



PIIL:SEC: NSE\_BSE: 101\_21-22

February 08, 2022

BSE Limited Corporate Relationship Deptt. PJ Towers, 25th Floor, Dalal Street, Mumbai - 400 001  Code: 523642	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  Code: PIIND
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Dear Sir,

**Sub: Interim Dividend FY 2021-22. Communication on Tax Deduction at Source (TDS) on Dividend payout**

Dear Sir,

We are enclosing herewith the communication being sent to the shareholders through email on the above referred subject for dissemination of information widely to the members.

A copy of the above communication is also available on the website of the Company [www.piindustries.com](http://www.piindustries.com).

You are requested to take the same on your records.

Thanking You.

Yours faithfully,  
For PI Industries Limited

  
Naresh Kapoor  
Company Secretary



Encl: As above.



## PI Industries Limited

CIN: L24211RJ1946PLC000469

Regd. Office: Udaisagar Road, Udaipur - 313 001 (Raj.)

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February 08, 2022

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder :

**Sub: Communication in respect of Deduction of tax at source on Interim Dividend declared during F.Y. 2021-22.**

Dear Shareholder(s),

Hope this communique finds you safe and in good health.

We are pleased to inform you that the Board of Directors of PI Industries Limited ('the Company') in their meeting held on February 03, 2022 has approved the payment of interim dividend of Rs. 3/- (Rupees Three Only) per equity share of Re. 1/- each for the Financial Year 2021-22 with **February 15, 2022** being fixed as Record Date for payment of the said interim dividend.

Pursuant to the amendments introduced in the Income-tax Act, 1961 ('the Act') vide Finance Act, 2020, dividend paid after April 1, 2020, shall be taxable in the hands of the Shareholders and the Company shall be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status, category of the shareholder and is subject to provision of requisite declarations / documents to the Company. **However, no tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend for the Financial year ('FY') 2021-22, does not exceed Rs. 5,000/- .**

Shareholders are requested to take note of the TDS rates and document(s), if any, required to be submitted to the Company by **February 21, 2022** for their respective category, in order to comply with the applicable TDS provisions.

**KINDLY NOTE THAT FINAL DIVIDEND FOR 2020-21, WHICH WAS PAID ON OCTOBER 04, 2021 WILL ALSO BE CONSIDERED FOR CALCULATING THRESHOLD EXEMPTION LIMIT OF RS. 5000. IN THE EVENT OF NON- DEDUCTION/SHORT DEDUCTION OF TDS FROM DIVIDEND PAID EARLIER, THE ELIGIBLE TDS WOULD BE DEDUCTED FROM THE CURRENT INTERIM DIVIDEND.**

## A. RESIDENT SHAREHOLDERS:

A.1 Tax deductible at source for Resident Shareholders (other than resident individual shareholders receiving dividend not exceeding INR 5,000 during the Financial Year 2021-22)

Sr. No.	Particular	Withholding tax rate	Declaration / documents required
1	Valid PAN updated with the Registrar and Transfer Agent ('RTA') in case shares are held in physical form; or depository participant in case shares are held in dematerialized form and no exemption sought by Shareholder; and Aadhaar linked with PAN and filing of Income Tax return for preceding 2 FY's	10%	<a href="#">Annexure-1.pdf</a>
2	No / Invalid PAN registered with the RTA in case shares are held in physical form; or depository participant in case shares are held in dematerialized form and no exemption sought by Shareholder and non-furnishing of Declaration in Annexure 1.	20%	N.A.
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of the Act, subject to compliance of requirements mentioned in Declaration in Annexure 1.	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"><li>• Self-attested Copy of PAN card</li><li>• Copy of lower tax withholding certificate obtained from Income Tax Department</li><li>• <a href="#">Annexure-1.pdf</a></li></ul>
4	Shareholder is a "specified person" as defined in section 206AB of the Income Tax i.e. has not filed the returns for FY 2018- 19 and FY 2019-20 within the permissible time limit and was subjected to TDS/ TCS of Rs. 50,000 or	20%	The Company shall verify the status at Compliance Check functionalitv

	more in each of the said two FYs.		provided by the Central Board of Direct Taxes (CBDT).
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A.2 Nil Tax Deductible at Source on dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in column no.3 of the below table with the RTA

Sr. No.	Particular	Declaration / documents required
1	Shareholder (other than a Company or a Firm) submitting Form 15G/ 15H	<ul style="list-style-type: none"> <li>• Self-attested Copy of PAN card</li> <li>• 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 above), fulfilling prescribed conditions.</li> <li>• Refer <a href="#">Annexure-2.pdf</a>- Form 15H, <a href="#">Annexure-3.pdf</a>- Form 15G to download the forms</li> <li>• <a href="#">Annexure-1.pdf</a></li> </ul>
2	Insurance Companies to whom section 194 of the Act does not apply.	<a href="#">Annexure-4.pdf</a>
3	Shareholder covered u/s 196 of the Act such as Government (Central/State), RBI, Mutual Funds specified u/s 10(23D), corporations established by Central Act and exempt from Income Tax.	<a href="#">Annexure-4.pdf</a>
4	Category I and II Alternative Investment Fund (AIF) u/s 197A(1F) read with Notification 51/2015	<a href="#">Annexure-4.pdf</a>
5	National pension scheme u/s 197A(1E)	<a href="#">Annexure-4.pdf</a>

6	Entities falling under Circular 18/2017 - recognized PF fund, Superannuation fund, gratuity fund.	<a href="#">Annexure-4.pdf</a>
7	Any other entity exempt from withholding tax under the provisions of section 197A of the Act	<a href="#">Annexure-4.pdf</a>

**MEMBERS WHO HAVE ALREADY SUBMITTED FORM 15G/15H FOR F.Y. 2021-22 ARE ADVISED TO REVIEW THE EARLIER DECLARATION AND SUBMIT FRESH FORM 15G/15H IF THE DIVIDEND TO BE RECEIVED DURING THE YEAR 2021-22 (i.e., FINAL DIVIDEND 2020-21 + 1st INTERIM DIVIDEND 2021-22) EXCEEDS AMOUNT ALREADY DECLARED IN FORM 15G/15H.**

**KINDLY NOTE THAT ONLY THOSE 15G / 15H FORMS SHALL BE CONSIDERED WHICH ARE FOUND COMPLETE IN ALL RESPECTS AND NO FURTHER OPPORTUNITY FOR RESUBMISSION OF THE FORM(S) WILL BE PROVIDED.**

**B. NON-RESIDENT SHAREHOLDERS:**

Tax deductible at source for non-resident shareholders.

Sr. No.	Particular	Withholding tax rate	Declaration / documents required
1	Non-resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate as per provisions of applicable Double Taxation Avoidance Agreement, read with Multilateral Instrument between India and the country of tax residence of the member. For this purpose, non-resident shareholder will have to provide following documents: <ul style="list-style-type: none"> <li>Self-attested Copy of PAN card (if available)</li> <li>Copy of Tax Residency certificate issued by revenue authority of country of residence of shareholder for the financial year 2021-22 (covering the period from 1st April, 2021 to 31st March, 2022) obtained from the revenue authorities of the country of tax residence. duly</li> </ul>

			<p>attested by the shareholder</p> <ul style="list-style-type: none"> <li>• Self-Declaration in Form 10F (<a href="#">As per Annexure-5.pdf</a>)</li> <li>• Self-declaration for no permanent establishment / fixed base / business connection in India, place of effective management, beneficial ownership and eligibility to avail tax treaty benefit [on shareholder's letterhead] (<a href="#">As per Annexure-6.pdf</a>).</li> </ul> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty).</p>
2	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 195 or 197 of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	Copy of the lower tax withholding certificate obtained from Income Tax Department

Notes:

i. The aforesaid documents and annexures has to be uploaded on the link <https://ris.kfintech.com/form15/> on or before **21<sup>st</sup> February, 2022** enable the Company to determine the appropriate withholding tax rate applicable at the time of payment of interim dividend, if any. In case where copy of documents (such as, PAN card, Registration certificate) is provided, the copy should be self-attested by the Shareholder or its authorized signatory. Any communication in relation to tax rate determination/deduction received post **21<sup>st</sup> February, 2022** shall not be considered.

ii. Determination of withholding tax rate is subject to necessary verification by the Company.

iii. The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / RTA post payment of the dividend. Shareholders will be able to download the tax credit statement from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).

iv. In case withholding tax is deducted at a higher rate, an option is still available with the shareholder to file the return of income with the dept. of Income Tax and claim an appropriate refund. No claim shall lie against Company for any taxes deducted by the Company.

v. 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, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.

vi. This Communication is not exhaustive and does not purport to be a 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.

vii. We request all shareholders to share their email ids for effective communication. The aforementioned details are also available on the website of the Company. Thanking you,

Yours faithfully,  
For PI Industries Limited

Sd/-  
**Naresh Kapoor**  
**Company Secretary**