

April 16, 2021

Ref: SEC/MFL/SE/2021/3857

**National Stock Exchange of India Ltd.**  
**Exchange Plaza,**  
Plot no. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051  
Symbol: MUTHOOTFIN

**Department of Corporate Services**  
**BSE Limited,**  
P. J. Tower, Dalal Street,  
Mumbai - 400 001  
Scrip Code: 533398

Dear Sir/Madam,

**Sub: Communication to the Shareholders regarding Tax Deduction at Source on Dividend**

Please find enclosed herewith an email communication which has been sent to all the shareholders having their email ID's registered with the depositories, about intimation of change in Income Tax Rules w.r.t. Tax Deduction at source on Dividend and the process to be followed, along with the link to submit the necessary documents/Forms. Kindly take the above information on your record.

Thanking You,

For **Muthoot Finance Limited**



Rajesh A  
Company Secretary  
ICSI Membership No. FCS 7106



## Muthoot Finance

Registered Office: 2nd Floor, Muthoot Chambers,  
Opposite Saritha Theatre Complex, Banerji Road, Kochi 682 018, India.  
Tel: (+91 484) 239 4712; Fax: (+91 484) 239 6506;  
Website: [www.muthootfinance.com](http://www.muthootfinance.com);  
Email: [cs@muthootgroup.com](mailto:cs@muthootgroup.com)

April 16, 2021

Dear Shareholder,

### Sub: Communication on Tax Deduction at Source (TDS) on Payment of Dividend

We are pleased to inform that the Board of Directors of Muthoot Finance Limited at their meeting held on April 12, 2021, has declared an interim dividend of Rs. 20/- per equity share for the financial year 2020-21. The Interim Dividend of Rs. 20/- per equity share will be paid to the shareholders on the basis of the details of beneficial ownership furnished by the Depositories and in respect of shares held in Physical form to those Members whose names will appear on the Register of Members of the Company as on the close of business hours on **Friday, April 23, 2021**.

In accordance with the provisions of the Income Tax Act, 1961, the Company would be required to apply withholding tax / deduct taxes at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and as acceptable to the Company.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Income Tax Act, 1961, for various categories, including Resident or Non-Resident members.

#### 1. Resident Shareholders:

Sl. No	Particulars	Rate	Documents Required
	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.	Nil	NA
	Shareholders With PAN	10%	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 i.e. Link Intime India Private Limited (in case of shares held in physical mode). The PAN can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/EmailReg/Email_Register.html">https://linkintime.co.in/EmailReg/Email_Register.html</a>
	Shareholder without PAN/Invalid PAN	20%	NA
	Shareholder Submitting Form 15G/ Form 15H	Nil	Declaration in Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) / Form 15H (for individual above the age of 60 years with no tax liability on total income) for the FY 2021-22. For claiming exemptions, the said forms can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
	Shareholder submitting order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the order	Lower/NIL withholding tax certificate for the FY 2021-22 obtained from tax authority to be submitted to claim the lower tax rates. The said certificate can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
	Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	10% / NIL (if documents are filed)	Self-declaration that they are specified and covered under Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN and registration certificate received from SEBI. The required documents can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
	An Insurance Company exempted under Section 194 of the Income Tax Act, 1961	10 % / NIL (if documents are filed)	Self-declaration that it has full beneficial interest with respect to the shares owned by it and documentary evidence that the provisions of section 194 of the Act are not applicable to them along with Self-attested PAN. The required documents can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
	Alternative Investment Fund (AIF) established in India	Nil	Documentary evidence (self-attested copy of PAN and registration certificate received from SEBI) 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.The required documents can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
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## 2. For Non-resident shareholders

Sl. No	Particulars	Rate	Documents Required
a)	Non-resident shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) Investors (FPIs))	20% (plus applicable surcharge and cess)  <b>OR</b>  Tax Treaty Rate  <b>(whichever is lower, provided documents are received)</b>	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 i.e Link Intime India Private Limited (in case of shares held in physical mode).  In order to apply the Tax Treaty rate, <b>ALL</b> the following documents would be required:  1) Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during Financial Year 2021-22.  2) Form 10F duly filled and signed (Format attached herewith).  3) Self-declaration from Non-resident, primarily covering the following:  ➤ 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.  (Format Attached)  The required documents can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>

b)	Shareholder 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. The required documents can be submitted online by clicking on the following link: <a href="https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html">https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html</a>
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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.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax deducted at the time of filing your income tax return by consulting your tax advisor. No claim shall lie against the Company for such taxes deducted. Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

**Other Instructions:**

1. 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 through the link given above. The documents (duly completed and signed) are required to be submitted by uploading the documents on the link. **The shareholders are requested to submit the necessary documents by April 22, 2021. All the links given above will be disabled thereafter.**
2. 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.
3. 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.
4. Members may note that in case the tax on said dividend is deducted at a higher rate in absence of timely receipt, or insufficiency/incomplete/incorrectness 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.**
5. The Company will arrange to email a soft copy of the TDS certificate at the shareholders registered email ID in due course, post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>
6. In case, the dividend income is assessable to tax in the hands of a person other than the registered Shareholder as on the Record Date, the registered shareholder is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person.

7. The above communication on TDS sets out the provisions of the law in a summary only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.
8. 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 Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and provide the Company with all information / documents and co-operation in any appellate proceedings.
9. Members, in their own interest should submit fresh 15G / 15H / 10F for the interim dividend, even if they have submitted these forms earlier. If they wish to rely on the old 15G / 15H forms submitted during this year, then they should ensure that the estimated dividend amount mentioned in the earlier form should cover the dividend paid out earlier during this year and the forthcoming dividend amount. If the estimated income mentioned in the earlier forms does not cover both the dividend amounts, then TDS would be deducted.

**Bank Details:**

Members holding shares in dematerialized mode are requested to update their bank details with their depository participants with whom they are maintaining their demat account. Members holding shares in physical mode are requested to send scanned copy of completed NACH Mandate Form and other enclosures to [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in) for verification and updation.

***Disclaimer:** This Communication shall not be treated as an advice from the Company or the Registrar. For the tax related matters shareholders should obtain the tax advice from a tax professional.*

We seek your co-operation in the matter.

Warm regards,

**Rajesh A**  
Company Secretary  
Muthoot Finance Limited

Date: \_\_\_\_\_

Muthoot Finance Limited  
2<sup>nd</sup> Floor, Muthoot Chambers,  
Opposite Saritha Theatre Complex,  
Banerji Road, Kochi - 682 018

Dear Sir/Madam,

Re: Declaration provided to **Muthoot Finance Limited (“The Company”)** for claiming the tax treaty benefits.

### DECLARATION

This is to confirm that:

- \_\_\_\_\_ [NAME OF SHAREHOLDER] is a tax resident of \_\_\_\_\_ [COUNTRY OF RESIDENCE] as per the provisions of the Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion between India and \_\_\_\_\_ [COUNTRY OF RESIDENCE] (the “India- \_\_\_\_\_ [COUNTRY OF RESIDENCE] DTAA”);
- \_\_\_\_\_ [NAME OF SHAREHOLDER] will continue to maintain the ‘tax resident’ status in \*his/her/its respective Country for the application of the provisions of the India- \_\_\_\_\_ [COUNTRY OF RESIDENCE] DTAA, during the financial year 2021-22.
- \_\_\_\_\_ [NAME OF SHAREHOLDER] is eligible to claim the benefits under the provisions of India- [COUNTRY OF RESIDENCE] DTAA;
- The claim of benefits by \_\_\_\_\_ [NAME OF SHAREHOLDER] is not impaired in any way;
- \_\_\_\_\_ [NAME OF THE SHAREHOLDER] is the beneficial owner of \_\_\_\_\_ [NO OF SHARES] shares held in the Company as per Folio \_\_\_\_\_ / demat account \_\_\_\_\_ (if shares are held under different Folio No., give separate details for all). Further, \_\_\_\_\_ [NAME OF THE SHAREHOLDER] is the beneficial owner of dividend receivable from the Company in relation to aforementioned shares;
- \_\_\_\_\_ [NAME OF THE SHAREHOLDER] does not have any taxable presence, fixed base or permanent establishment in India as per the provisions of the India-

\_\_\_\_\_ [COUNTRY OF RESIDENCE] DTAA during the Financial Year 2020-21; and

- \_\_\_\_\_ [NAME OF THE SHAREHOLDER] is the holder/ not the holder of (*strikethrough whichever is not applicable*) PAN allotted by the Income Tax Authorities in India.
- \_\_\_\_\_ [NAME OF THE SHAREHOLDER] will immediately inform the Company if there is a change in the status.
- \*I/We hereby confirm that the declarations made above are complete, true and bona fide. This declaration is issued to the Company to enable them to decide upon the withholding tax applicable on the dividend income receivable by \_\_\_\_\_ [NAME OF SHAREHOLDER].

Yours faithfully,

Signature: \_\_\_\_\_

[NAME OF SHAREHOLDER]

**Email address:** \_\_\_\_\_

**Contact Number:** \_\_\_\_\_

**Contact address:** \_\_\_\_\_

\_\_\_\_\_