

# Taxation of Dividend Distribution

## Applicable tax rates for Resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
Any resident shareholder (with PAN)	10% *	Update valid PAN if not already done with depositories (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)
Any resident shareholder (without / invalid PAN)	20%**	
Resident individuals submitting Form 15G/ 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 older), fulfilling certain conditions. <a href="#">[Click to download Form 15G]</a> <a href="#">[Click to download Form 15 H]</a>
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	Documentary evidence that the provisions of section 194 of the Act are not applicable. <a href="#">[Click to download Annexure 3]</a>
Persons Covered under Section 196 of the Act (e.g. Mutual Funds, Business Trust, Alternative Investment fund, Govt. etc.)	NIL	Documentary evidence that the person is covered under said Section 196 of the Act. <a href="#">[Click to download Annexure 3]</a>

\* Notwithstanding the above, tax would not be deducted on payment of dividends to resident Individual shareholder, if the total dividend to be paid in FY 2025-26 does not exceed INR 10,000.

\*\*Further, according to the provisions of Section 206AA of the Income Tax Act, 1961 (“Act”), any person entitled to receive any income subject to tax deduction at source (‘TDS’) is required to furnish their Permanent Account Number (‘PAN’) to the person responsible for deducting such tax, failing which tax shall be deducted at the higher TDS rates prescribed under this section.

As per section 139AA of the Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and he shall be liable to all consequences under the Act and tax shall be deducted at higher rates as prescribed under the Act.

The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking validity of PANs / inoperative PANs in accordance with Section 206AA of the Act.

## Applicable tax rates for Non-resident Shareholders

Particulars	Applicable Rate	Documents required (if any)
Non-resident shareholders	20% (plus applicable surcharge and cess) or treaty rate if all documents are available	<ol style="list-style-type: none"> <li>Self-attested copy of the <b>Permanent Account Number (PAN Card)</b> allotted by the Indian Income Tax authorities.</li> <li>Self-attested copy of <b>Tax Residency Certificate (TRC)</b> obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 25-26.</li> <li>Self-declaration in <b>Form 10F</b> executed in electronic mode from Income tax portal at <a href="https://eportal.incometax.gov.in">eportal.incometax.gov.in</a>. <a href="#">[Click to download]</a> Annexure 4 for procedure to file electronic Form 10F]</li> <li>Self-declaration confirming not having a Permanent Establishment in India and eligibility for Tax Treaty benefit (of FY 2025-26 or calendar year 2025) <a href="#">[Click to download]</a> Annexure 5]</li> <li>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned tax treaty documents are not provided.</li> </ol>
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.

## Submission of Tax-Related documents to avail tax-exemption:

The applicable documents such as Form 15G/15H, documents under Sections 196, 197A, 199 of the Income Tax Act, 1961, should be sent to the below mentioned e-mail Ids, on or before **Wednesday, June 11, 2025**, to enable the Company to determine the appropriate TDS/withholding tax rate applicable.

E-mail Id for Resident Shareholders	<a href="mailto:csgexemptforms2526@in.mpms.mufig.com">csgexemptforms2526@in.mpms.mufig.com</a>
E-mail Id for Non- Resident Shareholders	<a href="mailto:nriexemptforms@tataelxsi.com">nriexemptforms@tataelxsi.com</a>
Due Date	Wednesday, June 11, 2025

**Any communication on the tax determination/deduction received after Wednesday, June 11, 2025, shall not be considered.** Documents sent from any other email IDs may lead to non-submission of documents and attract TDS as per the provisions of the Act.

Copies of the Form 15G, 15H, 10F, and documents under sections 196, 197A, 199 are also available for download at the Company's website <https://www.tataelxsi.com/investors/corporate-announcements>.

It may be further noted that in case the tax on said 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. **No claim shall lie against the Company for such taxes deducted.**

The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometaxindiaefiling.gov.in/home>.