

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 2579 /F, Dated 31.01.2026
(FIN-CT1-TAX-0037-2017)

OFFICE MEMORANDUM

Sub: Guidelines relating to recovery of tax due from works contractor through WAMIS module

Recovery proceedings form a crucial part of tax administration, ensuring that amounts due to the Government under the Goods and Services Tax (GST) law are realized efficiently and lawfully. Section 79 of the Odisha Goods and Services Tax Act, 2017 empowers the Proper Officer to recover tax dues where a taxable person fails to make payment within the prescribed period. This provision outlines various methods of recovery and provides the legal basis for enforcement actions to protect revenue interests.

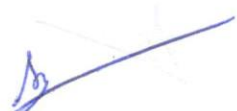
2. Section 79 of the OGST Act, 2017, titled "Recovery of Tax", lays down the mechanism through which the Proper Officer may recover unpaid amounts. These amounts may include tax, interest, penalty, fees or any other amount payable under the Act. The provision becomes applicable when a person fails to make payment of any amount due under the OGST Act within the time prescribed after the service of a demand or assessment order.

3. The Act permits the recovery of dues using one or more of the following methods:

3.1. Deduction from any Money Payable by Government: The Proper Officer may deduct the unpaid amount from any refunds or other amounts payable by the government to the defaulter under any provisions of the Act.

3.2. Detaining and Selling Goods: Any goods belonging to the defaulter, which are under the control of the Proper Officer, may be detained and sold to recover the outstanding dues.

3.3. Recovery from a Third Party (Garnishee Proceedings): The Proper Officer may serve a notice on any other person (including banks or debtors) who holds or is liable to pay money to the defaulter, directing them to pay such amount to the Government. This is done using Form GST DRC-13, and compliance is confirmed through Form GST DRC-14.



3.4. Seizure and Sale of Movable or Immovable Property: The Proper Officer may seize and sell movable or immovable property of the taxable person to recover the amount.

3.5. Recovery as Arrears of Land Revenue: A certificate may be sent to the District Collector, who will recover the amount as if it were arrears of land revenue under existing laws.

3.6. Recovery through a Magistrate: The Proper Officer may file an application before a First-Class Magistrate, who shall recover the amount as if it were a fine imposed by the Magistrate.

4. Before resorting to recovery measures under Section 79, the following conditions must be met:

- i. A demand must be crystallized via an order under relevant sections (e.g., Sections 73, 74, 62, 63, 64).
- ii. The taxpayer must have been served with the demand order, typically summarized in Form GST DRC-07.
- iii. The time limit for voluntary payment (generally 3 months) must have expired, unless the officer has specifically reduced this time in the order.
- iv. No stay or injunction should be in place from any appellate or judicial authority.

5. As per Section 2(119) of the GST Act, 2017, the term "works contract" refers to a contract for activities such as building, construction, erection, installation, repair, maintenance, or commissioning of any immovable property, involving the transfer of property in goods (whether as goods or in another form). These contracts are subject to Goods and Services Tax (GST), and the tax liability is to be discharged by the contractors executing such works.

In the general functioning of government departments, a significant volume of infrastructure and service-oriented activities are executed through works contracts, making works contractors vital stakeholders in the economic and revenue ecosystem of the State. Their compliance with tax laws is therefore crucial to ensure that the Government does not incur revenue losses.

6. It has come to notice that several contractors working on Government projects across the State have been defaulting in discharging their GST liabilities appropriately, despite

having received substantial payments from various Departments/ Divisions. These defaults, *inter-alia*, include:

- i. Non-filing of GST returns: Contractors failing to file any GST returns after receiving payments from Government Departments/ Divisions.
- ii. Filing of NIL returns: Contractors are showing NIL returns despite receiving payment, which clearly indicates under-reporting.
- iii. Under-reporting of turnover: In many cases, the declared turnover is significantly less than the actual gross payments received from Government Departments Divisions towards the work contracts, resulting in evasion of tax by the Contractors.

In all such cases, the mismatch between the payments made to the contractors and the turnover or tax liability declared by these Contractors in their GST returns is evident.

Upon identification of such discrepancies, demands are raised by the CT & GST Commissionerate (through the jurisdictional Offices) for collection of due tax from these Contractors. In case due tax and other components (e.g. Interest, penalty etc. as the case may be) are not collected through demand proceedings, Recovery proceedings are initiated against these defaulting entities. There are several different modes of recovery provided under the GST Act, of which one is the attachment of bank accounts of the defaulting taxpayers. However, in practice, this measure has yielded limited success, as the bank accounts provided by these contractors often have little or no balance.

7. In such situations, the CT & GST officers resort to issuing attachment orders on future payments to be made by the Government to such contractors. The intent is to recover the outstanding GST dues from subsequent payments due to the contractor from any Government Department/ Division. These attachment proceedings are done offline by means of one-to-one communication between the concerned CT & GST Proper Officers and the government Department/ Divisions from where the payments were released to the Contractors.

In order to ensure recovery of such dues from Taxpayer/ Contractors from subsequent payments from Government, it is now decided to leverage the available facility in WAMIS where the payments are processed and IFMS. WAMIS is an end-to-end application used by Government to process and issue payment orders to all such Contractors engaged in supply of works contract services to Government. The payment orders are processed in WAMIS and shared with the Integrated Financial Management Systems (IFMS) of Treasuries for release of payments. At present, all payments are processed in the same manner. In view of the above, it is being contemplated to initiate the recovery of such due amount from these Contractors through WAMIS, where all subsequent payments for these contractors for supply of works contract across the State, are processed. Such recovery mechanism needs to be institutionalised in coordination with WAMIS, IFMS and the CT & GST Organisation.



8. In view of the above and to ensure effective and timely recovery of tax dues, a recovery module is developed in WAMIS with the following functionalities:

a. Entry of GST Attachment Orders:

- A provision should be made for authorized personnel to enter valid attachment orders against specific contractors/taxpayers.
- The entry form should capture essential details such as:
 - GSTIN of the contractor
 - Contractor's name
 - Reference number and date of the attachment order
 - Amount to be recovered
 - Validity period (if applicable)

b. Deduction at Payment Stage:

- When a payment is being processed for a contractor against whom an active attachment order exists, WAMIS should:
 - Automatically check for pending dues.
 - Deduct the recoverable amount (full or partial depending on amount of payment being processed) under designated recovery heads available under Part-V (A Deduction Head under WAMIS consisting of multiple recovery HoAs with reference to the heads mentioned in the Attachment Order).
 - Temporarily Park the amount under the designated suspense or recovery heads (HoAs).

c. Deposit Facility for Recovered Amounts:

- The recovered due will be subsequently deposited in GST Portal by use of HR Bills presented by the concerned Divisional Officer, as is being done presently in case of GST TDS.
- The system should ensure mapping of:
 - Contractor's GSTIN
 - Relevant tax period
 - Recovery reference number

d. Reporting and Audit Trail:

- The system should generate reports on:
 - Orders entered
 - Deductions made
 - Deposits completed
 - Outstanding balance (if any)
- A complete audit trail should be maintained for transparency and compliance.

e. User Access and Integration:

- Access will be provided in WAMIS for users in the Divisions and CT & GST Commissionerate for monitoring and reconciliation.



- The module may be integrated with GSTN (Goods and Services Tax Network) or appropriate portals for real-time validation where feasible.

9. In order to streamline the recovery of outstanding GST dues through bills processed in Departments implementing WAMIS such as Rural Development Department, a mechanism has been developed whereby officers of the Commercial Tax & Goods and Services Tax (CT&GST) Organization shall have access to the Works and Accounts Management Information System (WAMIS). This system enables seamless integration of GST recovery with public works billing, ensuring accurate deduction and deposit of recoverable amounts from the bills of contractors and agencies.

Operating Procedure for recovery of tax due from works contractor using WAMIS module

10. Each CT&GST Circle shall designate a **Nodal Officer**, who will act as the **Single Point of Contact (SPOC)** for all communications and coordination among the following entities:

- CT&GST Circle Office
- Commissionerate of CT&GST
- WAMIS Technical Team / Rural Development Department

The Nodal Officer shall be responsible for uploading the necessary GST recovery details into WAMIS and ensuring the correctness and completeness of such data. All attachment orders pertaining to recovery will be addressed to the **Nodal Officer, WAMIS**, by the respective Tax Recovery Officers.

11. The Nodal Officer of the CT&GST Circle shall upload the details of each recovery case into the WAMIS portal. The recovery may arise from outstanding dues under CGST, SGST (referred to as OGST in Odisha), or IGST, and may include components such as:

- Tax
- Interest
- Penalty
- Fee
- Other dues

Each recovery case shall be accompanied by a **copy of the attachment order** issued in Form **DRC-09** or **DRC-13**.

The following details must be entered/ uploaded in WAMIS:

1. GST Department Order Reference Number



2. Date of Issue of Attachment Order
3. PAN of the Taxpayer or Defaulter
4. GSTIN (for active registrations) or TEMP ID (for unregistered/cancelled RC cases) or UID
5. Legal Name / Trade Name of the Taxpayer
6. GST Demand Order Number
7. Description of the Demand
8. Date of Issuance of Demand Order
9. Date of Uploading Recovery Order
10. Name of the Officer Issuing the Recovery Order
11. Name of the Jurisdictional Circle
12. Upload Copy of GST Recovery Order/Notice
13. Enter Recovery Amount in the following format:

Description	Tax	Interest	Penalty	Fee	Others
CGST					
OGST					
IGST					

12. The tax officer shall issue attachment orders in **Form DRC-09/DRC-13**, addressed specifically to the Nodal Officer, WAMIS (Works and Accounting Management Information System). These orders serve as formal instructions for initiating recovery proceedings against a defaulting taxpayer. Upon issuance, these orders are to be uploaded into the WAMIS portal for system-wide accessibility and enforcement by the GST Nodal Officer.

13. The system will include a provision allowing tax officers to make necessary changes to the recovery details, including modifications to the amount, particulars, or complete withdrawal of the recovery [as per provision u/s. 79(1)(c)(iv) of the OGST Act]. Such actions must be backed by valid authority, and hence, the officer is required to **upload a scanned copy of the official order** justifying the modification or withdrawal. This ensures transparency, accountability, and compliance with legal and procedural requirements. However, such modifications are to be approved by the Nodal Officer for necessary updating in system/WAMIS.

14. Once the recovery details and related attachment orders are uploaded into WAMIS, the information becomes globally accessible across all concerned Divisions and Departments. This facilitates coordinated enforcement, as any Division or Department processing a financial transaction or bill for the taxpayer in question will be alerted to the pending recovery. The uploaded attachment order becomes binding on all

Departments/Divisions, which are obligated to act upon it by making deductions from payments due to the taxpayer until the specified recovery amount is realized.

15. As per the provisions of Section 79(1)(c)(ii) & (iii) of the OGST Act, every person served with a recovery notice is legally bound to comply with its directions. Any deviation from such compliance entails personal liability. Accordingly, the system is designed in such a manner that no Division or Department will be able to process any bill in favour of the defaulting taxpayer unless the recovery amount is first deducted. This provision is enforced at the system level, ensuring that tax recovery is given top priority over any disbursement of funds to the concerned taxpayer. In case of multiple attachments, order uploaded against any agency priority will be automatically accorded as FIFO (*First in First Out*) Method. i.e. to the first attachment, order uploaded in WAMIS to be executed first

16. In situations where more than one Division or Department is responsible for processing bills for the same taxpayer, the system shall facilitate partial deductions from multiple sources, if necessary. These deductions will continue only until the full recovery amount has been realized. Once the entire specified amount has been successfully recovered, the system will automatically disable further deductions, preventing over-recovery and ensuring accurate financial management.

17. The recovery of GST dues from bills processed in WAMIS shall follow a **strict order of priority**, ensuring that tax components are recovered before interest, penalties, or other dues.

The recovery sequence is as follows:

1. Current Statutory dues including GST, IT & other components mandated under that Bill
2. Recovery OGST / CGST – Tax (in full)
3. Recovery IGST – Tax (in full)
4. Recovery OGST / CGST – Interest (in full)
5. Recovery IGST – Interest (in full)
6. Recovery OGST / CGST – Penalty (in full)
7. Recovery IGST – Penalty (in full)
8. Recovery OGST / CGST – Fee (in full)
9. Recovery IGST – Fee (in full)
10. Recovery OGST / CGST – Others (in full)
11. Recovery IGST – Others (in full)

18. In instances where the net payable amount of a bill after deducting statutory dues such as Income Tax TDS, GST TDS, Royalty, and other mandatory deductions is less than the total recovery amount due from the taxpayer, the system will initiate pro-rata deductions. These deductions will be applied in the order of priority as prescribed earlier



(e.g., Tax, Interest, Penalty, etc.). This ensures fair and proportionate recovery across various components of the dues, without exceeding the available amount in the bill.

19. After deduction of such recovery amount(s), the Recovery ledger of the respective Taxpayer/ Contractor will be updated in WAMIS, reflecting the amount recovered and the remaining balance, if any. This updated ledger will be made accessible in real-time to both the tax officer and the relevant Divisions/Departments, allowing them to monitor the recovery progress and ensure transparency in the enforcement process.

20. After the bill has been prepared in accordance with the recovery and deduction process, the recovered amounts will be deposited into respective deductions HoAs (Deposit V). The concerned Divisional Officer to transfer the GST Recovery amount so deducted from the Works Bill and kept under Part-V (deduction Head) to the GST portal through preparation by processing of Hand Receipt Bill in WAMIS followed by payment made in IFMS in favour of designated GSTIN Account (Through CPIN) with reference to the said Hand Receipt Bill

21. The process of bill generation and approval in WAMIS, incorporating GST recovery, shall proceed as detailed below:

Step 1: Entry and Verification by Section Officer (SO): The bill generation process begins with the Section Officer (SO) of the respective Division. The SO shall enter the bill details, verify their accuracy, and forward the bill to the Sub-Divisional Officer (SDO) for further processing.

Step 2: Review and Processing by Sub-Divisional Officer (SDO): The SDO will thoroughly review the bill and, upon verification, forward it to the Divisional Officer (DO) through the Auditor and Divisional Accounts Officer for final approval.

Step 3: System Verification and Enabling of GST Recovery Details: Upon bill submission, the WAMIS system automatically validates the PAN of the agency/contractor against the PAN provided in the uploaded GST attachment order.

- If the PAN matches, the "GST Recovery Details" button becomes active.
- The system will then auto-calculate and apportion the GST recovery amount across CGST, SGST (OGST), and IGST components, based on the details provided earlier by the CT&GST Circle Nodal Officer.

Step 4: Final Approval by Divisional Officer (DO): The Divisional Officer shall access the "Items Measurements for DO" screen under the Billing Module in WAMIS, review the bill, and verify the GST Recovery details. Once all entries are



found to be correct and in line with the recovery order, the DO finalizes the bill for payment.

Step 5: Forwarding to IFMS for Payment: The finalized bill is transmitted to the Integrated Financial Management System (IFMS) for disbursal of payment to the contractor or agency.

Step 6: Post-Payment Update and Display of Recovery in WAMIS: Once the payment is completed via IFMS, the corresponding cheque details are automatically converted into a voucher in WAMIS. The recovered amount from the bill is reflected under the "Deposit Details" screen accessible by the respective GST Circle Officer.

This ensures full visibility and traceability of recoveries made against GST dues.

22. The recovered amounts, once visible in the "Deposit Details" section, can be monitored and reported by the CT&GST Circle Officers. These records serve as official proof of recovery and should be reconciled periodically with recovery targets and orders issued.

Enhanced Data Integration and Recovery Booking in IFMS

23. As per the existing practice, the **Integrated Financial Management System (IFMS)** will continue to fetch bill data related to the works bills prepared by various Divisions in WAMIS (Works and Accounting Management Information System). However, to facilitate recovery of outstanding GST dues, the bill data shared with IFMS will now be customised to include additional information pertaining to recoveries made under specific Head of Account (HOA) IDs. These HOA IDs will correspond to the GST components (such as SGST, CGST, IGST, interest, penalty, etc.) specified in the attachment orders issued by the competent GST Officer.

In addition to the bill and recovery data, IFMS will also fetch the GSTIN and contractor details from WAMIS. This will enable accurate record maintenance, audit trail, and reconciliation of recoveries made from each taxpayer/contractor.

Going forward, IFMS will maintain bill-wise and contractor-wise (GSTIN-wise) records of all such recoveries and the associated deposit balances created as a result of the deductions. For effective classification and booking of these recoveries, a master list of deduction HOA IDs relating to various GST components will be maintained within IFMS. These HOA IDs will be specifically created and shared with IFMS to ensure that every recovery is correctly attributed to its respective tax component.



Through this structured approach, all recoveries made against a bill will be booked under the appropriate HOA ID in IFMS, with clear reference to the contractor or taxpayer from whose bill or account the recovery has been made. This mechanism ensures proper linkage, traceability, and accountability of recoveries, and forms the basis for further reconciliation, reporting, and downstream actions such as credit to GSTIN accounts and set-off in the GST system.

24. Once the recovery amount has been successfully deducted from the bill of the defaulting taxpayer and the corresponding deposit has been made through the Treasury, the system will automatically notify the concerned Tax Officer. This intimation is critical, as it enables the officer to promptly initiate the set-off process in the GST Back Office (GST BO) system.

To ensure timely compliance, the system will subsequently be customised to generate alerts or notifications prompting the Tax Officer to carry out the set-off immediately upon deposit. This safeguard is essential to prevent the taxpayer from utilizing the recovered amount from their cash ledger for any other purpose before it is used to set off the recovery liability.

25. In cases where the full recovery amount cannot be realized in a single instance due to limited bill value or availability of funds—the recovery will be processed partially. The Tax Officer will be required to set off the liability in parts, depending on the actual amounts deposited into the taxpayer's cash ledger through the above recovery mechanism. This ensures that even partial recoveries are systematically adjusted, and the liability is reduced incrementally until fully discharged.

Roles and Responsibilities of Stakeholders in GST Recovery through WAMIS:

26. To ensure smooth and effective implementation of GST recovery through the WAMIS platform, specific responsibilities are assigned to various officers involved in the process. Each stakeholder must fulfil their respective duties diligently and in coordination with others to facilitate accurate and timely recovery of tax dues.

26.1 Role of Nodal Officers (CT&GST Circle): The Nodal Officers appointed in each CT&GST Circle shall play a central role in coordinating and monitoring the recovery process through WAMIS. Their responsibilities are as follows:

- a. **Daily Monitoring of Dashboard:** Nodal Officers must check the status of all recovery cases listed on the WAMIS dashboard on a daily basis to monitor progress and identify any pending actions.
- b. **Intimation of Recovered Amounts:** Once a recovery amount has been successfully deducted from a bill and is reflected as credited in the cash ledger, the Nodal Officer



shall promptly intimate the concerned Tax Recovery Officer to initiate further action for appropriation against the respective demand.

26.2 Role of Tax Recovery Officers: Tax Recovery Officers (TROs) are responsible for the enforcement of recovery actions and ensuring proper utilization of amounts recovered through WAMIS. Their roles include:

- a. Use WAMIS as the Last Resort: TROs must ensure that recovery through WAMIS is used only as a last resort, i.e., only when all other recovery measures under GST law have been exhausted (e.g., DRC-13 attachment, bank garnishment, property seizure, etc.).
- b. Communicate Recovery Details: TROs shall intimate the Nodal Officer with the exact breakup of recovery amounts, specifying the components under Tax, Interest, Penalty, Fee, and Others for each of the tax types — CGST, SGST (OGST), and IGST — separately.
- c. Set Up Recovery in Cash Ledger: Upon confirmation that the recovery amount has been deducted from the bill and credited via WAMIS, the TRO shall set up the amount in the taxpayer's electronic cash ledger against the appropriate demand order.
- d. Prevent Misuse of Recovered Amount: TROs must ensure that the taxpayer does not utilize the recovered amount for purposes other than the intended demand. Therefore, immediate set up in the ledger must be done upon receiving intimation from the Nodal Officer to prevent any misuse.

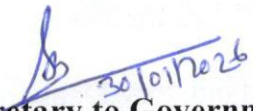
26.3 Role of Section Officer (SO), Sub-Divisional Officer (SDO), and Divisional Officer (DO) in WAMIS: The officers handling the preparation, processing, and approval of bills in WAMIS shall ensure compliance with the GST recovery mechanism. Their responsibilities include:

- a. Mandatory Deduction before Bill Processing: No bill pertaining to a taxpayer or contractor shall be processed without considering the active recovery order from CT&GST authorities, if any. The officers must ensure that the recovery amount is first deducted from the bill (after the current statutory dues on account of Works expenditure are deducted from the said Bill) as per instructions received from the CT & GST Nodal Officer.
- b. Currently, such recovery(s) should not be made out of the Security Deposits made by the Contractors against the works, as Security Deposits are kept for specific purposes as per the contract.



- c. Component-wise Deduction Accuracy: The WAMIS billing team must ensure that the exact amount specified under each tax component (CGST, OGST, IGST – Tax, Interest, Penalty, Fee, Others) is deducted as per the breakup provided by the CT&GST Nodal Officer.
 - d. Recovery in Instalments (If Required): If the full recovery amount cannot be deducted from a single bill, the officers must ensure the balance amount is recovered from subsequent bills of the same contractor until the entire amount, as recorded in the recovery ledger, is fully recovered.
 - e. Further, it is the responsibility of concerned Divisional Officer to transfer the GST Recovery amount so deducted from the Works Bill and kept under Part-V (deduction Head) to the GST portal through preparation by processing of Hand Receipt Bill in WAMIS followed by payment made in IFMS in favour of designated GSTIN Account (Through CPIN) with reference to the said Hand Receipt Bill.
27. The system will generate MIS (Management Information System) reports that provide detailed information on taxpayer-wise recoveries, deductions made by various Divisions or Departments, and the remaining balances yet to be recovered. These reports will be accessible to both Tax Officers and the concerned Divisions/Departments. Additionally, higher management will have access to consolidated MIS reports through their Admin Logins, which will be based on the monthly data uploaded by Tax Officers and Departments.

By orders of the Governor


Principal Secretary to Government

Memo No. 2580 /F Dt. 31.01.2026

Copy forwarded to the Principal Secretary to Government, Works Department for kind information and necessary action.



Joint Secretary to Government

Memo No. 2581 /F Dt. 31.01.2026

Copy forwarded to the Principal Secretary to Government, Department of Water Resources for kind information and necessary action.



Joint Secretary to Government

Memo No. 2582 /F Dt. 31.01.2026

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Joint Secretary to Government

Memo No. 2583 /F Dt. 31.01.2026

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Memo No. 2584 /F Dt. 31.01.2026

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Joint Secretary to Government

Memo No. 2586 /F Dt. 31.01.2026

Copy forwarded to the Principal Accountant General(A&E), Odisha, Bhubaneswar for kind information and necessary action.



Joint Secretary to Government

Memo No. 2587 /F Dt. 31.01.2026

Copy forwarded to the Commissioner of CT & GST, Odisha, Cuttack for kind information and necessary action.



Joint Secretary to Government

Memo No. 2588 /F Dt. 31.01.2026

Copy forwarded to the Director of Treasuries & Inspection, Odisha, Bhubaneswar for kind information and necessary action.



Joint Secretary to Government