

Pursuant to the Income Tax Act, 2025 (erstwhile Income Tax Act, 1961), dividend income is taxable in the hands of the shareholders/members, therefore the company shall be required to deduct TDS/ Withholding Tax (TDS/ WHT) at the time of payment of dividend as per the applicable tax rates. The rates of TDS/ WHT would depend upon the category and residential status of the shareholder as briefed hereunder:

A. Tax on Dividend to Resident Shareholders

I. Tax on dividend to Resident Individual Shareholders

- a) Tax shall not be deducted on payment of dividend to **Resident Individual Shareholder**, if the total amount of dividend payable during the financial year does not exceed Rs. 10,000/-.
- b) Tax to be deducted on payment of dividend to Resident Individual shareholder, if the total amount of dividend payable during the financial year exceeds Rs. 10,000/- in the following manner:

Category of shareholder	Applicable Tax Rate	Documents required to be submitted
Resident individual shareholders with PAN	10%	PAN to be updated with Depository Participant/ RTA
Resident individual shareholders without PAN / invalid PAN	20%	NA

- c) Resident Individual Shareholders, desires to avail exemption from deduction of tax on payment of dividend exceeding Rs. 10,000/- during the financial year can do so in the following manner:

Category of shareholder	Applicable Tax Rate	Documents required to be submitted
Resident Individual shareholders with PAN:- a) For individuals with no tax liability on total income b) For individuals above the age of 60 years with no tax liability on total income	Nil	Copy of self-attested PAN & Declaration in Form 121

II. Tax on dividend to Resident Non-Individual Shareholders

Tax on dividend payable during the financial year to Resident Non-Individual Shareholders shall be deducted as per the following details:

Category of shareholder	Applicable Tax Rate	Documents required to be submitted
Resident Non-Individual Shareholders with PAN	10%	PAN to be updated with Depository Participant / RTA
Resident Non-Individual Shareholders without PAN / invalid PAN	20%	NA

However, the shareholder can avail exemption from TDS or lower rates by submission of following documents:

Category of shareholder	Applicable Tax Rate	Documents required to be submitted
Mutual Fund specified under Schedule VII Table Sr no.20 of the Income Tax Act, 2025	Nil	<ul style="list-style-type: none"> Copy of self-attested PAN & Certificate of registration with SEBI

		<ul style="list-style-type: none"> Self-Declaration under Schedule VII Table Sr no. 20 of the Income Tax Act, 2025
An Insurance Company exempted under Section 393 Sr no.10 of Table for No Deduction at Source of Income Tax Act, 2025	Nil	<ul style="list-style-type: none"> Copy of self-attested PAN & Certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC Self-Declaration qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938
Alternate Investment Fund (AIF established in India)	Nil	<ul style="list-style-type: none"> Copy of self-attested PAN & registration certificates for either Category I or Category II AIF as per SEBI Regulations Declaration under Schedule V Sr.no.1 of the Income Tax Act, 2025 for exemption
Other Non-Individual shareholders	Nil	<ul style="list-style-type: none"> Copy of self-attested PAN Self-Declaration along with self-attested copy of documentary evidence supporting the exemption
Shareholders who have submitted order u/s 395 of the Income Tax Act, 2025	As per order	<ul style="list-style-type: none"> Copy of self-attested PAN Lower/NIL withholding tax certificate for the FY 2025-26 obtained from tax authority to be submitted to claim the lower tax rates

B. Tax on Dividend to Non-Resident Shareholders

TDS/WHT on payment of dividend during the financial year to Non-Resident Shareholders shall be as follows:

Non-resident shareholders shall be taxed @ 20% plus applicable surcharge and cess on the dividend payable during the financial year. They can avail beneficial rates under tax treaty between India and their country of residence, subject to submission of necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41, any other document which may be required to avail the tax treaty benefits.

- C. 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. In case of joint shareholding, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.
- D. Members may note that in case the tax on said dividend is deducted at a higher rate in absence of timely receipt, or insufficiency/incompleteness/incorrectness of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Income Tax Act, 2025 and claim an appropriate refund, if eligible. **No claim shall lie against the Company for such tax deductions.**
- E. As per section 262 of the Income Tax Act, 2025, every person who has been allotted a PAN and who is eligible to obtain Aadhaar is required to **link the PAN with Aadhaar**. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 397(2) of the Income Tax Act, 2025. The Company

will be using functionality of the Income-tax Department for determination of status of PAN (operative/inoperative) for the purpose of section 397(2) of the Income Tax Act, 2025.

- F. In case the dividend income is assessable to tax in the hands of a person other than the registered shareholder as on record date, in terms of Rule 203 of the Income Tax Rules, 2026, the registered shareholder is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person on or before 24.09.2026. No request in this regard would be accepted by the Company/RTA after the said date.
- G. Format for submission of various declarations, forms, etc. mentioned above are made available on the website of the Company and the shareholders are requested to provide signed declarations to the Company at SCO 49-50, Sector- 26, Madhya Marg, Chandigarh, 160019 **or** to the RTA of the Company viz. MUFG Intime India Pvt. Ltd., Noble Heights 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi - 110058, Tel: 011-49411000, e-mail ID: investor.helpdesk@in.mpms.mufg.com on or before 30.09.2026 (Date of AGM).