

# B H A R A T F O R G E

February 13, 2024

To,

**BSE Limited,**  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
BSE SCRIP CODE – **500493**

**National Stock Exchange of India Ltd.,**  
'Exchange Plaza',  
Bandra-Kurla Complex, Bandra (East)  
Mumbai- 400 051  
Symbol: **BHARATFORG**  
Series: **EQ**

Dear Sir/Madam,

**Sub: Bharat Forge Limited Interim Dividend -Tax Deduction at Source (TDS) on Dividend**

This has reference to our letter dated February 12, 2024, wherein we have informed the stock exchanges that the Board of Directors of the Company in their meeting held on Monday, February 12, 2024, have declared Interim Dividend of Rs. 2.50/- per equity share of Rs. 2/- each (i.e. 125%) for the Financial Year 2023-24.

In this regard, please find enclosed herewith an e-mail communication, which has been sent to all the shareholders of the Company whose e-mail IDs are registered with the Company explaining the process on withholding tax from dividends (TDS) paid to the members at prescribed rates along with the necessary annexures.

This intimation is also being made available on the website of the Company at [www.bharatforge.com](http://www.bharatforge.com).

This is for your information and records.

Kindly take a note of the same.

Thanking you,

**For Bharat Forge Limited**

**Tejaswini Chaudhari**  
**Company Secretary and Compliance Officer**





**BHARAT FORGE LIMITED**

**Registered office:** Pune Cantonment, Mundhwa Pune – 411036, Maharashtra, India

**Telephone:** +91-20-6704 2850 / 2476; **Fax:** +91-20- 2682 2163

**E-mail:** [secretarial@bharatforge.com](mailto:secretarial@bharatforge.com); **Website:** [www.bharatforge.com](http://www.bharatforge.com)

**CIN:** L25209PN1961PLC012046

**THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Ref: Folio / DP Id & Client Id No.:

Name of Shareholder:

Dear Shareholder,

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

We are pleased to inform you that the Board of Directors at their Meeting held on Monday, February 12, 2024 have declared an Interim Dividend of Rs. 2.5/- per equity share of Rs. 2/- each for the Financial Year ended March 31, 2024.

As you are aware as per the Income-Tax Act 1961, as amended by the Finance Act, 2020, dividends paid and distributed by a Company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of the said Dividend.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company in accordance with the provisions of the Act.

The TDS for various categories of shareholders along with required documents are provided in table below:

Details are as under:

Category of Shareholders	Tax Deduction Rate	Exemption applicability/Documentation requirement
Resident Individual Shareholder	10%	<p><b>No tax shall be deducted</b> on the dividend payable to resident individuals if -</p> <ul style="list-style-type: none"> <li>➤ the total dividend to be paid to the shareholder during F.Y. 2023-24 by the Company does not exceed Rs. 5,000/-; or</li> <li>➤ the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met.</li> </ul> <p><b>Annexure 1 – Form 15G</b> <b>Annexure 1 – Form 15H</b></p>
	20%	<p><b>Tax will be deducted at a higher rate of 20%, if –</b></p> <ul style="list-style-type: none"> <li>➤ valid PAN of the shareholder is not available;</li> <li>➤ PAN is not updated / registered / linked to the Aadhaar card;</li> </ul>
Resident Non-Individual Shareholder	NIL	<p>No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide details and documents as per the format attached in <b>Annexure – 3.</b></p>
		<p><b>Insurance Companies</b> - Self-declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.</p>
		<p><b>Mutual Funds</b> - Self-declaration that it is registered with SEBI and is notified under Section 10 (23D) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.</p>
		<p><b>Alternative Investment fund</b> - Self-declaration that its income is exempt under Section 10 (23FBA) of the Act and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.</p>
		<p><b>New Pension Scheme (NPS) Trust</b> - Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.</p>

Category of Shareholders	Tax Deduction Rate	Exemption applicability/Documentation requirement
		<p><b>Other Non-Individual Shareholders</b> - Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.</p> <p>Note: In case, shareholders (both individuals and non-individuals) provide certificate under Section 197 of the Income-tax Act, 1961, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same. However, Section 206AB overrides all other provisions of the Act. Given this, it would apply even to those cases where the Tax deductees have obtained a Nil or lower TDS certificate from the Tax Office or has provided a declaration under Section 197A</p>
Non-Resident Shareholder	20% (plus applicable surcharge and cess)	<p>NIL/ Lower withholding tax rate shall be deducted on the dividend payable on submission of self-attested copy of the certificate issued under Section 195/197 of the Act.</p> <p>Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder. To avail Tax treaty benefits, the non-resident shareholders are required to provide the following:</p> <ul style="list-style-type: none"> <li>➤ Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (f) Tax Identification Number of the residency country as per <b>Annexure 4</b>.</li> <li>➤ Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2023 to March 2024) obtained from the tax authorities of the country of which the shareholder is a resident.</li> <li>➤ Pursuant to CBDT Notification no. 03/2022 dated July 16, 2022, effective from April 01, 2023 non-resident shareholders are compulsorily required to furnish Form 10F electronically on income tax portal with their login credentials at <a href="http://eportal.incometax.gov.in">eportal.incometax.gov.in</a> to avail the benefit of DTAA.</li> <li>➤ Non-resident shareholders, who do not have PAN and not required to have PAN in India as per relevant provision of the Act, are required to submit manual Form 10F duly signed in the format as per <b>Annexure 5</b>.</li> </ul>

Category of Shareholders	Tax Deduction Rate	Exemption applicability/Documentation requirement
		<ul style="list-style-type: none"> <li>➤ Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement , for the period April 2023 to March 2024 in <b>Annexure 6</b>.</li> <li>➤ In case of Foreign Institutional Investors and Foreign Portfolio Investors copy of SEBI registration certificate.</li> <li>➤ 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 Double Taxation Avoidance Agreement (DTAA).</li> <li>➤ It is recommended that shareholders should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.</li> </ul>

**Please note that 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.**

#### **TDS to be deducted at higher rate in case of non-filers of Return of Income**

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':

- i. At twice the rate specified in the relevant provision of the Act; or
- ii. At twice the rates or rates in force; or
- iii. At the rate of 5%

The 'specified person' means a person who has:

- a. not filed return of income for both of the two assessment years relevant to the two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and
- b. subjected to tax deduction/collection at source in aggregate amounting to Rs. 50,000 or more in each of such two immediate previous years.

**For shareholders having multiple accounts under different status / category:**

Shareholders holding shares under multiple accounts under different status / category 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.

If the dividend income is taxable in the hands of any person other than the recipient of the dividend, then the requisite details by way of a declaration under section 199 of the Act and Rule 37BA of the Income-tax Rules, 1962 should be provided by the registered owner.

**Submission of tax related documents:**

To view / download Annexure 1 Form 15G	<a href="#">click here</a>
To view / download Annexure 2 Form 15H	<a href="#">click here</a>
To view / download Annexure 3 Self-declaration Non-Individuals	<a href="#">click here</a>
To view / download Annexure 4 Information under Rule 37BC(2) of Income-tax Rules, 1962	<a href="#">click here</a>
To view / download Annexure 5 Form 10F	<a href="#">click here</a>
To view / download Annexure 6 Form Self-declaration Non-Residents	<a href="#">click here</a>

Kindly note that, if you have not submitted the aforesaid documents earlier for the Financial Year 2023-24 for the purpose of claiming exemption from tax deduction at source, you are requested to submit the same to the Company at email Id : [tdsforms@bharatforge.com](mailto:tdsforms@bharatforge.com) on or before **Friday, February 23, 2024** in order to enable the Company to determine and deduct the appropriate TDS/ withholding tax rate.

No communication/documents on the tax determination/deduction shall be entertained post **Friday, February 23, 2024**.

In case of any queries the shareholders can send an email to: [tdsforms@bharatforge.com](mailto:tdsforms@bharatforge.com) on or before **Friday, February 23, 2024**.

It may be further noted that in case the tax on said Interim Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, 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.

The tax credit can be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometax.gov.in/iec/foportal/>.

**Updation of PAN/ Bank Account details:**

All Shareholders are requested to ensure that the details such as Permanent Account Number (PAN), residential status, category of Shareholder (e.g. Domestic Company, Foreign Company, Individual, Firm, LLP, HUF, Foreign Portfolio Investors / Foreign Institutional Investors, Government, Trust, Alternate Investment Fund, etc.), email id and address and Bank account details are updated, in their respective demat account(s) maintained with the Depository Participants. Physical Shareholder shall furnish details to the Company's registrar and share transfer agent -Link Intime India Private Limited at below mentioned address:

Link Intime India Private Ltd.  
Unit: Bharat Forge Limited  
C101, 247 Park, L.B.S Marg,  
Vikhroli (West) Mumbai -400083  
Contact No-022-49186270  
E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Above communication on TDS sets out the provisions of Income-tax Act, 1961 as applicable 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.

We request your cooperation in this regard.

Thanking you,

Yours faithfully,  
For **Bharat Forge Limited**

**Sd/-**  
**Tejaswini Chaudhari**  
**Company Secretary & Compliance Officer**

*Disclaimer: This communication shall not be treated as an advice from the Company. 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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