

DNL/140/NSE/1505/2024
July 5, 2024

Listing Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
MUMBAI - 400 051

Dear Sir,

Stock Code: DEEPAKNTR

Sub :- Letter to Shareholders Communication regarding deduction of tax at source from dividends for the Financial Year 2023-24

Pursuant to the amendments introduced by the Finance Act, 2020, effective from April 1, 2020, the dividend income is taxable in the hands of the Shareholders. The Company is required to withhold tax at source from dividends paid to its Shareholders at the prescribed rates (plus applicable surcharge and cess), as may be notified from time to time.

In this regards, please note that the Company has sent Email Communications to all the Shareholders on July 5, 2024, who had registered their email ID's with the Company / RTA Depository Participants, about the intimation of Income Tax Rules w.r.t. Tax Deduction on Dividend, elaborating the process to be followed along with the necessary annexures and also for the updation of their PAN, Email Address, Mobile Number, Postal Address with PIN and Bank Account details. A copy of the Email Communication sent to the Shareholders is enclosed herewith.

The above information will be made available on the website of the Company at www.godeepak.com.

You are requested to kindly take the same on your record.

Thanking you,

Yours faithfully
For **DEEPAK NITRITE LIMITED**

ARVIND BAJPAI
Company Secretary

Encl: as above



DEEPAK NITRITE LIMITED

CIN: L24110GJ1970PLC001735

Registered & Corporate Office:

2nd Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara – 390 003, Gujarat, India.

Tel: +91 265 276 5200/276 5500

Investor Relations Contact: investor@godeepak.com

www.godeepak.com



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Tel: +91 265 276 5200/276 5500 | **Fax:** +91 265 276 5344

Email: investor@godeepak.com; **Website:** www.godeepak.com

Date: July 05, 2024

Sub.: Deepak Nitrite Limited ('the Company') – Communication regarding deduction of tax at source from dividends for the Financial Year 2023-24

Dear Shareholder,

We are pleased to inform you that the Board of Directors of the Company at their Meeting held on Monday, May 20, 2024 recommended a dividend of Rs. 7.50/- per Equity Share of face value of Rs. 2.00/- each for the year ended on March 31, 2024. The said dividend will be paid post approval of the shareholders at the ensuing 53rd Annual General Meeting ('AGM') to eligible members whose names appear in the Register of Members of the Company on the date of 30th July, 2024.

As you are aware that as per the provisions of the Income Tax Act, 1961 ('the Act'), dividend paid or distributed by a Company on or after April 01, 2020, is taxable in the hands of shareholders and the Company is therefore required to deduct tax at source ('TDS') from dividend paid to the shareholders at the applicable rates, if declared at the AGM.

In view of the above, we shall deduct and deposit tax, as applicable, on any dividend declared or paid by the Company, and pay the net dividend to the shareholder (as per the bank details available on records). Details of the TDS rates applicable to different categories of shareholders, and documentation required from you, are summarised below for your information and necessary action:

A. In case of a Resident Shareholder:

TDS rate	Category of shareholder and required documentation
10 per cent	Resident shareholder whose valid Permanent Account Number ('PAN') is available on records of the Company.
20 per cent	Resident shareholder whose valid PAN is not available on the records of the Company. Note: The shareholders are requested to ensure Aadhar Number is linked with PAN, as per the timelines prescribed. In case of failure, PAN shall

	<p>be considered as inoperative and, in such a scenario, tax shall be deducted at a higher rate of 20% as prescribed under the Act. Currently, the last date to link Aadhar Number with PAN has been extended to May 31, 2024. The provisions for higher tax deduction shall be applicable after that date, unless further extended.</p>
20 per cent	<p>Resident shareholder who has not filed Income Tax return for preceding one Financial Year and whose TDS/TCS credit in aggregate is more than Rs.50,000/-.</p> <p>For verifying the same, the Company shall be relying on the information verified from the functionality or facility available on the Income Tax website for ascertaining the income tax compliance for whom higher rate of TDS shall be applicable as per the provisions of section 206AB of the Act.</p>
Lower/Nil rate as specified in certificate issued under section 197 of the Act	<p>Resident shareholder who has obtained a certificate from the income-tax authorities under section 197 of the Income-tax Act, 1961 ('the Act') for TDS at a lower / Nil rate. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the Financial Year 2024-25.</p>
Nil	<p>Individual shareholders:</p> <ul style="list-style-type: none"> - If the total dividend to be received from the Company during Financial Year 2024-25 does not exceed Rs. 5,000; or - If duly verified Form 15G or 15H (as may be applicable) as per the format attached is furnished along with self-attested copy of PAN, subject to fulfillment of eligibility conditions as prescribed under the Act. The company may at its sole discretion reject the form if it does not fulfil the requirement of the law. <p>Other shareholders:</p> <ul style="list-style-type: none"> - <u>Mutual Funds</u>: Subject to a self-declaration that they are specified in section 10(23D) of the Act along with self-attested copy of PAN card and registration certificate. - <u>Insurance companies</u>: Subject to a self-declaration that it has full beneficial interest with respect to shares owned along with self-attested copy of PAN card. - <u>Alternative Investment Fund ('AIF')</u> established/incorporated in India: Subject to a self-declaration that its income is exempt under section 10(23FBA) of the Act 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 issued by SEBI. - <u>Corporation established by or under a Central Act whose income is exempt from income-tax</u>: Subject to a self-declaration of the documentary evidence supporting the exemption status along with self-attested copy of PAN card. - Government

	- The Reserve Bank of India
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B. In case of a Non-resident Shareholder:

TDS rate	Category of shareholder and required documentation
20 per cent (plus applicable surcharge and cess)	All non-resident shareholders, including Foreign Portfolio Investors ('FPIs')
Lower /Nil rate as specified in certificate under section 197	Non-resident shareholder who has obtained a certificate from the income-tax authorities under section 197 of the Act for lower / Nil rate of TDS, tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the Financial Year 2024-25.
Lower rate prescribed under the tax treaty which applies to the shareholder	<p>Non-resident shareholder (including FPI) can opt to be governed by the provisions of the tax treaty between India and the country of tax residence of the shareholder. Subject to the non-resident shareholder (including FPI) providing the below-mentioned documents, the Company will deduct tax at the rate prescribed in the tax treaty, wherever applicable:</p> <ul style="list-style-type: none"> - Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case PAN is not available, information to be provided under sub-rule (2) of rule 37BC of the Income Tax Rules as per attached format. - Self-attested copy of Tax Residency Certificate (TRC) applicable for the period April 2024 to March 2025 obtained from the tax authorities of the country of which the shareholder is resident. - Copy of Form 10F filed electronically on the income tax portal for Financial Year 2024-25, if all the details required in this form are not mentioned in the TRC. <p><u>Notes:</u></p> <ol style="list-style-type: none"> 1. Pursuant to Notification No. 03/2022 dated July 16, 2022 of the Central Board of Direct Tax ('CBDT'), it has been mandated for non-resident to issue Form 10F in electronic format (to be obtained through e-filing portal of income tax website) duly verified in manner as prescribed in the said Notification. <ul style="list-style-type: none"> - Self-declaration as per the format attached, which includes declaration that the shareholder: <ol style="list-style-type: none"> i. does not have a permanent establishment in India under the applicable Tax Treaty, ii. is the beneficial owner of the dividends,

	<p>iii. complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI')</p> <p>iv. will not have a place of effective management in India.</p> <ul style="list-style-type: none"> - FPI shareholders shall, in addition to above documents, also provide SEBI Registration Certificate as FII / FPI. - 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. <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company.</p>
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C. In the event the dividend income is assessable to tax in the hands of a person other than the registered shareholder, such registered shareholder is required to furnish to the Company a declaration as per the attached format (in terms of Section 199 of Income Tax Act read with Rule 37BA of the Income Tax Rules 1962) containing the name, address, residential status and PAN of the actual beneficial owner to whom TDS credit is to be given, and reasons for giving credit to such person.

Pursuant to the SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, it is mandatory to furnish PAN, KYC Details (including email, mobile number, and bank account details) and Nomination in respect of physical folios. Kindly ensure these details are updated with registrar to avail uninterrupted service request and dividend credit in bank account as no dividend will be paid to physical shareholders by way of issuance of physical warrant with effect from 1st April 2024.

Accordingly, in order to enable the Company to determine the appropriate TDS, **we request you to submit the above-mentioned details and documents** (duly completed, signed and scanned), **as applicable to you on or before July 30, 2024**, to our RTA, Link Intime India Private Limited by clicking the URL Link at <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. The dividend will be paid after deduction of TDS as determined on the basis of the aforementioned documents provided by the respective shareholders as applicable to them and being found satisfactory.

Documents received after July 30, 2024, and / or incomplete documents will not be considered.

The Company shall arrange to email the soft copy of the TDS certificate at your registered email address/ or send the same by post at your registered address in case where an email address is not available.

It may be further noted that in case the tax on the dividend, declared if any, is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, the shareholder has an option to file the return of income and claim an appropriate refund, if eligible.

To view / download Form 15G [click here](#).

To view / download Form 15H [click here](#).

To view / download Declaration - NR Shareholder [click here](#).

To view / download Declaration - Resident Shareholder Other Category [click here](#).

To view / download Declaration - Rule 37BA [click here](#).

To view / download Information under Rule 37BC [click here](#).

Thanking you.

Yours faithfully,

For **Deepak Nitrite Limited**

Sd/-

Arvind Bajpai

Company Secretary

Note: This is a system generated e-mail. Please do not reply to this e-mail.

Disclaimer: The above information does not constitute tax or legal advice. In view of the individual nature of the tax implications, each investor is advised to consult his or her own tax advisors with respect to the specific tax implications.