

Tax Deductible at Source (TDS) / Withholding tax

A. Resident Shareholders:

A.1 Tax Deductible at Source for Resident Shareholders

Sr. No	Particulars	Withholding tax rate	Documents required (if any) / Remarks
1	Valid PAN updated in the Company's Register of Members	10%	No document required, If dividend does not exceed ₹ 5,000/-, no TDS / withholding tax will be deducted.
2	No PAN / Valid PAN not updated in the Company's Register of Members/ PAN is not linked with AADHAR in case of an individual	20%	<p>TDS will be deducted at 20% as provided under Section 206AA of the Income Tax Act, 1961, regardless of dividend amount, if PAN of the shareholder other than individual is not registered with the Company / KFinTech / Depository Participant.</p> <p>In case of individual shareholder, if PAN is not registered with the Company / KFinTech / Depository Participant & cumulative dividend payment to an individual shareholder is more than ₹ 5000, TDS / Withholding tax will be deducted at 20% under Section 206AA of the Income Tax Act, 1961.</p> <p>All the shareholders are requested to update, their PAN with their Depository Participant (if shares are held in electronic form) and Company / KFinTech (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.</p>
3	A shareholder falls in the category of "specified person" as defined in Section 206AB of Income Tax Act, 1961	20%	The PAN of the shareholder registered with the Company / KFinTech / Depository Participant will be validated on "Compliance Check functionality for Section 206AB & 206CCA" on Reporting Portal of Income Tax Department & accordingly 20% TDS will be deducted with reference to Section 206AB of Income Tax Act, 1961, if the person is "specified person".

Sr. No	Particulars	Withholding tax rate	Documents required (if any) / Remarks
4	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted.
5	Benefits under Income Tax Rule 37BA	Rates based on applicability of Income Tax Act, 1961 to the beneficial owner	If the registered shareholder e.g. Clearing Member / intermediaries / stock brokers are not the beneficial shareholders of the shares and if the declaration under Income Tax Rule Form 37BA(2) is provided regarding the beneficial owner, the TDS / Withholding tax will be deducted at the rates applicable to the beneficial shareholders.

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A.2 No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in column no.4 of the below table with the Company / KFinTech / Depository Participant.

Sr. No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(4)
1	Submission of form 15G / 15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax Act, 1961 does not apply as per second proviso to section 194 such as LIC, GIC. etc.	NIL	Valid documentary evidence for exemption u/s 194 of Income Tax Act, 1961.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, Corporations established by Central Act & mutual funds	NIL	Valid documentary evidence for coverage u/s 196 of Income Tax Act, 1961.
4	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961.
5	<ul style="list-style-type: none">Recognised provident fundsApproved superannuation fundApproved gratuity fund	NIL	Valid documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT).
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961. Valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) to be provided.

Sr. No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
(1)	(2)	(3)	(4)
7	Any resident shareholder exempted from TDS deduction as per the provisions of Income Tax Act, 1961 or by any other law or notification	NIL	Valid documentary evidence substantiating exemption from deduction of TDS.