

Office of Director (Accounts)  
New Delhi Municipal Council

"Most Urgent"

CIRCULAR

No. D/Director (Accounts)/D - 782/10/2010

Dated: 29/12/10

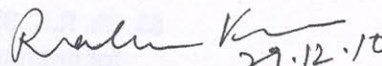
**Subject: Mandatory furnishing of Permanent Account Number (PAN) by all the employees of NDMC.**

In continuation of this office circular No. D/CAO/D-403/208-09 dated 31<sup>st</sup> October, 2008, issued with the prior approval of the Chairman, NDMC followed by repeated reminders on the subject. It has been observed that response to the last reminder issued on the subject vide this office Ref. No. D/Director (Accounts)/D-728/2010 dated 14.12.10 is not satisfactory. All the Head of the Deptts. were requested to issue strict instructions to staff working under them specifically Group "D" employees to immediately furnish PAN along with Emp. Code No. to the CBS latest by 31.12.2010 and if the same has not been got allotted by them this may be got done immediately. In case of non-compliance of this statutory requirement, salary of such defaulter officials for the month of January, 2011 would not be drawn till such time they comply with the said statutory requirement.

As already conveyed that as per new provision of tax deduction at source (TDS) under the Income Tax Act 1961 effective from April 1, 2010, Assesseees will have to pay a higher income tax at source, if they do not have a Permanent Account Number (PAN). The provision makes it mandatory upon the Employer to deduct Income tax at higher of the prescribed rate or 20 percent on all transactions liable to tax deduction at source (TDS), if the person liable to the tax does not possess a PAN. The Income Tax Department has already made it mandatory for employers to quote PAN of their employees and parties from whom tax is deducted while filing TDS returns. Earlier relaxation was permissible, when such returns of filing TDS by the employer was accepted by the Income Tax Deptt., without PAN having been quoted in respect of the 5% of the total employees but this relaxation has been withdrawn. As such it has become mandatory for all the employees of the NDMC to obtain PAN from Income Tax Deptt. and there is no relaxation to this statutory requirement from April 1, 2010.

In response to the D.O. letter dated 16<sup>th</sup> December, 2010 received from the office of Commissioner of Income Tax, Delhi-XIV, Mayur Bhawan, on the subject, Chairman, NDMC has taken it seriously and approved that salary of January, 2011 of all the defaulters be stopped, who don't submit his/her PAN by 7<sup>th</sup> January, 2011. Accordingly, all the Head of the Deptt. are requested that strict instructions may be issued to staff working under them especially Group "D" employees to immediately furnish PAN alongwith Emp. Code No. to CBS latest by 7<sup>th</sup> January, 2011 and if the same has not been got allotted by them this may be got done immediately. In case of non-compliance of this statutory requirement, salary of such defaulter officials for the month of January, 2011 would not be drawn till such time they comply with the said statutory requirement.

This may be given Top Priority.

  
(RAKESH KUMAR)  
Director (Accounts)

## Copy to:

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| 5. C.E. (E-I)   | 6. Dy. Dir.(Elect)  |
| 7. C.E. (E-II)  | 8. Dy.Dir.(Health)  |
| 9. Chief Architect  | 10. S.O.(CE-I)  |
| 11. Dir. (MH)   | 12. S.O.(CE-II)   |
| 13. M.O.H.  | 14. S.O.(HE-I)  |
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| 33. Dir. (Social Welfare)   | 34. S.O. (Edn.)-I S.O.(Edn-II)                            |
| 35. PS to LA  | 36. S.O.(PH)  |
| 37. Director (Finance).   | 38. A.O. (PH)   |
| 39. CMO (Head Qtr. & PH)  | 40. Sanitation Officer                                    |
| 41. SO (EE-II)  | 42. S.O.(EE-II)   |
| 43. Dy. Director (Civil)  | 44. SO (EE-I)   |
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| 53. A.O(Funds & Investment)   | 54. Sr. A.O. (Pension)I & II                              |
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| 57. Notice Board – S.B.S. Place, Gole Market  | 58. Notice Board – Vidyut Bhawan                          |
| 59. Sr. AO (Commercial)   | 60. Deputy Director(Qtrs)                                 |
| 61. A.O.(Medical)   | 62. A.O.(Public Health)                                   |
| 63. Sh. R.K. Singh, System Analyst, DOEACC<br>for information and necessary action. | 64. DD(IT) for uploading the circular on<br>NDMC website. |
| 65. SO(CBS)- I,II,III ,IV   | 66.Transport Controller                                   |
| 67. PS to FA for kind information.  | 68. PS to Chief Auditor for kind information.             |