



The Dharamsi Morarji Chemical Company Limited

CIN: L24110MH1919PLC000564

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INTIMATION ON DEDUCTION OF TAX ON FINAL DIVIDEND FY 2021-22

Dear Shareholder,

Subject: Communication in respect of deduction of tax at source on Final Dividend FY 2021-22

We wish to inform you that the Board of Directors ('Board') of your Company has at its meeting held on May 24, 2022 recommended dividend of Rs. 1/- per equity share (of face value of Rs. 10/- each) for the financial year ended March 31, 2022.

If the final dividend, as recommended by the Board of Directors, is approved at the ensuing Annual General Meeting (AGM) Scheduled to be held on **Wednesday, September 14, 2022**, payment of such dividend subject to deduction of tax at source will be made within statutory timeline of 30 days to those members whose names appear: -

- a) as beneficial owners at the end of business hours on **Wednesday, September 07, 2022**, as per lists furnished by Central Depository Services (I) Limited and National Securities Depository Limited in respect of shares held in electronic form; and
- b) on the Register of Members of the Company as on **Wednesday, September 07, 2022**, after giving effect to valid transfers in respect of transfer requests lodged with Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent (RTA) of the Company, on or before the close of business hours on **Wednesday, September 07, 2022**, in respect of shares held in physical form.

As you are aware that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020 ("the Act"), dividends paid or distributed by a Company after April 1, 2020, shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the said Final Dividend if declared at the above AGM.

TDS rate may vary depending on the residential status of the shareholder and the documents submitted to and accepted by the Company under the provisions of the Act.

Further, according to the provisions of section 206AB, higher rates of tax would be deducted in case of payment to a specified person effective from July 01, 2021. A specified person for this section means a person who has not furnished their return of income for the previous year (FY 2020-21) immediately preceding the financial year in which tax is required to be deducted and for which the time limit for furnishing the return of income under section 139(1) of the Act has expired and the aggregate of tax deducted at source and collected at source is rupees fifty thousand or more in the said previous year. A specified person shall not include a non-resident who does not have a permanent establishment in India.

All Shareholders are requested to ensure that the below information & details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the DP(s); or in case of shares held in physical form, with LinkIntime, on or before **September 07, 2022**.

Please note that the following information & details, if already registered with the LinkIntime and Depositories, as the case may be, will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- a) Valid PAN*.
- b) Residential status as per the Income Tax Act,1961 i.e. Resident or Non-Resident for FY 2022-23.
- c) Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/State Government), Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII):Foreign Company, FPI/FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, Overseas Corporate Bodies, etc.
- d) Email Address.
- e) Residential Address.

*If the PAN is not as per the database of the Income-tax Portal, it would be considered as an invalid PAN. Further as per the Notification of the Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN.

The TDS for various categories of shareholders along with required documents are provided in Tables Below:

For Resident Shareholders:

Sr. No.	Particulars	Tax Rate	Documents Required (Please mentioned DP ID and Client ID/ Folio No.)
1	Individual Shareholder receiving aggregate of total dividend not exceeding Rs. 5000 from the Company during FY 2022-23.	NIL	Not Applicable
2	Shareholder (including individual shareholders) with valid PAN receiving aggregate dividend in excess of Rs.5000 from the Company during FY 2022-23)	10%	Shareholders to update / verify their PAN and residential status as per the Act, if not already done, with the Depository Participant (if shares are held in DEMAT form) and with the Company's RTA i.e. Link Intime India Private Limited Ltd (if shares are held in Physical form).
	Any resident individual Shareholder submitting Form 15G (applicable to individuals below 60 years) / Form 15H (applicable to an Individual who is 60 years and above)	NIL	a. Form 15G (applicable to individual below 60 years) (Annexure-A) / Form 15H (applicable to individual of 60 years or above) (Annexure-B) (as applicable) b. Self-attested copy of PAN
3	Shareholder not having valid PAN/ without registration of PAN / is a "specified person" as per Section 206AB of the Act.	20%	Not Applicable
4	Shareholder submitting certificate under Section 197 of the Act	Rate mentioned in the certificate	Self-attested copy of the certificate under Section 197 obtained from Income Tax Authority. The same should be valid for FY 2022-23 and should cover dividend income.

Sr. No.	Particulars	Tax Rate	Documents Required (Please mentioned DP ID and Client ID/ Folio No.)
5	Insurance Company under Section 194 of the Act.	NIL	a. Self-attested copy of PAN b. Copy of registration certificate issued by IRDAI c. Self-declaration in Annexure-C that the shareholder has full beneficial interest with respect to the shares owned by it.
6	Persons covered under Section 196 of the Act (Govt, RBI, Corporations established under Central Act and exempt from Income Tax, Mutual Fund under Section 10(23D))	NIL	a. Self-attested copy of PAN b. Copy of registration / exemption substantiating the applicability of Section 196 of the Act. c. Self-declaration in (<i>Annexure-C</i>) that the person is covered under Section 196 of the Act.
7	Alternative Investment Fund (AIF) established in India	NIL	a. Self-attested copy of PAN b. Copy of registration certificate issued by SEBI c. Self-declaration in (<i>Annexure-C</i>) that its dividend income is not chargeable under the head 'Profit and Gains of Business or Profession' and exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations.
		10%	This rate is applicable for Category III AIF
	New Pension System(NPS)	NIL	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 along with self-attested copy of the PAN card.
8	Any other entity exempt from withholding tax under the provisions of section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	NIL	A self- declaration in (<i>Annexure-C</i>) that the person is covered under the provisions of section 197A of the Act.
9	Any other entity entitled to exemption from TDS	NIL	Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption

For Non Resident Shareholders:

Sr. No.	Particulars	Tax Rate	Documents Required
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or Tax Treaty rate** whichever is lower	<p>Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories. Provide declaration in (Annexure-D) whether the investment in shares has been made under the general FDI route or under the FPI route. Shareholders may also apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements ('DTAA'), by submitting following documents:</p> <ol style="list-style-type: none"> Self-attested copy of PAN, if any. If PAN is not available, information to be provided under Rule 37BC(2) of Income Tax Rules, 1962 in (Annexure-E) Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for FY 2022-23 (covering the period from April 1,2022 to March 31,2023); Duly filled and Signed Form 10F in (Annexure-F) Self-declaration for FY 2022-23 (covering the period from April 1, 2022 to March 31, 2023) as per (Annexure-G) from Nonresident on shareholder's letterhead, primarily (not exclusive list) covering the following: <ul style="list-style-type: none"> Non-resident is eligible to claim the benefit of respective tax treaty Non-resident receiving the dividend income is the beneficial owner of such income Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
2	Other Non-resident shareholders (except those who are tax resident of Notified jurisdictional Area)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	<p>Shareholders to update / verify their PAN and residential status as per the Act, if not already done, with the Depository Participant (if shares are held in DEMAT form) and with the Company's RTA in case of held in Physical.</p> <p>To avail the lower rate, the following to be submitted:</p> <ol style="list-style-type: none"> Self-attested copy of PAN, if any. If PAN is not available, information to be

Sr. No.	Particulars	Tax Rate	Documents Required
			<p>provided under Rule 37BC(2) of Income Tax Rules, 1962 in Annexure-E</p> <p>b. Self-Attested copy of the Tax Residency Certificate (TRC) ^ valid for FY 2022-23, obtained from the tax authorities of the country of which the shareholder is a resident.</p> <p>c. Duly filled and Signed Form 10F in (<i>Annexure-F</i>)</p> <p>d. Self-declaration for FY 2022-23 (covering the period from April 1, 2022 to March 31, 2023) from Non-resident, in (<i>Annexure-G</i>) primarily covering the following:</p> <ul style="list-style-type: none"> • Non-resident is eligible to claim the benefit of respective tax treaty; • Non-resident receiving the dividend income is the beneficial owner of such income; • Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India; • Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'); • Non-resident does not have a place of effective management in India. <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company.</p>
3	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	Not Applicable
4	Submitting certificate u/s 197 (i.e. lower or NIL withholding tax certificate	Rate provided in the certificate	If lower/ NIL withholding tax certificate obtained from Income tax authority is submitted, tax will be withheld at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for FY 2022-23.
5	Non-resident shareholder who is a “specified person” as per section 206AB.	40% (plus applicable surcharge and cess)	Not Applicable

Sr. No.	Particulars	Tax Rate	Documents Required
6	Any other entity entitled to exemption from TDS	NIL	Self-declaration substantiating the fulfilment of prescribed conditions and Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption.

^In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.

** The beneficial Tax Treaty rates will not automatically apply at the time of tax deduction/ withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of documents submitted by non-resident shareholders. In case documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty.

Notes:

1. If dividend income is taxable in hands of any person other than the recipient of the dividend (e.g. Clearing member/corporations), then requisite details to be provided by way of a declaration under Rule 37BA(2) of the Income Tax Rules, 1962 in **(Annexure-H)**
2. Form 15G / Form 15H can be submitted only in case the shareholder's income tax payable on estimated total income for FY 2022-23 is NIL.
3. Lower deduction Certificate u/s 197 of the Act may be obtained under TAN of the Company i.e., MUMT09306D
4. Shareholders may note that all documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorized signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or valid information/documents not being provided, tax at maximum applicable rate will be deducted.
5. In case of any discrepancy in documents submitted by the shareholder, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.
6. In the event of a mismatch in category of shareholder (individual, company, trust, partnership, local authority, Government, Association of Persons etc.) as per register of members and as per fourth letter of PAN (10-digit alpha-numeric number), the Company would consider fourth letter of PAN for determining the category of shareholders and the applicable tax rate/ surcharge/ education cess.
7. Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
8. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
9. In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.

10. For deduction of tax at source, the Company would be relying on the above data shared by RTA as updated up to the record date.
11. Further, shareholders who have not registered their email address are requested to register the same with our RTA at web link: https://web.linkintime.co.in/EmailReg/Email_Register.html Shareholders are further requested to complete necessary formalities with regard to their Bank accounts updation for enabling the Company to make timely credit of dividend in respective bank accounts. For any queries related to the payment of dividend, shareholders can write on email Id's i.e. rnt.helpdesk@linkintime.co.in or investor@dmcc.com
12. Shareholders, whose valid PAN is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal>. The Company shall not be liable to entertain any request from such shareholder and the requisite steps will have to be taken by the shareholder at his / her end only. The shareholders are required to ensure that instructions mentioned herein are duly adhered to, failing which the Company would not be able to entertain any requests for allowing any exception, whatsoever.
13. In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information 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 assessment/ appellate proceedings before the Tax/ Government authorities.
14. **TDS to be deducted at higher rate in case of non-filers of Return of Income**

The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to specified person:

- i. At twice the rate specified in the relevant provision of the Act; or
- ii. At twice the rates or rates in force; or
- iii. At the rate of 5%

Where sections 206AA and 206AB both are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at higher of two rates prescribed in these two sections.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

15. **TO ALL SHAREHOLDERS FOR SUBMISSION OF TAX RELATED DOCUMENTS:**

- a. The Company with M/s. Link in Time Pvt. Ltd., Company's Registrar and Transfer Agent has enabled a shareholder web portal for submission of tax exemption forms/requested documents.
- b. Forms 15G/15H/10F and Self Declaration form for tax exemption can be downloaded from the LIPL's website. The URL for the same is <https://web.linkintime.co.in/client-downloads.html> . **On this page select the General tab.** All the forms are available in under the head "**Form 15G/15H/10F**"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request:

1. Select the company (Dropdown) i.e. **The Dharamsi Morarji Chemical Company Limited**
 2. Folio / DP-Client ID
 3. PAN
 4. Select Financial year (Dropdown) i.e. 2022-23
 5. Select Exemption Form – Any one as applicable (Form 15G/15H/10F)
 6. Attach Document - 1 (PAN) (Only PDF/JPG/JPEG/PNG/GIF. Max file size 1 MB)
 7. Attach Document - 2 (Forms as applicable) (Only PDF/JPG/JPEG/PNG/GIF. Max file size 1 MB)
 8. Attach Document - 3 (Any supporting document). (Only PDF/JPG/JPEG/PNG/GIF. Max file size MB)
- c. Shareholders are encouraged to file documents for claiming tax exemption in the manner mentioned above by visiting the link <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>, however in case, any shareholder faces any difficulty may email the documents for claiming tax exemption to mt.helpdesk@linkintime.co.in with copy to investor@dmcc.com or before **7th September, 2022** in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

Blank forms for tax exemptions are also made available on the website of the company at www.dmcc.com and the link for downloading is also provided below.

[Annexure A](#) - Form 15G

[Annexure B](#) - Form 15H

[Annexure C](#) - Self Declaration (Resident shareholder)

[Annexure D](#) - Self Declaration in relation to Investment Route

[Annexure E](#) - Self Declaration for non-availability of PAN (Non-resident shareholder)

[Annexure F](#) - Form 10F

[Annexure G](#) - Self declaration (Non-resident shareholder)

[Annexure H](#) - Declaration format under Section 37BA

Please note that all fields mentioned in the forms are mandatory and the Company will not be able to accept the forms submitted, if not filled correctly.

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.

For The Dharamsi Morarji Chemical Company Limited

Omkar Mhamunkar
Company Secretary

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