

**Communication regarding Tax Deducted at Source (TDS) on Dividend for the financial year ended 31<sup>st</sup> March, 2024:**

As you may be aware, the Board of Directors of the Company, have recommended Final Dividend @ Rs. 5.00 per Equity Share for the financial year ended 31<sup>st</sup> March, 2024.

The Final Dividend, if declared at the 59<sup>th</sup> Annual General Meeting of the Company, will be paid to the eligible shareholders within the stipulated period of 30 days of declaration.

Pursuant to the Income-tax Act, 1961, dividend income is taxable in the hands of the shareholders with effect from 1<sup>st</sup> April, 2020. The Company therefore will be required to deduct tax at source (TDS), as applicable, from the aforesaid dividend.

**I. Resident Shareholders**

**TDS will be deducted @10%** on the amount of dividend payable where a valid Permanent Account Number (PAN) has been furnished by the resident shareholders to their respective Depository Participants (in case shares are held in dematerialised form) or with the Company/RTA (in case shares are held in physical form).

**TDS will be deducted @20% i.e. at twice the applicable rate** on the amount of dividend payable where the resident shareholders:

- (i) have not furnished valid PAN, PAN is not linked with aadhar, or
- (ii) have not filed with the Income Tax Department their return of income for the previous two financial years and were subject to tax deduction / collection at source aggregating 50,000/- or more in each of those financial years.  
Such Shareholders, effective 1st July, 2021, have been classified as 'Specified Person' in terms of Section 206AB of the Income-tax Act, 1961.  
The Central Board of Direct Taxes (CBDT) has recently prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not.  
Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

**Shareholders who are yet to furnish their PAN to their respective Depository Participants or Company/ RTA are therefore requested to do so immediately.**

**No TDS, however, will be deducted from dividend payable to:**

- (a) Individual Shareholders, if:-
  - the amount of dividend payable in a financial year does not exceed 5,000/-, or
  - their income is below the taxable limit and declaration is received from the shareholders in Form 15G (for persons up to age of 60 years) or in Form 15H (for persons above the age of 60 years).
- (b) Insurance Companies (viz. LIC, GIC etc.), Mutual Funds, Alternative Investment Funds (incorporated in India) and NPS Trust, where documents complete in all respects are received from them.

## **II. Non-Resident Shareholders**

TDS will be deducted @ 20% (plus applicable surcharge and cess) or the Tax Treaty Rate, whichever is lower, on the amount of dividend payable to Foreign Portfolio Investors, Foreign Institutional Investors and other non-resident shareholders.

For availing the benefit of Tax Treaty Rate, the shareholders will be required to submit necessary documents to the Company complete in all respects.