

June 14, 2023

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Scrip Code: ASHOKLEY

Stock Symbol: 500477

Through: NEAPS

Through: BSE Listing Centre

Dear Sir/Madam,

Communication to Shareholders – Dividend for FY 2022-23 – Intimation on Tax Deduction at source (TDs)/withholding tax on Dividend

Please find attached herewith the communication sent through e-mail to the shareholders whose e-mail addresses are registered with the Company/Depositories indicating the process and documentation required for claiming tax exemption/withholding tax on dividends.

This intimation is also being uploaded on the Company's website at www.ashokleyland.com. The annexures specified in the e-mail are available [here](#).

We request you to kindly take the below mentioned information on record.

Thanking You,

Yours faithfully,

for ASHOK LEYLAND LIMITED**N Ramanathan****Company Secretary**

Encl.: a/a

ASHOK LEYLAND LIMITED

Registered & Corporate Office: No.1, Sardar Patel Road, Guindy, Chennai - 600 032, India | T : +91 44 2220 6000 | F : +91 44 2220 6001
CIN - L34101TN1948PLC000105 | www.ashokleyland.com





Date: June 09, 2023

Dear Shareholder,

Subject: Deduction of tax at source on dividend under relevant sections of the Income- tax Act, 1961 - Equity Dividend 2022-23

We hope this communique finds you safe and in good health.

We are glad to inform you that the Board of Directors at its meeting held on May 23, 2023 has recommended Equity Dividend of ₹ 2.60 per Equity Share of face value of ₹1/- each for the Financial Year ('FY') ended March 31, 2023.

The Register of Members of the Company would remain closed from Saturday, **July 8, 2023** to Friday, **July 21, 2023** (both days inclusive).

The Equity dividend will be paid (subject to the approval of shareholders at the 74th Annual General Meeting to be held on Friday, **July 21, 2023**) to those members whose names appear as members on the Register of Members of the Company and beneficial owners as per the list to be furnished by the Depositories as at the closing hours on as on Friday, **July 7, 2023**.

In accordance with the provisions of the Income-tax Act, 1961 ('the Act') as amended by the Finance Act, 2020, w.e.f. April 1, 2020, dividends declared or distributed or paid by a Company shall be taxable in the hands of the Shareholders and the Company shall be required to deduct tax at source ('TDS') at the prescribed rates from the dividend to be paid to shareholders. The tax so deducted will be paid to the credit of the Central Government in accordance with provisions of the Chapter XVIIIB of the Act read with relevant rules and regulations.

Ashok Leyland Limited

Registered Office: No.1, Sardar Patel Road, Guindy, Chennai - 600032, Tel.: 91 44 - 2220 6000
E-mail: secretarial@ashokleyland.com | Website: www.ashokleyland.com CIN: L34101TN1948PLC000105





The TDS rate would vary depending on the residential status of the Shareholder and the documents submitted by them and accepted by the Company in accordance with the applicable provisions of the Act. **Please note that this dividend distributed will be taxable in your hands in the FY 2023-24. Thus, all the details and declarations furnished should pertain to FY 2023-24.** Accordingly, the Equity Dividend will be paid on or before **August 19, 2023** post deducting TDS as explained herein.

SECTION A: FOR ALL SHAREHOLDERS – UPDATION OF DETAILS [AS APPLICABLE]

Shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their respective Demat account(s) maintained with the Depository Participant(s) for equity shares held in demat mode; or in case of equity shares held in physical form, with the Company/ Registrar and Share Transfer Agent, ('RTA'), on or before **July 07, 2023**.

Please note that the following details, in case you had already registered with the Company/ RTA, as available with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories or the declaration provided to RTA will be relied upon by the Company/ RTA, for the purpose of complying with the applicable TDS provisions:

- a. Valid Permanent Account Number ('PAN')
- b. Residential status as per the Act i.e. Resident or Non-resident for FY 2023-24
- c. Category of Shareholder viz. Mutual Fund, Insurance Company, Alternative Investment Fund ('AIF') Category I and II, AIF Category III, Government (Central/ State Government), Foreign Portfolio Investor ('FPI')/ Foreign Institutional Investor ('FI'): Domestic / Foreign Company, FPI/FII: Others such as, Individual, Hindu Undivided Family ('HUF'), Firm, Limited Liability Partnership ('LLP'), Association of Persons ('AOP'), Body of Individuals ('BOI') or Artificial Juridical Person, Trust (*including REITs and INVITs*).
- d. Email address
- e. Residential address / Address for communication



SECTION B: TDS PROVISIONS AND DOCUMENTS REQUIRED, AS APPLICABLE FOR RELEVANT CATEGORY OF SHAREHOLDERS

TDS rates for various categories of Shareholders along with the required documents are provided in the table below. Shareholders are requested to take note of the TDS rates and documents, if any, required to be submitted to the Company for their respective category, in order to comply with the applicable TDS provisions.

The Company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

I. For Resident shareholders

Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
Any resident shareholder <i>(In case of joint shareholders, please also refer note 8)</i>	10%	<ul style="list-style-type: none">- Update the valid PAN if not already done with depositories (in case of shares held in DEMAT mode) and with the Company's RTA (in case of shares held in physical mode). In case details are already updated, the same need not be provided.- No taxes will be deducted in the following cases:<ul style="list-style-type: none">✓ If dividend income to the resident individual shareholder during FY 2023-24 does not exceed ₹ 5,000✓ If the Shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the PAN along with documentary evidence in relation to the same✓ Furnishing of validly filled and signed Form 15G <i>(for individuals, with no tax liability on total income and income not exceeding the maximum amount which is not chargeable to tax)</i> or Form 15H <i>(for individuals above the age of 60 years)</i>



Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
		<i>with no tax liability on the total income)</i> – provided that all prescribed eligibility conditions are met.
Mutual Funds specified under clause (23D) of section 10 of the Act	Nil	<ul style="list-style-type: none">- For SEBI registered mutual funds, TDS would not be applied [NIL TDS].- Declaration (Annexure 1) to be provided along with self-attested copy of PAN Card and Registration certificate containing the SEBI registration number duly updated in the demat account.- Mutual Fund List of Folio numbers / accounts mapped to PAN
Insurance Companies	Nil	<ul style="list-style-type: none">- No TDS would be applied for the dividend payable on the shares held by<ul style="list-style-type: none">✓ Life Insurance Corporation of India, the General Insurance Corporation of India, the National Insurance Company Limited, the New India Assurance Company Limited, the Oriental Insurance Company Limited and the United India Insurance Company Limited.✓ IRDA registered insurance companies, if Declaration (Annexure 1) is provided along with self attested copy of PAN card and IRDA registration number which is duly updated in the demat account.
Category I and II AIF	Nil	<ul style="list-style-type: none">- Declaration (Annexure 1) that income of the AIF is exempt under section 10(23FBA) of the Act as it has been granted a certificate of registration as a Category I or Category II AIF under the SEBI (AIF) Regulations, 2012- Self-attested copy of PAN and valid SEBI registration certificate- Reference is drawn to Circular No. 18/2017 dated 29 May 2017 issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes as regards requirement of tax deduction at source in case of entities whose income is exempt under section 10 of the Act



Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
Recognised Provident Fund / Approved Superannuation Fund / Approved Gratuity Fund	Nil	<ul style="list-style-type: none"> No TDS is required to be deducted as per Circular No.18/2017 dated 29 May 2017, issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes as regards requirement of tax deduction at source in case of entities whose income is exempt under section 10 of the Act subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A or Rule 2 of Part B or Rule 2 of Part C of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.)
National Pension Scheme	Nil	<ul style="list-style-type: none"> No TDS is required to be deducted as per Section 197A(1E) of the Act. A Self- declaration (Annexure 1) stating that the NPS is exempt under Section 10 (44) is required.
Corporation established by or under a Central Act, which is, under any law for the time being in force, exempt from income-tax on its income	Nil	<ul style="list-style-type: none"> Declaration (Annexure 1) that it is a corporation established by or under a Central Act whereby income- tax is exempt on the income and accordingly, covered under section 196 of the Act Self-attested copy of PAN, registration certificate and relevant extract of the section whereby the income is exempt from tax
Government (Central/ State)/ RBI	Nil	No TDS is required to be deducted as per Section 196(i) & (ii) of the Act
Any other entity entitled to exemption from TDS	Nil	<ul style="list-style-type: none"> Declaration of the nature of entity (Annexure 1) and Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption
Resident shareholder having lower / nil withholding Order under section 197 of the Act	Rate provided as per Order	<ul style="list-style-type: none"> Copy of PAN card Lower/ Nil withholding tax certificate obtained from the Income-tax Authorities Declaration (Annexure 2) for Sikkimese resident shareholder covered u/s 10(26AAA) of the Act
Other resident shareholders without registration of PAN or having Invalid PAN or Inoperative PAN (Upon failure to link PAN-	20% without threshold	<ul style="list-style-type: none"> Update valid PAN if not already done with depositaries (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode).



Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
Aadhaar as per section 139AA read with Circular No. 3 of 2023) or a person who is considered as specified person u/s 206AB	limit	

II. For Non-Resident Shareholders

Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
<p>Any non-resident shareholders, FPIs, FIIs [Who are not 'Specified Persons' as referred / covered by provisions of section 206AB of the Act]</p> <p><i>(In case of joint shareholders, please also refer note 8)</i></p>	20% (plus applicable surcharge and cess) or Tax Treaty rate, whichever is lower	<p>Non-resident shareholders may opt for tax rate under the Double Taxation Avoidance Agreement ('Tax Treaty'). The Tax Treaty rate may be applied for tax deduction at source on dividend declared by the Company subject to submission of the following documentation:</p> <ul style="list-style-type: none">- Self-attested copy of PAN Card, if any, allotted by the Indian authorities. In a case where no PAN has been allotted, requisite information as per Rule 37BC (Annexure 8) of the Income-tax Rules, 1962 shall be furnished.- Self-attested copy of Tax Residency Certificate [TRC], evidencing and certifying shareholder's tax residential status during the Financial Year 2023-24 or calendar year 2023 valid as on the AGM date, obtained from the tax authorities of the country of which the shareholder is a resident- Form 10F electronically submitted and downloaded from the Income Tax Portal (www.incometax.gov.in) if PAN is available. In case, PAN is not available, self-declaration in Form 10F for FY 2023-24- Self-declaration in prescribed format (Annexure 3 for FII, FPI) (Annexure 9 for other non-resident shareholders) containing the following clauses along with adequate documentary evidence substantiating the nature of the entity and eligibility to avail treaty benefits:<ul style="list-style-type: none">• The Shareholder does not have a taxable presence or a permanent establishment in India or a place of effective management in India



Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
		<p>during the FY 2023-24</p> <ul style="list-style-type: none"> • The transaction/ arrangement/ investments from which the dividend is derived by the shareholder is not arranged in a manner, as one of its principal purposes whether directly or indirectly, to result in obtaining a tax benefit. The tax benefit, if any, derived from such transaction/arrangement /investments would be in accordance with the object and purpose of the provisions of the relevant Tax Treaty ('the Principle Purpose Test', if applicable to the respective Tax Treaty); • The shareholder is the beneficial owner of its shareholding in the Company and dividend receivable from the Company • The shareholder has no reason to believe that its claim for the benefits of the Tax Treaty is impaired in any manner; <p><i>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty).</i></p>
Any entity entitled to exemption from TDS	Nil	<ul style="list-style-type: none"> - Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. by the Indian tax authorities) in support of the entity being entitled to exemption from TDS - Self-declaration substantiating the applicability of the section to the entity
Tax resident of any notified jurisdictional area	30% or rate specified in the relevant provision of the Act or at the rates in force, whichever is	<ul style="list-style-type: none"> - Where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under section 94A(1) of the Act, tax will be deducted at source @ 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend



Category of Shareholders	Tax Deduction Rate	Exemption Applicability/ Documentation Requirement
	higher (plus applicable surcharge and cess)	payable to such shareholder in accordance with Section 94A(5) of the Act
Sovereign Wealth Funds and Pension funds notified by Central Government u/s 10(23FE) of the Act	NIL	<ul style="list-style-type: none">– Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India.– Self-Declaration (Annexure 5 / Annexure 6) that the conditions specified in section 10(23FE) have been complied with
Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under section 10(23FE) of the Act	NIL	<ul style="list-style-type: none">– Self-Declaration (Annexure 7) substantiating the fulfillment of conditions prescribed under section 10(23FE) of the Act
Other non-resident shareholders having Order under section 197 of the Act	Rate provided in the Order	<ul style="list-style-type: none">– Lower / Nil withholding tax certificate obtained from the income tax authorities

Notes:

1. In due compliance of the applicable provisions of the Income Tax Act, the Company will be issuing certificate for TDS in Form 16A through email registered with the Company / RTA. The credit of TDS can also be verified by the Shareholder by verifying Form 26AS, after the statement of TDS is furnished by the Company and the same is updated in the Income Tax portal.
2. All the above referred tax rates will be enhanced by surcharge and cess, as applicable.
3. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded using the link <https://www.integratedindia.in/ExemptionFormSubmission.aspx> (Please Select Company “Ashok Leyland Limited ” and Click OK) on or before **July 07, 2023** to enable the Company to determine the appropriate withholding tax rate applicable. In case where copy of documents (such as, PAN card, Registration certificate, etc.) is provided, the copy should be self-attested by the Shareholder or its authorized signatory. Any communication in relation to tax rate determination/deduction received post **July 07, 2023** shall not be considered.



4. For all self-attested documents, shareholders must mention on the document “certified true copy of the original”. For all documents being uploaded by the shareholder, the shareholder undertakes to send the original document(s) on request by the Company. Incomplete and / or unsigned forms, declarations and documents will not be considered by the Company for granting any exemption.
5. In case the aggregate of dividend paid during Financial year 2023-24 [interim, final or by any other name called] exceeds Rs. 5,000 for a resident individual shareholder, TDS will be calculated on the aggregate amount and deducted from the next sequential dividend paid upto 31 March 2024. For the purpose of this document, FY 2023-24 shall be considered as period starting from 01 April 2023 to 31 March 2024.
6. Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the Depository participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form as on the Record Date, and other documents available with the Company / RTA. Shareholders holding shares under multiple accounts under different residential status / category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.
7. Needless to mention, PAN will be mandatorily required. In the absence of valid PAN, tax will be deducted at a higher rate of 20% as per section 206AA of the Act. Further, in a case where PAN is not updated with the Company’s RTA or information sought in the declaration are not provided, higher rate of withholding tax as per section 206AA shall be applied.

Further, in case of a non-resident (company), 206AA shall not apply in respect of payments in the nature of dividend, if the shareholder furnishes the following details and the documents specified in sub-rule (2) of Rule 37BC of the Income-tax Rules, 1962 to Ashok Leyland:

- (i) name, e-mail id, contact number;
- (ii) address in the country or specified territory outside India of which the deductee is a resident;
- (iii) Tax Residency Certificate (TRC): A certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate;
- (iv) Tax Identification Number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.



8. **TDS for Beneficial Shareholder in Form 37BA:** In case, 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 (***Annexure 10 & 10A***) containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person in terms of Rule 37BA of Income Tax Rules 1962. **Communication relating to Form 37BA received only upto July 12, 2023 shall be considered.**

9. Above communication on TDS sets out the provisions of law in a summary manner 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.

10. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/ documents, the concerned Shareholder would still have the option of claiming refund of the excess tax deducted at the time of filing the income tax return. No claim shall lie against the Company for such taxes deducted.

11. 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 also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

12. 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. Decision of the Company with respect to the validity of any document will be final.

13. Higher TDS in case of person not filing of Income Tax Return under Section 206AB:

Section 206AB as amended by the Finance Act, 2022, with effect from 1st April 2022, states that TDS will be higher of the following:

- Twice the rate specified in the relevant provision of the Income-tax Act; or
- Twice the rate or rates in force; or
- the rate of five per cent;

in case a person has not filed his/her Return of Income for the preceding financial year i.e. FY 2021-22 (for which time limit for filing return of income is expired) and aggregate of tax deducted at source in his/her case is ₹50,000 or more in the said financial year. Please note the higher rate as above will be applied without considering the threshold limit. The Central Board of Direct Taxes vide Circular No. 11 of 2021 dated 21st June, 2021, notified the functionality for determining whether the Shareholder is a 'Specified person' as per Section 206AB or not. The Company will be using functionality of the Income Tax department to determine the applicability of Section 206AB of the Act and apply TDS rate accordingly.



Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN)/Aadhaar (if applicable), registered email addresses, mobile numbers 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 Share Transfer Agent.

Kindly note that the aforementioned TDS related documents are required to be submitted using the following link:

<https://www.integratedindia.in/ExemptionFormSubmission.aspx>

In case the Resident Non-Individual Members such as Insurance companies, Mutual Funds, Alternative Investment Fund (AIF) and other domestic financial institutions established in India and Non-Resident Non-Individual Members such as Foreign Portfolio Investors had already submitted the relevant forms, declarations and documents through their respective custodians who are registered with NSDL for tax services, already, the same will be considered upon receipt of the same from NSDL.

These documents, valid in all respects, should be submitted on or before **July 07, 2023** in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. No communication on the tax determination/ deduction shall be entertained post **July 07, 2023**. Decision of the Company with respect to the validity of any document will be final.

Your co-operation in this regard is solicited.

Thanking you,

For Ashok Leyland Limited
N. RAMANATHAN
COMPANY SECRETARY