

# V.B.GAIKWAD & ASSOCIATES

328, 'E' Ward, D/10, Royal Plaza, Dabholkar Corner, Kolhapur-416 001.

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28.10.2024.

To,

All

Sir,

Sub.: GST – Applicability of TDS provisions to the supplies of metal scrap falling under Chapters 72 to 81 of the GST Tariff – w.e.f. 10.10.2024 – Reg....

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We vide our earlier Circular dt.14.10.2024, whereunder we have informed you about the responsibility casted upon the registered person (purchasing the metal scrap from another registered person) of deducting and paying the TDS to the Government.

- [2] In continuation of the said Circular dt.14.10.2024, we herewith further inform you that, if the registered person (purchasing the metal scrap from another registered person) fails to deduct/pay the TDS (by filing monthly GSTR-7 return) on due date, then he will be liable not only to pay the interest @ 18% p.a. (from the due date till the date of actual payment) but also for penalties under Sec.122 of the CGST Act, 2017, which can be equal to the TDS amount, in terms of provisions of Sec.51(7) of the CGST Act, 2017.
- [3] Hence, we herewith advice you all to kindly implement/follow the procedure of deducting TDS/payment TDS on due dates by filing GSTR-7 returns, whenever you are buying any metal scrap from another registered person.
- [4] We also suggest you to inform the above said TDS provisions under GST to all those registered persons to whom you are supplying the metal scrap to avoid unnecessary complications such as blocking of part of your payment etc..
- [5] We hope we have clarified the matter. However, if you have any doubts about the issue, then kindly come for personal discussion to our office.

Thanking you,

Yours faithfully,

Sd/-

V.B.Gaikwad & Associates

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