



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

THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

July 08, 2023

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder:

Subject: Communication for Deduction of Tax at Source (TDS) on Dividend to be declared in FY 2023-24 (pertaining to FY 2022-23)

Dear Shareholder (s),

We are pleased to inform you that the Board of Directors of your company at its meeting held on 10th May 2023, has recommended a dividend of Rs.6.65/- per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2023 and the said Dividend will be paid subject to approval of the Shareholders at the ensuing Annual General Meeting.

Pursuant to the requirement of the Income Tax Act, 1961, ("the Act") the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders.

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 Limited, **on or before record date fixed for the purpose of dividend.**

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. 2023-24 (Resident or Non-Resident)
4. Email ID for communication.
5. Address for Communication

In absence of updation/confirmation of above details by record date fixed for the purpose of dividend, 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 registered with Depository Participant / R&TA, TDS will be deducted as per Section 206AA of the Income Tax Act, 1961 [i.e. 20% or rates in force, whichever is higher].

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 within the prescribed timelines. If PAN is not linked with Aadhaar within the prescribed timelines, such PAN will be deemed inoperative and tax at source will be required to be deducted at higher rates as per the provisions of section 206AA of the Act. The Company will be using functionality of the Income-tax department for verification of AADHAR-PAN Linking status.

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.

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 may submit the physical documents to M/s. Kfintech technologies Ltd, Unit: Gujarat Gas Limited, Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad - 500032 Telangana Toll Free No.: 1800 - 309 - 4001.

The forms should be submitted through the above specified mode **on or before two days post record date fixed for the purpose of 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 Individual Shareholder	10%	No TDS shall be deducted in the case where the total Dividend Income for FY 2023-24 to the Individual Shareholder from the respective entity paying the dividend does not exceed Rs. 5,000/-
Resident Individual submitting form 15G/15H	NIL	Duly filled Form 15G (Individual 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	Self-Attested copy of PAN & IRDAI Registration Certificate Dully signed self-declaration Declaration format can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/
Mutual Funds	NIL	Self-Attested copy of PAN & Registration Certificate issued by SEBI Dully signed self-declaration that its income is exempt under Section 10(23D) of the Act and there is no requirement to deduct TDS in view of section 196(iv) of the Income Tax Act Declaration format can be downloaded from GGL's website at https://www.gujaratgas.com/investors/tds-on-dividend/
Alternative Investment Fund Category- I & II	NIL	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.
New Pension System (NPS) Trust	NIL	Attested copies of registration documents and PAN 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 and there is no requirement to deduct TDS.

Any other entity exempt from withholding tax under the provisions of Income Tax Act, 1961 (including those mentioned in Circular No. 18/2017 issued by Central Board of Direct Taxes ('CBDT'))	NIL	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card. A Declaration that they are covered under the circular No.18/2017 issued by CBDT & TDS is not required to be deducted on dividend income accrued to them
Order u/s 197 of the Act	Rate provided in the order	Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2023-24 Self-attested copy of PAN Gujarat Gas Limited's tax deduction account number (TAN) which is required for applying lower/ nil TDS certificate is AHMG05349B .

FOR NON-RESIDENT SHAREHOLDERS

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Non-Resident Shareholder including Foreign Institutional Investors / Foreign Portfolio Investors ('FII/FPI')	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>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 2023-24 obtained from the tax authorities of the Country of which the Shareholder is resident. Copy of Form 10F electronically filed with income tax department: Shareholders who have PAN and propose to claim treaty benefit need to mandatorily file the Form 10F online on the Income Tax web portal. <p>CBDT have exempted those non-residents who are not having PAN and are not required to have PAN as per the law from mandatory e-filing of Form 10F online until September 30, 2023, and such non-residents may make this statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022 till September 30, 2023 only.</p> <ul style="list-style-type: none"> 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). For FII & FPI, in addition to the above documents, certificate of registration with SEBI is also required to be submitted <p>The format for "Form 10F" and "Self Declaration by Non-Residents" can be downloaded from GGL's website at</p>

		<p>https://www.gujaratgas.com/investors/tds-on-dividend/</p> <p>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 DTAA.</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>
Submitting Order under section 197 or 195 of the Act.	Rate provided in Order	<ul style="list-style-type: none"> Valid Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities for the F.Y. 2023-24 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>
Any non-resident shareholder exempt from withholding tax deduction as per Income Tax Act or any other law granting overriding exemption/ immunity	NIL or applicable rate as per document	<p>Necessary documentary evidence substantiating exemption from Withholding Tax deduction.</p> <p>The granting of exemption benefit shall depend upon the completeness and satisfactory review by the Company, of the documents submitted.</p>

The Shareholders holding shares under multiple accounts under different status / category and having 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.

Applicability of Section 206AB of Income Tax Act, 1961

Section 206AB of the Income Tax Act prescribes for higher rate of TDS / withholding tax 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:-

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

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

- A person has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired.

- b. The aggregate of Tax Deducted at Source and Tax Collected at Source in his case is Rs. 50,000 or more in the said previous year.

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.

It is to be noted that if any shareholder is identified as 'specified person' as provided in section 206AB of the Act, any time after distribution of dividend, such shareholder(s) will be responsible to indemnify the company for any demand raised by tax authorities on the company

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 fixed for the purpose of dividend.

Other points to remember

1. Application of TDS rate is subject to necessary due diligence including verification by the Company of the details of the Member(s) available as per the Register of Members on the Record date, documents / other information available in the records of the Company / its Registrar & Transfer Agents (RTA) and other reliable source(s). The Company may deduct TDS on Dividend at the maximum applicable rate, in case of any incomplete, conflicting or ambiguous information and/or the valid proper documents and/or information not provided by the Member(s).
2. 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.
3. 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.
4. TDS Certificate as per statutory timeline will be made available and communication for the same will be done separately.
5. Above communication for TDS on dividend is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their tax advisors for the tax provisions applicable to their particular circumstances.

In case of any queries, the Shareholders may write to us at M/s. KFIN TECHNOLOGIES LIMITED, Unit: Gujarat Gas Limited, Selenium Tower B, Plot 31-32, Financial District, GachiBowli, Serilingampally Mandal, Nanakramguda, Hyderabad 500032 Telangana Toll Free No.: 1800 - 309 - 4001 or send email to einward.ris@kfintech.com.
Thanking You.

For Gujarat Gas Limited

Sandeep Dave
Company Secretary

Note: Record Date once fixed will be intimated to Stock Exchanges as per the statutory requirement