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57941/DGQA/Tech Coord (16TC)

16 May 2024

MINISTRY OF DEFENCE
(DGQA / TECH COORD / 16TC)

FORWARDING OF " GOVT SANCTION LETTER (GSL) ON QUALITY ASSURANCE
CHARGES - LEVYING OF"

Govt Sanction Letter (GSL) on levying of Quality Assurance Charges, issued vide MoD ID No. 57941/DGQA/Tech Coord(16TC)/300/D(QA)/2024 dated 09 May 2024 is forwarded herewith for uploading on DGQA website in place of previous GSL ID No 57941/DGQA/Tech Coord(16TC)/987/D(QA)/2017 dated 18 Oct 2017 on the subject .

Encl: As above



(SK Roy)
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Dy Dir QA(PP&T)
For ADGQA(PP&T)

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Copy to:-

Internal

TS to DG, DGQA

PC to MF No. 57941/DGQA/Tech Coord(16TC)/300/D(QA)/2024

Government of India
Ministry of Defence
Department of Defence Production

Sena Bhawan, New Delhi
Dated: 9th May 2024

To,

The Director General of Quality Assurance
Ministry of Defence
New Delhi- 110011

SUBJECT: QUALITY ASSURANCE CHARGES: LEVYING OF

Sir,

In supersession of order No.57941/DGQA/Tech Coord (16TC)/987/D(QA)/2017 dated 18 Oct 2017, the levy of Quality Assurance Charges along with applicable Goods & Service Tax (GST) by DGQA shall be regulated as under:-

(a) Quality Assurance Charges shall not be levied for quality assurance of stores indented by Armed Forces, Coast Guard and Director General Border Roads.

(b) All Central, State Government Departments and Public/ Private Sector undertakings shall be levied Quality Assurance Charges along with applicable Goods & Service Tax (GST) for supply of stores indented on PSUs/DPSUs/Private Sector etc, if DGQA is called upon to assure quality/ inspection of the Stores.

2. Quality Assurance Charges shall be levied as per the rates given below, except for stores for which Quality Assurance Charges have been fixed by a Board of Officers periodically:-

(a) Armaments	}	4% of total value of store
(b) Stores		
(c) Electronics		
(d) Warship Projects		

(e) Vehicles	}	2% of total value of store
(f) Engineering		
(g) Naval		

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(h) Naval Stores which are of general nature used in manufacturing of various equipment like timber, cables, electrical / electronic components, chemicals, paints, brushes, textiles, rubber items, electrical bells etc.

2%
of total
value of
store

(j) Complete electrical equipment like ventilation blowers, switch boards Switchgears, distribution boards, junction boxes, conversion machineries, and other complete assemblies/systems including submarine-batteries.

(k) Electronics equipment/ systems like radar, communication equipment, sonars, weapon control systems, electronic warfare systems, computers and monitoring and control systems broadcasts, telephone exchange etc.

4%
of total
value of
store

(l) Weapon mountings such as gun Mountings, missile launchers, Torpedo launchers etc.

3. For providing QA cover by establishments of DGQA organisation, as and when called upon by export agencies against export orders, no QA charges will be levied.

4. No QA charges shall be levied on Central Police Organisations (CPOs) such as BSF, CRPF, ITBP under Ministry of Home Affairs and Special Frontier Force (SFF), Special Protection Group (SPG) under Cabinet Secretariat, Railway Protection Force (RPF) for supplies made by new DPSUs (erstwhile Ordnance Factories) when DGQA is called upon for Quality Assurance, against Indents / Supplies Orders, placed on erstwhile Ord Fys prior to 01 Oct 2021.

5. When DGQA is called upon to assure quality of the stores and QA charges are applicable as per provisions of paras above, then the same shall be recovered from the Indentors and credited in Govt Treasury / State Bank through MROs/ e-MRO by the concerned DGQA Establishments in respective heads of QA charges & GST. Adjustment of QA charges shall be made by the Controller General of Defence Accounts under Major Head 0076 - Defence Services-Army, Minor Head 108 - Inspection Organisation, Miscellaneous Receipt Code No. 420/30 under intimation to the concerned DGQA Establishment. The Goods and Services Tax (GST) will be paid by the Supplier / Indentors on reverse charge basis under section 9 (3) of GST Act 2017, directly to GST Authority. Proof of the same will be provided to the concerned DGQA Establishments.

6. The provisions of this letter will come with immediate effect.

7. This letter issues with the concurrence of Integrated Finance vide their ID No. 1(6)/ 2017- IF(DS) dated 03/05/ 2024.

Yours faithfully,

Ritu Sharma
09/05/24
(Ritu Sharma)

Under Secretary to the Govt of India

Copy to:-

CGDA

All PCDA(s)

DCDA, Meerut

DGQA/Adm-16 TC

Dte of Ordnance (Coord & Service), Kolkata / New Delhi Office

IF(DS), 21-B, South Block

JS(OF), MoD

MHA

D(QA)