

Ref. : SEC/SE/2025/

18th August, 2025

BSE Ltd. 1 st Floor, New Trading Ring Phiroze Jeejeebhoy Towers Dalal Street MUMBAI : 400 001	National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block 'G' Bandra-Kurla Complex Bandra (East) MUMBAI : 400 051
Ref. : Company Code No. : 530001	Ref. : Company Code No. : GUJALKALI

Dear Sir/Madam,

Sub. : Communication to Shareholders – Intimation on Tax Deduction on Dividend

Pursuant to the changes introduced by the Finance Act, 2020, the Dividend Distribution Tax has been abolished with effect from 1st April, 2020 and the Dividend income has become taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an E-mail communication which has been sent today to all the shareholders whose email addresses are registered with the Company/Depositories, inter-alia, indicating the process and documentation required for claiming tax exemption on Dividend. The said communication is also available on the Company's website at www.gacl.com.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For GUJARAT ALKALIES AND CHEMICALS LIMITED


(S S BHATT)
COMPANY SECRETARY &
CHIEF GENERAL MANAGER (LEGAL, CC & CSR)

E-mail . cosec@gacl.co.in



Gujarat Alkalies and Chemicals Limited

(Promoted by Govt. of Gujarat)

Regd. Office & Works: P.O. Ranoli – 391 350, Dist. Vadodara (Gujarat) India.

Phone: +91-265-6111000 / 7119000; **Fax:** +91 -265-6111012

Website: www.gacl.com; **CIN No.:** L24110GJ1973PLC002247

Date: 18/08/2025

Name of the Shareholder: **{Name}**

Dear Shareholder,

Subject: Gujarat Alkalies and Chemicals Limited - Communication of Tax deduction at Source (TDS) on Dividend for the Financial Year 2024-25

We are pleased to inform you that the Board of Directors of the Company, at its meeting held on 16.05.2025, recommended a Dividend of Rs. 15.80/- per Equity Share of Rs. 10/- each (158%) for the Financial Year 2024-25 subject to the approval of shareholders. The said dividend will be payable to those shareholders whose names appear in the Register of Members of the Company on the Record Date / Book Closure Date (yet to be declared).

As you are aware, as per the provisions of the Income-tax Act, 1961 (the Act), as amended by the Finance Act, 2020, dividends paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct tax at source at the time of making the payment of the dividend, if approved, at the ensuing Annual General Meeting (AGM) of the Company.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident shareholder categories.

For resident shareholders

Tax will be deducted at source ("TDS") under Section 194 of the Income Tax Act ("the Act") @ 10% on the amount of dividend payable unless exempt under any of the

v. Other shareholders – Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;

Shareholders who have provided a valid certificate issued Under Section 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration (refer format).

Please note that pursuant to the SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024 and SEBI circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10th June, 2024, it is mandatory to furnish PAN, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature of physical securities. The security holders are requested to register Nomination and email address. This is applicable for all security holders holding shares in physical mode.

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, subject to amendments from time to time.

For NON-RESIDENT shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors)

Tax is required to be withheld in accordance with the provisions of Section 195 and Section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. In case non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower / NIL withholding taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Taxation Avoidance Agreement (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

- i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities; In case PAN is not available, the non-resident shareholder shall furnish (a) name, (b) e-mail ID, (c) contact number, (d) address in residency country, (e) Tax Identification Number of the residency country (link of format attached);
- ii. Self-attested copy of valid Tax Residency Certificate (“TRC”) obtained for the current year from the tax authorities of the country of which the shareholder is resident;
- iii. Electronically generated Form 10F from the Income Tax portal;

- i. NIL for resident (individual) shareholders receiving dividend up to INR 10,000 or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card linked to Aadhar is submitted.
- ii. 10% for other resident shareholders in case copy of PAN card is provided/available.
- iii. NIL / lower withholding tax rate for resident shareholders on submission of self-attested copy of the certificate issued under section 197 of the Act.
- iv. 20% for resident shareholders if copy of PAN card is not provided / not available / non-filers / non-operative PAN of return of income.
- v. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- vi. 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- vii. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under section 197/195 of the Act. Aforesaid rates will be subject to applicability of section 206AA/206AB of the Act.

Clearing member should ensure that as on record date no shares are lying in their account and shares are transferred to respective shareholder's account so that dividend is credited directly to shareholder's account and not to the clearing member's account. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format) with Company in the manner prescribed by the Rules at the earliest but before record date. The Company will not consider any declarations referred to Rule 37BA of Income Tax Rules, 1962 received after 30th September, 2025.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

For shareholders having multiple accounts under different status / category:

Shareholders holding equity shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to status in which shares are held under a PAN will be considered on their entire holding in different accounts.

option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

In the event of any income tax demand (including interest, penalty etc.) arising from misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information/documents and cooperation in any tax proceedings.

Shareholder can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or “View Your Tax Credit” on <https://www.tdscpc.gov.in>.

We seek your co-operation in the matter.

Thanking you,

Your sincerely,

For Gujarat Alkalies and Chemicals Limited

Sd/-

Sanjay S Bhatt

Company Secretary & CGM (Legal, CC & CSR)

[Click here](#) to download – 15H

[Click here](#) to download – 15G

[Click here](#) to download – self declaration (Resident shareholder)

[Click here](#) to download – self declaration (Non-resident shareholder)

[Click here](#) to download – declaration under Rule 37BC

Note: Please do not reply to this email as this e-mail is system generated.

Disclaimer: *The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Tax consequences depend on the facts and circumstances of each case. The Investors are advised to consult their tax Consultant to know and understand tax implications in respect of Dividend receivable, depending on their specific Residential Status under the Income Tax Act and the Rules, as amended.*