

Communication to Shareholders for deduction of TDS on Final Dividend proposed for the financial year ended March 31, 2025

1. Tax Deducted at Source ("TDS") on Dividend:

Pursuant to the provisions of the Finance Act, 2020 dividend income is taxable in the hands of the Shareholders w.e.f. April 1, 2020, and accordingly, the Company would be required to deduct tax at source from the dividend paid to Shareholders, if so approved at the ensuing AGM at the prescribed rates.

The rate of TDS as per the Income Tax Act, 1961 ("the Act"), would depend upon the status of the recipient and is explained herein below:

i. Resident Shareholders:

In case of resident Shareholders, Section 194 of the Act provides mandate for withholding tax @ 10% on dividend income. No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the Financial Year to **Individual** Shareholder does not exceed Rs.10,000/-.

Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company / Registrar and Share Transfer Agent ("**RTA**") is invalid / inoperative, tax shall be deducted @ 20% as per section 206AA of the Act.

Also as per section 139AA of the Act, the individual shareholders are requested to ensure Aadhar Number is linked with PAN. In case of failure of linking Aadhar Number with PAN, PAN shall be considered as inoperative and, in such scenario, tax shall be deducted at higher rate of 20% as prescribed under the Act. However, one can link Aadhar Number with PAN by paying fine of Rs. 1,000/- (Rupees One Thousand only) and get the PAN operative again.

Resident Shareholders, being individuals, whose total dividend income in a Financial Year exceeds ₹ 10,000/- and who wish to receive dividend without deduction of tax at source may submit a declaration in Form No. 15G (for individuals below the age of 60 years, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form No. 15H (applicable to an individual of the age of 60 years and above with no tax liability on total income), in original to the RTA at beetalrta@gmail.com. The format for Form 15G and Form 15H have been uploaded on the Company's website as **Annexure 1** and **Annexure 2** respectively. Please note that all fields mentioned in the forms are mandatory and the Company will not accept the incomplete forms / forms filled incorrectly. Where a Shareholder furnishes a valid Nil or lower tax rate deduction certificate under Section 197 of the Act, TDS will be applied as per the rates prescribed in such certificate.

Any other entity entitled to exemption from TDS:

- i. **Insurance companies:** Documentary evidence that the Insurance company qualifies as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 and provisions of Section 194 of the Act are not applicable to them. (Format of declaration form is uploaded on Company's website as Annexure 3). Copies of self-attested registration documents and PAN card should also be provided.
- ii. **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of Section 10 of the Act and is covered under Section 196 of the Act. Format of declaration form is uploaded on Company's website as Annexure 3). Copies of self-attested registration documents and PAN card should also be provided.
- iii. **Alternative Investment Fund (AIF) established in India:** Self- declaration that its dividend income is not chargeable under the head 'Profit and Gains of Business or Profession' and exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. (Format of declaration form is uploaded on Company's website as Annexure 3). Copies of self-attested registration documents and PAN card should also be provided.
- iv. **Entities Exempt under Section 10 of the Act:** In case of resident non-individual Shareholders, if the income is exempt under the Act, the authorized signatory shall submit the declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS (Format of declaration form is uploaded on Company's website as Annexure 3). Copies of self-attested exemption document and PAN card should also be provided.
- v. **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 -** Documentary evidence that the person is covered under Section 196 of the Act.
- vi. **Beneficial ownership:** In case of equity share(s) held in the Company as a beneficiary; and are not subject to TDS under Section 196 of the Act, the person shall submit self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card (Format of declaration form is uploaded on Company's website as Annexure 3).
- vii. **Benefit under Rule 37BA:** In case where shares are held by Clearing Members/ Intermediaries/ Stockbrokers and TDS is to be applied by the Company in the PAN of the beneficial Shareholders then intermediaries/ stockbrokers and beneficial Shareholders will have to provide a declaration. (Format of declaration is uploaded on Company's website as Annexure 4).

These declarations should be submitted on or before Tuesday, July 29, 2025 to the RTA on beetalrta@gmail.com, beetal@beetalfinancial.com. Kindly note that no declaration shall be accepted after Tuesday, July 29, 2025.

Shareholders are requested to note that while submission of original form / documentary evidence is mandatory, they may e- mail the same at beetalrta@gmail.com, beetal@beetalfinancial.com, on or before record date i.e. 26th September, 2025

ii. Non-resident Shareholders (including Foreign Portfolio Investors/ Foreign Institutional Investors ('FPI / FI'))

In case of non-resident Shareholders other than foreign companies and firms (partnership firm/ LLP), the Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 50,00,000	Nil	20.80%
Dividend Income exceeds ₹ 50,00,000 but does not exceed ₹ 1,00,00,000	10%	22.88%
Dividend Income exceeding ₹ 1,00,00,000	15%	23.92%

In case of Shareholders, being foreign companies, the Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹ 1,00,00,000 but does not exceed ₹ 10,00,00,000	2%	21.216%
Dividend Income exceeding ₹ 10,00,00,000	5%	21.84%

In case of Shareholders, being firm (partnership firm/ LLP), the Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 1,00,00,000	Nil	20.80%
Dividend Income exceeding ₹ 1,00,00,000	12%	23.296%

In respect of non-resident Shareholders (including foreign companies and including FPI/ FI), the TDS rates mentioned above will be further subject to any benefits

available under the Double Taxation Avoidance Agreement (“DTAA”) read with Multilateral Instrument (“MLI”) provisions, if any, between India and the country in which the non-resident is considered resident in terms of such DTAA read with MLI.

In order to claim benefit under DTAA, the non-resident Shareholders would be required to submit the following documents on or before Tuesday, July 29, 2025

A. Self-Attested PAN

B. Tax Residency Certificate (“TRC”) issued by the Tax / Government authority of the country in which the Non-Resident shareholder is a resident of (valid for the relevant financial year).

Form 10F filed electronically on the Indian Income Tax web portal pursuant to Notification no. 03/2022 dated 16th July 2022 (User Manual of declaration form is uploaded on Company’s website as **Annexure 5**).

C. Declaration from Shareholders stating the following (template uploaded on Company’s website as **Annexure 6**):

- That the shareholder qualifies as ‘person’ as per DTAA and is eligible to claim benefits as per DTAA for the purposes of tax withholding on dividend declared by the Company.
- That the shareholder is and will continue to remain a tax resident of _____ (country of residence) during Financial Year 2025-26 (i.e. April 1, 2025 to March 31, 2026).
- That the shareholder did not at any time during the relevant year have a Permanent Establishment (‘PE’) in India.
- Dividend income is not attributable / effectively connected to any PE or Fixed Base in India
- That the shareholder is the beneficial owner of the dividend.
- That the construct and affairs of the shareholder is not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.
- That the arrangement of the shareholder is not covered under impermissible avoidance arrangement.

D. The Company will apply at its sole discretion and is not obligated to apply the beneficial DTAA rates for tax deduction on dividend payable to Shareholders. Application of beneficial DTAA rate shall depend upon the completeness and

satisfactory review by the Company of the documents submitted by the Non-Resident Shareholders.

- E. Where a shareholder furnishes valid nil / lower withholding tax certificate under Section 195/ 197 of the Act, withholding tax will be applied as per the rates prescribed in such certificate.
- F. In case shareholder is tax resident of Singapore and desires to claim treaty benefit, satisfaction of requirement of Article 24-Limitation of Benefit of India-Singapore tax treaty must be provided.
- G. Valid self-attested documentary evidence in support of the entity being entitled to exemption from TDS needs to be submitted. Shareholders are requested to note that while submission of original form / documentary evidence is mandatory, they may e-mail the said documents (except Annexure 4), to RTA at beetal@beetalfinancial.com, beetalrta@gmail.com on or before record date 26th September, 2025.

Please note: 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 are held under a PAN will be considered on their entire holding in different accounts.

The documents such as Form 15G/ Form 15H / Form 10F, documents under sections 196, 197A of the Act, FPI Registration Certificate, Tax Residency Certificate, Lower Tax Certificate / declaration under Rule 37BA of the Income Tax Rules, 1962 etc. can be uploaded on the link <https://ris.kfintech.com/form15> **on or before record date 26th September, 2025** to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received **post record date** shall not be considered by the Company / RTA and TDS will be deducted on the applicable rate.

Please note that the Company in its sole discretion reserves the right to call for any further information and/or to apply domestic law for TDS.

Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of Members on the Record Date, documents, information available in public domain, etc. In case of ambiguous, incomplete, or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

Shareholders may note 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, option is available to you to file the return of income as per the Act and claim for a credit / appropriate refund, if eligible.

Shareholders, whose **valid PAN** is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

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.

Please note that all the relevant annexures, as mentioned above, can be downloaded from the link:
www.mohanmeakin.com

The summary of annexures are as follows:

1. **Annexure 1** - FORM 15G.
2. **Annexure 2** - FORM 15H.
3. **Annexure 3** - Declaration of category of shareholder.
4. **Annexure 4** - TDS Declaration Format under Rule 37BA
5. **Annexure 5** - User Manual of FORM 10F
6. **Annexure 6** - Non-Resident Tax Declaration.