

**17.06.2026**

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 <b>Scrip Code: 532937</b> <b>Scrip ID: KUANTUM</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai 400 051 <b>Trading Symbol: KUANTUM</b>
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**Reg: Communication to Shareholders - Intimation on Tax Deduction on Dividend****Dear Sir/Madam,**

Pursuant to provisions of the Income Tax Act, 2025, dividend income is taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an email communication which is sent to eligible Shareholders having their email ID's registered with the Company/Registrar and Transfer Agent/Depositories, elaborating the process to be followed in respect of the applicability of tax deduction / formalities to be complied by the shareholders to ensure appropriate deduction of tax on the dividend/ documentation required for claiming tax exemption / withholding tax on the dividend, if declared and payable during the financial year 2026-27.

The above information is also available on the website of the Company [www.kuantumpapers.com](http://www.kuantumpapers.com).

This is for your information and records please.

Thanking you  
Yours faithfully

**For Kuantum Papers Limited**

**(Gurinder Singh Makkar)**  
**Company Secretary & Compliance Officer**  
**M. No.: F5124**



CIN:-L21012PB1997PLC035243

**Registered Office & Works:-**Saila Khurd 144529 Distt Hoshiarpur, Punjab, Phone-01884-502737  
**Corp. Off.:-** W1A FF Tower A Godrej Eternia, Plot 70, Indl Area-1, Chandigarh 160002, **Phone-** 0172-5172737  
**Web:-**www.kuantumpapers.com **Email:-**kuantumcorp@kuantumpapers.com

**THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**Ref: Folio / DP Id & Client Id No:**

**Name of the Shareholder:**

**Dear Shareholder,**

**Subject: Communication to Shareholders – Deduction of Tax at Source (“TDS”) on the amount of Dividend Income from Kuantum Papers Limited (“the Company”)**

We are delighted to inform you that the Board of Directors of Kuantum Papers Limited, at its meeting held on 26<sup>th</sup> May, 2026, has recommended the dividend of Rs. 2.5/- (i.e. @ 250%) per equity share of the face value of Re. 1/- each for the financial year 2025-26. This recommendation is subject to the approval of shareholders in the forthcoming Annual General Meeting scheduled to be held on 27<sup>th</sup> August, 2026. In terms of Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Record Date has been fixed as 20<sup>th</sup> August, 2026 for the purpose of determining the eligibility of shareholders for payment of Dividend, if declared by the Shareholders in the ensuing Annual General Meeting. The Dividend, subject to declaration, shall be paid within a period of 30 days from the date of AGM, electronically, through various online modes to those members who have updated their bank account details or through any other permissible mode.

We would like to draw your attention to the applicable Tax Deduction at Source (TDS) provisions under the Income Tax Act, 2025 ('the IT Act') for Resident and Non-Resident shareholder categories (Individual/Non-Individual):

**I. For Resident Shareholders -**

Tax is required to be deducted at source under Section 393 of the IT Act at the rate of 10% on the amount of dividend where shareholder(s) have registered their valid Permanent Account Number (PAN) and at a rate of 20% for cases wherein the shareholder(s) do not have PAN / have not registered their valid PAN details in their account.

**a. Resident Individuals:**

No tax shall be deducted on the dividend payable to resident individuals if –

- i. Total amount of dividend to be received during the Financial Year 2026-27 does not exceed Rs. 10,000/-
- ii. The shareholder provides Form 121 (applicable to all individuals) along with a copy of PAN card, provided that all the required eligibility conditions are met. These forms can be accessed at the link provided in this communication mentioned below.

*Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law.*

- iii. Exemption certificate is issued by the Income-tax Department, if any.

Note: Compulsory linking of PAN with Aadhar number is effective 1st July 2023. In case not done, PAN shall be considered inoperative and in such scenario, tax shall be deducted at higher rate of 20%.

**b. Resident Non-Individuals:**

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide required details and documents:

- i. **Insurance Companies:** Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.
- ii. **Mutual Funds:** Self-declaration that they are specified in Section 393(5) of the IT Act along with self-attested copy of the PAN card and SEBI registration certificate
- iii. **Alternative Investment Fund (AIF):** AIF established/incorporated in India - Self-declaration that its income is exempt under Schedule V of the IT 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 SEBI registration certificate.
- iv. **New Pension System (NPS) Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
- v. **Other Non-Individual shareholders:** Documentary evidence along with an attested copy of the PAN for Shareholders who are exempted from deduction of tax under Section 393 of the IT Act.

- c. In case, shareholders (both individuals or non-individuals) provide certificate under Section 197/395(1) of the Income-tax Act, 1961/Income-tax Act, 2025, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

**II. For Non-resident Shareholders –**

- a. Taxes are required to be withheld in accordance with the provisions of Section 393 of the IT Act as per the rates in force. As per the relevant provisions of the IT Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, certificate issued under Section 395 of the IT Act is given by non-resident shareholders for lower/ Nil withholding of taxes, rate specified in the said

certificate shall be considered based on submission of self-attested copy of the same.

- b. Further, as per Section 159 of the IT Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and their country of residence, if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:
- i. Self-attested copy of the PAN Card allotted by the Indian Income Tax authorities. If the PAN is not available, the non-resident shareholder shall furnish name, email address, contact number, tax identification number allotted in the country of residence and address in country of residence. Declaration under Rule 217 of Income-tax Rules, 2026 have to be provided.
  - ii. Self-attested copy of Tax Residency Certificate (TRC) (of FY 2026-27) obtained from the tax authorities of the country of which the shareholder is resident.
  - iii. Online Form 41 from Income tax portal.
  - iv. Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty (of FY 2026-27 or later)
  - v. Self-declaration of Beneficial ownership (of FY 2026-27 or later) by the non-resident shareholder.
  - vi. In case of shareholder being tax resident of Singapore proof of satisfying requirement of Article 24 – Limitation of Relief should be provided.

It is recommended that shareholders should independently satisfy its eligibility to claim Double Tax Avoidance Treaty benefit including meeting of all conditions laid down by Double Tax Avoidance Treaty.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

The exemption forms viz – **Form 121 and format of Declaration** as required to be provided by Resident/Non Resident shareholders can be **accessed and downloaded** from the website of the Company at <https://www.kuantumpapers.com/investor-services-forms/>

To determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 1961, we request you to provide the above-mentioned details and documents applicable to you **on or before 17<sup>th</sup> August, 2026, 11.00 A.M.** The dividend will be paid after deducting tax at source, as determined based on the documents provided by the respective shareholders and found satisfactory.

## **PAYMENT OF DIVIDEND**

The Dividend for FY 2025-26 will be paid after deducting the tax at source as under:

### **A. For resident shareholders:**

1. Nil in case the total dividend paid is up to Rs. 10,000/-.
2. Nil for resident shareholders in case Form 121 is submitted along with self-attested copy of the PAN linked to Aadhar. Please note that the duly filled up forms submitted through your registered email id will be accepted.
3. Lower/ NIL withholding tax rate on submission of self-attested copy of the certificate issued under Section 395(1) of the Income Tax Act, 2025.
4. 10% for resident shareholders in case PAN is provided / available.
5. 20% plus applicable surcharge and cess, for resident shareholders in case PAN is not provided / not available/ PAN-Aadhar linking not done.

### **B. For non-resident shareholders:**

1. Beneficial tax treaty rate (based on tax treaty with India) for non-resident shareholders, as applicable will be applied on the basis of documents submitted by the non-resident shareholders.
2. Lower/ NIL withholding tax rate on submission of self-attested copy of the certificate issued under Section 395(1) of the Act.
3. 20% plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted (including FII/ FPI).

### **C. For shareholders having multiple accounts under different status/ category:**

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 held under a PAN will be considered on their entire holding in different accounts.

### **Notes:**

1. Please note that the TDS rates mentioned above shall be duly enhanced by the applicable surcharge and cess except for resident shareholders and non-resident shareholders where tax treaty benefit has been taken.
2. Kindly be aware that the aforementioned documents need to be submitted with our Registrar and Share Transfer Agent (RTA) by visiting <https://masserv.com/investortax/investor25-26.asp> and selecting '**KUANTUM PAPERS LIMITED.**' from the drop down list and thereafter providing other information(s) i.e. Email ID; DPID-CLIENTID or Folio No. and scanned copy of the Documents determining the eligibility of shareholders for payment of Final Dividend is also required to be uploaded at '**UPLOAD TAX DOCUMENTS**' link (*Please note that Only PDF/JPG/JPEG/PNG/GIF/.ZIP file can be uploaded having maximum file size of 10MB*). Once uploaded please click the captcha and click the upload button. You are requested to upload the said documents on or before **17<sup>th</sup> August, 2026, 11.00 A.M.** This submission is necessary for

the Company to determine and deduct the appropriate TDS/withholding tax rate.

3. If you are holding shares in demat mode you can submit your documents at NSDL or CDSL with the help of your DP.
4. The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

**Any communication regarding the tax determination or deduction in relation to the dividend will not be entertained after 17<sup>th</sup> August, 2026, 11.00 A.M. (IST).** In the event that the tax on the dividend is deducted at a higher rate due to the absence of the aforementioned details/documents from you, you still have the option to file a return of income with the Tax Authorities and claim an appropriate refund, if eligible.

For all communications or queries regarding this matter, please address and send them to our RTA, Mas Services Limited, at their email address: [investor@masserv.com](mailto:investor@masserv.com).

Please find the required forms and annexures attached below:

To view / download Annexure-1 Form 121, [Click here](#).

To view / download Annexure-2 Resident Tax Declaration, [Click here](#).

To view / download Annexure-3 -Declaration under Rule 217, [Click here](#).

To view / download Annexure-4 No PE Declaration, [Click here](#).

To view / download Annexure-5 Form 41, [Click here](#).

To view / download Annexure-6 Declaration under Rule 203, for shareholder, [Click here](#).

Tax deducted by the Company shall be final and no claim shall lie against the Company for tax deducted at higher rate, for any reason, whatsoever.

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

In accordance with the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, dividend shall be paid only in electronic form. Shareholders who have not yet registered their bank details with the Company/ Depository Participants are requested to update the same as follows to ensure receipt of dividend in a timely manner.

To receive a dividend amount directly in your bank account, we request you to submit/ update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case you are holding shares in physical form, you will have to send a scanned copy of the covering letter, along with Form ISR-1, ISR-2, ISR-3 or SH-13 duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a self-attested copy of your PAN card and supporting documents which can be emailed to [investor@masserv.com](mailto:investor@masserv.com). In case the cancelled cheque leaf does not bear your name, please attach a bank pass-book statement having MICR Code, IFSC and Account No. duly attested by the Bank Manager of the first shareholder.

We also request you to update / register your email address and mobile numbers with your Depository Participant, in case you are holding shares in the electronic form and with the Company or the Registrar and Transfer Agent by sending an email to the abovementioned email address, if you are holding shares in physical form, for the purpose of receiving communications over email.

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, if the shareholder has provided valid PAN to company later on, shareholder has an option to file the return of income and claim an appropriate refund from Income Tax Authorities, if eligible.

**Disclaimer:** This communication should not be regarded as advice from the Company, its affiliates, or Mas Services Limited. Shareholders are advised to seek tax advice concerning their specific tax matters from a qualified tax professional.

We request your co-operation in this regard.

***Thanking you,  
Yours faithfully,  
For Kuantum Papers Limited***

***Gurinder Singh Makkar  
Company Secretary  
(Membership No.: F5124)***

**Note: Please don't reply to this e-mail, as this e-mail id is not monitored.**