



**SINGER INDIA LIMITED**

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(CIN: L52109DL1977PLC025405)

Dear Member,

Dated: \_\_\_\_\_

**Folio No. / DP ID & Client ID No. :**

**Name :**

**Sub: Singer India Limited-General Communication on Tax Deduction at Source on Dividend**

Dear Shareholder,

Singer India Limited has a past history of declaring dividends to its shareholders. We are sharing this general communication so as to inform our shareholders about the revised provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020 and the relevant documentation required to be furnished by the shareholders to the Company in this regard. Shareholders are requested to note that as per the revised provisions of the Income Tax Act, 1961 (“the Act”), dividends paid or distributed by a company after April 1, 2020 are taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the applicable rates (“TDS”) at the time of making the payment of dividends as and when declared by the Company.

The TDS rate would vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The information given in the table below provides a brief of the applicable TDS provisions under the Act for Resident and Non-Resident shareholder(s) categories along with the required documents.

All shareholders are requested to update the residential status and category in their respective Demat accounts, if the shareholding is in Demat form or with the Company's Registrar & Transfer Agent ('RTA'), if the shareholding is held in physical form, as may be applicable. The TDS rates for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

**Table 1: Resident Shareholders**

<b>Category of shareholder</b>	<b>Tax Deduction Rate</b>	<b>Exemption applicability / Documentation requirement</b>
Any resident shareholder holding PAN	10%*	Update the PAN if not already done with depositaries (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agents –MCS Share Transfer Agent Limited (in case of shares held in physical mode). No deduction of taxes in the following cases:

		<ul style="list-style-type: none"> <li>• If dividend income to a Resident Individual shareholder during FY 2020-21 does not exceed INR 5,000/-,</li> <li>• If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.</li> </ul>
Submitting Form 15G/ Form 15H	NIL	<p>Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm) (<b>Annexure I enclosed</b>).</p> <p><a href="file:///C:/Users/Administrator/Downloads/Annexure-I-FORM_15G.pdf">file:///C:/Users/Administrator/Downloads/Annexure-I-FORM_15G.pdf</a></p> <p>Form 15H (applicable to an Individual above the age of 60 years) - on fulfilment of prescribed conditions. (<b>Annexure II enclosed</b>).</p> <p><a href="file:///C:/Users/Administrator/Downloads/Annexure-II-FORM_NO_15H%20(2).pdf">file:///C:/Users/Administrator/Downloads/Annexure-II-FORM_NO_15H%20(2).pdf</a></p>
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that shares are owned by it or it has full beneficial interest in such shares along with self-attested copy of PAN card and registration document.
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income- tax on its income.	NIL	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act along with self-attested copy of PAN card and registration certificate.
Alternative Investment fund	NIL	Self-declaration that its income is exempt under Section 10(23FBA) of the Act and they are governed by SEBI regulations along with self-attested copy of the PAN card and registration certificate.
Other resident shareholder without PAN/Invalid PAN	20%	-

*\*A TDS of 10% applies to the dividend income distribution per investor. However, no TDS is applicable if the dividend receipt from a company or mutual fund does not exceed Rs 5,000 annually. For the FY 2020-21, the rate of TDS stands reduced to 7.5% for dividends, the reduced rate of TDS on Dividend u/s 194 shall be applicable effective from 14.05.2020 upto 31.03.2021.*

**Please Note that:**

- **Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.**
- **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.**

**Table 2: Non-resident Shareholders**

Category of shareholder	Tax Deduction Rate	Exemption applicability/Documentation requirement
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company:</p> <ul style="list-style-type: none"> <li>• Copy of the PAN Card, if any, allotted by the Indian authorities.</li> <li>• Self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident.</li> <li>• Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit.</li> <li>• Self-declaration in Form 10F. (<b>Annexure III- Enclosed</b>). <a href="file:///C:/Users/Administrator/Downloads/Annexure-IV-Form_10F.pdf">file:///C:/Users/Administrator/Downloads/Annexure-IV-Form_10F.pdf</a></li> </ul> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the</p>

		documents submitted by the Non-resident shareholder and are in accordance with the provisions of the Act.
Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI)	20% (plus applicable surcharge and cess)	None
Submitting Order under section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

Shareholders are requested to submit all the relevant applicable documents duly completed and signed at [secretarial@singerindia.net](mailto:secretarial@singerindia.net) & /or [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

The Company shall consider the requests received by it from its shareholders before the Record Date(s) fixed by the Company in relation to its proposed dividend(s) if any.

It may be further noted that in case the tax on said Dividend is deducted at a higher rate in 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 an appropriate refund, if eligible.

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

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

The Company shall arrange to email a soft copy of the TDS certificate at the shareholders registered email ID in due course, post payment of the said Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>

#### **Updating of Bank Account:**

Shareholders are requested to ensure that their bank account details are updated with their respective demat accounts, to enable the Company to make timely credit of dividends in their respective bank accounts.

In case of any query you reach out to us by sending an email at [secretarial@singerindia.net](mailto:secretarial@singerindia.net)

Thanking you and anticipating your cooperation in this regard.

We solicit your cooperation in this regard.

Thank you & regard  
Sd/-  
(Priyanka Gandhi)  
Company Secretary