



TTK PRESTIGE LIMITED

Registered Office: Plot No.38, SIPCOT Industrial Complex,
Hosur - 635 126, Tamilnadu India,
CIN: L85110TZ1955PLC015049

Email: investorhelp@ttkprestige.com, Website: www.ttkprestige.com

PHONE NO. 91-80 22217438 & 39

November 12, 2020

Dear Shareholder,

**Subject: Deduction of tax at source on Interim Dividend payout for the year ended on
March 31, 2021**

We hope that you and your family are doing well and are safe and healthy.

We wish to inform you that the Board of Directors of your Company at their meeting held on November 10, 2020 has approved payment of Interim dividend of Rs. 20/- per equity share having nominal value of Rs.10/- each for the financial year ended March 31st, 2021.

The Record Date for the said Interim Dividend is Friday, November 20, 2020, and the same shall be paid either in electronic or in physical form, on December 2, 2020, to those shareholders whose names appear in the Register of Members of the Company as of November 20, 2020.

As you may be aware, in terms of the provisions of the Income-tax Act, 1961("the Act"), as amended, read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source at applicable rates at the time of payment of dividend.

For resident shareholders: Tax will be deducted at source ("TDS") @ 7.5% on the amount of dividend payable under Section 194 of the Act, unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply, if the aggregate of total dividend distributed to them by the Company during FY 2020-21 does not exceed Rs. 5,000.

Tax at source will not be deducted in cases where a shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. Blank Form 15G and 15H are attached herewith and can also be downloaded from the link given at the end of this communication

Needless to mention, the Permanent Account Number (PAN) will be mandatorily required.

In order to provide exemption from withholding of tax, the following organizations must provide a self-declaration as listed below:

- **Insurance companies:** A declaration that they are beneficial owners of shares held
- **Mutual Funds:** A declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested)
- **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of registration documents (self-attested) should be provided

Where the PAN is either not available or not registered in their account / with the Company or is invalid, tax shall be deducted at source at a rate which is higher of the prescribed TDS rates or 20%.

For Non-resident shareholders : Tax is required to be withheld in accordance with the provisions of Section 195 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 health and education cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax 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 Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities; If PAN is not allotted to you, please provide your email address, contact number and address in the country of residence; ;
- ii. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident;
- iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- v. Self-declaration of beneficial ownership by the non-resident shareholder. certifying that
 - i. You are and continue to remain a tax resident of the country of your residency during the Financial Year 2020-21;

- ii. You are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
- iii. You have no reason to believe that your claim for the benefits of the DTAA is impaired in any manner;
- iv. You are the beneficial owner of your shareholding in the Company and dividend receivable from the Company; and
- v. You do not have a taxable presence or a permanent establishment in India during the Financial Year 2020-21.

The documents referred to in point nos. (iii) to (v) can be downloaded from the link given at the end of this communication.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

Notwithstanding the above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the Income Tax Act, 1961. Such TDS rate shall not be reduced on account of the application of the Lower DTAA rate, if any.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents on or before 23rd November, 2020.

Dividend will be paid after deducting the tax at source as under:

- NIL for resident shareholders receiving dividend up to Rs.5000 or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN is submitted
- 7.5% for resident shareholders in case PAN is provided/available
- 20% for resident shareholders, if PAN is not provided / not available
- Tax will be assessed on the basis of documents submitted by the non-resident shareholders
- 20% plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted
- Lower/ NIL TDS on submission of self-attested copy of the certificate issued under section 197 of the Income Tax Act, 1961

Kindly note that the afore mentioned documents should be uploaded with KFin Technologies Private Limited, the Registrar and Share Transfer Agent ("KFin") at <https://ris.kfintech.com/form15> or emailed to inward.ris@kfintech.com. You can also email the same to investorhelp@ttkprestige.com.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.

While on the subject, 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 your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with KFin. This will facilitate receipt of dividend directly into your bank accounts. In case the cancelled cheque leaf does not bear the shareholders name, please attach a copy of the bank pass-book statement, duly self-attested. We also request you to register your email IDs and mobile numbers with the Company or the RTA at the abovementioned emails.

We seek your co-operation in the matter.

Your sincerely,

For TTK Prestige Limited
K. Shankaran
Director & Secretary

[Click here](#) to download - 15H

[Click here](#) to download - 15G

[Click here](#) to download - 10F

[Click here](#) to download - Self declaration

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.