



## Vinyl Chemicals (India) Ltd.

Regd. Off. : 7th Floor, Regent Chambers, Jammalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021.

Phone : 2282 2708 / 6982 9000

Website : [www.vinylchemicals.com](http://www.vinylchemicals.com) | Email : [cs.vinylchemicals@pidilite.com](mailto:cs.vinylchemicals@pidilite.com)

CIN : L24100MH1986PLC039837

30<sup>th</sup> April, 2026

The Secretary  
BSE Ltd.  
Corporate Relationship Dept.,  
14<sup>th</sup> floor, P.J. Tower,  
Dalal Street, Fort  
Mumbai- 400 001  
Stock Code-524129

The Secretary  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai- 400 051  
Stock Code- VINYLINDIA

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

Dear Sir/ Madam,

Please find enclosed herewith an email communication which has been sent 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 has also been uploaded on the website of the Company viz. [www.vinylchemicals.com](http://www.vinylchemicals.com).

Thanking you,

Yours faithfully,

For **VINYL CHEMICALS (INDIA) LIMITED**

**AARTI FALORH**  
**COMPANY SECRETARY**  
**FCS:8726**



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**Date: 29<sup>th</sup> April, 2026**

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

We are pleased to inform you that the Board of Directors of the Company at its meeting held on 24<sup>th</sup> April, 2026 have recommended a dividend of Rs. 7 (seven) per equity share of Re. 1/- each held as on the date of record date for the dividend payment for the Financial Year ended 31<sup>st</sup> March, 2026.

In terms of section 393(1) of the Income-Tax Act, 2025 ('the IT Act, 2025'), dividends paid or distributed by a company shall be taxable in the hands of the shareholders. The Company is 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).

You are requested to update your records in case of any changes in the information such as tax residential status, PAN, e-mail address, mobile number and other details with your relevant depositories through your Depository Participant in case you are holding shares in dematerialised form and in case you are holding shares in physical mode, you are requested to furnish the said details to M/s. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), the Registrar and Transfer Agent of the Company. The records may please be updated before **May 20, 2026** to ensure correct deduction of tax, if applicable.

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



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## I. For Resident Shareholders

Tax is required to be deducted at source under Section 393(1) of the IT Act, 2025, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN/inoperative/invalid PAN not linked with Aadhaar/ not registered their valid PAN details in their account in the Income-tax portal, TDS at the rate of 20% shall be deducted under Section 397(2) of the IT Act, 2025 or as per the applicable law.

### a. Resident Individuals:

No tax shall be deducted on the dividend payable to Resident Individuals if:

- i. Total dividend amount to be received by them during the Financial Year (FY) 2026-27 does not exceed Rs. 10,000/-; or
- ii. The shareholder provides valid Form No. 121 (applicable to resident individual, provided that all the required eligibility conditions are met. A declaration under section 393(6) of the I.T. Act, 2025 read with Rule 211 of the Income-tax Rules, 2026 ("the I.T. Rules, 2026") shall be furnished in Form No. 121 either electronically after due verification through an electronic process or in paper form. Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form, if it does not fulfil the prescribed requirement under the Act. The template of valid Form No. 121 is enclosed as [Annexure 1](#).
- iii. Exemption certificate is issued by the Income-tax Department, if any.

**Note: Recording of the PAN for the registered Folio/DP ID-Client ID is mandatory. In the absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 397(2) of the I.T. Act, 2025.**

### b. Resident Non-Individuals:

No tax shall be deducted on the dividend payable to the following categories of Resident Non-Individuals where they provide details and documents as per the format attached as [Annexure 2](#).

- 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.



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- ii. **Mutual Funds:** Self-declaration that it is registered with the SEBI and is notified under Schedule VII of the I.T. Act, 2025 (under Section 10 (23D) of the Income-tax Act, 1961) along with self-attested copy of PAN card and certificate of registration with the SEBI.
  - iii. **Alternative Investment Fund (AIF):** Self-declaration that its income is exempt under the Schedule V(1) of the I.T. Act, 2025 (under Section 10 (23FBA) of the Income-tax Act, 1961), and they are registered with the SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
  - iv. **New Pension System (NPS) Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption as per Schedule VII(41) of the I.T. Act, 2025 (under Section 10(44) of the Income-tax Act, 1961) 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:** Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.
- C. In case, shareholders (both individuals or non-individuals) provide certificate under Section 395 of the I.T. Act, 2025 (under Section 197 of the Income-tax Act, 1961), for lower / NIL withholding of taxes for Tax Year 2026-27, rate specified in the said certificate shall be considered, on submission of self-attested copy to the Company.

## II. For Non-resident Shareholders

### a. As per Domestic Tax Law

Taxes are required to be withheld in accordance with the provisions of Section 393 of the I.T. Act, 2025 (sections 195 or 196D of the Income-tax Act, 1961) as per the rates as applicable. As per the relevant provisions of the 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, Non-Resident Shareholders provide a certificate issued under Section 393 /395 of the I.T. Act, 2025 for Tax Year 2026-27, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

### b. As per Double Tax Avoidance Agreement (DTAA)

As per Section 159 of the I.T. Act, 2025 (section 90 of the Income-tax Act, 1961), the Non-Resident Shareholder has the option to be governed by the provisions of the DTAA between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail DTAA benefit, the Non-Resident Shareholders are required to submit the following documents:



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- i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities.
- ii. Self-attested copy of Tax Residency Certificate (TRC) (for the period of 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2027 or 1<sup>st</sup> January, 2026 to 31<sup>st</sup> December, 2026) obtained from the tax authorities of the country of which the shareholder is a resident (format attached herewith as [Annexure 3](#)).
- iii. Shareholders who have PAN or not and propose to claim treaty benefit, need to mandatorily file Form 41 online at the link <https://eportal.incometax.gov.in/> to avail the benefit of DTAA (format attached herewith as [Annexure 4](#)).
- iv. Self-declaration by the shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (for the period of 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2027 or 1<sup>st</sup> January, 2026 to 31<sup>st</sup> December, 2026) (format attached herewith as [Annexure 5](#)).
- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.
- vi. In case of shareholders who are tax residents of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA). It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

All shareholders are requested to check / update their correct name, PAN, address, residential status, etc. with your Depository Participant (in case shares are held in demat mode) or the Company/R & T Agents (in case shares are held in physical mode).

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA 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.

### **PAYMENT OF DIVIDEND**

The following provisions under the Act will also be considered to determine the applicable TDS rate:



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### **A. TDS to be deducted at higher rate in case of invalid PAN**

As per section 262 of the I.T. Act, 2025 (Section 139AA of the Income-tax Act, 1961), 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 with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 373 of the I.T. Act, 2025 (section 206AA of the Income-tax Act, 1961). The Company will be using functionality of the Income-tax department for the above purpose. Shareholders may visit <https://www.incometax.gov.in/iec/foportal/> for FAQ issued by Government on PAN-Aadhar linking.

### **B. Declaration under Rule 203 of the I.T. Rules, 2026 (Rule 37BA of the Income-tax Rules, 1962):**

In terms of Rule 203 of the I.T. Rules, 2026 (Rule 37BA of the 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 with the Company in the manner prescribed in the Rules.

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

Shareholders holding equity shares under multiple accounts under different status / category and single PAN or without 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.

### **SUBMISSION OF TAX RELATED DOCUMENTS:**

#### **Resident Shareholders**

The documents such as Form 121, documents under section 393etc. can be uploaded on the link <https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html> on or before 20<sup>th</sup> May, 2026 to enable the Company to determine the appropriate TDS/ withholding tax rate applicable. Any communication on the tax determination/deduction received post 20<sup>th</sup> May, 2026 shall not be considered.

Shareholders can send the other documents at the following email id:

Resident Shareholders	<a href="mailto:Csgexemptforms2627@in.mpms.mufg.com">Csgexemptforms2627@in.mpms.mufg.com</a>
Non-Resident Shareholders	<a href="mailto:cs.vinylchemicals@pidilite.com">cs.vinylchemicals@pidilite.com</a>



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Please note that if the above documents are sent to email address other than those mentioned above will not be considered and may be treated as non-submission of documents and attract TDS as per the provisions of the Act. These documents should reach the Company/R & T Agents on or before 20<sup>th</sup> May, 2026 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post 20<sup>th</sup> May, 2026.

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 the appropriate refund, if eligible.

The tax credit can also be viewed in Form 168 (old Form 26AS/AIS/TIS) 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.incometax.gov.in/iec/foportal/>.

### **UPDATION OF BANK ACCOUNT DETAILS:**

Shareholders are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Company to effect timely credit of dividend in their bank accounts. We seek your cooperation in this regard.

The shareholders holding shares in physical folios are requested to note that SEBI vide its Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May, 2024 read with Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10<sup>th</sup> June 2024 issued to the Registrar & Transfer Agents and SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17<sup>th</sup> November, 2023, as amended, has mandated that effective 1<sup>st</sup> April, 2024, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Choice of Nomination, Contact Details (Postal Address with PIN and Mobile Number) Bank Account Details and Specimen Signature for their corresponding physical folios to the Company or the RTA.

This Communication is not exhaustive and does not purport to be complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

No claim shall lie against the Company for such taxes deducted.



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Post payment of the said Dividend, shareholders will also be able to see the credit of TDS in Form 168, which can be downloaded from their e-filing account at income tax department's website <https://eportal.incometax.gov.in/>.

To view / download Annexure 1 Form No 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 Form 41 [click here](#)

To view / download Annexure 5 Non Resident Tax Declaration [click here](#)

Yours faithfully,  
For Vinyl Chemicals (India) Limited

Aarti Falorh  
Company Secretary