



## ADC India Communications Limited

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June 16, 2025

Ref: Folio / DP Id & Client Id No: IN303028 36456238

Name of the Shareholder: SUNIL CHITTORA

Dear Shareholder,

### Subject: Tax Deduction at Source (TDS) on Dividend

We wish to inform you that the Board of Directors ("the **Board**") of the Company at its meeting held on May 27, 2025, has recommended a final dividend of Rs.5/- per equity share of face value of Rs. 10/-each for the financial year ended March 31, 2025, subject to the approval of the shareholders at the 37<sup>th</sup> Annual General Meeting.

In terms of the provisions of the Income-tax Act, 1961 ("the **Act**"), dividends paid or distributed by the Company after April 1, 2020, is taxable in the hands of the shareholders. Therefore, the Company is required to deduct tax at source (TDS) at the prescribed rates applicable to each category of shareholders.

#### For Resident Shareholders:

TDS will be deducted under Section 194 of the Act @10% on the amount of dividend payable, unless exempt under any of the provisions of the Act. However, in case of individual shareholders, TDS would not apply if the aggregate of total dividend distributed/paid to them by the Company during the financial year does not exceed Rs.10,000/- (Rupees Ten Thousand only).

TDS will not be deducted in cases where a shareholder provides Form 15G (applicable to an individual) / Form 15H (applicable to an Individual of the age of 60 years), subject to fulfilment of eligibility conditions as prescribed under the Act. Please note that all fields mentioned in the forms are mandatory and the Company will reject incomplete forms/ forms filled incorrectly.

NIL / lower tax will be deducted on dividend payable to the following categories of resident shareholders, on submission of self-declaration:

- i. **Insurance companies:** Declaration that the provisions of Section 194 of the Act are not applicable to them, along with self-attested copy of registration certificate and PAN card;
- ii. **Mutual Funds:** Declaration by the Mutual Fund eligible for exemption u/s 10(23D) of the Act along with self-attested copy of registration documents and PAN card;
- iii. **Alternative Investment Fund ("AIF") established in India:** Declaration that the shareholder is eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self-attested registration documents and PAN card should also be provided;
- iv. **National Pension System Trust:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;

- v. **Other shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
- vi. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower / Nil rate of deduction or an exemption certificate issued by the income tax authorities.

Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company is invalid / inoperative, tax shall be deducted @ 20% as per section 206AA of the Act

In case Aadhar Number is not linked with PAN, PAN shall be considered as inoperative and tax shall be deducted at higher rate of 20% as prescribed under the Act.

**For Non-resident shareholders (including Foreign Portfolio Investors):**

Tax is required to be withheld in accordance with the provisions of Section 195 and Section 196D @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, the non-resident shareholders have 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. To avail the DTAA benefits, the non-resident shareholder(s) will have to provide the following documents:

- i. Self-attested copy of PAN card, if allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of residence of the shareholder, valid for the Financial Year 2025-26 (covering the period from 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026).
- iii. Completed and duly digitally signed Form 10F in electronic format submitted on income tax portal. Pursuant to Notification No. 03/2022 dated July 16, 2022, of the Central Board of Direct Tax (CBDT), it has been mandated for non-resident to issue Form 10F in electronic format (To be obtained through e-filing portal of income tax website) duly verified in manner as prescribed in the said Notification.
- iv. Self-declaration by the non-resident shareholder of meeting the DTAA eligibility requirements and satisfying beneficial ownership requirement (Non-resident having PE in India need to comply with the provisions of section 206AB of the Act).
- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India.
- vi. In case shareholder is a tax resident of Singapore, along with the above (as may be applicable), 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).

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review of the documents submitted by non-resident shareholders by the Company and meeting the requirements of the Act, read with the applicable DTAA. In the absence of the same, the Company will not be able to apply the beneficial DTAA rates at the time of deducting tax on dividend.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same to enable the Company in applying the appropriate TDS on dividend payment to such shareholder.

To summarise, dividend will be paid after deducting tax at source as under:

- i. NIL for resident individual shareholders receiving dividend from the Company up to Rs. 10,000 during the financial year or in cases where duly filled up and signed Form No.15G / Form No.15H (as applicable) along with self-attested copy of the PAN card is submitted.
- ii. 10% for other resident shareholders in case copy of valid PAN card is provided / available.
- iii. 20% for resident shareholders if copy of PAN card is not provided / registered PAN is inoperative or invalid due to PAN not being linked with Aadhaar.
- iv. TDS rate will be determined on the basis of documents submitted by the non-resident shareholders.
- v. 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.

vi. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

Aforesaid rates will be subject to applicability of Section 206AB of the Act.

In terms of 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.

#### **For all Shareholders**

In order to enable the Company to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Act, we request you to provide the above-mentioned details and documents as applicable to you **on or before July 18, 2025**. The dividend will be paid after deduction of TDS as determined based on the aforementioned documents provided by the respective shareholders as applicable to them and satisfactory review of the documents by the Company.

The documents such as Form 15G/ Form 15H / Form 10F, documents under sections 196, 197A of the Act, FPI Registration Certificate, Tax Residency Certificate, Lower Tax Certificate / declaration under Rule 37BA of the Income Tax Rules, 1962, etc. can be uploaded on the link <https://ris.kfintech.com/form15/> or emailed to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) on or before **July 18, 2025** to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received post **July 18, 2025**, shall not be considered by the Company / RTA and TDS will be deducted on the applicable rate.

Shareholders may note that in case the tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents or due to defect in any of the aforementioned details / documents submitted, claim for refund of the excess tax deducted can be made at the time of filing your return of income as per the Act. No claim shall lie against the Company for such taxes deducted.

#### **Updation of PAN, Email address and other details:**

Shareholders holding shares in dematerialised form, are requested to update their residential status, email address, mobile number, residential address, category and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical form are requested to furnish details to the Company's Registrar and Transfer Agent, viz. KFin Technologies Limited ("RTA"/ "KFin") through relevant ISR forms. The Company is obligated to deduct TDS based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in demat mode and from the records of the RTA in case of shares held in physical mode and no subsequent requests for any change in residential status, PAN, mobile number, email address, residential address etc. as available on the record date, will be entertained by the Company.

#### **Update of Bank Account details:**

In order to facilitate receipt of dividend 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 dematerialised form. In case your shareholding is in the physical form, you will have to submit Form ISR-1, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a self-attested copy of your PAN card and Aadhaar card to KFin. In case the cancelled cheque leaf does not bear name of the first holder, please attach a self-attested copy of the bank passbook/statement.

We request your cooperation in the matter.

Thanking you,

Yours faithfully,

**For ADC India Communications Limited**

**Sd/-**

**R. Ganesh**

**Company Secretary**

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

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

[Click here](#) to download to Self Declaration by Non-Resident

[Click here](#) to upload the documents.

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