



GUJARAT GAS

Gujarat Gas Limited

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

Tel: +91-79-26462980 **Fax :** + 91-79-26466249

website: www.gujaratgas.com, **E-mail Id:** Investors@gujaratgas.com

CIN: L40200GJ2012SGC069118

Date: August 23, 2021

Ref: Folio / DP Id & Client Id No: 1205660000068311

Name of the Shareholder : ROHAN SAMPAT

Subject: Communication for Deduction of Tax at Source on Dividend

Dear Shareholder (s),

We wish to inform you that the Board of Directors of your company (Gujarat Gas Limited - GGL) at its Meeting held on 1st June 2021, has recommended a dividend of Rs.2/- per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2021 and 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 1st 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 us to identify the appropriate 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 and Transfer Agent ['R&TA'] KFin Technologies Private Limited, on or before 6th September 2021:

1. Valid Permanent Account Number [PAN]
2. Category of shareholder (Individual, HUF, FIRM, Company etc.)
3. Residential Status as per Income Tax Act for F.Y. 2021-22 (Resident or Non-Resident)
4. Email ID for communication.

In absence of updation/confirmation of above details by 6th September 2021, information as per Depository Participant's and R&TA's records (as applicable) will be used by the Company for determining the TDS on dividend and the same shall be considered as final & binding to the Shareholder.

In absence of valid PAN / no 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 ['R&TA'], <https://ris.kfintech.com/form15> or email to einward.ris@kfintech.com or may submit the physical documents to M/s. KFintech 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.

The forms should be submitted through the above specified mode on or before two days post record date for dividend. 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 the aforesaid timelines.

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

FOR RESIDENT SHAREHOLDERS:

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Resident Shareholder	10%	No TDS shall be deducted in the case where the total Dividend Income for FY 2021-22 to the Individual Shareholder from the respective entity paying the dividend does not exceed Rs. 5,000/-
Resident Individual submitting form 15G/15H	NIL	<ul style="list-style-type: none"> Duly filled Form 15G (Individual with age less than 60 years) Duly filled Form 15H (Individual with age 60 years or more)

		Blank Form 15G and 15H can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/
Insurance Companies	NIL	<ul style="list-style-type: none"> • Self-Attested copy of PAN & IRDAI Registration Certificate • Dully signed self-declaration <p>Declaration format can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/</p>
Mutual Funds	NIL	<ul style="list-style-type: none"> • Self-Attested copy of PAN & Registration Certificate • Dully signed self-declaration <p>Declaration format can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/</p>
Alternative Investment Fund Category- I & II	NIL	<ul style="list-style-type: none"> • Self-Attested copy of PAN & Registration Certificate issued by SEBI • Self-Declaration that its income is exempt under section 10(23FBA) read with Section 115UB read with Section 197A(1F) of the Act.
Order u/s 197 of the Act	Rate provided in the order	<ul style="list-style-type: none"> • Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2021-22 • Self-attested copy of PAN <p>Gujarat Gas Limited's tax deduction account number (TAN) which is required for applying lower/ nil TDS certificate is AHMG05349B.</p>

FOR NON-RESIDENT SHAREHOLDERS

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
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<p>Non-Resident Shareholder including Foreign Institutional Investors / Foreign Portfolio Investors ('FII/FPI']</p>	<p>20% (plus applicable surcharge and cess) or Tax treaty rate (if the same is availed on the basis of submission of requisite documents & disclosures)</p>	<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"> • Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities; • Self-attested copy of Tax Residency Certificate (TRC) applicable for FY 2021-22 obtained from the tax authorities of the Country of which the Shareholder is resident. • Dully signed Form 10F with all the requisite details • Self-Declaration by the Non-Resident Shareholder of having no Permanent Establishment (No PE) /Fixed Base in India, beneficial ownership & compliance with provisions of Multilateral Instrument (MLI). <p>The format for "Form 10F" and "Self Declaration by Non-Residents" can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/</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>
<p>Submitting Order under section 197 or 195 of the Act.</p>		<ul style="list-style-type: none"> • Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2021-22 • Self-attested copy of PAN <p>Gujarat Gas Limited's tax deduction account number (TAN) which is required for applying lower/ nil TDS certificate is AHMG05349B.</p>

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.

Introduction of Section 206AB applicable to all shareholders (resident and non-resident)

Effective July 1, 2021, Finance Act, 2021 has inserted Section 206AB of the Act for non-filers of income-tax return providing that where TDS is required to be deducted under Chapter XVIIIB (other than Sections 192, 192A, 194B, 194BB, 194LBC or 194N) on any sum or income or amount paid, or payable or credited, by a person to a specified person, the tax shall be deducted at the higher of the below rates:-

- a. at twice the rate specified in the relevant provision of the Act; or
- b. at twice the rate or rates in force; or
- c. at the rate of 5%.

Further, sub section (2) of Section 206AB of the Act provides that where Sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the income tax return; the tax shall be deducted at the higher of the two rates provided in the aforesaid sections.

The term 'specified person' is defined in sub section (3) of Section 206AB of the Act to mean a person who satisfies all the following conditions:

- a. A person who has not filed the income tax return for the two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the I-T Act has expired; and
- b. The aggregate of TDS and Tax Collected at Source in his case is Rs. 50,000 or more in each of these two previous years.

The non-resident who does not have a permanent establishment in India is excluded from the scope of a specified person. Further, CBDT vide its circular dated 21.06.2021 have provided a mechanism of compliance check U/s 206AB on reporting portal of Income Tax Department. The TDS applicability in compliance to the provisions of Section 206AB will be determined basis the mechanism specified in the aforementioned circular.

MANDATORY LINKING OF AADHAR WITH PAN

The Central Government has extended the last date for linking of Aadhar with PAN, till September 30, 2021. In case the Aadhar is not linked with PAN by the said date, PAN will be rendered invalid and TDS will be deducted at higher rate of 20% instead of applicable rate.

DECLARATION UNDER RULE 37BA OF IT RULES, 1962

As per Rule 37BA of the Income Tax Rules, 1962, any entity holding shares on behalf of registered shareholders or acting as a custodian, should inform by submitting declaration to the Company/ R&TA, about providing credit of TDS and issue of TDS certificate to the respective beneficiary. The said declaration should be submitted on or before

two days post record date for dividend.

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.

We shall arrange to email the soft copy of TDS certificate to you at your registered email ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the company.

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 67161753 or send email to inward.ris@kfintech.com or dharmesh.somayajula@kfintech.com

Thanking you,

Yours faithfully,
For **Gujarat Gas Limited**

Sd/-
Sandeep Dave
Company Secretary
