

Dated: 16th February, 2022

To, BSE Ltd. Pheroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 Scrip Code: 523369	To, National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Scrip Code: DCMSRIND
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Sub: Interim Dividend 2022 - Communication on Tax Deduction at Source (TDS) on Dividend payout

Dear Sir,

We are enclosing herewith the details in respect of the Deduction of Tax at Source (TDS) on the amount of dividend income, from the Company. These being already circulated to shareholders.

Kindly take the same on record.

Thanking You,



Yours faithfully



(Y.D. Gupta)

**Company Secretary &
Compliance officer
FCS 3405**



Information regarding deduction of Tax at source:

This is to inform you that the Board at its meeting held on 14th February, 2022, has declared an interim dividend of Re. 1/- (i.e. 50%) per equity share of the face value of Rs. 2/- each fully paid-up for the financial Year 2021-22. The said dividend will be payable to those members whose names appear in the Register of Members of the Company on the record date **i.e. 24th February, 2022.**

In accordance with the provisions of the Income-tax Act, 1961 ("IT Act"), as amended from time to time, read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at the applicable rates. The tax rates would vary depending on the residential status of the shareholder and requisite documents registered with the Company.

RESIDENT SHAREHOLDERS:

i. Resident individual shareholders:

Particulars	Current rate of withholding tax
Valid PAN updated in the Company's Register of Members	10%
Members not having PAN (not registered) / invalid PAN	20%
Submission of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate

ii. Members may note that no tax is required to be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed Rs. 5,000 and also in cases where members provide valid Form 15G/Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. The formats of Form 15G/15H are given below:

[Click here](#) to download - Form 15G

[Click here](#) to download - Form 15H

You can also download Form 15G / 15H from the Income-tax website www.incometaxindia.gov.in

iii. Resident Shareholders other than individuals:

In case of a certain class of resident shareholders other than individuals who are covered under provisions of Section 194 or Section 196 or Section 197A of the Act, no tax shall be deducted at source ('NIL rate'), subject to submission of sufficient documentary evidence thereof, along with exemption notification, if any, as per the relevant provisions of the Income Tax Act, to the satisfaction of the Company. This illustratively includes following:

- i. Insurance Companies: Public Sector & other insurance companies: A declaration that it has a full beneficial interest with respect to the shares owned by it along with a self-attested copy of PAN card.
- ii. Mutual Funds: Self-declaration that they are specified and covered under Section 10 (23D) of the Act along with a self-attested copy of PAN card and registration certificate.
- iii. Alternative Investment Fund ('AIF'): AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the Act 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.
- iv. Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income: Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act along with a self-attested copy of the PAN card and registration certificate
- v. Other Resident Non-Individual Shareholders: Shareholders who are exempted from the provisions of TDS as per Section 194 of the Act or who are covered under Section 196 of the Act shall also not be subjected to any TDS, provided they submit an attested copy of the PAN along with the documentary evidence in relation to the same.

Application of Nil rate at the time of tax deduction / withholding on the dividend is subject to completeness and satisfactory review by the Company, of the documents submitted by such shareholders. Notwithstanding anything contained above, in case where the shareholders provide a certificate under Section 197 of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered, based on submission of self-attested copy of the same.

NON-RESIDENT SHAREHOLDERS

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates currently in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have 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 member, if

such DTAA provisions are more beneficial to the shareholder. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax authorities;
- Self-attested copy of Tax Residency Certificate ('TRC') obtained from the tax authorities of the country of which the shareholder is tax resident, valid as on date of payment;
- Self-declaration in Form 10F ([Click here to download Form 10F](#))
- Self-declaration for the financial year 2021-22 [[Click here to download the self-declaration format](#)], certifying the following:
 - Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year;
 - Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - Shareholder does not have a taxable presence or a permanent establishment in India during the financial year.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

Please note that the application of beneficial DTAA rate at the time of tax deduction / withholding on dividend shall be subject to completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders.

Dividend paid to Foreign Institutional Investors ("FII") and Foreign Portfolio Investors ("FPI")- Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to FII and FPI. For the purpose of withholding tax, it may not be possible to consider applicable DTAA benefits, if any, in case of FII and FPI since the provisions of the Act do not provide so;

Tax resident of any notified jurisdictional area - Where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under Section 94A (1) of the Act, tax will be deducted at source at the rate of 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such shareholder in accordance with Section 94A (5) of the Act.

Notwithstanding anything contained above, in cases where the shareholders provide a certificate under Section 197 of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY: 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.

SUBMISSION OF DOCUMENTS To enable us to determine the appropriate TDS / withholding tax rate applicability, the aforementioned documents are required to be submitted to the Registrar and Share Transfer Agent viz. KFin Technologies Private Limited ("RTA") by uploading self-attested copies of the same on <https://ris.kfintech.com/form15> not later than **26th February, 2022**. Communications or documents submitted thereafter will not be considered by the Company for computation of tax on dividend.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. However, no claim shall lie against the Company in respect of such taxes deducted.

For further information or clarification, Members can write to investorservices@dcmsr.com or to our RTA at inward.ris@kfintech.com.