

PPFL/SE/2022-2023/038

August 12, 2022

To,

BSE Limited

25th Floor, P.J Towers,
Dalal Street, Mumbai-400001

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai -400051

Scrip Code: 542907

Scrip Code: PRINCEPIPE

Dear Sir/Madam,

Sub: Communication in respect of provisions of TDS on Final Dividend for FY 2021-22

Pursuant to the provisions of the Income Tax Act, 1961, as amended and read with provisions of the Finance Act, 2020, Please find enclosed herewith an email communication which has been sent to all the shareholders having their email ID's registered with the Company/Depositories explaining the process on deduction of tax at source at the prescribed rates on dividend along with the necessary details. This is for your information and dissemination.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For PRINCE PIPES AND FITTINGS LIMITED

Sh. Bhaskar



Shailesh K. Bhaskar
Company Secretary & Compliance Officer

ACS: 37475

Enclosed: as above

PRINCE PIPES AND FITTINGS LIMITED

Mfg. & Exporters of UPVC, CPVC, PPR & HDPE Pipes, Fittings, Valves
& Water Tanks

Corp. Off.: The Ruby, 8th Floor; 29, Senapati Bapat Marg (Tulsi Pipe Road),
Dadar (W), Mumbai - 400 028; Maharashtra, India.

T: 022-6602 2222 F: 022-6602 2220 E: info@princepipes.com W: www.princepipes.com

Regd. Off.: Plot No. 1, Honda Industrial Estate, Phase II, Honda Sattari, Honda - 403 530, Goa, India.

CIN: L26932GA1987PLC006287

PRINCE PIPES AND FITTINGS LIMITED

CIN: L26932GA1987PLC006287

Registered Office: PLOT NO.1, HONDA INDUSTRIAL ESTATE, PHASE II, HONDA SATTARI
HONDA GA 403530 IN

Corporate Office: The Ruby, 8th Floor, 29, Senapati Bapat Marg (Tulsi Pipe Road), Dadar
West, Mumbai 400028 MH IN

Email: investor@princepipes.com

Date: August 12, 2022

Dear Shareholder,

Sub: Communication in respect of deduction of tax at source on dividend payout.

We are pleased to inform you that the Board of Directors, at their meeting held on May 19, 2022, recommended final dividend @ 20 % i.e., Rs. 2/- per Equity Share of Rs. 10/- each for the year ended March 31, 2022, subject to approval of the shareholders at the ensuing 35th Annual General Meeting.

In accordance with the provisions of the Income Tax Act, 1961, (Act) as amended by the Finance Act, 2020, effective April 1, 2020, dividend declared and paid by a company shall be taxable in the hands of the shareholders. The Company is required to deduct tax at source (TDS) at rates applicable to each category of shareholders. The rates of TDS for various categories of shareholders and the required documents are provided below: -

Resident Shareholders:

1. No tax shall be deducted for resident individual shareholders, if the aggregate amount of dividend to be paid during FY 2022-2023 does not exceed Rs. 5,000/-.
2. Where, Permanent Account Number (PAN) of the recipient of dividend is available with the Company and is valid -
 - a. In accordance with Section 194 of the Act, TDS will be @ 10%, if the amount of dividend payable exceeds Rs. 5,000/-; and
 - b. No tax at source shall be deducted on dividend payable in cases where the shareholder provides duly completed and signed Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an individual above the age of 60 years), provided that all the eligibility conditions are met. Form 15G and Form 15H are enclosed **(Annexures I and II)**.
3. Where PAN is either not available or is invalid, tax shall be deducted at source @ 20%.
4. In case of Insurance Companies, Mutual Funds registered under Section 10(23D) of the Act, Alternate Investment Funds (AIF) established/incorporated in India, whose income is exempt under Section 10 (23FBA) of the Act and Government (Central/State) shall provide the enclosed declaration **(Annexure III)**.

Non-Resident Shareholders:

1. Tax is required to be deducted in accordance with the provisions of Section 195 of the Act at applicable rates in force. Accordingly, tax @ 20% (plus applicable surcharge and health & education cess) shall be deducted on the amount of dividend payable.
2. However, pursuant to Section 90(2) of the Act, non-resident shareholders including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs) may have an option to be governed by the provisions of Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them.

To avail of DTAA benefits, non-resident shareholders shall furnish the following documents not later than **5.00 p.m. (IST) on Wednesday, September 14, 2022**, to Link Intime India Pvt. Ltd. (Link Intime), Registrar and Share Transfer Agent of the Company: -

- a. Self-attested copy of PAN allotted by the Indian income tax authorities;
- b. Self-attested Tax Residency Certificate (TRC) issued by the tax/competent authority of the country of residency, evidencing and certifying tax residency status in that country during FY2022-23. In case, the TRC is in a language other than English, a duly notarized and apostilled copy thereof, translated in English language would have to be provided;
- c. Duly completed and signed Form 10F (**Annexure- IV**); and
- d. Self-declaration (**Annexure V**) by non-resident shareholders as to: -
 - i) Eligibility to claim the beneficial DTAA rate, including having regard to the Principal purpose Test (if any), included in the applicable tax treaty with India for the purposes of tax withholding on dividend declared by the Company;
 - ii) Shareholder being the beneficial owner of the dividend income to be received on the equity shares;
 - iii) No Permanent Establishment/fixed base in India in accordance with the applicable DTAA; and
 - iv) Continue to remain a tax resident of the country of residency during FY2022-23.

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 of the documents submitted by the Non-Resident shareholder and in accordance with the provisions of the Act.

In order to enable to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Act, you are requested to provide the above-mentioned details and documents as applicable to you **5.00 p.m. (IST) on Wednesday, September 14, 2022**. Dividend will be paid after deduction of tax at source as determined based on the aforementioned documents provided by shareholders as applicable to them and being found to be satisfactory.

For all Shareholders:

Shareholders holding shares under multiple accounts under different status/category and single PAN, are requested to note that higher of the tax rate 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 documents will be accepted by the Company as per the procedure laid down. Duly completed and signed documents are required to be submitted to Link Intime by uploading the documents on <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or **before 5.00 p.m. (IST) on Wednesday, September 14, 2022**, in order to enable the Company to determine and deduct appropriate TDS/withholding tax.

On clicking the above link, the user will be prompted to select/share the following information to register their request: -

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment - 1 (PAN)
7. Document attachment - 2 (Applicable Form(s))
8. Document attachment - 3 (Any other supporting document)

Please note that no communication on tax determination/deduction shall be entertained after 5.00 p.m. (IST) on Wednesday, September 14, 2022. Documents received through any other modes viz. email or hand delivery will not be considered to determine/deduct TDS/withholding tax.

Shareholders are requested to note that in case tax on dividend is deducted at a higher rate on account of non-receipt or insufficiency of requisite documents, they can claim refund at the time of filing income tax return. The Company will mail a soft copy of the TDS certificate to shareholders on their registered email IDs post completion of activities. Shareholders may view the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

Shareholders are requested to update their PAN and email address with depositories (for shares held in demat mode) and with the Link Intime (for shares held in physical mode), if not already done.

Pursuant to General Circular No. 20/2020 dated May 5, 2020, issued by the Ministry of Corporate Affairs, Government of India, dividend will be paid electronically in the bank accounts of Shareholders. The Company will dispatch thru postal services, demand drafts for dividend payments to those shareholders who have not registered their bank details. Shareholders holding shares in demat form are advised to keep the bank details updated with their depository participants. Shareholders holding shares in physical form and who have not

updated their bank accounts details are requested to update the same with Link Intime after following the process available on the link https://linkintime.co.in/emailreg/email_register.html.

To view / download Annexure I [click here](#).
To view / download Annexure II [click here](#).
To view / download Annexure III [click here](#).
To view / download Annexure IV [click here](#).
To view / download Annexure V [click here](#).

We request your cooperation in this regard.

Yours sincerely,

For PRINCE PIPES AND FITTINGS LIMITED

SHAILESH K. BHASKAR
COMPANY SECRETARY

***Disclaimer:** This communication shall not be considered as an advice from the Company or its Registrar & Transfer Agent and that Shareholders should obtain tax related advice from tax professionals.*

***Note:** This is a system generated e-mail. Please do not reply to the same.*