



**EVEREADY INDUSTRIES INDIA LIMITED**

CIN: L31402WB1934PLC007993

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Date: June 9, 2025

DP and Client Id/ Folio No :

Name of the shareholder:

**Subject: Tax Deduction at Source (TDS) on Dividend Payout**

Dear Shareholder,

Trust you and your family are safe and in good health.

We are pleased to inform you that the Board of Directors of the Company, at its meeting held on May 9, 2025, has recommended a dividend of Rs.1.50/- each per Equity Share of face value Rs. 5/- each, for the Financial Year ended March 31, 2025, subject to approval of shareholders at the ensuing 90<sup>th</sup> Annual General Meeting (AGM) of the Company.

As you are aware, as per the provisions of the Income Tax Act, 1961 (Act), dividend paid or distributed by a company shall be taxable at the hands of shareholders. Therefore, the Company is required to deduct tax at source (TDS) at the rates applicable on the amount distributed to the shareholders. The aforesaid dividend, if approved by the shareholders at the AGM, will be payable to those shareholders whose name appear in the Register of Members of the Company or in the records of the Depositories Participants, as on the record date, within the prescribed timeline as per applicable statute.

If there is any change in the information, you are requested to update your records such as tax residential status, PAN and register your e-mail address, mobile numbers and other details with your relevant depositories through your depository participants in case you are holding shares in dematerialised form and if you are holding shares in physical mode, you are requested to furnish details to M/s. Maheshwari Datamatics Private Limited, the Registrar and Transfer Agent (RTA) of the Company at 23 R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 and send them the duly completed ISR 1, ISR 2, ISR 3 and SH 13 at RTA's office or at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or upload the documents at <https://mdpl.in> or [taxondividend@eveready.co.in](mailto:taxondividend@eveready.co.in) with signature of the holders attested by the banker along with a cancelled cheque leaf with name, account No. and IFSC Code printed thereon. In case name is not printed on the cheque leaf, additional bank attested copy of pass book / bank statement showing Name, Account No. and IFSC Code will be required.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident shareholder categories.

**I. For Resident Shareholders**

Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). As per Sec 196D(1A), TDS @ 10% for Specified Funds referred to in Exp(c) of Sec 10(4D) of the Act.

In case, shareholders do not have PAN / invalid PAN / PAN not linked with Aadhar\*/not registered their valid PAN details in their account, TDS at the rate of 20% shall be deducted under Section 206AA of the Act or as per the applicable law.

\* Linking of Aadhaar for Individual Shareholders only.

#### a. Resident Individuals

No tax shall be deducted on the dividend payable to resident individuals if:

- i. Total dividend amount to be received by them during the Financial Year (FY) 2025-26 does not exceed Rs.10,000/-; or
- ii. The shareholder provides Form 15G (applicable to individual) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form, if it does not fulfil the prescribed requirement under the Act. Or
- iii. Exemption certificate is issued by the Income-tax Department, if any.

#### b. Resident Non-Individuals

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide details and documents as illustrated below:

- i. **Insurance Companies:** Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA) / Life Insurance Corporation of India / General Insurance Corporation of India.
- ii. **Mutual Funds:** Self-declaration that it is registered with SEBI and is notified under Section 10 (23D) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.
- iii. **Alternative Investment Fund (AIF):** Self-declaration that its income is exempt under Section 10 (23FBA) of the Act, and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
- iv. **New Pension System (NPS) Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
- v. **Person covered under 2<sup>nd</sup> proviso to Sec 194:** A copy of self-declaration that the person is a "business trust", as defined in clause (13A) of section 2, by a special purpose vehicle referred to in the *Explanation* to clause (23FC) of section 10 or is being notified by the Central Government in the Official Gazette covering the person under second proviso to Sec 194, A copy of relevant Official Gazette Notification and self-attested copy of PAN.
- vi. **Person covered u/s 196:** A copy of self-declaration that the person is Government or Reserve Bank of India or a 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 along with a copy of PAN.
- vii. **Authorities/Funds/Bodies etc., specified in Circular 18 of 2017 dated 29-05-2017:** A copy of self-declaration that the person is covered in Circular 18 of 2017 dated 29-05-2017, whose income is unconditionally exempt u/s 10 and statutorily not required to file return of Income u/s 139, along with a self-attested copy of PAN.
- viii. **Other Non-Individual shareholders:** Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card

c. In case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Act, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy to the Company.

## **II. For Non-resident Shareholders**

### **a. As per Domestic Tax Law**

Taxes are required to be withheld in accordance with the provisions of Section 195 or Section 196D of the Act as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. 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 same.

### **b. As per Double Tax Avoidance Agreement (DTAA)**

As per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the 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 DTAA benefit, the non-resident shareholders are required to submit the following:

- i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities.
- ii. Self-attested copy of Tax Residency Certificate (TRC) (financial year April 1, 2025 to March 31, 2026) obtained from the tax authorities of the country of which the shareholder is a resident.
- iii. Shareholders who have PAN and propose to claim treaty benefit need to mandatorily file the Form 10F online at the link <https://eportal.incometax.gov.in/> to avail the benefit of DTAA (for the financial year April 1, 2025 to March 31, 2026).
- iv. Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement for the financial year April 1, 2025 to March 31, 2026.
- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.
- vi. In case of shareholder being tax resident of Singapore, 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.

It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

Accordingly, to enable us to determine the appropriate withholding tax rate applicable, **we request you to provide these details and documents as mentioned, above, on or before Friday, July 25, 2025.** Any documents submitted after the above-mentioned date, shall be considered at sole discretion of the Company.

### **PAYMENT OF DIVIDEND**

The dividend on Equity Shares for FY 2024-25, once approved by the shareholders of the Company at the ensuing 90<sup>th</sup> AGM, will be paid after deducting the tax at source as mentioned in the earlier paragraphs.

The following provisions under the Act will also be considered to determine the applicable TDS rate:-

#### **A. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar**

As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act. Shareholders may visit <https://www.incometax.gov.in/iec/foportal/> for FAQs issued by Government on PAN Aadhar linking.

## **B. Declaration under Rule 37BA**

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 Company in the manner prescribed in the Rules. The aforesaid declaration shall contain (i) name, address, PAN, and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

## **C. For shareholders having multiple accounts under different status / category**

Shareholders holding Ordinary 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.

## **SUBMISSION OF TAX RELATED DOCUMENTS**

**Members who will be exempted from tax or taxed at prescribed rate, are requested to forward the forms and documents i.e. PAN/15G/ 15H/10F/Self Declaration Form and other annexures and relevant prescribed documents to the Company's Registrar and Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd.(RTA), 23 R.N. Mukherjee Road, 5th Floor, Kolkata-700001 or at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or click on the link <https://mdpl.in> or [taxondividend@eveready.co.in](mailto:taxondividend@eveready.co.in), latest by July 25, 2025 to enable the Company to determine the appropriate TDS/withholding tax rate applicable.**

Only scanned copies of the documents such as PAN, Forms 15G/15H/10F/Self- declaration/documentary evidence etc. will be accepted by the RTA. However, the Member is required to additionally self-attest the document stating "certified true copy of the original". If the original Form 15G/15H etc. is required in future, the Company/RTA would call for the same from the members.

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.

Please note that, no communication/forms/documents of the tax determination/deduction, received **prior to the date of this communication**, shall be considered for payment of Dividend for the Financial Year 2024-25.

If the tax on Dividend is deducted at a higher rate in the absence of receipt of or satisfactory completeness of the aforementioned details/documents by **July 25, 2025**, the Members may claim an appropriate refund in the return of income filed with their respective Tax authorities.

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

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

The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("theDepositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

Above Communication on TDS sets out the Provisions of Law in a summarized manner only and does not purport to be a complete analysis or listing of all potential Tax consequences. Members should consult with their own Tax Advisors for the Tax Provisions applicable to their particular circumstances

The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometaxindiaefiling.gov.in/home> .

**UPDATE OF BANK ACCOUNT DETAILS:**

In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Company to make timely credit of dividend in their bank accounts.

**UPDATING EMAIL ID**

Members are requested to ensure that their latest email ID is updated with the Depository/ RTA for receiving communications/documents from the Company.

Shareholders holding shares in physical folios are requested to note that SEBI vide its Master Circular no. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024 issued to the Registrar & Transfer Agents, as amended, and SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, as amended, has mandated that effective April 1, 2024, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Choice of Nomination(optional), Contact Details (Postal Address with PIN and Mobile Number) Bank Account Details and Specimen Signature for their corresponding physical folios to the Company or the RTA.

We seek your cooperation in this regard.

Thanking you,  
For Eveready Industries India Limited

Shampa Ghosh Ray  
Company Secretary

***Disclaimer:*** This communication shall not be treated as an advice from the Company or its affiliates or its Registrar & Transfer Agent.

**Note:** This is a system generated e-mail. Please do not reply to this e-mail.