

## Century Plyboards (India) Limited

### Century House,

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Cin No : L20101WB1982PLC034435



Date: 17<sup>th</sup> August, 2021

BSE Ltd.

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400 001

**Scrip Code: 532548**

National Stock Exchange of India Ltd.

Exchange Plaza, Bandra Kurla Complex,

Bandra (E)

Mumbai- 400 051

**Scrip Name- Centuryply**

**Dear Sir(s)/ Madam(s)**

### **Sub: Deduction of tax at source on Dividend – Shareholders Communication**

Pursuant to the provisions of the Income Tax Act, 1961 as amended by Finance Act, 2020, with effect from 1<sup>st</sup> April, 2020, the Dividend Distribution Tax has been abolished and dividend income is taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an email communication which has been sent to all the shareholders whose email addresses are registered with the Company/Depositories informing them about deduction of tax at source on dividend.

This is for your information and records.

Thanking you,

Yours faithfully,

**For Century Plyboards (India) Ltd.**

**Company Secretary**

Enclosed: As above

 **CENTURYLAMINATES** |  **CENTURYPLY** |  **CENTURYMDF**

PRELAM BOARD | VENEERS | PARTICLEBOARD  
EXTERIOR LAMINATES | DOOR |  | PVC BOARD | CFS





## **CENTURY PLYBOARDS (INDIA) LIMITED**

(CIN: L20101WB1982PLC034435)

Registered Office: P-15/1, Taratala Road, Kolkata - 700 088; Phone: (033) 3940 3950  
Fax: (033) 2401 5556; Website: www.centuryply.com; Email: investors@centuryply.com

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Date: 16th August, 2021

Dear Member,

**Sub: Communication of deduction of tax at source on Dividend**

We wish to inform you that the Board of Directors of **Century Plyboards (India) Limited** ('the Company') at its Meeting held on 10<sup>th</sup> August, 2021 has recommended Dividend of Re. 1/- per equity share of face value of Re. 1/- each for the Financial Year ended 31<sup>st</sup> March 2021 and the same would be payable, if approved by the shareholders at the ensuing 40<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled to be held on 8th September, 2021.

The Register of Members and Share Transfer Books will remain closed from Thursday, 2nd September, 2021 to Wednesday, 8th September, 2021 (both days inclusive) for determining the eligibility of members for receiving dividend. Payment of dividend, if declared by the members at the AGM, will be made to all those members whose names will be on the Company's Register of Members as on 8<sup>th</sup> September, 2021 and to those whose names will appear as Beneficial Owners as at the close of the business hours on 1<sup>st</sup> September, 2021 as per the details furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

Pursuant to the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 issued by Ministry of Corporate Affairs, dividend will be paid electronically in the Members bank accounts. The Company will keep on hold cheques/demand drafts of the members who have not registered their bank details with the Company and will dispatch the same once the lock down is lifted and postal services are normalized. The Members holding shares in demat form are requested to ensure that their bank account details are updated with their depository participants.

Members holding shares in physical form and who have not updated their bank accounts details are requested to update bank details with the Company's Registrar and Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd., 23 R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700001 in the following manner :

You are requested to send them duly completed NACH Mandate Form (<https://mdpl.in/form/nach-mandate>) with signature of the First/Sole holder attested by your banker along with a cancelled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send additionally self-attested copy of your pass book / bank statement showing your name, account no and IFSC Code. In the covering letter, please mention name of the company, Folio No., along with your name, address, email id and phone no. or click on the following link- <https://mdpl.in/form/nach-mandate>.

Pursuant to the provisions of the Income Tax Act, 1961, ('the Act') as amended by the Finance Act, 2020, with effect from 1<sup>st</sup> April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company shall therefore be required to deduct tax at source (TDS) at the time of distribution or payment of the said dividend at prescribed rates.

This communication provides a brief about the applicable TDS provisions under the Income Tax Act, 1961, for various categories, including Resident and Non-Resident members, subject to submission of requisite documents/declarations to the Company.

**1) For Resident Members:**

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(a)	<b>In case aggregate Dividend paid is less than Rs. 5000-</b> No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed Rs. 5,000.		
(b)	<b>In case aggregate Dividend paid is more than Rs. 5000-</b> TDS provisions for resident individual members if the amount of such dividend in aggregate paid or likely to be paid during the financial year exceeds Rs. 5,000 are as follows:		
(i)	Members having a valid PAN	10.0%	Update/Verify the PAN and the residential status as per Income Tax Act, 1961 if not already done with the depositories (in case of shares held in demat mode) or with the Company's Registrar and Transfer Agents – Maheshwari Datamatics Pvt. Ltd. (in case of shares held in physical mode). Shareholders may update the same using the following link : <a href="https://mdpl.in/form/pan-update">https://mdpl.in/form/pan-update</a>
(ii)	Members without PAN or having Invalid PAN; and  Members who have not filed their income tax returns for the previous two financial years and TDS deducted in their case in each of these two years exceeds Rs. 50,000  Shareholders who are required to link their Aadhaar number with their PAN in terms of the provisions of Section 139AA(2) of the Act read with Rule 114AAA of the Income-tax Rules, 1962, should do so by 30th September, 2021.	20%	
(iii)	Members submitting Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to individual below the age of 60 years) / Form 15H (applicable to an Individual who is 60 years and older), fulfilling certain conditions. Shareholders may submit the declaration using the following link for claiming Exemptions- <a href="https://mdpl.in/form/15g-15h">https://mdpl.in/form/15g-15h</a> .
(iv)	Members submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority to be submitted. Shareholders may submit the certificate using the following link: <a href="https://mdpl.in/form/certificate-u-s-197">https://mdpl.in/form/certificate-u-s-197</a>
(c)	Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and SEBI registration certificate. Shareholders may submit the declaration using the following link:- <a href="https://mdpl.in/form/mutual-fund">https://mdpl.in/form/mutual-fund</a>
(d)	An Insurance Company exempted under Sec. 194 of the Income Tax	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it and

	Act, 1961		documentary evidence that the provisions of section 194 of the Act are not applicable to them along with Self attested copy of PAN card and IRDAI registration certificate.  Shareholders may submit the declaration using the following link- <a href="https://mdpl.in/form/insurance-company">https://mdpl.in/form/insurance-company</a>
(e)	Alternative Investment Fund (AIF) established in India	NIL	Documentary evidence to prove that Investment Fund is a fund as defined in clause (a) of the Explanation 1 of section 115UB of the Act and Declaration that its Dividend Income is exempt under Section 10 (23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations Shareholders may submit the declaration using the following link- <a href="https://mdpl.in/form/alternative-investment">https://mdpl.in/form/alternative-investment</a>
(f)	New Pension System Trust	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.
(g)	Other Non-Individual shareholders	NIL	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

## 2) For Non-Resident Members:

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(a)	TDS shall be Deducted/ Withheld	20% (plus applicable surcharge and cess)  (*twice the applicable rate would be applicable in case the shareholder:  a) has not filed his income tax return for the previous two financial years and the TDS deducted in its case exceeds Rs. 50,000 in each of these two years; and  b) the shareholder has a permanent establishment in India)	
(b)	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) Investors (FPIs)	20% (plus applicable surcharge and cess)  (*twice the applicable rate would be applicable in case the	Self Attested Copy of SEBI Registration Certificate.

		<p>shareholder:</p> <p>a) has not filed his income tax return for the previous two financial years and the TDS deducted in its case exceeds Rs. 50,000 in each of these two years; and</p> <p>b) the shareholder has a permanent establishment in India)</p>	
(c)	Other Non-resident Shareholders	<p>20% (plus applicable surcharge and cess)</p> <p><b>OR</b></p> <p><b>Tax Treaty Rate** (whichever is less)</b></p> <p>Non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if the DTAA provisions are more beneficial.</p> <p>(*twice the applicable rate would be applicable in case the shareholder:</p> <p>a) has not filed his income tax return for the previous two financial years and the TDS deducted in its case exceeds Rs. 50,000 in each of these two years; and</p> <p>b) the shareholder has a permanent establishment in India)</p>	<p>Update/Verify the PAN and the residential status as per Income Tax Act, 1961, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Maheshwari Datamatics Pvt Ltd. (in case of shares held in physical mode).</p> <p>In order to apply the Tax Treaty rate, <b>ALL</b> the following documents would be required:</p> <ol style="list-style-type: none"> <li>1) Copy of Indian Tax Identification number (PAN).</li> <li>2) Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during Financial Year 2020-21.</li> <li>3) Form 10F duly filled and signed (Format attached herewith).</li> <li>4) Self-declaration from Non-resident, primarily covering the following: <ul style="list-style-type: none"> <li>- Non-resident is eligible to claim the benefit of respective tax treaty</li> <li>- Non-resident receiving the dividend income is the beneficial owner of such income</li> <li>- Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India. (Format attached herewith).</li> </ul> </li> </ol> <p>Shareholders may submit the declaration using the following link- <a href="https://mdpl.in/form/10f">https://mdpl.in/form/10f</a></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 member.

The Finance Act, 2021 has inter-alia inserted Section 206AB of the Act with effect from 1st July, 2021, which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax returns (referred to as specified persons). U/s 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

- (a) at twice the rate specified in the relevant provision of the Act; or
- (b) at twice the rate or rates in force; or
- (c) at the rate of 5%.

In cases where Sections 206AA and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB (3) is someone who has:

1. not filed income tax return for two previous years immediately prior to the previous year 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 Act has expired; and
2. The aggregate of TDS and TCS in whose case is Rs. 50,000 or more in each of these two previous years.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a "specified person".

Please note that the information regarding whether a shareholder is a specified person or not will be downloaded through the functionality of the Income Tax Department. Accordingly, it is advised that non-residents, who have not filed their returns in the past years, to provide a declaration stating that they do not have a Permanent Establishment in India.

All the links given above will remain active till 1st September, 2021 and will be disabled on 2nd September, 2021.

**For all Members:**

Members holding shares under multiple accounts under different status / category and 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.

In view of the prevailing COVID 19 situation, only scanned copies of the aforementioned tax relief documents such as PAN, Forms 15G/15H/10F/Self-declaration/documentary evidence etc. will be accepted by the Company as per link given above. The documents (duly completed and signed) are required to be submitted by uploading the documents on the link. The documents furnished by the shareholders shall be subject to review and examination by the Company before granting any beneficial rate or NIL rate. The Company reserves the right to reject the documents in case of any discrepancies or the documents are found to be incomplete.

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Any such tax relief documents (PAN/15G/ 15H/10F/Self Declaration Form) received through any other methods like email or hand delivery will not be considered to determine and deduct appropriate TDS / withholding tax.

Members 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 Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

Kindly note that 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 Act, in the hands of a person other than the shareholder in accordance with Rule 37BA(2) of the Income-tax Rules, 1962. The declaration must consist of Name, address, PAN of the person to whom credit is to be given and proportion of credit to be given in respect of dividend income. In case the Company does not receive such declaration before the stipulated timelines, it reserves the right to reject such declaration. In case you provide any wrong information relating to the aforesaid, the Company would be entitled to recover from you demands, if any, made on the Company by the tax authorities for incorrect submission of information.

The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / RTA post payment of the dividend. Shareholders will be able to download the tax credit statement from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).

Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Transfer Agent, viz. Maheshwari Datamatics Private Limited ("MDPL")

The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

*Disclaimer: This Communication is not exhaustive and should not be treated as an advice from the Company or its affiliates or Registrar Maheshwari Datamatics Private Limited. Members should obtain the tax advice related to their tax matters from their tax professional.*

Yours sincerely,

By Order of the Board

**For Century Plyboards (India) Limited**

Sundeep Jhunjhunwala  
Company Secretary