

Category & TDS Rates

Category	Particulars	TDS Rate
Resident Individual Shareholders	Total dividend amount not exceeding ₹ 5,000, during the Financial Year 2020-21	NIL
	Total dividend amount exceeding ₹ 5,000, during the Financial Year 2020-21 and valid Permanent Account Number ("PAN") is provided / available	7.5%
	Total dividend amount exceeding ₹ 5,000, during the Financial Year 2020-21 and PAN is not provided / not available	20%
	In case, Form 15G (applicable to any person other than a company or a Firm) or Form 15H (applicable to an Individual above the age of 60 years) is submitted	NIL
Resident Non-Individual Shareholders	Valid PAN is provided / available	7.5%
	PAN is not provided / not available	20%
	In case self-declaration is provided along with requisite document(s) from following categories of Resident Non-Individual :	NIL
	(1) <u>Insurance Companies</u> : Self-declaration that the Company has full beneficial interest with respect to the shares held along with self-attested copy of PAN	
	(2) <u>Mutual Funds</u> : Self-declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of PAN and registration certificate	
	(3) <u>Alternative Investment Fund (AIF)</u> : Self-declaration that its income is exempt under Section 10 (23FBA) of the Act and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN and registration certificate	
	(4) <u>New Pension System Trust</u> : Self-declaration that they are governed by the provisions of Section 10(44) [subsection 1E to Section 197A] of the Act along with self-attested copy of registration documents	
	(5) <u>Corporation established by or under a Central Act</u> : Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act along with a self-attested copy of the PAN and registration certificate	

	In case of any other Resident Non-Individual Shareholder, where Self-attested copy of the certificate issued under Section 197 of the Act, for NIL / Lower withholding tax rate along with self-attested copy of PAN is submitted	NIL/Lower withholding tax as per the certificate issued under the Act
Non-Resident Shareholders	<p>In accordance with the provisions of Section 195 of the Act</p> <p>In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate</p>	20% NIL/Lower withholding tax as per the certificate issued under the Act
	<p>As per Section 90 of the Act the 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 them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders are required to provide the following :</p> <p>(1) Self-attested copy of the PAN allotted by the Indian Income Tax authorities</p> <p>(2) Self-attested copy of Tax Residency Certificate ("TRC") (for the period April 2020 to March 2021) obtained from the tax authorities of the country of which the shareholder is a resident</p> <p>(3) Self-declaration in Form 10F</p> <p>(4) Self-declaration by the non-resident shareholder as to :</p> <p>(a) Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;</p> <p>(b) No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;</p> <p>(c) Shareholder being the beneficial owner of the dividend income to be received on the equity shares</p>	Tax treaty rate (based on tax treaty with India) for beneficial non-resident shareholders, as applicable
	Foreign Institutional Investors and Foreign Portfolio Investors - taxes in accordance with provisions of Section 196D of the Act, 1961	20%

	<p>Any shareholder who is a tax resident of any country or territory notified as a notified jurisdictional area under Section 94A(1) of the Act, taxes shall be in accordance with Section 94A of the Act</p>	<p>30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher</p>
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