



CIRCULAR

Circular No.	HPX_0019	Circular Date	21/03/2023
Category	Clearing & Settlement	Segment	REC/ESCERT
Subject	Withholding of 2% as Advance deposit for compliance of TDS on GST		

Dear Members,

With respect to applicability of Tax Deduction at Source (TDS) for Energy Certificates sessions as per Section 51 of the Central Goods and Services Tax, 2017 ("CGST Act"), Exchange would like to reiterate that in case of buyers, they shall submit a declaration to the exchange that TDS as per section 51 of CGST Act, is applicable on them, at least 3 working days before the trading session. Similarly, sellers who fall under the category specified in Section 51 will also have to intimate to the exchange at least 3 working days before the trading session about non applicability of Section 51 to them.

Members may kindly be informed that the TDS amount from the seller's pay-out will be held by the exchange. This money will be held on behalf of buyers who are liable to deduct TDS as per Section 51 of the GST Act. The Member/Buyer client shall deposit TDS as required under the GST regulation and furnish the necessary transactional evidence/mail to the exchange latest by **25th of the following month**. Once the said confirmation is received by the exchange it will transfer the withheld amount to the Buyer/Member.

In case, Exchange does not receive the above confirmation from the Member/Buyer client by the 25th of the following month, then the amount withheld by the exchange will be released to respective related seller. In such a case, all further settlement processes of TDS between the buyer and the Seller will have to be settled directly between the counterparties..

For and on behalf of

Hindustan Power Exchange Limited

SD/-

Naveen Godiyal

Vice President (Market Operations)

Hindustan Power Exchange Limited

(Formerly known as Pranurja Solutions Ltd)

Regd. Office: 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400001

Corporate Office: World Trade Tower, 8th Floor, Sector-16, Noida, UP- 201301

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