



**Communication to Shareholders - Intimation on Tax Deduction on Dividend & Updation
of Email ID's, Mobile number and Bank details**

July 26, 2021

Dear Shareholder,

At the outset, we hope you are healthy and safe.

We are pleased to inform you that the Board of Directors at their Meeting held on May 10, 2021 have recommended a dividend of Rs. 3 per equity share of Rs. 10/- each for the year ended March 31, 2021, subject to the approval of Members at the ensuing Annual General Meeting.

As you are aware that as per the Income-tax Act, 1961 ('**the Act**') as amended by the Finance Act, 2020, dividends paid or distributed by a Company 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 time of making the payment of the said Dividend, if declared at the ensuing AGM.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositaries (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). No deduction of taxes in the following cases; <ul style="list-style-type: none">• If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed INR 5,000/-,• If shareholder is exempted from TDS provisions through any circular or notification

		<p>and provides an attested copy of the PAN along with the documentary evidence in relation to the same.</p> <p>Implications of Section 206AB of the Act effective from 1 July 2021 needs to be taken into consideration. As per Section 206AB of the Act where a person has not filed the return of income for two AYs, immediately prior to the PY in which TDS is required to be deducted and for which the time limit for filing the return of income under Section 139(1) has expired and the aggregate of TDS and TCS in his case is INR 50,000 or more in each of these two PYs, then in such a case tax shall be deducted at highest of the following rates:</p> <ul style="list-style-type: none"> ➤ At twice the rate specified under the relevant provision of the Act; or ➤ At twice the rate or rates in force; or ➤ At the rate of 5%. <p>Declaration may need to be obtained from the payee. The Income-tax department has released a new functionality wherein deductors can check if an Assessee is compliant with requirement of 206AB of the Act.</p>
Without PAN/ Invalid PAN	20%	
Resident Shareholder Submitting Form 15G/ Form 15H	NIL	Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years) - on fulfilment of prescribed conditions. The Link to obtain the declaration form is given herein below.
Resident Shareholder with an order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and IRDAI registration certificate
Corporation established by or under a Central Act which is, under any law for the time being in	NIL	Documentary evidence that the person is covered under section 196 of the Act.

force, exempt from income-tax on its income.		
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Alternative Investment fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 and Section 197A(1F) of the Act. Self-attested copy of valid SEBI registration certificate needs to be submitted.
Any other entity entitled to exemption from TDS	NIL	Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption needs to be submitted along with copy of PAN card.

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:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is more beneficial	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). 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"> • Copy of the PAN Card, if any, allotted by the Indian authorities. • Self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident. • Self-declaration in Form 10F (The Link to obtain the declaration form is given herein below) • Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax

		<p>Treaty benefit and do not / will not have place of effective management in India/ to be beneficial owner of dividend. (The Link to obtain the declaration form is given herein below)TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.</p> <ul style="list-style-type: none"> • Self-declaration that it is eligible to access the Tax Treaty and satisfies the Principal Purpose Test in the Tax Treaty read with MLI (wherever applicable). <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.</p>
Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI),GDR Holders	20% (plus applicable surcharge and cess)	<p>For FII's – as per section 196D, treaty benefit is now available after amendment introduced by the Finance Act 2021.</p> <p>As per Section 115AC/196C for GDR, rate is 10%. W.e.f. 01 July 2021 plus applicable surcharge and cess.</p>
Submitting Order under section 195(3)/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.

Members should submit declarations as mentioned in the Table 1 and 2 above in prescribed forms to avail the benefit of non-deduction of tax at source by uploading the aforesaid documents as applicable, on the following link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or email on dai-ichidivtax@linkintime.co.in or to be submitted to the Company at email ID investor@dai-ichiindia.com on or before **18th August, 2021** to enable the Company to determine the appropriate TDS rates. No communication on the tax determination/deduction received post **18th August, 2021** shall be considered for payment of the Dividend. It is advisable to upload the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

To view / download Form-15G <https://linkintime.co.in/website/GoGreen/2021/Update/Dai-Ichi Karkaria Limited/FORM 15G.pdf>

To view / download Form-15H <https://linkintime.co.in/website/GoGreen/2021/Update/Dai-Ichi Karkaria Limited/FORM NO 15H.pdf>

To view / download Form-10F <https://linkintime.co.in/website/GoGreen/2021/Update/Dai-Ichi Karkaria Limited/Form 10F.pdf>

To view / download Self declaration <https://linkintime.co.in/website/GoGreen/2021/Update/Dai-Ichi Karkaria Limited/Self%20Declaration%20Form-converted.pdf>

Updation of Email ID's, Mobile number and Bank details:

For Physical Shareholders - The Shareholders who have not registered their email addresses with the Company / RTA may get registered their email addresses at <https://web.linkintime.co.in/EmailReg/Email Register.html> by providing details such as Select company name from drop box, Folio Number, Certificate Number, Shareholder name, PAN, Mobile number, Email id and also upload the image of share certificate and PAN card in PDF or JPEG format (up to 1MB).

The facility for registration of bank details are also available at <https://web.linkintime.co.in/EmailReg/Email Register.html> on RTA website i.e. www.linkintime.co.in by providing details such as Bank account no, Bank name, IFSC code and also upload self-attested cancelled cheque leaf along with request letter duly signed in PDF or JPEG format (Up to 1MB). Alternatively they can provide necessary details by email to Company at investor@dai-ichiindia.com or to RTA at rnt.helpdesk@linkintime.co.in

For Demat Shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP).

We request your cooperation in this regard.

Thanking you,

Yours Sincerely,

For Dai-Ichi Karkaria Limited

Ankit Shah

Company Secretary & Compliance Officer