

Goa Carbon Limited



Registered & Corporate Office:

Dempo House, Campal, Panjim - Goa - 403 001., INDIA.
Tel.: +91 (0832) 2441300 Fax: +91 (0832) 2427192
E-mail: goacarbon@gmail.com Website: www.goacarbon.com
Corporate Identity Number - L23109GA1967PLC000076



COMPANY'S SCRIP CODE / SYMBOL: 509567 / GOACARBON

ISIN: INE426D01013

Ref. No.: 2024\1363

24th January 2024

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| The General Manager Department of Corporate Services BSE Limited , Thru' Listing Centre 25 th Floor, P. J. Towers, Dalal Street, Mumbai 400001 | The Listing Department National Stock Exchange of India Ltd. , ... Thru' NEAPS Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051 |
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Subject: Communication sent to shareholders regarding Tax Deduction at Source (TDS) on dividend income

Dear Sirs,

Pursuant to provisions of the Income Tax Act, 1961, dividend income shall be taxable in the hands of the shareholders.

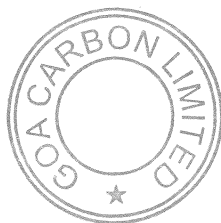
In this regard, the Company has sent a detailed communication to all the Shareholders holding shares as on 19th January 2024 (Friday) whose email addresses are registered with the Company/Depositories indicating the process and documentation required for claiming exemption from deduction of tax on dividend.

A specimen copy of the said communication sent to the shareholders is enclosed herewith and is available on the website of the Company at www.goacarbon.com.

Thanking you,

Yours faithfully,
For Goa Carbon Limited

Pravin Satardekar
Company Secretary
ACS 24380



Plants :

GOA : Tel.: 0832-2860363 to 68, 2860336, 2861052
Fax: 2860364 E-mail: head_works@goacarbon.com
PARADEEP : Tel: 07894462761, 09238110372
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GOA CARBON LIMITED

CIN: L23109GA1967PLC000076

Registered Office: Dempo House, Campal, Panaji, Goa 403001

Phone: 0832-2441300 | Fax: 0832-2427192

Email id: investorrelations@goacarbon.com; Website: www.goacarbon.com

Communication to Shareholders - Intimation on Tax Deduction on Interim Dividend

Date: 23rd January 2024

Dear Shareholder,

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

We are pleased to inform you that the Board of Directors of the Company at its Meeting held on 16th January 2024 have declared payment of Interim Dividend of Rs. 10/- per equity share of face value of Rs. 10/- each (100% on the paid up equity share capital) for the Financial year ending 31st March 2024.

Shareholders holding shares as on the Record date i.e 29th January 2024 will be entitled to receive the dividend after deduction of applicable tax. In order to avail of exemptions / concessions from tax, Shareholders are required to submit necessary documents and details as enumerated in the following paragraphs.

Tax Deduction at Source (TDS) on Dividend

Shareholders may note that pursuant to the changes in the Income Tax Act,1961 ('the Act') as amended by the Finance Act, 2020, dividend income will be taxable in the hands of the shareholders, and the Company is required to deduct tax at source (TDS) at the prescribed rates at the time of making the payment of dividend to shareholders. The tax deduction / withholding tax rate would vary depending on the residential status of the shareholder and on the exemptions as enumerated in the Act, subject to fulfilling the documentary requirements.

The TDS/Withholding tax provisions for both categories of shareholders viz. Resident and Non-Resident are detailed below:

I. Resident shareholders:

In respect of Resident Shareholders, Tax will be deducted at source ("TDS") under Section 194 of the Act @ 10% on the amount of dividend payable, unless exempt under any of the provisions of the Act.

For Shareholders who are identified as "Specified Persons" under Sec 206AB of the Act, higher tax rate @20% shall be applicable

Apart from the above, specific provisions applicable to Resident-Individuals and Resident Non-Individuals are given below for ready reference:

IA. Resident Shareholders (Individual):

1. In case of Individuals, TDS would not apply if the aggregate of total dividend paid to them by the Company under folio(s) during FY 2023-24 does not exceed Rs. 5,000/-.

2. Tax will not be deducted at source in cases where a shareholder provides duly signed Form 15G [Annexure 1](#) (applicable to an individual below the age of 60 years) / Form 15H [Annexure 2](#) (applicable to an individual of the age of 60 years and above), provided that the eligibility conditions are met.
3. Valid PAN will be mandatorily required. However, if the PAN is not updated or is invalid or is deleted, then the higher rate as per the Act (i.e., 20%) would apply.

IB. Resident Shareholders (Other than Individuals):

The TDS for Resident shareholders (other than individuals) along with required documents are provided in Table below:

| Category of Shareholder | Tax Deduction Rate | Exemption Applicability/ Documents required |
|--|--------------------|---|
| Insurance Companies | NIL | Documentary evidence that the provisions of section 194 of the Act are not applicable to them: <ol style="list-style-type: none"> 1. PAN 2. Registration certificate along with 3. Self-declaration given in Annexure 3 |
| Mutual Funds | NIL | Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of section 10 of the Act and is covered under Section 196 of the Act along with Self-declaration given in Annexure 3 |
| Alternative Investment fund (AIF) established/ incorporated in India | NIL | Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 (OR) Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with the following documents <ol style="list-style-type: none"> 1. Self-attested copy of the PAN card 2. Registration certificate 3. Self-declaration given in Annexure 3 |
| Recognized Provident Fund | NIL | Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, (OR) Self-attested valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees Provident Funds Act, 1952 needs to be submitted along with Self-declaration given in Annexure 3 |
| Approved Superannuation Fund / Approved Gratuity Fund | NIL | Self-attested copy of valid approval granted by the Commissioner needs to be submitted: <ol style="list-style-type: none"> a) under Rule 2 of Part B of Fourth Schedule to the Act (In case of Approved Superannuation Fund) b) under Rule 2 of Part C of Fourth Schedule to the Act (In case of Approved Gratuity Fund) along with Self-declaration given in Annexure 3 |

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| National Pension Scheme | NIL | Self-attested valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) granting approval to the Scheme along with Self-declaration given in Annexure 3 |
| Entities exempt under Section 10 of the Act | NIL | If the income is exempt under the Act, the authorized signatory shall submit the declaration given in Annexure 3 duly signed with stamp affixed for the purpose of claiming exemption from TDS (entities as provided in Circular No.18 of 2017) |
| Corporation established by or under a Central Act/ State Act which is, under any law for the time being in force, exempt from income tax on its income including entities in which such corporations are the beneficial shareholders | NIL | Documentary evidence that the person is covered under section 196 of the Act along with self-declaration given in Annexure 3 . |
| Order under section 197 of the Act | Rate provided in the order | Lower/NIL withholding tax certificate obtained from Income Tax authorities. |
| Benefit under Rule 37BA | Rates based on the status of the beneficial owners | In case where shares are held by Clearing Member/ intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration given in Annexure 4 along with Appendix A . Any declaration submitted after the cut-off date will not be accepted. |
| Other resident shareholders without PAN/Invalid PAN/ Deleted PAN/ non-compliance of Section 206AB | 20% | |

II. Non-resident Shareholders

In respect of Non-Resident Shareholders, Tax will be deducted at source (“TDS”) under Section 195 and Section 196D of the Act @ 20% (plus applicable surcharge and cess) on the amount of dividend payable unless exempt under the provisions of the Act as given below:

| Category of Shareholder | Tax Deduction Rate | Exemption Applicability/ Documents required |
|-------------------------|--------------------|---|
|-------------------------|--------------------|---|

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|---|---|--|
| <p>Any non-resident shareholder (including Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI))</p> | <p>20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower</p> | <p>As per Section 90 of the Act, a non-resident shareholder has an option to be governed by the provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to such shareholder. To avail of the DTAA benefits, the non-resident shareholder will have to compulsorily provide the following documents:</p> <ul style="list-style-type: none"> a) Copy of Permanent Account Number (PAN), if available. b) Self-attested copy of Tax Residency Certificate ('TRC') issued by the revenue authorities of the country of which shareholder is tax resident, evidencing and certifying shareholder's tax residency status during FY 2023-24. c) Electronically generated Form 10F from the link https://eportal.incometax.gov.in/ (for non-resident possessing PAN) and in case of non-resident not possessing PAN & not required to have a PAN, a hard copy of duly executed Form 10F along with a declaration (refer format attached) that the shareholder is not required to have a PAN as per the provisions of the Act read along with Rules. Completed and duly signed Self-Declaration in Form 10F (Annexure 5). d) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate. <p>Self-declaration of having no taxable presence, fixed base or permanent establishment in India in accordance with the applicable Tax Treaty and Beneficial ownership by the non-resident shareholder (Annexure 6).</p> <p>Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident shareholders. The Company will apply its sole discretion and is not obligated to apply the beneficial DTAA rates for tax deduction on dividend payable to shareholders.</p> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.</p> <p>In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore DTAA</p> |
| <p>Sovereign Wealth Fund, Pension Fund,</p> | <p>Nil</p> | <p>Document evidencing the applicability of section 10(23FE) of the Act / notification issued by CBDT substantiating the</p> |

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| Other bodies notified u/s 10(23FE) of the Act | | applicability of section 10(23FE) of the Act issued by the Government of India Self-declaration in the format as prescribed in Annexure 7 that the conditions specified in section 10(23FE) of the Act have been complied with. |
| Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act | 30% | N.A. |
| Submitting Order under section 195(3)/197 of the Act | Rate provided in the Order | Lower/NIL withholding tax certificate obtained from Income Tax authorities. |

Note:

1. Shareholders holding shares under multiple accounts under different status/ category (eg. Resident and Non-Resident) 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.
2. The Finance Act, 2021, has inter alia inserted the provisions of section 206AB of the Act with effect from July 1, 2021. The provisions of section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':
 - a. At twice the rate specified in the relevant provision of the Act; or
 - b. At twice the rates or rates in force; or
 - c. At the rate of 5%

For Shareholders who are identified as “Specified Persons” under Sec 206AB of the Act, higher tax rate as applicable would be deducted if:

- a) Shareholder has not filed the returns of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to deducted, for which the time limit for furnishing the return of income has expired; and
- b) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in the said previous year.

Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20% under section 206AA of the IT Act.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

Annexures:

Annexure 1 - Form 15G (attached herewith)

Annexure 2 - Form 15H (attached herewith)

Annexure 3 - Resident Tax Declaration (attached herewith)

Annexure 4 - Rule 37BA declaration (attached herewith) and appendix A (attached herewith)

Annexure 5 - Form 10F (attached herewith)

Annexure 6 - Letter Foreign Company has no PE in India and Self declaration owner (attached herewith)

Submission of Declarations and other Documents:

Kindly note that the documents and annexures as explained above duly filled and signed can be sent by email to goacarbondivtax@linkintime.co.in.

Shareholders are requested to submit by 29th January 2024 the required documents for availing of tax exemption/concession.

No communication on the tax determination/deduction shall be entertained post the above-mentioned date.

It may be further noted that in case the tax on the said Interim Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you or on application of provisions of Section 206AB, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

No claim shall lie against the Company for such taxes deducted.

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.

Updation of PAN, Email ID, Mobile, Bank and other details

Shareholders are requested to verify / update their PAN, Email address for communication, Mobile number, Bank details etc with the Depository Participants (Demat Shares).

Shareholders, whose valid PAN is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

We request your cooperation in this regard.

Thanking you,

For **Goa Carbon Limited**

Pravin Satardekar

Company Secretary and Compliance Officer

ACS 24380