

Dear Shareholder(s),

**General Communication on Tax Deduction at Source on Dividend for the Financial Year (“FY”) 2023-24**

Your attention is drawn towards deduction of tax at source pursuant to the provisions of the Income Tax Act, 1961 (“**Income Tax Act**”), as amended by the Finance Act, 2020 (“**Finance Act**”) and the relevant documentation required to be furnished to the Company, in this regard.

You are requested to note that as per the provisions of the Finance Act, dividends paid or distributed by a Company shall be taxable in the hands of the shareholders. The Company shall therefore deduct tax at source (“**TDS**”) (at the applicable rates) at the time of payment of the dividend. The withholding tax rate shall vary depending on the residential status of the shareholder(s) and subject to verification of documents, uploaded by the shareholder(s) in this regard at <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. **Shareholders are requested to upload all documents at the aforesaid link only.**

Further, shareholders are requested to note the below:

- a) Record date for the purpose of reckoning the list of shareholders entitled to receive the dividend declared shall be mentioned in the Notice convening the 30<sup>th</sup> Annual General Meeting (“**AGM**”), this shareholders are requested to upload all the necessary tax declarations on the above link. **The Company shall not consider any declarations received post the cut-off date as provided in the Notice of the AGM.**
- b) For resident shareholders, tax shall be deducted from the payment of dividend if the aggregate dividend amount exceeds Rs. 5,000/- in a financial year.
- c) Shareholders should **submit a fresh declaration for equity dividend for each respective financial year.**
- d) Shareholders intending to receive the TDS certificates in the name of the beneficial owners should communicate the details of the same to the Company before the cut-off date in the prescribed manner.

The below mentioned communication provides a brief of the applicable TDS provisions under the Finance Act for Resident and Non-Resident shareholder(s) categories.

**RESIDENT SHAREHOLDER**

Particulars	Applicable Rate	Documents required (if any)
With PAN	10%*	In case of shares held in Demat: Update the PAN, if not already done, with the depositories.  In case of shares held physically: Update the PAN, if not already done, with the Company’s Registrar and Transfer Agents (“ <b>RTA</b> ”) - Link Intime India Private Limited by sending a letter requesting correction of PAN mentioning the Company name & folio number along with the Self Attested PAN Card to RTA.
Without PAN/ invalid PAN/ inoperative PAN/ in case income-tax return not filed for last one assessment year for which due date of return filing has expired^	20%	If shareholders’ PAN is not reflected or correct PAN is not updated in records of the depositories, shareholders are advised to send a letter requesting correction of PAN mentioning the Company name & folio number along with the Self Attested PAN Card to the RTA.  In case PAN is not provided/ PAN is invalid/ PAN is inoperative/ Specified person as per section 206AB of the Act, TDS will be deducted at 20%.
Submitting Form-15G/15H	Nil	Declaration in Form 15G (applicable to resident individual)/ Form 15H (applicable to a resident Individual who is 60 years and older), fulfilling certain conditions. Please download Form 15G/15H from the Income Tax website <a href="http://www.incometaxindia.gov.in">www.incometaxindia.gov.in</a> (Please ensure to submit form 15G/15H for Equity Dividend FY 2023-24.)
Submitting order under Section 197 of the Income Tax Act	Rate provided in the order	Lower/nil withholding tax certificate obtained from tax authority.

**Welspun Enterprises Limited**

Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013, India

T: +91 22 6613 6000 / 2490 8000 | F: +91 22 2490 8020

E-mail: [companysecretary\\_wel@welspun.com](mailto:companysecretary_wel@welspun.com) | Website: [www.welspunenterprises.com](http://www.welspunenterprises.com)

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110. India

T: +91 28 3666 2222 | F: +91 28 3627 9010

Corporate Identity Number: L45201GJ1994PLC023920

Particulars	Applicable Rate	Documents required (if any)
Shareholders (e.g. LIC, GIC etc.) for whom Section 194 of the Income Tax Act is not applicable)	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 to satisfy that the said provisions are not applicable.

*\*Notwithstanding the above, tax will not be deducted on payment of dividend to resident Individuals, if the aggregate Dividend amount to be paid by Welspun Enterprises Limited, does not exceed Rs. 5,000/- in a FY 2023-24.*

### **NON-RESIDENT SHAREHOLDER**

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	Self-attested copy of certificate of registration accorded under the relevant regulations of SEBI.
Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	In order to avail the beneficial TDS rate as per respective Tax Treaty, following documents are required to be submitted to the RTA at <a href="https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>  <ol style="list-style-type: none"> <li>1) Copy of Indian Tax Identification number (PAN), if available.</li> <li>2) Tax Residency Certificate (“<b>TRC</b>”) obtained from the tax authorities of the country of which the shareholder is a resident. Since the calendar year has changed, request you to kindly share the TRC for calendar year 2024.</li> <li>3) Electronic Form 10F duly filled and signed.</li> <li>4) Self-declaration from Non-resident, primarily covering the following: <ol style="list-style-type: none"> <li>a) I/we, &lt;&lt;Name of the Shareholder&gt;&gt; confirm that I/we am/ are a tax resident of &lt;&lt;Insert country&gt;&gt; as contemplated in Article &lt;&lt;Insert relevant article&gt;&gt; of the Treaty with Tax identification number &lt;&lt;Insert relevant number&gt;&gt; and am / are eligible to claim benefits of the said DTAA.</li> <li>b) I/we am/are entitled to claim the treaty benefits under DTAA between India and &lt;&lt;Insert Country Name&gt;&gt;, read with the provisions laid down in Multilateral Instrument (MLI), wherever applicable.</li> <li>c) I/we &lt;&lt;Name of the shareholder&gt;&gt; am/are the beneficial owner of such dividend income.</li> <li>d) Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.</li> </ol> </li> </ol>
Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.  <i>^Note: In case the Non-resident's PAN falls under the specified category definition as per section 206AB of the Income Tax Act, provide the No-PE declaration to exclude from the applicability of higher rate under the said section 206AB.</i>

### **^Section 206AB of the Income Tax Act:**

Rate of TDS @ 10% under Section 194 of the Income Tax Act is subject to provisions of Section 206AB of the Income Tax Act (effective from July 1, 2021) which provides that tax is to be deducted at higher of the following rates in case of payments to the specified persons:

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

### **Welspun Enterprises Limited**

Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013, India

T: +91 22 6613 6000 / 2490 8000 | F: +91 22 2490 8020

E-mail: [companysecretary\\_wel@welspun.com](mailto:companysecretary_wel@welspun.com) | Website: [www.welspunenterprises.com](http://www.welspunenterprises.com)

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110. India

T: +91 28 3666 2222 | F: +91 28 3627 9010

Corporate Identity Number: L45201GJ1994PLC023920

*'Specified person' as defined under Section 206AB(3) of the Income Tax Act, is someone who satisfies the following conditions:*

- *A person who has not filed income tax return for previous year immediately preceding the FY 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 Income Tax Act has expired; and*
- *The aggregate of TDS and TCS in whose case is Rs. 50,000/- or more in the said previous year. Further, Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a 'specified person'.*

**Welspun Enterprises Limited**

Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013, India

T: +91 22 6613 6000 / 2490 8000 | F: +91 22 2490 8020

E-mail: [companysecretary\\_wel@welspun.com](mailto:companysecretary_wel@welspun.com) | Website: [www.welspunenterprises.com](http://www.welspunenterprises.com)

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110. India

T: +91 28 3666 2222 | F: +91 28 3627 9010

Corporate Identity Number: L45201GJ1994PLC023920