



**GUJARAT GAS**

GUJARAT GAS LIMITED

Registered Office: Gujarat Gas CNG Station, Sector 5/C, Gandhinagar - 382006, Gujarat

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CIN: L40200GJ2012SGC069118

Date: 21<sup>st</sup> August, 2020

Dear Shareholder(s),

**Subject: Communication for Deduction of Tax at Source (TDS) on Dividend.**

We wish to inform you that the Board of Directors of your company have at their meeting held on 5<sup>th</sup> June, 2020 recommended a dividend of Rs. 1.25/- per equity share of face value of Rs. 2/- each for the year ended 31<sup>st</sup> March, 2020. The said Dividend will be payable post approval of the Shareholders at the ensuing Annual General Meeting.

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of payment of dividend.

**UPDATION OF PAN / CATEGORY / RESIDENTIAL STATUS / Email**

To enable your company to identify the appropriate rate of TDS/Withholding Tax, all Shareholders need to ensure that below details are completed/updated in their respective Demat account(s) maintained with the Depository participant(s); or in case of shares held in Physical Form, with company's Registrar & Transfer Agent (RTA)-KFin Technologies Private Limited, **on or before 5<sup>th</sup> September, 2020.**

- Valid Permanent Account Number [PAN]
- Category of shareholder (Individual, HUF, FIRM, Company etc.)
- Residential Status (Resident or Non-Resident)
- Email ID for communication.

In absence of updation of above by 5<sup>th</sup> September, 2020 information as per Depository Participant's and RTA's records (as applicable) will be used by the Company and the same shall be considered as final & binding on the Shareholder.

In absence of valid PAN,TDS will be deducted as per Section 206AA of the Income Tax Act, 1961 [i.e. 20% or rates in force, whichever is higher]

### **SUBMISSION OF CONCESSIONAL FORMS / DECLARATIONS**

Certain category of shareholders which are exempted from deduction of tax at source may note that they are required to submit certain Forms/Declarations/Documents [as mentioned in later part of this Communication] in order to enable the Company to determine and deduct appropriate TDS / withholding Tax rate.

The Shareholders are requested to upload the said Documents/Forms on the upload centre of Company's RTA, <https://ris.kfintech.com/form15/emailregister.aspx> or email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or may submit the physical documents to M/s. KFintech technologies Pvt. Ltd, Unit: Gujarat Gas Limited, Karvy Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad - 500032 Telangana Phone No.: 040 67161776/1606.

The last date for submission of documents / declarations is 12<sup>th</sup> September 2020. Shareholders are advised to submit the said documents well in advance to ensure proper compliance. No Forms/Declaration/Documents on the tax determination / deduction as mentioned above shall be considered after 12<sup>th</sup> September, 2020.

### **APPLICABILITY OF TDS/WITHHOLDING TAX ON DIVIDEND WILL BE AS UNDER:**

#### **FOR RESIDENT SHAREHOLDERS:**

<b>Category of shareholder</b>	<b>Tax Deduction Rate</b>	<b>Exemption applicability/ Documentation requirement</b>
Resident Shareholder	7.5%	No TDS shall be deducted in the case where the total Dividend Income for FY 2020-21 to the Individual Shareholder does not exceed Rs. 5,000/-
Resident Individual submitting form 15G/15H	NIL	<ul style="list-style-type: none"><li>• Duly filled Form 15G (Individual less than 60 years age)</li><li>• Duly filled Form 15H (Individual with age 60 years or more)</li></ul> Blank Form 15G and 15H can be downloaded from our website at <a href="https://www.gujaratgas.com/investors/tds-on-dividend/">https://www.gujaratgas.com/investors/tds-on-dividend/</a>
Insurance	NIL	<ul style="list-style-type: none"><li>• Self-Attested copy of PAN &amp; IRDAI</li></ul>

Companies		<p>Registration Certificate</p> <ul style="list-style-type: none"> <li>Duly signed self-declaration</li> </ul> <p>Declaration format can be downloaded from our website at <a href="https://www.gujaratgas.com/investors/tds-on-dividend/">https://www.gujaratgas.com/investors/tds-on-dividend/</a></p>
Mutual Funds	NIL	<ul style="list-style-type: none"> <li>Self-Attested copy of PAN &amp; Registration Certificate</li> <li>Duly signed self-declaration</li> </ul> <p>Declaration format can be downloaded from our website at <a href="https://www.gujaratgas.com/investors/tds-on-dividend/">https://www.gujaratgas.com/investors/tds-on-dividend/</a></p>
Alternative Investment Fund Category- I & II	NIL	<ul style="list-style-type: none"> <li>Self-Attested copy of PAN &amp; Registration Certificate issued by SEBI</li> <li>Self-Declaration that its income is exempt under section 10(23FBA) read with Section 115UB read with Section 197A(1F) of the Act.</li> </ul>
Order u/s 197 of the Act	Rate provided in the order	<ul style="list-style-type: none"> <li>Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2020-21</li> <li>Self-attested copy of PAN</li> </ul>

#### FOR NON-RESIDENT SHAREHOLDERS

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Non-Resident Shareholder Other than Foreign Institutional Investors / Foreign Portfolio Investors ('FII/FPI']	20% (plus applicable surcharge and cess)	<p>If Non-Resident Shareholder wishes to avail the benefits of Tax Treaty, they will have to submit the following:</p> <ul style="list-style-type: none"> <li>Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;</li> <li>Self-attested copy of Tax Residency Certificate (TRC) applicable for FY 2020 - 21 obtained from the tax authorities of the Country of which the Shareholder is</li> </ul>

		<p>resident.</p> <ul style="list-style-type: none"> <li>• Duly signed Form 10F with all the requisite details</li> <li>• Self-Declaration by the Non-Resident Shareholder of having no Permanent Establishment (No PE) /Fixed Base in India, beneficial ownership &amp; compliance with provisions of Multilateral Instrument (MLI).</li> </ul> <p>The format for "Form 10F" and "Self Declaration by Non-Residents" can be downloaded from our website at <a href="https://www.gujaratgas.com/investors/tds-on-dividend/">https://www.gujaratgas.com/investors/tds-on-dividend/</a></p> <p>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</p>
Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI).	20% (plus applicable surcharge and cess)	Tax to be deducted as per the provisions of Section 196D of the Income Tax Act, 1961
Submitting Order under section 197 or 195 of the Act.		<ul style="list-style-type: none"> <li>• Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2020-21</li> <li>• Self-attested copy of PAN</li> </ul>

The Shareholders holding 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.

In the event of any Income Tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

It may be further noted that in case the tax on said dividend is deducted at a higher rate, in

absence of receipt of the aforementioned details / documents from residential shareholders, there would still be an option available to the shareholder to claim the appropriate refund at the time of filing the return of income as per eligibility. No claim shall lie against the Company for such taxes deducted.

In view of the prevailing COVID-19 pandemic and pursuant to the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 issued by Ministry of Corporate Affairs, the Dividend will be paid electronically in the Members bank accounts. The Company will keep on hold demand drafts of the Members who have not registered their bank details with the Company and will dispatch the same once the postal services are normalized.

Accordingly, the Shareholders holding Shares in Demat Form are requested to complete necessary formalities with regard to their bank accounts attached to their Demat account for enabling the Company to make timely credit of Dividend in respective bank accounts.

Further, Shareholders holding Shares in Physical Form are requested to submit a scan copy of a covering letter, duly signed by the Shareholder (In case of Joint Shareholding by the First Shareholder) along with a cancelled cheque leaf with name printed and bank account details and a copy of PAN card, duly self-attested to M/s. KFin Technologies Pvt. Ltd, Unit: **Gujarat Gas Limited**, Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad - 500032 Telangana Phone No.: 040 67161776/1606

In case of any queries, the Shareholders may write to us at M/s. KFIN TECHNOLOGIES PRIVATE LIMITED , Unit: **Gujarat Gas Limited**, Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad 500032 Telangana Phone No.: 040 67161776/1606 or send email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) .

Thanking You,

**For Gujarat Gas Limited**

Sd/-

**Sandeep Dave**

**Company Secretary**