

**Subject: INDAG RUBBER LIMITED | COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS)  
ON DIVIDEND DISTRIBUTION**

Date: 20th July, 2021.

Ref: Folio / DP Id & Client Id No: \_\_\_\_\_

Name of Shareholder: \_\_\_\_\_

Dear Shareholder,

This is to inform that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after 1st April 2020, shall be taxable in the hands of the Members and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to Members. The TDS rate would vary depending on the residential status of the Member and the documents submitted by them and accepted by the Company.

Further, higher rate of TDS would be applicable, if pursuant to section 206AB of the Income Tax Act, 1961, shareholder being a "Specified Person".

A specified person is one who has not complied with filing of income tax returns for last two years and is having TDS of ₹ 50,000 or more in each of the previous two years. A non-resident not having permanent establishment in India is not considered as a specified person. These provisions are effective from July 01, 2021. The Company will be relying on the information verified by the utility available on the Income Tax website.

Accordingly, the above referred Final Dividend, if approved, will be paid after deducting the tax at source as follows:

**Resident Shareholder:**

Particulars	Applicable Rate	Documents required (if any)
With PAN	10%*	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Skyline Financial Services Private Limited (in case of shares held in physical mode).
Without PAN/ Invalid PAN	20%	
Submitting Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and

		<p>older), fulfilling certain conditions. The Forms are available at below links:</p> <p><a href="https://indagrubber.com/uploads/document/Form-15G.pdf">https://indagrubber.com/uploads/document/Form-15G.pdf</a></p> <p><a href="https://indagrubber.com/uploads/document/Form-15H.pdf">https://indagrubber.com/uploads/document/Form-15H.pdf</a></p>
Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.
An Insurance Company as specified under Sec 194 of the Income Tax Act, 1961)	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it along with Self attested PAN and registration certificate.
Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate.
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.	NIL	Documentary evidence that the person is covered under Section 196 of the Act.
Alternative Investment Fund (AIF) established in India	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 (OR) Self declaration that its income is exempt under 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 self-attested copy of the PAN card and registration certificate.
Recognized Provident Fund	NIL	Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees Provident

		Funds Act, 1952 needs to be submitted.
Approved Superannuation Fund	NIL	Self-attested copy of valid approval granted by the Commissioner needs to be submitted :
Approved Gratuity Fund		a) under Rule 2 of Part B of Fourth Schedule to the Act (In case of Approved Superannuation Fund) b) under Rule 2 of Part C of Fourth Schedule to the Act (In case of Approved Gratuity Fund)

**\* Notwithstanding the above, tax would not be deducted on payment of dividend to resident individual shareholder, if total dividend to be paid in FY 2021-2022 does not exceed Rs. 5,000.**

Deduction of tax at a rate lower than statutory rate or no deduction of tax shall depend upon the completeness of the documents and the satisfactory review of the forms and the documents, submitted by Resident shareholders, by the Company.

#### **Non-Resident Shareholder:**

<b>Particulars</b>	<b>Applicable Rate</b>	<b>Documents required (if any)</b>
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	None.
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate, whichever is lower	<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"> <li>• Self-attested Copy of the PAN Card, if any, allotted by the Indian authorities. If the PAN is not allotted, please provide your email address, contact number, tax identification number allotted in the country of residence and address in country of residence.</li> <li>• Self-attested copy of Tax Residency Certificate (TRC) valid as on the Board meeting date obtained from the tax authorities of the Country of which the shareholder is resident.</li> <li>• Self-declaration in Form 10F. Link for same is shared below: <a href="https://indagrubber.com/uploads/document/Form-10F.pdf">https://indagrubber.com/uploads/document/Form-10F.pdf</a></li> <li>• Declaration to establish the genuineness of applicability of treaty provisions including provisions of</li> </ul>

		<p>General Anti-Avoidance Rules and Multilateral Instruments</p> <ul style="list-style-type: none"> <li>• Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit and do not / will not have place of effective management in India.</li> </ul> <p>Link for same is shared below:  <a href="https://indagrubber.com/investorrelation/detail/5/18">https://indagrubber.com/investorrelation/detail/5/18</a></p> <ul style="list-style-type: none"> <li>• TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.</li> <li>• Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.</li> </ul>
`Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

The aforesaid documents, as applicable, should be provided to the company or RTA i.e. Skyline Financial Services Private Limited on their Mail-ID i.e. [info@indagrubber.com](mailto:info@indagrubber.com) and/or [admin@skylinerta.com](mailto:admin@skylinerta.com) to enable the Company to determine the appropriate TDS rates. It is advisable to provide the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.

**Note:** The Members 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.

It may be further noted that in case the tax on said Final Dividend is deducted at a higher rate in the 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.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the

Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

Members will also 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>.

**No claim shall lie against the Company for such taxes deducted.**

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Members should obtain the tax advice related to their tax matters from a tax professional.

We request your cooperation in this regard.

Thanking You,

Yours faithfully,

For **Indag Rubber Limited**  
**Company Secretary**