

PTC INDIA LIMITED

CIN: L40105DL1999PLC099328

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September 04, 2020

Dear Shareholder,

Subject: Intimation / Communication in respect to Deduction of tax at source on Final Dividend for Financial Year 2019-20

We are pleased to inform you that the Final Dividend of Rs.5.50 (Rupees Five Rupees and Fifty paisa only) per share (on the face value of Rs. 10/- each) on the equity shares of the Company for the financial year 2019-20 as recommended by the Board at its meeting held on June 19, 2020, if approved by the shareholders at the ensuing 21th Annual General Meeting (AGM) of the Company, will be paid to the shareholders within 30 days of the date of approval on the basis of the details of beneficial ownership furnished by the Depositories and in respect of shares held in Physical form to those Members whose names will appear on the Register of Members of the Company as on the close of business hours on Tuesday, September 15, 2020.

Pursuant to the changes introduced w.e.f. April 1, 2020 by the Finance Act 2020, in relation to taxation of dividend, Dividend Distribution Tax (DDT) which used to be payable by the Company is abolished, and instead, now the shareholders are liable to pay tax on the dividend income. Accordingly, the Company, in compliance with the provisions of the Income Tax Act, 1961 (Act), would be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting the tax at source as follows:

For Resident Shareholder:

Particulars	Applicable rate	Documents required (if any)
With PAN	7.5%*	Update/Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – MCS Share Transfer Agent Ltd (in case of shares held in physical mode). Note - No deduction of tax would be made if the dividend income paid to a resident individual member during F.Y. 2020-21 is less than Rs. 5,000/-

Without PAN/ Invalid PAN	20%	N.A.
Submitting Form 15G/ Form 15H	NIL	Duly verified Form 15G or 15H (as may be applicable) in duplicate, is to be furnished along with self-attested copy of PAN card. (This form can be submitted only in case the shareholder's tax on estimated total income for FY 2020-21 is Nil) The Forms can be downloaded from the link given at the end of this communication.
Submitting Order under Section 197 of the Act	Rate provided in the Order	If lower/NIL withholding tax certificate obtained from tax authority is submitted, tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2020-21 and should cover the dividend income.
An Insurance Company as specified under Sec 194 of the Act	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN card and copy of registration certification issued by the IRDAI.
Mutual Fund specified under clause (23D) of Section 10 of the Act	NIL	Documentary evidence that the person is covered under the provisions of section 196 of the Act along with self-attested copy of PAN card and registration certificate.
Alternative Investment Fund (AIF) established in India	NIL	Self-declaration that the person is covered by Notification No. 51/2015 dated 25th June 2015 and established as Category I or Category II AIF under the SEBI regulations along with self-attested copy of PAN card and registration certificate issued by SEBI.
New Pension System Trust	NIL	Documentary evidence that the person is covered under the provisions of subsection (1E) to Section 197A of the Act (self-attested).

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	Documentary evidence that the person is covered under Section 196 of the Act.
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*Notwithstanding the above, tax will be deducted at source (TDS) under Section 194 of the Act (read with Press Release dated May 13, 2020, reducing the TDS rates with effect from May 14, 2020 until March 31, 2021) @ 7.5% on the amount of dividend payable 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 where a member provides Form 15G (applicable to Individual in case of dividend) / 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 can also be downloaded from the link given at the end of this communication.

Non-Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories. Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route. The declaration format can be downloaded from the link given at the end of this communication.
Other Non-resident shareholders	1. 20% (plus applicable surcharge and cess)	Update/Verify the PAN, legal entity status and the residential status as per the Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – MCS Share Transfer Agent Ltd (in case of shares held in physical mode).
	1. Lower rate prescribed under the tax treaty which applies to the non-resident shareholder (other than investments made under FPI route)	In order to opt for the Tax Treaty rate, ALL the following documents would be required to be submitted: 1. Self-Attested copy of Indian Tax Identification number (PAN), if any. 2. Self-Attested copy of the Tax Residency Certificate (TRC) valid as on the date of AGM obtained from the

		<p>tax authorities of the country of which the shareholder is a resident.</p> <p>3. Self-declaration in Form 10F duly filled and signed. The declaration format can be downloaded from the link given at the end of this communication.</p> <p>4. Self-declaration from Non-resident, primarily covering the following:</p> <p>i. Non-resident is eligible to claim the benefit of respective tax treaty;</p> <p>ii. Non-resident receiving the dividend income is the beneficial owner of such income;</p> <p>iii. Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India;</p> <p>iv. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI');</p> <p>v. Non-resident does not have a place of effective management in India.</p> <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the company and shall depend upon completeness of the documentation and review of the same by the Company.</p> <p>The declaration format can be downloaded from the link given at the end of this communication.</p>
Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	If lower/ NIL withholding tax certificate obtained from tax authority is submitted, tax will be withheld at

		the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2020-21 and should cover the dividend income.
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The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company.

The aforesaid documents, as applicable, are required to be emailed to info@ptcindia.com and admin@mcsregistrars.com on or before Tuesday, September 15, 2020 to enable the Company to determine the appropriate TDS rates. No communication on the tax determination/deduction received post Tuesday, September 15, 2020 shall be considered for payment of the Final Dividend. It is advisable to send the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than 5 PM, Tuesday, the September 15, 2020.

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

Shareholders holding shares under multiple accounts under different status/category and single PAN, may note that, higher of the tax applicable to the status in which the shares under the PAN will be considered on the entire holding in different accounts.

We also 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 MCS Share Transfer Agent Ltd. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your 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 MCS Share Transfer Agent Ltd.

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>. We seek your co-operation in the matter.

Thanking you,

Yours faithfully,

For PTC INDIA LTD

Sd/-

Rajiv Maheshwari
Company Secretary