

As per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by companies on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct tax at source at the prescribed rates ("TDS") at the time of making the payment of the dividend. Detailed instruction with regards to the same is given below.

#### Updation of details for TDS and payment of dividend

You are requested to register/update your Permanent Account Number, Bank details, Email address, Residential address, Residential status in India (i.e. Resident or Non-Resident for FY 2021-22) with your Depository Participant (in case of electronic holding) or with the Company/Registrar and Share Transfer Agent (in case of physical holding) latest by May 20, 2021. Details available with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories

will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

In view of the prevailing lockdown due to COVID-19 pandemic, the dividend will be paid electronically in the bank accounts of the Members whose Bank details are available with the Company/Registrar and Share Transfer Agent.

For the Members, whose Bank details are not updated/registered as aforesaid, the Company shall dispatch the same through postal services.

#### Provisions related to TDS and documents required

You are requested to take note of the below stated TDS rates and document(s), if any, required to be submitted to the Company or Registrar for your respective category on or before May 20, 2021, in order to comply with the applicable TDS provisions.

#### Resident Members

Tax is required to be deducted at source under Section 194 of the Income Tax Act, 1961, as amended by the Finance Act, 2020 ("the Act"), at 10% on the amount of dividend. However, the same may be subject to certain exceptions as per the Act, which are stated hereunder:

For Resident Individuals/ HUF /Domestic company/ Private trusts/ Other trusts/ Body of Individuals/ Association of Persons/ Partnership Firm / Limited Liability Partnership (LLP)/ Alternative Investment Funds (Category III) Members

- No tax shall be deducted on the dividend payable to resident individuals if the total dividend to be received during financial year 2020-21 does not exceed ₹ 5,000/-.

- No tax shall be deducted on the dividend payable to resident individuals if the Member has provided Form 15H (applicable to an Individual above the age of 60 years) or Form 15G, as per the attached formats, provided that all the required eligibility conditions are met.

- In case of Members who have provided a valid certificate issued under section 197 of the Act for lower / NIL rate of deduction or an exemption certificate issued by income tax authority, the rates mentioned in such certificate shall be considered for deduction of tax at source.

Note: Registering the valid Permanent Account Number (PAN) for the registered Folio/DP ID/Client ID is mandatory. In absence of PAN/Valid PAN, tax will be deducted at a higher rate of 20%, as per Section 206AA of the Act.

Download Forms -  
[Click Here](#) to download Form 15H  
[Click Here](#) to download Form 15G

#### For Resident Non-Individuals Members

No tax shall be deducted at source on the dividend payable to certain resident non-individuals as per the provisions of the Act on submission of the documents mentioned below:

**(a) Insurance Companies specified in the second proviso to Section 194 of the Act:** Declaration that the insurance company has full beneficial interest with respect to the shares owned by it along with an attested copy of the PAN of the insurance company.

**(b) Mutual Funds:** Certificate of registration under Section 10(23D) of the Act issued by the appropriate authority along with an attested copy of the PAN of the mutual fund.

**(c) Alternative Investment Fund:** Self-declaration that its income is exempt under Section 10(23FBA) of the Act and that the Fund is governed by the SEBI Regulations as Category I or Category II Alternative Investment Fund, along with an attested copy of the PAN and registration certificate.

**(d) Other Non-Individual Members:** Documentary evidence along with an attested copy of the PAN for Members who are exempted from deduction of tax under Section 194 of the Act, and categories covered under Section 196 of the Act.

#### (e) REIT/ InvIT:

As per the recent Union Budget, 2021, it is proposed that no TDS is applicable on Real Estate Investment Trust and Infrastructure Investment Trust.

Further, in case of Members who have provided a valid certificate issued under Section 197 of the Act for lower/ NIL rate of deduction or an exemption certificate issued by income tax authority, the rates mentioned in such certificate shall be considered for deduction of tax at source.

Note: Recording of the Valid Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. In absence of PAN/ Valid PAN, tax will be deducted at a higher rate of 20%, as per Section 206AA of the Act.