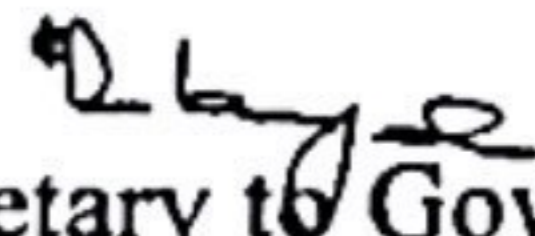
Copy to Director, WALMI for information and necessary action. He is requested to impart the said clarification during conduction of the training of Officers, farmers and office bearers of Pani Panchayats.


Additional Secretary to Govt.
& Director, CAD-PIM
11.04.2023

Memo No 777 /CAD

Dated 11/04/2023

Copy to Chief Engineer, CAD for information and necessary action.


Additional Secretary to Govt.
& Director, CAD-PIM
11.04.2023

Commissionerate of CT and GST, Odisha (At Cuttack)
(Finance Department, Government of Odisha)

No. CCT-PEI-POL-0108-2021 2780 /CT&GST,

Dated 23/02/2022

To

The Additional Secretary,
Department of Water Resources,
Government of Odisha,
Rajiv Bhawan,
7R9H + 4PC, Keshari Nagar,
Bhubaneswar - 751001.

Sub: Grievance petition of Pani Panchayat (PP) members of Gohira Medium Irrigation Project, Gohira, Deogarh on GST registration of PPs -reg.

Ref: Finance Department Letter No. 34651 dated 14.12.2021.

Sir,

On the aforementioned subject, I am directed to say that views of the CT & GST Organization have been sought for by the Finance Department vide their letter No. 34651/F dtd. 14.12.2021 on the grievance petition of one Sri Barun Kumar Mitra, Gohira Medium Irrigation Division, Deogarh addressed to the Hon'ble Finance Minister, Govt. of India.

It has been intimated by the petitioner that the Pani Panchayats engaged in supply of works contract services, have taken registration under the GST Act; as a consequence of which, they are required to file returns under GST, pay Profession tax of Rs.2500/- and consulting fees to Advocates for facilitating such statutory compliance thereby causing a lot of hardships to them. As stated, Pani Panchayats are not liable for GST registration as their annual turnover is not exceeding the threshold limit of Rs.20 lakhs as required for registration under GST. The petitioner, therefore, has requested to redress their grievances by excluding them from the purview of GST registration and related compliance burden of filing returns under GST and also payment of Professional tax. These issues, raised by the petitioner, are examined and the views of the CT & GST Organization are furnished below.

As per the provisions for registration under Section 22(2) of the Odisha Goods and Services Tax Act (hereinafter referred to as OGST Act), some Pani Panchayats, already registered as works contractors under the erstwhile VAT Act, are mandatorily registered under GST as migrated taxpayers. Besides, some of the Pani Panchayats, engaged in supply of works contract services, may have also taken voluntary registration as per the provision of Section 25(3) of OGST Act, even though their turnovers have not exceeded the threshold limit of annual aggregate turnover of Rs.20 lakhs, as required for registration under the statute. Further, some Pani Panchayats, whose annual aggregate turnover have exceeded the threshold limit of annual aggregate turnover of Rs. 20 lakhs, might have taken registration as per Section 22(1) of OGST Act.

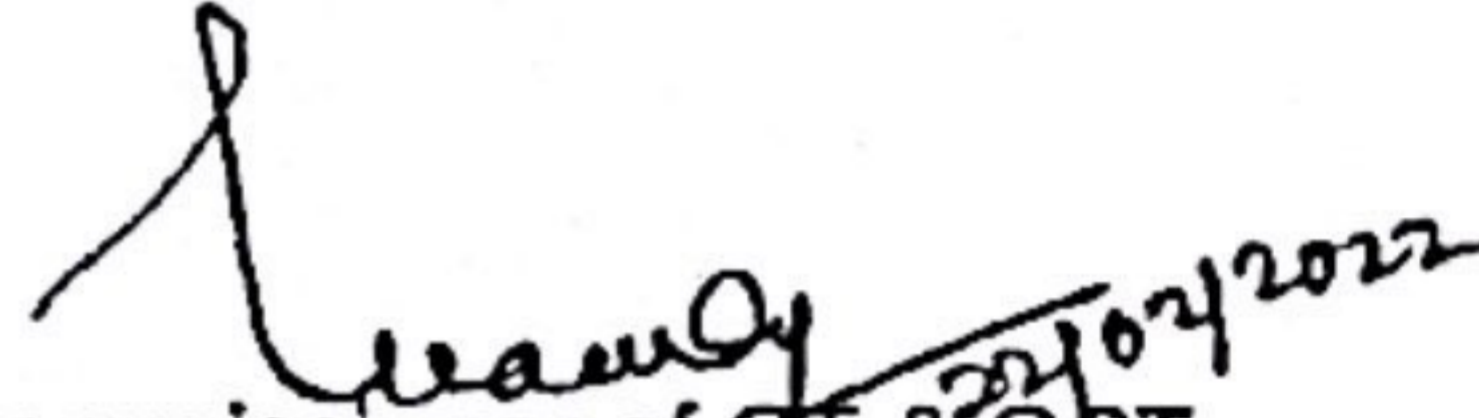


CCT-PEI-POL-0108-2021/3/2022

As regards cancellation of GST registration, both migrated as well as new taxpayers may apply for cancellation of their GST registration voluntarily to the jurisdictional tax authorities in GST Common Portal as per provisions under section 29(1)(c) of OGST Act. Therefore, those Pani Panchayats, presently registered under GST Act either by way of migration from erstwhile VAT regime or got registered under the new GST regime (voluntarily or otherwise), may exercise their option for cancellation of their GST registrations voluntarily on the ground that they are no longer liable for registration under sec 22/ sec 24 of OGST Act or intends to opt out of the voluntary registration taken u/s 25(3) of the OGST Act, in accordance with the provisions of section 29(1)(c) of OGST Act.

This is issued with the approval of the Commissioner, CT & GST, Odisha.

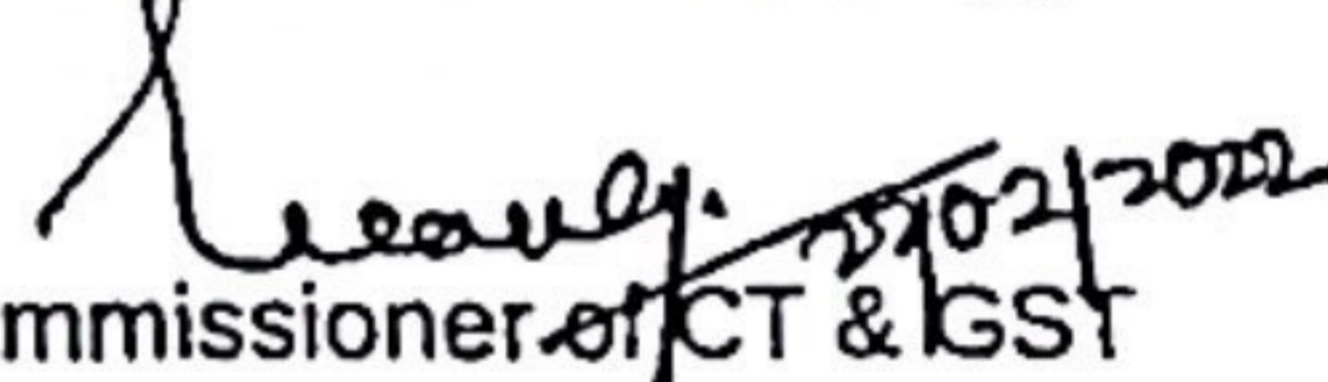
Yours faithfully,


Special Commissioner of CT & GST
(Policy)

Memo No. 2731 /CT & GST,

Dated 23/02 /2022

Copy to the Special Secretary to Government, Finance Department (CT-Branch) for kind information with reference to FD letter No. 34651 dated 14.12.2021.


Special Commissioner of CT & GST
(Policy)

Memo No. 2732 /CT & GST,

Dated 23/02 /2022

Copy forwarded to the Circle Head, CT & GST Circle, Deogarh alongwith the copy of the petition for information...The Circle Head is requested to intimate the concerned petitioners accordingly.


Special Commissioner of CT & GST
(Policy)