

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted by the shareholders and accepted by the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are summarized below:

**Table 1: Resident Shareholders**

<b>Particulars &amp; Category of shareholders</b>	<b>Rate of Tax Deduction</b>	<b>Exemption documents to be given</b>
<b>Resident Individuals</b>		
If total Dividend income to a resident individual shareholder in FY 2022-23 >Rs. 5,000	10% in case where PAN is provided/available - 20%, in other cases where PAN is not provided / not available or in case the shareholder falls in the category of "specified persons"*	Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode).
Shareholders providing duly signed Form 15G (applicable to <b>only resident individual shareholders</b> below the age of sixty years) /15H (applicable to <b>only resident individual shareholders</b> aged 60 years or more) provided that all the prescribed eligibility conditions are met.	NIL	Form 15G/15H duly signed – The forms are available on the website of Link Intime.
If total Dividend income to a resident individual shareholder in FY 2022-23 < Rs. 5,000	NIL	-
<b>Resident - Other than Individuals</b>		
Indian Commercial Banks/Indian Financial Institutions	10%	-
Insurance Companies: LIC & Other Insurance Companies such as GIC/United India Insurance Co/Oriental Insurance Co/New India Assurance	NIL	A declaration that it has a full beneficial interest with respect to the



Particulars & Category of shareholders	Rate of Tax Deduction	Exemption documents to be given
	10%	Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with a self-attested copy of the PAN card and registration certificate.  In case AIF other than those registered with SEBI as per S 115UB of the Act.
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Other resident shareholder without PAN/Invalid PAN/ or falling into the category of specified persons as per section 206AB of the Act*	20%	-

**Please Note that:**

- a) Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.
- b) Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts

**Table 2: Non-resident Shareholders**

Tax is required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at applicable rates in force. As per the said provisions, the tax shall be withheld @ 20% plus applicable surcharge and cess on the amount of dividend payable. However, as per Section 90 of the Income Tax Act, 1961, a non-resident payee has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India

and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the DTAA benefits, the non-resident shareholder will have to provide documents provided in the table:

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
<p>Any non-resident shareholder (This includes Foreign Companies, Corporate, Institutional Investors, Foreign Portfolio Investors, NRI, Foreign Nationals and other foreign entities)</p>	<p>20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower</p> <p>Or in case the shareholder is a specified person as per Section 206AB, then twice the above applicable rate would apply to the shareholder</p>	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty") as per Section 90 of the Income tax Act, 1961. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company</p> <ul style="list-style-type: none"> <li>• Copy of the PAN Card, if any, allotted by the Indian authorities.</li> <li>• Self-attested copy of Tax Residency Certificate (TRC) valid as on the record date, obtained from the tax authorities of the country of which the shareholder is resident.</li> <li>• Form 10F filed electronically on the Indian Income Tax web portal pursuant to Notification no. 03/2022 dated 16th July 2022 issued by the Central Board of Direct Taxes (CBDT), as required under the Income-tax Act, 1961. (Please note that the shareholders <b>who have PAN may not be eligible for DTAA benefit if the e-filed Form 10F is not furnished</b>. However, pursuant to the Notification dated December 12, 2022, CBDT has exempted those non-residents who are not having PAN and are not required to have PAN as per the law from mandatory e-filing of Form 10F online only until March 31, 2023, and such non-residents may make this statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022 till 31st March 2023 only). Self-declaration in Form 10F available on Link Intime Website will be accepted only for shareholders who do not PAN and are not required to have PAN as per the law.</li> <li>• Self-declaration in the prescribed format which is available in Link Intime website, certifying on the following points:</li> </ul>

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
		<p>i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2022-23;</p> <p>ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;</p> <p>iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;</p> <p>iv. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and</p> <p>v. Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2022-23.</p> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided.</p> <p>However, the Company in its sole discretion reserves the right to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts and to call for any further information. Application of DTAA rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company.</p>
Submitting Order under section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

**Note: The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.**

**Applicability of higher rates on Specified Person\* as per Section 206AB in case of Resident Members and Non-Resident Members who have Permanent establishment in India for TDS under section 194/195/196D of the Act:**

The rates of TDS under section 206AB of the Act shall be higher of the following:

- i. twice the rate specified in the relevant provision of the Act
- ii. twice the rate or rates in force; or
- iii. the rate of five per cent.

\* **Specified Person** means a person who has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year.

- In this regard, the company shall assess the 'Specified Person' based on the functionality provided by the Income Tax Department for compliance check under section 206AB.
- If any Resident or Non- Resident member is falling in the category of 'Specified Person' as per the above functionality by Income Tax Department, the Company shall be obliged to deduct tax at higher rate of TDS as per section 206AB of the Act (plus applicable surcharge and cess).

**Benefit under Rule 37BA:**

In case where shares are held by intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration within the prescribed date. Any declaration submitted after the cut-off date will not be accepted.