



Samvardhana MotherSON International Limited

(formerly MotherSON Sumi Systems Limited)

Head Office: C-14 A & B, Sector 1, Noida – 201301 Distt. Gautam Budh Nagar, U.P. India

Tel: +91-120-6752100, 6752278, Fax: +91-120-2521866, 2521966, Website: www.motherSON.com

July 28, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G-Block
Bandra-Kurla Complex
Bandra (E)
MUMBAI – 400051, India

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Fort
MUMBAI – 400001, India

Scrip Code : MOTHERSON

Scrip Code : 517334

Subject: Communication sent to shareholders

Dear Sir / Madam,

Pursuant to Regulation 30 read with Schedule III (Part A) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed email sent to all the shareholders regarding 'Communication on deduction of tax on dividend for financial year ended March 31, 2023' on July 27, 2023.

The above is for your information and records.

Thanking you,

Yours truly,
For Samvardhana MotherSON International Limited
(formerly MotherSON Sumi Systems Limited)

Alok Goel
Company Secretary

Regd Office:
Unit – 705, C Wing, ONE BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai – 400051, Maharashtra (India)
Tel: 022-61354800, Fax: 022-61354801
CIN No.: L34300MH1986PLC284510
Email: investorrelations@motherSON.com



SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

(Formerly Motherson Sumi Systems Limited)

(CIN- L34300MH1986PLC284510)

Regd. Office: Unit - 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex,
Bandra East, Mumbai-400051,

Ph: +91 022-40555940; Fax: +91 022-40555940

Corporate Office: Plot No.1, Sector 127, Noida-201301 (Uttar Pradesh)

Ph: +91 120 6679500; Fax: +91 120 2521866;

Email: investorrelations@motherson.com; Website: www.motherson.com

Investor Relations Phone Number: +91 120 6679500

Date: July 27, 2023

Ref: Folio Number / DP ID & Client ID Number : [REDACTED]

Name of Shareholder : [REDACTED]

Subject: Communication on deduction of tax on dividend

Dear Shareholder,

The Board of Directors of Samvardhana Motherson International Limited (Formerly Motherson Sumi Systems Limited) ('the Company'), at its Meeting held on May 26, 2023, inter-alia, recommended a Final Dividend of Re. 0.65 (Sixty Five Paise only) per equity share (face value of Re. 1/- each) for the Financial Year ('FY') ended March 31, 2023 subject to the approval of the shareholders. The dividend recommended by the Board of Directors will be paid / dispatched after the conclusion of the 36th Annual General Meeting ('AGM') in compliance with the Companies Act, 2013.

In accordance with the provisions of the Income Tax Act, 1961 ('the IT Act') dividend declared and paid by the Company is taxable in hands of shareholders. The Company shall, therefore, be required to deduct Tax at Source ('TDS') at the applicable rates on dividend payable to its shareholders. The rate of TDS would vary depending on the residential status of the shareholder and the documents submitted and duly accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting TDS as follows:

Resident Shareholder:

Particulars	Applicable Rate	Applicability and documents required (if any)
Valid PAN	10%	TDS would not be deducted on payment of dividend to Resident Individual Shareholder, if total dividend to be paid in FY 2023-24 does not exceed Rs. 5,000.

No / Invalid PAN	20%	<p>Shareholders are requested to update the PAN, if not already done, with the depositories (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agent ('RTA') - KFin Technologies Limited (formerly KFin Technologies Private Limited (in case of shares held in physical mode)).</p> <p>Shareholders can visit the website https://ris.kfintech.com/form15/forms.aspx?q=0 and register their PAN / Email ID / Mobile Number before Thursday, August 10, 2023, 1700 Hours (IST) so that TDS will be deducted at 10% (where applicable).</p>
PAN is not linked with Aadhar as required under section 139AA as on, Thursday, August 10, 2023	20%	Shareholders are requested to link their PAN with their Aadhaar no. in accordance with section 139AA read with Rule 114AAA before Thursday, August 10, 2023 so that TDS will be deducted at 10% (where applicable).
Submission of Form 15G/ Form 15H by resident individual shareholder	Nil	<p>Shareholders to submit a declaration at https://ris.kfintech.com/form15 in Form No. 15G (applicable to an individual who is less than 60 years old) / Form 15H (applicable to an Individual who is of 60 years and older).</p> <p>Refer Annexure A for format of Form 15G and Annexure B for format of Form 15H.</p> <p>Please note that all fields mentioned in the Form are mandatory and the Company may reject the forms submitted if it does not fulfil the requirement of the law.</p>
Availability of lower/ NIL deduction certificate issued under Section 197 of the IT Act.	Rate provided in the certificate	Valid lower / NIL withholding tax certificate obtained from tax authority.
Mutual Funds specified under section 10(23D) of the IT Act	Nil	<p>- A self- declaration in the format as prescribed in Annexure C.</p> <p>- Registration/ exemption certificate substantiating applicability of section 196 / 10(23D) of the IT Act.</p>

Insurance Companies: Public and other insurance companies	Nil	<ul style="list-style-type: none"> - A self- declaration in the format as prescribed in Annexure D. - Registration/ exemption certificate substantiating applicability of section 194 of the IT Act.
Persons Covered under Section 196 of the IT Act (e.g. Govt., RBI, Corporations established by Central Act and exempt from income tax)	Nil	<ul style="list-style-type: none"> - A self- declaration in the format as prescribed in Annexure E. - Registration/ exemption certificate substantiating applicability of section 196 of the IT Act.
Alternative Investment Fund ('AIF')	Nil	<p>This will be applicable for Category I and II AIF registered with Securities and Exchange Board of India ('SEBI').</p> <p>Documents required:</p> <ul style="list-style-type: none"> - A self- declaration in the format as prescribed in Annexure E. - Copy of registration certificate.
Any other entity exempt from withholding tax under the provisions of section 197A of the IT Act (including those mentioned in Circular No. 18/2017 issued by Central Board of Direct Taxes ('CBDT'))	Nil	<ul style="list-style-type: none"> - A self- declaration in the format as prescribed in Annexure E (except for individual Sikkimese resident). - Declaration in Annexure F in case of Sikkimese resident. - Adequate documentary evidence, substantiating the type of entity.

Non-Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) /	20% (plus applicable surcharge)	Shareholders may also apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements ('DTAA'), by submitting following

Foreign Portfolio Investors (FPIs)	and cess) OR Tax Treaty Rate* (whichever is lower)	documents are submitted - Copy of Indian Tax Identification number (that is PAN). In case PAN not available, details specified in Annexure G to be provided; - Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for FY 2023-24 (covering the period from April 1,2023 to March 31,2024); - Form 10F^^ duly filled and signed. For easy reference, refer sample copy of Form 10F as per Annexure- H (or Annexure- I , as applicable); - Self-declaration for FY 2023-24 (covering the period from April 1, 2023 to March 31, 2024) as per Annexure J from Non-resident on shareholder's letterhead, primarily (not exclusive list) covering the following: a. Non- resident is eligible to claim the benefit of respective tax treaty; b. Non-resident receiving the dividend income is the beneficial owner of such income. c. Dividend income is not attributable / effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
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	- Document evidencing the applicability of Section 10(23FE) of the IT Act. - Self-declaration in the format as prescribed in Annexure K that the conditions specified in Section 10(23FE) of the IT Act have been complied with.

Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed u/s 10(23FE) of the Act	Nil	Self-declaration in the format as prescribed in Annexure K that the conditions specified in Section 10(23FE) of the IT Act have been complied with.
Other Non-resident shareholders (except those who are tax resident of Notified jurisdictional Area)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate* (whichever is lower)	<p>In order to apply the Tax Treaty rate, following documents would be required:</p> <ul style="list-style-type: none"> - Copy of Indian Tax Identification Number (that is PAN). In case PAN not available, details specified in Annexure G to be provided; - Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for FY 2023-24 (covering the period from April 1, 2023 to March 31, 2024); - Form 10F^^ duly filled and signed . For easy reference, refer sample pre-filled copy of Form 10F as per Annexure H (or Annexure I as applicable); -Self-declaration for FY 2023-24 (covering the period from April 1, 2023 to March 31, 2024) as per Annexure- J from Non-resident on shareholder's letterhead, primarily (not exclusive list) covering the following <ul style="list-style-type: none"> a. Non- resident is eligible to claim the benefit of respective tax treaty; b. Non-resident receiving the dividend income is the beneficial owner of such income. c. Dividend income is not attributable / effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
Availability of Lower/ Nil tax deduction certificate issued under section 197 of the IT Act.	Rate specified in lower tax deduction certificate	Lower/ NIL withholding tax certificate obtained from tax authority.

^In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.

^^Recently, CBDT vide Notification No. 03/2022 dated 16 July 2022 mandated furnishing inter-alia of Form 10F electronically. Accordingly, non-residents shareholders are requested to furnish the information as required in Form 10F 10F electronically (refer [Annexure L](#) for the steps to file Form 10F online) and submit the copy of the same to the Company

Further, vide CBDT Notification dated December 13 2022, a relaxation has been provided to the person not having PAN and not required to have PAN in India from electronically filing of Form 10F. Where a person is eligible for the said relaxation, they are requested to furnish the information as required in Form 10F (refer [Annexure M](#) for a pre-filled sample Form 10F) manually and submit a copy of the same to the Company along with a declaration that the person does not have a PAN and is not required to have PAN in India (refer [Annexure N](#) for the draft No-PAN Declaration).

*The beneficial Tax Treaty rates will not automatically apply at the time of tax deduction/ withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of documents submitted by non-resident shareholders. In case documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty

Notes:

1. In case, the dividend income is assessable to tax in the hands of a person other than the registered shareholder, the registered shareholder is required to furnish a declaration containing the name, address, PAN, number of shares, dividend amount of the person to whom TDS credit is to be given and reasons for giving credit to such person. In this regard, a declaration must be filed with the Company in accordance with Rule 37BA(2) of the Income-tax Rules, 1962. The declaration must consist of name, address, PAN, number of shares, dividend amount along with other documents mentioned above depending upon the tax residency status of such person to whom credit is to be given.

Refer [Annexure O](#) for draft format of declaration for providing credit of TDS to another person.

In case such details are furnished to the Company after **Thursday, August 10, 2023, 1700 Hours (IST)**, the Company shall reject such documents/ communication.

2. The documents mentioned above (as applicable) have to be uploaded as one pdf file on the portal of M/s. KFin Technologies Limited (Formerly KFin Technologies Private Limited) ('KFinTech'), RTA of the Company at <https://ris.kfintech.com/form15/forms.aspx?q=0> before **Thursday, August 10, 2023,**

1700 Hours (IST). Alternatively, physical documents may be sent to RTA at the following address so as to reach KFinTech before the aforementioned date and time:

KFin Technologies Limited (Formerly KFin Technologies Private Limited)
Unit: Samvardhana Motherson International Limited
Selenium Building, Tower - B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500032 Toll free No.: 1800 3094 001

Any communication in relation to tax rate determination/ deduction received post **Thursday, August 10, 2023, 1700 Hours (IST)** shall not be considered.

3. Shareholders may note that all documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorised signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or valid information/documents not being provided, tax at maximum applicable rate will be deducted.
4. 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.
5. Recording of valid PAN in the records of Company/ RTA is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the IT Act.
6. Rate of TDS @10% under section 194 of the IT Act when the dividend payment is made to resident or rate under section 195 as applicable to non-resident is subject to provisions of section 206AB of IT Act (effective from July 1, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB of the IT Act, tax is required to be deducted at higher of following rates in case of payments to specified persons:
 - at twice the rate specified in the relevant provision of the IT Act; or
 - at twice the rate or rates in force; or
 - at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at higher of two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB of the IT Act who satisfies the following conditions:

In this regard, the Company will use the online utility provided by CBDT "Compliance Check for Sections 206AB and 206CCA". Refer Circular No. 11 of 2021 issued by CBDT in this regard.

In case, a person fulfils the conditions of being a 'specified person' as per the CBDT online utility, then tax will be deducted at higher rate as discussed above.

7. 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 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.
8. Further, if PAN is not as per the database of the Income-tax Portal, it would be considered an invalid PAN.
9. In the event of a mismatch in category of shareholder (individual, company, trust, partnership, local authority, Government, Association of Persons etc.) as per register of members and as per fourth letter of PAN (10 digit alpha-numeric number), the Company would consider fourth letter of PAN for determining the category of shareholders and the applicable tax rate/ surcharge/ education cess.
10. Shareholders 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 IT Act and claim an appropriate refund, if eligible.
11. The Company shall arrange to share a soft copy of TDS certificate in due course. 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://www.incometaxindiaefiling.gov.in>
12. In an event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings

All communications/documentation/queries in this respect should be addressed and sent to KFinTech at its email address einward.ris@kfintech.com. No communication on the tax determination/ deduction shall be entertained after **Thursday, August 10, 2023, 1700 Hours (IST)**.

Thanking you,

Yours truly,

For Samvardhana Motherson International Limited
(Formerly Motherson Sumi Systems Limited)

Alok Goel
Company Secretary

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the shareholders are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.

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