



Life's god with our chemistry

# Archean Chemical Industries Limited

**04<sup>th</sup> July 2023**

BSE Limited  
Listing Operations  
Phiroze Jeejeebhoy Towers Dalal Street  
Mumbai-400001  
**Scrip Code- 543657**

National Stock Exchange of India Limited  
Exchange Plaza  
Bandra-Kurla Complex, Bandra (E)  
Mumbai-400051  
**Symbol-ACI**

Dear Sirs,

## **Sub: Communication to Shareholders - Intimation on Tax Deduction on Dividend**

Pursuant to the Finance Act, 2020, with effect from April 1, 2020, the Dividend Distribution Tax is abolished and dividend income is taxable in the hands of the shareholders.

In this regard, 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 withholding tax from dividends paid to the shareholders at prescribed rates along with necessary annexures.

The above information will also be available on the website of the Company at [www.archeanchemicals.com](http://www.archeanchemicals.com)

Kindly take the same on record.

Thanking you

Yours faithfully  
**For Archean Chemical Industries Limited**

**G Arunmozhi**  
**Company Secretary & Compliance Officer**  
**M. No. A-18119**

Enc- as above

**From:** archean.agm@linkintime.co.in  
**Sent:** Tuesday, July 4, 2023 07:32 PM  
**To:** suraj.gupta@linkintime.co.in  
**Subject:** Archean Chemical Industries Ltd - 14th AGM of the Company is scheduled to be held on Wednesday, 26th July, 2023 / Communication to Shareholders - Intimation on Tax Deduction on Dividend



## **ARCHEAN CHEMICAL INDUSTRIES LIMITED**

**CIN:** L242982009PLC072270

**Registered Office:** No.2, North Crescent Road, T Nagar, Chennai 600 017

**Tel No:** 044-6109 9999; **Email Id.:** [info@archeanchemicals.com](mailto:info@archeanchemicals.com)

**Website:** [www.archeanchemicals.com](http://www.archeanchemicals.com)

### **Notice of 14<sup>th</sup> Annual General Meeting of Archean Chemical Industries Limited Communication to Shareholders - Intimation on Tax Deduction on Dividend**

Date: 04<sup>th</sup> July 2023

Name of Shareholder: **Vikas Bahl**  
Folio No. / DP Id & Client Id: **XXXXXXXXXXXX8159**

Dear Shareholder,

We are pleased to inform you that the 14<sup>th</sup> Annual General Meeting (“AGM”) of the Company is scheduled to be held on:

**Day and Date** : Wednesday, 26<sup>th</sup> July, 2023  
**Time** : 10.30 a.m. (IST)  
**Via** : Video Conferencing (“VC”) or other audio visual means (“OAVM”)

The AGM is being convened in due compliance with the applicable provisions of the Companies Act, 2013 (“the Act”), the Rules made thereunder read with the MCA’s General Circulars numbered 10/2022 dated December 28,2022, 02/2022 dated 05<sup>th</sup> May, 2022, 02/2021 dated 13th January 2021 read with Circular No.14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020 and any other applicable Circulars issued by MCA and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with the SEBI Circular numbered SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with Circular

SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 and any other applicable Circulars issued by SEBI.

**AGM Notice & Annual Report:**

The Notice of the AGM together with the Annual Report for FY 2022-23 may be accessed by clicking the below links:

- To view / download AGM Notice: [click here](#).
- To view / download Annual Report 2022-23: [click here](#).
- To view / download Remote e-voting instructions: [click here](#).
- To view / download InstaMEET VC instructions: [click here](#).

**Procedure: E-voting:**

Voting on the Resolutions set forth in the Notice shall be done by electronic means ("e-voting") in terms of the applicable provisions of the Act read with the Rules made thereunder and SEBI Listing Regulations. Members (as on the cut-off date) may cast their votes remotely ("remote e-voting") as per the details mentioned below:

<b>Cut-off date</b> [for determining the Members entitled to vote on the resolutions set forth in this notice]	Wednesday, 19 <sup>th</sup> July, 2023
<b>Remote e-voting period - Commencement of Remote e-Voting</b>	9:00 a.m., Sunday, July 23, 2023
<b>Remote e-voting period – End of Remote e-Voting</b>	5.00 p.m., Tuesday, July 25, 2023 [Remote e-voting module shall be disabled post this date]

E-voting link:

<b>Type of shareholder</b>	<b>E-voting link</b>
Individual Shareholders holding securities in Demat mode with National Securities Depository Limited	<a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> or directly through your depository participant
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited	<a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or directly through your depository participant
Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in Demat mode	<a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a>

Your e-voting Information:

Event No.	User ID	PAN / Sequence Number
230193	IN30154963358159	USE YOUR PAN

Important points to note:

1. E-voting at the AGM: In addition to the remote e-voting, a facility for e-voting shall also be made available at the AGM through Instameet.
2. Subsequent voting not allowed: The Members who have cast their vote by remote e-voting prior to the AGM will be entitled to attend the AGM but shall not be entitled to cast their vote again.
3. Proportion of voting rights of a member / beneficial owner shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date.
4. Detailed Instructions: Refer Note No. 29 of the AGM notice.
5. Queries / Issues: Refer FAQs and Instavote e-voting manual available at [Instavote-Linkintime](#) or write an e-mail to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call on 022-49186000.

**Procedure: Attending the AGM:**

Important points to note:

- 1) Web-link to attend: <https://instameet.linkintime.co.in>
- 2) Detailed procedure: Refer Note No. 30 of the AGM Notice.
- 3) For queries/issues login: Send an e-mail to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or call 022-49186175.

Further:

- a) you are requested to update your mobile number/contact number/address/e-mail address/Bank details with the relevant Depository Participant and Company at all times
- b) for any queries/issues (including but not limited to Annual Report/AGM), you may reach the Company team /RTA at the address for correspondence provided in the section 'General Shareholder Information' of the Annual Report.

Kindly make it convenient to attend the AGM.

**Communication to Shareholders - Intimation on Tax Deduction on Dividend**

We are pleased to inform you that the Board of Directors at their Meeting held on May 26, 2023 have recommended payment of final dividend of Rs. 2.5/- per equity share of face value of Rs. 2/- each (125% on the paid up equity share capital) for the Financial year ended March 31, 2023, subject to approval of the shareholders at the Annual General Meeting (AGM) of the Company.

The AGM of the Company will be held on 26<sup>th</sup> July, 2023. Members holding shares as on the Record date will be entitled to receive the dividend after deduction of applicable tax. In order to avail 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 time of making the payment of dividend to shareholders at the prescribed rates. The tax deduction / withholding tax rate would vary depending on the residential status of the shareholder and the exemptions as enumerated in the Act subject to fulfilling submission of necessary documents/certificates as per the Act.

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

### **I. Resident shareholders:**

Unless exempt under any of the provisions of the Act (Refer IA & IB below), in respect of Resident Shareholders, under Section 194 of the Act, Tax will be deducted at source ("TDS") @ 10% on the amount of dividend payable subject to fulfilment of the following conditions:

1. Valid Permanent Account Number ("PAN") will be mandatorily required.
2. Shareholders shall not hold shares under multiple accounts under different status/category (e.g., Resident and Non-Resident). In such a case a single PAN holder 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. Shareholders should not be identified as "Specified Persons" as defined under Sec 206AB (as defined below) of the Act, if so higher rate of tax @20% will be applicable.
  - Shareholder has not filed the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income has expired; and
  - Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in the said previous year.

For the purpose of TDS, Company will verify the status (i.e., Specified Person or not) from the Government enabled online facility and deduct TDS accordingly.

**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. 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.
2. 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 2022-23 does not exceed Rs. 5,000/-.

3. Tax will not be deducted at source in cases where a shareholder provides duly signed
  - Form 15G as per **Annexure 1** (*applicable to an individual below the age of 60 years*), or
  - Form 15H as per **Annexure 2** (*applicable to an individual of the age of 60 years and above*)

**IB. Resident Shareholders (Other than Individuals):**

NIL / Lower tax will be deducted on dividend payable to the following categories of resident shareholders, on submission of self-declaration. (Format enclosed in **Annexure 3**):

- **Insurance companies:** Documentary evidence to prove that the Insurance Company qualify as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN Card.
- **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of section 10 of the Act and is eligible for exemption, along with self-attested copy of the registration documents and PAN Card.
- **Alternative Investment Fund (AIF) established in India:** Documentary evidence to prove that AIF is a fund eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self- attested registration documents and PAN card should also be provided.
- **National Pension Scheme:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.
- **Recognized Provident Fund:** 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 along with Self-declaration.
- **Approved Superannuation Fund / Approved Gratuity Fund:** 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.
- **Entities exempt under Section 10 of the Act:** If the income is exempt under the Act, the authorized signatory shall submit the declaration 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:** Documentary evidence that the person is covered under section 196 of the Act along with self-declaration.
- **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 the details as given in **Appendix A**.

- *Other resident shareholders without PAN/Invalid PAN/ Deleted PAN/ non-compliance of Section 206AB, Tax shall be deducted at the rate of 20% under the Act.*

## II. Non-resident Shareholders

- **Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI):** TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) u/s 196D of the Act.
- **Other Non – Resident Share Holders:** TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) u/s 195 of the Act or Tax Treaty rate whichever is lower.
- **Any entity entitled to exemption from TDS:** Valid Self attested documentary evidence in support of the entity being entitled to exemption from TDS.

### **Exemption Applicability/ Documents required:**

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 the DTAA benefits, the non-resident shareholder will have to compulsorily provide the following documents:

- 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 2022-23.
- c) Completed and duly signed Self-Declaration in Form 10F (as per **Annexure 5**).
- d) 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 (as per **Annexure 6**).

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.*

**TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.**

### **Annexures to view/ download:**

Annexure 1 - Form 15G [click here](#)

Annexure 2 - Form 15H [click here](#).

Annexure 3 - Resident Tax Declaration [click here](#).

Annexure 4 - Rule 37BA declaration [click here](#) and appendix A [click here](#).

Annexure 5 - Form 10F [click here](#).

Annexure 6 - Letter Foreign Company has no PE in India and Self declaration owner [click here](#).

### **Submission of Declarations and other Documents:**

Kindly note that the documents and annexures as explained above duly filled and signed can be uploaded by the shareholders directly at the Website <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> and in case of any difficulty be sent to the Email ID [arceandivtax@linkintime.co.in](mailto:arceandivtax@linkintime.co.in)

Shareholders are requested to submit the required documents for availing tax exemption / concession on or before 21<sup>st</sup> July, 2023 for further processing.

It may be further noted that in case the tax on said Final 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 accordingly.

**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.

Pursuant to the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020 issued by Ministry of Corporate Affairs, the dividend will be paid electronically in the Members bank accounts.

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

Members are requested to verify / update their PAN, Email address for communication, Mobile number, Bank details etc with the Depository Participants (Demat Shares) / RTA (Physically held 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 co-operation in this regard.

Thanking You,

Yours faithfully,  
For Arcean Chemical Industries Limited

Sd/-  
G Arunmozhi  
Company Secretary & Compliance officer  
Membership No. A18119



Note: This is a system generated Email. Please do not reply to this Email.

Disclaimer: This communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional

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