



**CAN FIN HOMES LIMITED**  
Registered Office No. 29/1, 1<sup>st</sup> Floor,  
Sir M N Krishna Rao Road  
Near Lalbagh West Gate, Basavanagudi  
Bengaluru – 560 004  
Tel: 080-48536192; Fax: 26565746  
e-mail: [compsec@canfinhomes.com](mailto:compsec@canfinhomes.com)  
Web: [www.canfinhomes.com](http://www.canfinhomes.com)  
CIN – L85110KA1987PLC008699

CFHRO SE CS LODR 221/2022

November 30, 2022

ONLINE SUBMISSION

**BSE Limited**

Corporate Relationship Department  
25th Floor, P J Towers  
Dalal Street, Fort,  
Mumbai – 400 001

BSE Scrip Code: 511196

Dear Sirs,

**Sub: Communication to the Shareholders on Interim Dividend (TDS)**

Ref: Our letter CFHRO SE CS LODR 217/2022 dated November 28, 2022

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We wish to inform that further to the declaration of Interim Dividend by the Board of Directors of the Company at its Meeting held on November 28, 2022, Monday, the Company has sent email communication on tax deductible at source (TDS) to its shareholders, whose email addresses are registered with the Company/Depository Participant.

The specimen of the communication is appended for your reference, records and dissemination for the benefit of the shareholders of the Company.

The above intimation is also being uploaded on the website of the Company [www.canfinhomes.com](http://www.canfinhomes.com)

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For Can Fin Homes Ltd.,

Veena G Kamath  
DGM & Company Secretary

Encl: As above.



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**Tel:** 080-48536192; **Fax:** 26565746; **CIN:** L85110KA1987PLC008699  
**E-mail:** [investor.relationship@canfinhomes.com](mailto:investor.relationship@canfinhomes.com)  
**Web:** [www.canfinhomes.com](http://www.canfinhomes.com)

Date: 29/11/2022

Ref: Folio / DP Id & Client Id No: \_\_\_\_\_

Name of the Holder: \_\_\_\_\_

Dear Shareholder,

**Subject: Information Required for TDS on Interim Dividend**

Greetings from Can Fin Homes!

We wish to inform you that the Board of Directors of your Company at their meeting held on November 28, 2022 have recommended an Interim Dividend of Rs.1.50 per share for the financial year 2022-23.

The Record Date for determining eligibility of shareholders to receive dividend is fixed as December 09, 2022. The dividend would be credited to the eligible shareholders by December 26, 2022.

In terms of the provisions of the Income-tax Act, 1961, ("the Act") as amended by the Finance Act, 2020, dividend paid by a Company on or after April 01, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of payment of dividend. The tax deduction/ withholding tax rate may vary depending on the residential status of the shareholder and dividend will be paid after deducting the tax at source/ withholding tax including surcharge and cess, as applicable.

All shareholders are requested to ensure that their details with reference to valid Permanent Account Number (PAN) Status, email, Bank Account particulars are complete and updated in their account maintained with Depository Participant (in case of shares are held in dematerialised form) or with RTA (in case of shares are held in physical form).

In this regard, kindly note the following points:

**Resident Individual 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. However, in case of individuals, TDS would not apply if dividend paid by the Company does not exceed Rs.5,000/-.

Tax at source will not be deducted in cases where a shareholder provides Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. The Permanent Account Number (PAN) will be mandatorily required.

[Click Here to download Form 15G](#)

[Click Here to download Form 15H](#)

**Insurance companies:** TDS is not applicable on dividend paid to Insurance companies if it provides a self-declaration that shares owned by it or in which it has full beneficial interest along with self-attested PAN and registration certificate issued by IRDAI (self-attested by the competent authority with affixed stamp).

[Click Here to download format of the Self-declaration](#)

**Mutual Funds:** TDS is not applicable on Mutual Funds if it provides a self-declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of self-attested registration certificate and PAN

[Click Here to download format of the Self-declaration](#)

**Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of registration documents (self-attested) and PAN should be provided

[Click Here to download format of the Self-declaration](#)

**Beneficial Ownership:** In case of equity share(s) held in the Company as a beneficiary; and are not subject to TDS under Section 196 of the Act, the person shall submit self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN Card (format annexed below).

[Click Here to download format of the Self-declaration](#)

**Benefit under Rule 37BA:** In case where shares are held by 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.

[Click Here to download format of declaration under Rule 37BA.](#)

**Resident Non-Individual shareholders (HUF, Firm, AOP, BOI, Company):** The entire dividend will be subject to TDS for non-individual resident shareholders without any threshold limit. The tax deduction rate will be 10% provided a valid PAN is updated with the company or the depository/ RTA. Otherwise the TDS rate will be 20%.

In case of resident non-individual shareholders, if the income is exempt under Section 10 the Act, the authorized signatory shall submit the declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS. [Click Here to download format of the Self-declaration](#)

**Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs):** - Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors ("FIIs") and Foreign Portfolio Investors ("FPIs") in view of specific provision under section 196D of the Income Tax Act, 1961.

**Non-resident shareholders:** Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder.

For this purpose, i.e., to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;
- Self-attested copy of Tax Residency Certificate (TRC) for FY 2022-23 obtained from the tax authorities of the country of which the shareholder is resident;
- Electronically submitted Form 10F as per Central Board of Direct Tax (CBDT) issued Notification No. 3/2022 on 16th July 2022 under the Income Tax Act (ITA).
- Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- Self-declaration of beneficial ownership by the non-resident shareholder ([Click Here to download Form Self-declaration](#))

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 and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder (including Foreign Institutional Investors and Foreign Portfolio Investors).

**To enable us to determine the appropriate TDS/ withholding tax rate applicable, we request you to provide the above details and documents not later than August 25, 2022.**

Dividend will be paid after deducting the tax at source as under:

- NIL for resident individual shareholders receiving dividend upto Rs.5,000/- in aggregate in a Financial Year (i.e., FY 2022-23) or in case Form 15G/Form 15H (as applicable) along with self-attested copy of the PAN.
- 10% for resident shareholders in case PAN is provided/available for those not covered above
- 20% for resident shareholders, if PAN is not provided / not available
- Lower/ NIL TDS on submission of self-attested copy of the certificate issued under section 197 of the Income Tax Act, 1961.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted
- Tax will be assessed on the basis of documents submitted by the non-resident shareholders
- Further, Shareholders who are required to link their Aadhaar number with their PAN in terms of the provisions of Section 139AA(2) read with Rule 114AAA of the Act, should link the same. For dividend amounts are payable after September 30, 2021, if PAN of shareholder is not linked with Aadhaar, then such PAN will be deemed to be invalid and TDS will be deducted at higher rates u/s 206AA of the Act.
- Further tax deducted at source (TDS) rates for dividend prescribed under the Income Tax Act ('Act') are subject to the provision of section 206AB of the Act (effective from July 1, 2021) which introduces special provision for TDS in respect of non-filers of Income Tax returns. For the prescribed rates for various categories, the

Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

- According to the provisions of section 206AB, a specified person means a person who has not filed their returns of income for two years immediately preceding the year in which tax is required to be deducted and the aggregate of tax deducted at source and collected at source is rupees fifty thousand or more in each of these two years. Accordingly, applicable tax deduction rates for specified person would be twice the prescribed rates. For Resident specified shareholder it would be 20% and for Non-Resident specified shareholders (who has not furnished a declaration stating no permanent establishment in India) the tax deduction rates would be 40% plus applicable surcharge and cess as prescribed under the Act.

The aforementioned documents shall be emailed to [investor.relationship@canfinhomes.com](mailto:investor.relationship@canfinhomes.com) on or before December 07, 2022. No communication in this regard shall be entertained after December 07, 2022.

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

We seek your co-operation in the matter.

Thanking you,

Yours faithfully,  
For **Can Fin Homes Ltd.**

Sd/-  
**Veena G Kamath**  
**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 investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.*