

January 30, 2024

To,  
**National Stock Exchange of India Limited**  
Symbol – Symphony

To,  
**BSE Limited**  
Security Code – 517385

**Sub.: Communication on Tax Deduction at Source (TDS) on Dividend Distribution**

Dear Sir / Madam,

Pursuant to the declaration of interim dividend by the Board of Directors of the Company at its Board Meeting held today i.e. January 30, 2024, the Company has sent an enclosed Communication on Tax Deduction at Source (TDS) on Dividend Distribution, through email to its shareholders, whose email addresses are registered with the Company / Depository Participant.

The specimen of the communication is appended for your reference and records.

This is for your reference and records.

Thanking You,

Yours Truly,  
**For, Symphony Limited**

**Mayur Barvadiya**  
**Company Secretary and Head - Legal**

Encl : as above

**SYMPHONY LIMITED**

CIN - L32201GJ1988PLC010331

Regd. Office : Symphony House, 3rd Floor, FP12-TP50, Bodakdev, Off S.G Highway,  
Ahmedabad 380059, Gujarat, India

Phone: 91-79-6621 1111 Fax : 91-79-6621 1140

Email : [investors@symphonylimited.com](mailto:investors@symphonylimited.com); Website: [www.symphonylimited.com](http://www.symphonylimited.com)

**COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION**

January 30, 2024

Dear Shareholder(s),

We are pleased to inform you that the Board of Directors has declared an Interim Dividend of Rs.2.00/- (100%) per equity share of Rs. 2/- each for the financial year 2023-24 in their meeting held today.

The said interim dividend will be payable to those shareholders whose name appear in the Register of Members of the Company as at the close of business hours on Wednesday, February 7, 2024. The said shareholders will be entitled to receive the dividend through electronic credit to their registered bank accounts. Those shareholders, who have not registered their bank account details with the depository participant/ RTA, would receive demand draft at their registered address.

As you may be aware, as per the Income Tax Act, 1961 (Act), amended by the Finance Act, 2020, with effect from 1 April 2020, Dividend Distribution Tax is abolished, and dividend income is taxable in the hands of the shareholders. The companies are required to withhold tax at source from dividends paid to shareholders at prescribed rates (plus applicable surcharge and cess), as may be notified from time to time.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Act for various shareholder categories, including a Resident or Non-Resident shareholder. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the Dividend will be paid after deducting TDS as explained herein.

**Section 1: Mandatory details applicable for all shareholders**

All shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their depository records through their depository participant (if shares are held in Demat form) or in the register of members through registrar and share transfer agent (if shares are held in physical form) on or before February 10, 2024 (cut off date).

- a. Residential status as per the Act i.e. Resident or Non-Resident for FY 2023-24
- b. Valid Permanent Account Number (PAN)

- c. Category of shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Foreign Portfolio Investor (FPI) /Foreign Institutional Investor (FII), Foreign Company, Others (being Individual, Firm, Trust, AJP, etc.): - Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP), Trust, Domestic company, Foreign company etc.
- d. Email id
- e. Address

Please note that the above details as available on record date in the register of members will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

**Section 2: TDS Provisions and documents required as applicable for relevant category of shareholders.**

In addition to ensuring completion and/or updating, as applicable, of above mandatory details, shareholders are also requested to take note of the TDS rates and additional information requested by the Company for their respective category in order to comply with the applicable TDS provisions.

**1. Resident Shareholder:**

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Mutual Funds - Applicable for Mutual Funds registered with SEBI	196	0%	No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions. A declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of relevant registration documents (*) (**).
Category I and II Alternative Investment Funds (AIF)	197A(1F)	0%	No TDS is required to be deducted as per Section 197A(1F) of the Act, subject to specified conditions. Copy of valid SEBI registration certificate need to be submitted and a declaration that its income is exempt under section 10(23FBA) of the Act (*) (**).
Other resident shareholder	194 / 197	10%	a) TDS is required to be deducted at the rate of 10% under Section 194 of the Act.

			<p>b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual shareholder does not exceed ₹ 5000/-.</p> <p>c) No TDS is required to be deducted on furnishing of valid Form 15G (#) (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (#) (for individual above the age of 60 years with no tax liability on total income). (*) (***)</p> <p>d) PAN available in the register of members must be valid and operative(**). TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid or operative PAN of the shareholder is not available.</p> <p>e) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Act, if such valid certificate is provided. (*) (***)</p> <p>f) As per section 206AB inserted by Finance Act 2021, TDS is proposed to be deducted at twice the applicable rates, if Income Tax Return is not filed by the resident shareholders for preceding financial year, for which the time limit for filing has expired. The Company will use the mechanism prescribed by Income tax department to verify if a shareholder is a 'specified person' under section 206AB of the Income Tax Act and basis the result provided, the Company will apply higher rates under section 206AB of the Income Tax Act on those shareholders who are covered as 'specified person' under section 206AB of the IT Act.</p>
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Any other entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption need to be submitted. (*) (***)
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## 2. Non-Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
FPIs and FIIs	196D	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 196D of the Act.</p> <p>b) 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. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> <li>• Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***)</li> <li>• Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***)</li> <li>• Self-declaration in Form 10F (*) (***);</li> <li>• Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of</li> </ul>

			<p>shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication).</p> <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p>
Other non-resident shareholder	195	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Act.</p> <p>b) 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. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> <li>• Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***)</li> <li>• Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***)</li> <li>• Self-declaration in Form 10F (*) (***)</li> <li>• Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of</li> </ul>

			<p>shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication).</p> <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p> <p>c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued under Section 197 of the Act, if such certificate is provided. (*) (***)</p>
Any entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS is to be submitted. (*) (***)

**CLEARING MEMBER SHOULD ENSURE THAT AS ON RECORD DATE NO SHARES ARE LYING IN THEIR ACCOUNT.**

(\*) The documents have to be emailed to [tds@bigshareonline.com](mailto:tds@bigshareonline.com) and [investors@symphonylimited.com](mailto:investors@symphonylimited.com) of the Registrar and Share Transfer Agent ('RTA') / Company on or before February 10, 2024 i.e. cutoff date. Alternatively, physical documents may be sent to RTA at the following address:

**Bigshare Services Private Limited**

Unit : Symphony Limited  
Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093, Maharashtra

**Please note that the Company will not be able to consider the documents / communication sent physically, after cutoff date.**

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules on or before cutoff date. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after cutoff date.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

(\*\*) If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN. Further, if the PAN has become inoperative as per the said database due to non-linking of aadhaar, TDS would be deductible at higher rate of 20% as per section 206AA.

(\*\*\*) 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"). Benefits depend upon availability of the documents within the time specified and verification of the same by the Company. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

(#) Given the current Covid scenario, the Company would accept scanned copy of the duly signed and verified Form 15G/15H. However, the shareholder is required to additionally self-attest the document stating, "certified true copy of the original". If the original Form 15G/15H is required in future, the Company would call for the same from the shareholders.

All the forms 15G/15H/10F/self-declaration for tax exemption can be downloaded from the website of the company's RTA- <https://www.bigshareonline.com/Resources.aspx>.

**NOTE:**

- The Finance Act 2023 has mandated that the new regime shall be the default regime for the taxpayers from FY 2023-24. Under the new regime, the thresholds limit is ₹3,00,000 and the rebate is allowed upto income of ₹7,00,000. In light of this, as a deductor, since government has mandated new regime as default, the company may want to extend benefit of NIL rate where shareholders provide form 15G / 15H with estimated income of ₹3,00,000 and ₹7,00,000 respectively as against ₹2,50,000 and ₹5,00,000 until last year.
- As per the recent circular, electronic Form 10F is mandatorily required where the non-resident shareholder has a PAN in India. In this regard, the company wishes to explicitly mention that benefit of DTAA shall be denied where electronic 10F is not provided where the non-resident shareholder has a valid PAN in India.
- All the above referred rates will be enhanced by surcharge and cess, wherever applicable
- Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of members on the record date and any other additional documents that may be submitted.
- If the dividend income is assessable to tax in the hands of a person other than the registered shareholder as on the record date, the registered shareholder is required to furnish a declaration to the Company containing the name, address,



permanent account number of the person to whom TDS credit is to be given and reasons for giving credit to such person.

- If, for any reason, TDS is deducted at a higher rate, the shareholder can claim refund of excess TDS, by filing Income-tax return in India, subject to fulfilment of the applicable conditions.
- 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 shareholders, such shareholders will be responsible to pay and indemnify such income-tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income-tax/appellate authority.
- The Company will arrange to email a soft copy of the TDS certificate to the registered email IDs of the shareholders in due course. The TDS amount will also be reflected in Form 26AS of the shareholder, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>

**ABOVE COMMUNICATION ON TDS SETS OUT THE PROVISIONS OF LAW IN A SUMMARISED MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**

Thanking you,

Yours truly,  
For Symphony Limited

Mayur C. Barvadiya  
Company Secretary and Head - Legal

**Annexure 1 - FORMAT FOR DECLARATION FOR CLAIMING BENEFITS UNDER DTAA**

Date:

To,  
Symphony Limited  
Symphony House,  
FP-12, TP50, Off S. G. Highway  
Bodakdev,  
Ahmedabad – 380 059.

Subject: Declaration for eligibility to claim benefit under Agreement for Avoidance Of Double Taxation between Government of India and Government of .....  
..... (“DTAA”), as modified by Multilateral Instrument (“MLI”), if applicable

With reference to above, I/We wish to declare as below:

1. I / We, \_\_\_\_\_, having permanent account number (PAN) under the Indian Income tax Act, \_\_\_\_\_, and holding \_\_\_\_\_ number of shares of the Company under demat account number/ folio number..... as on the record date, am / are a tax resident of \_\_\_\_\_ in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a ‘resident’ of India under section 6 of the Indian Income-tax Act, 1961 (“the IT Act”). A copy of the valid tax residency certificate for \_\_\_\_\_, along with Form 10F which is valid as on the Book Closure Date/record date, is attached herewith.
2. I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate.
3. I / We hereby declare that, I am /we are the beneficial owner of the share/shares held in the Company as well as the dividend arising from such shareholding; and I/ we have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
4. I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable. We specifically confirm that my affairs / affairs were not arranged such that the main purpose or

the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.

5. I/We confirm that I/We have not entered into an impermissible avoidance arrangement i.e. an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it (a) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length (b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act (c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or (d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

I/We do not have a Permanent Establishment ("PE") in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India during the period April 2023-March 2024 and the amounts paid/payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise. Further I/We hereby declare and confirm that I/We do not fall under the definition of 'specified person' as provided in section 206AB of the IT Act

6. I/We do not have a PE in a third country and the amounts paid/payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
7. I/We do not have a Business Connection in India according to the provision of section 9(1)(i) of the Act and the amounts paid/ payable to us, in any case, are not attributable to business operations, if any, carried out in India.
8. I/We confirm that my affairs/affairs of \_\_\_\_\_ were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
9. Further, our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.
10. I/ We further indemnify the Company for any penal consequences arising out of any acts of commission or omission initiated by the Company by relying on my/ our above averment.
11. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For..... Authorised Signatory

Contact address: \_\_\_\_\_ [Please insert]

Email address: \_\_\_\_\_ [Please insert]

Contact Number: \_\_\_\_\_ [Please insert]

Tax Identification Number \_\_\_\_\_ [Please insert]

The shareholders are required to provide a Declaration strictly as per the specified format given above, failing which the Company reserves the right to deny the Treaty benefits.