



## DWARIKESH SUGAR INDUSTRIES LIMITED

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CIN: L15421UP1993PLC018642

Date: 8<sup>th</sup> July, 2025

Dear Shareholder,

Trust you and your family are safe and in good health!

We are pleased to inform you that the Board of Directors at their Meeting held on May 22, 2025 have recommended a Dividend of ₹ 0.50/- per Equity Share on face value of ₹ 1/- each (i.e. 50%) for the Financial Year ended March 31, 2025 and the said Dividend will be payable post approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company to be held on Tuesday, August 19, 2025.

As you are aware, as per the Income Tax Act, 1961 (Act), as amended by the Finance Act, 2020, dividends paid or distributed by a Company after 1<sup>st</sup> April, 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 Dividend, if declared at the above AGM.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident shareholder categories. The TDS rate would vary depending on the residential status, category of the shareholder and is subject to the provision of requisite declarations / documents to the Company.

Please note that the Company has circulated copy of Notice of AGM along with the Annual report as per timelines provided under the Companies Act, 2013 and cut-off date for determining the eligibility of members to pay Dividend if approved at the AGM will be **Tuesday, August 12, 2025**.

Please take note of the below TDS provisions and information/document requirements for each member:

### RESIDENT SHAREHOLDERS:

A.1 No tax shall be deducted on payment of dividend to the resident individual members, if the total dividend for a financial year does not exceed Rs. 10,000 (Rupee Ten thousand), subject to availability of PAN of member.

A.2 Tax shall be deducted from Dividend paid to resident members (other than category prescribed under A.1 above) as per the details provided below:

Particulars	Applicable Rate of Tax	Declaration/ documents required
Where valid PAN is updated with the Depository Participant ( <i>in case shares are held in dematerialized form</i> ) or with Company's Registrar and Transfer Agent ("RTA") i.e., Link Intime India Private Limited ( <i>in case shares are held in physical form</i> ) and no exemption is sought by the resident member	10%	Update/Verify the PAN, and the residential status as per the Act, if not already done, with the Depositories.
No PAN/ Invalid PAN/ Inoperative PAN* and no exemption sought by member	20%	Not applicable  Note: In case of a shareholder being resident individual eligible for obtaining Aadhaar Number have not linked the Aadhar Number allotted with its PAN (as on the date of

		payment of such dividend), such PAN would be treated as inoperative for the provisions of deduction of TDS. For this purpose, the Company will be relying on the information verified from the utility available on the Income Tax website.
Where lower/ nil tax deduction certificate is issued by Income Tax Department under section 197 of the IT Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-attested copy of lower tax withholding certificate obtained from Income Tax Department</li> </ul> <p>Note: The certificate should be valid for the financial year 2025-26 and should cover the dividend income from the company.</p>

*\* As per section 139AA of the IT 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, except person exempted as per Notification No. 37/2017. In case of failure to comply to this, the PAN allotted shall be deemed to be inoperative and tax shall be deducted at higher rates as prescribed under the IT Act.*

*A.3 No tax shall be deducted on Dividend to resident members if the members submit documents mentioned in the below table with the RTA:*

Particulars	Declaration/ documents required
Individual furnishing Form 15G/ 15H	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Form 15G (applicable to an individual who is less than 60 years) OR Form 15H (applicable to an individual who is 60 years or more), provided that all the required eligibility conditions are met. <b>(Download format of Form 15G and 15H from the website of the Company)</b></li> </ul>
Submitting Certificate under Section 197 of the IT Act	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-attested NIL withholding tax certificate obtained from tax authority</li> </ul> <p>Note: The certificate should be valid for the financial year 2025-26 and should cover the dividend income from the company.</p>
Members [e.g. LIC, GIC,] for whom Section 194 of the IT Act is not applicable	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-declaration <b>(download format SD1 from the website of the Company)</b> along with adequate documentary evidence (e.g., registration certificate) to the effect that no tax withholding is required pursuant to the provisions of Section 194 of the IT Act.</li> </ul>
Category I and II Alternative Investment Fund (AIF)	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-declaration <b>(download format SD1 from the website of the Company)</b> that the AIF is registered with SEBI as per SEBI Regulations along with copy of registration certificate along with the confirmation that their income is exempted from tax in terms of notification no. 51/2015 issued by CBDT</li> </ul>
Persons covered under Section 196 of the IT Act (e.g. Mutual Funds specified under clause (23D) of Section 10 of the IT Act, RBI, Govt.)	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-declaration <b>(download format SD1 from the website of the Company)</b> along with documentary evidence (e.g., registration certificate) that the person is covered under said Section 196 of the IT Act</li> </ul>
Other shareholders exempt as per Section 197A of the IT Act including those mentioned in Circular No. 18/2017 issued by CBDT viz. New Pension System Trust governed by Section 10(44), Recognized Provident Fund, Approved Superannuation Fund or Approved Gratuity Fund	<ul style="list-style-type: none"> <li>• Copy of PAN card</li> <li>• Self-declaration <b>(download format SD1 from the website of the Company)</b> along with documentary evidence to the effect that no tax withholding is required</li> <li>• Copy of the lower TDS certificate obtained from Income Tax Department (except those covered by Circular 18/2017)</li> </ul>

**A. Non-resident shareholders:**

*As per Section 90 of the IT Act, the non-resident member has the option to be governed by the provisions of the Double Taxation Avoidance Agreement ("Tax Treaty") between India and the country of tax residence of the member, if they are more beneficial to them. Please refer to the below table for the details of documents to avail Tax Treaty benefits:*

Particulars	Applicable Rate	Documents required (if any)
Non-resident Members (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs))	20% plus applicable surcharge and cess <b>OR</b> Relevant Tax Treaty Rate (Whichever is lower)	<p>If the member wants to avail the tax rates as per the Tax Treaty, following documents would be required:</p> <ul style="list-style-type: none"><li>• Self-attested copy of the Permanent Account Number (PAN) allotted by the Indian Income Tax authorities</li></ul> <p>Self-Attested copy of the Tax Residency Certificate (TRC) applicable for the period April 2025 to March 2026 obtained from the tax authorities of the Country of which the shareholder is a resident. Where only TRC for calendar year 2025 is available, provide declaration that the shareholder is and will continue to remain a tax resident of the Country of its residence during the FY 2025-26.</p> <p>Self-declaration in Form 10F generated from income tax e-filing portal. (<a href="https://www.incometax.gov.in/iec/foportal">https://www.incometax.gov.in/iec/foportal</a>)</p> <ul style="list-style-type: none"><li>• In case of FIIs and FPIs, self-attested copy of SEBI registration certificate</li><li>• Self-declaration in the <b>(download format SD2 from the website of the Company)</b>, certifying that –<ol style="list-style-type: none"><li>i. You will continue to remain a tax resident of the country of your residency during the Financial Year 2025-26;</li><li>ii. You are eligible to claim the beneficial Tax Treaty rate for the purposes of tax withholding on dividend declared by the Company;</li><li>iii. You have no reason to believe that your claim for the benefits of the Tax Treaty is impaired in any manner;</li><li>iv. You are the beneficial owner of your shareholding in the Company and dividend receivable from the Company;</li><li>v. You do not have a taxable presence/ permanent establishment/ fixed base/ Business Connection/ Place of Effective Management, in India in accordance with the applicable Tax Treaty or dividend income is not attributable/ effectively connected to any permanent establishment or fixed base in India;</li><li>vi. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI').</li></ol></li></ul>
Submitting Certificate under Section 197 of the IT Act.	Rate specified in Lower/Nil withholding tax certificate	<ul style="list-style-type: none"><li>• Self attested Lower/NIL withholding tax certificate obtained from tax authority</li></ul> <p>Note: The certificate should be valid for the financial year 2025-26 and should cover the dividend income from the company.</p>

Particulars	Applicable Rate	Documents required (if any)
Alternative Investment Fund – Category III located in International Financial Services Centre	10% (plus applicable surcharge and cess)	<ul style="list-style-type: none"> <li>Copy of PAN card</li> <li>Self-declaration (<b>download format SD3 from the website of the Company</b>) along with adequate documentary evidence (e.g. registration certificate) substantiating the nature of the entity.</li> </ul>
Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the IT Act	30%	Not applicable.
Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the IT Act	NIL	<ul style="list-style-type: none"> <li>Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the IT Act issued by the Government of India.</li> <li>Self-Declaration (<b>download format SD4 &amp; SD5 from the website of the Company</b>) that the conditions specified in section 10(23FE) have been complied with.</li> </ul>
Foreign Portfolio Investors (FPIs) – Category I	10% (plus applicable surcharge and cess) in case of a valid PAN	<ul style="list-style-type: none"> <li>Copy of PAN card</li> <li>Self-declaration (<b>download format SD6 from the website of the Company</b>) along with adequate documentary evidence (e.g. registration certificate) substantiating the nature of the entity.</li> </ul>
Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under section 10(23FE) of the IT Act	NIL	Self-Declaration ( <b>download format SD7 from the website of the Company</b> ) substantiating the fulfillment of conditions prescribed under section 10(23FE) of the IT Act

Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company/RTA, of the documents submitted by Non-Resident members and meeting requirement of the IT Act read with applicable Tax Treaty. It must be ensured that self-declaration should be addressed to the company and should be in the same format as attached. In the absence of the same, the company will not be obligated to apply the beneficial Tax Treaty rate at the time of tax deduction on dividends.

**\* The shareholders can download the format of aforementioned forms on the website of the Company at <https://www.dwarikesh.com/dividend-tax-forms.html>**

#### **For all members (Resident and Non- Resident)**

Members holding shares under multiple accounts under different residential status/ shareholder category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category, will be considered on their entire shareholding which is held under different accounts.

The aforementioned forms (duly completed, signed and scanned) along with PAN (unless already registered) shall be submitted to our RTA, M/s. MUFG Intime India Pvt. Ltd (Formerly M/s. Link Intime India Private Limited.) on email id ([dwarikeshstds@in.mpms.mufg.com](mailto:dwarikeshstds@in.mpms.mufg.com)) or directly be submitted on their website using the following link <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html> on or before August 19, 2025, in order to enable the Company to determine and deduct appropriate TDS / withholding tax, as may be applicable.

After receipt of any of the declarations, if the Company basis its independent assessment, finds any information that is contrary to the declarations received by it, the Company reserves right to rely on the results of its independent assessment and make a deduction of taxes at a higher rate as per applicable provisions of the IT Act.

It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents or for any other reason, there would still be an option available with the member to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such tax deduction.

A declaration must be filed with the Company where the whole or any part of the dividend income is assessable, under the provisions of the IT Act, in the hands of a person other than the member in accordance with Rule 37BA(2) of the Income-tax Rules, 1962. The declaration must consist of name, address, PAN, along with other documents mentioned above depending upon the tax residency status of such person to whom credit is to be given and proportion of credit to be given in respect of dividend income.

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 members (s), such member(s) will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

All communications/ queries in this respect should be addressed and sent to our RTA, M/s. MUFG Intime India Private Limited (Formerly M/s. Link Intime India Private Limited) at its email address at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)

Thanking you,

For **Dwarikesh Sugar Industries Limited**

Sd/-

**B J Maheshwari**

**Managing Director & CS cum CCO**

**DIN : 00002075**