

To our valued supplier,

This has reference to the introduction of new section 194Q in the Income tax Act, 1961 (“the Act”) vide Finance Bill 2021. As you are aware, this new section is effective from **01 July 2021**. This section mandates all Buyers who are responsible for paying for purchase of goods to deduct Tax at Source (**TDS @ 0.1%**) subject to threshold limits as enumerated below:

1. Total turnover of the Buyer in preceding financial year (i.e. FY 2020-21) exceeds Rs.10 Crs.; and
2. The value of Goods purchased from the Seller exceeds Rs.50 Lacs in the said financial year.

Please note, if the Buyer is liable to deduct tax (TDS) on payments made to the Seller under above conditions, then the Seller need not levy Tax Collected at Source (TCS) as required u/Sec.206C(1H) of the Act.

In this context, we would like to inform you that **Tekni Plex India Pvt Limited** had turnover **exceeding Rs. 10 crores** in FY 2020-21. In view thereof, Tekni Plex shall be liable under law to deduct TDS while making payment for purchase of goods. Further, we request you **NOT TO LEVY TCS** on the sales invoice or by way of Debit note post 1st July, 2021 and Tekni Plex shall be complying with TDS provisions, since if any transaction is subject to both TDS u/s 194Q and TCS u/s 206C(1H), then Section 194Q applies.

We also certify that Tekni Plex has filed the return of income for two previous years (ie 2018-19 & 2019-20) immediately prior to the previous year in which tax is required to be deducted.

Details of return of income filed:

Nature of information	F.Y. 2018-19	F.Y.2019-20
Date of filing return of income	30 November 2019	15 February 2021
Acknowledgement number	265444051301119	262526151150221

For and behalf of **Tekni Plex India Pvt Ltd**

Umesh Mathur
Director

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by UMESH
MATHUR
Date: 2021.06.21
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Date: 21/06/2021

TEKNI PLEX INDIA PRIVATE LIMITED
CIN - U25209GJ2007PTC092960

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