

पंजीकृत कार्यालय : इंजीनियर्स इंडिया भवन, 1, भीकाएजी कामा प्लेस, नई दिल्ली-110 066 भारत
Regd. Office : Engineers India Bhawan, 1, Bhikaiji Cama Place, New Delhi-110 066 INDIA
ईमेल/e-mail: company.secretary@eil.co.in, दूरभाष /Phone: 011-26762855/2580

कंपनी सचिवालय/ COMPANY SECRETARIAT

Date: 18.01.2023

Proposed Interim Dividend (FY 2022-23)-intimation of Record Date, Taxability of Dividend and other connected matters

Dear Shareholder,

This is to inform you that the Board of Directors of EIL in its next meeting scheduled to be held on Friday, 3rd February, 2023 would inter-alia, consider and approve payment of Interim Dividend FY 2022-23. If interim dividend approved at such meeting, Record date for entitlement of dividend will be Monday, 13th February, 2023. The same has been communicated to the Stock Exchanges where the equity shares are listed.

Pursuant to Income Tax Act, 1961, as amended by Finance Act 2020, dividend paid or distributed after 1st April, 2020, shall be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.

Important dates in this regard are as follows:

S.No	Particulars	Relevant date
1.	Record date for the purpose of ascertaining the eligibility of shareholders for payment of interim dividend Members whose names appear in the Register of Members including the list of Beneficial Owners as provided by the Depositories as on Monday, 13 th February, 2023	Monday, 13 th February, 2023
2.	Last date for submitting exemption, lower tax rate, DTAA benefit etc. in respect of proposed Interim Dividend for the FY 2022-23.	Monday, 13 th February, 2023
3.	Dividend Payment Date Dividend, if approved, by the Board of Directors will be paid within 30 days of declaration of dividend.	

In case of resident shareholder who was exempted from TDS on the earlier dividend paid in FY 2022-23 and the consolidated dividend amount based on the PAN if exceeds the threshold limit of Rs.5000/- , then in such cases, TDS on full dividend being paid in FY 2022-23 shall be deducted from the current Interim Dividend for FY 2022-23.

In this connection, Tax Rate and documents required for claiming exemption, lower tax rate, DTAA benefit etc is attached as Annexure-1 below.

Yours faithfully,

S. K. Padhi
Company Secretary

TABLE 1.
RESIDENT SHAREHOLDERS:

S. No.	Category of shareholder	TDS Rate with Valid PAN	TDS Rate applicable when No/Invalid PAN	Underlying Section and Rules referred
1.	<u>Resident Individual:</u>			
a.	General	10%	20%	Section 194, 206AA
b.	Submits Form 15G	NIL	Form invalid - 20%	Section 197(A), Rule 29C, 206AA
c.	Submits Form 15H (For persons aged 60Y or more)	NIL	Form invalid - 20%	Section 197(A), Rule 29C, 206AA
d.	Submits Lower/NIL deduction certificate	Rate as per certificate	Can't be obtained without Valid PAN	Section 197, 206AA
2.	<u>All other Resident shareholders except Individuals and exempt categories</u>			
a.	General	10%	20%	Section 194, 206AA
b.	Submits Lower/NIL deduction certificate	Rate as per certificate	Can't be obtained without Valid PAN	Section 197, 206AA
c.	Form 15G/15H can't be submitted for any assessee other than Individual for Section 194	NA	NA	
3.	<u>Resident shareholders exempt from TDS under Section 196</u>	NIL TDS based on document submission		Section 196
a.	The Government			
b.	The Reserve Bank of India			
c.	Corporation established under a Central Act exempt from Income Tax			
d.	Mutual Fund specified in 10(23D)			

4.	<u>Resident shareholders exempt from TDS under Proviso to Section 194:</u> Insurance Companies	NIL TDS based on document submission	Section 194
5.	<u>Exempt from TDS u/s 197A Clause (1E):</u> Dividends paid to any person for or on behalf of New Pension System Trust referred in Section 10(44) of Income Tax Act	NIL TDS based on document submission	Section 197(1E) , Section 10(44)
6.	<u>Exempt from TDS u/s 197A Clause 1F</u> Dividend paid to Alternative investment Fund established in India referred in Section 10(23FBA)	NIL TDS based on document submission	Section 197(1F) , Section 10(23FBA)

Note to TABLE 1. The above rates are subject to Shareholder being a Non-specified person under Section 206AB. In case of “**specified persons**” higher Tax deduction as per Section 206AB shall apply and no benefit of lower tax deduction certificates can be extended.

TABLE 2.
NON -RESIDENT SHAREHOLDERS:

S. No.	Category of shareholder	TDS Rate with Valid PAN	TDS Rate applicable when No/Invalid PAN	Underlying Section and Rules referred
	<u>Non - Residents:</u>			
1.	All Non - Resident Shareholders including Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI)	20% (plus applicable surcharge and Cess) OR Rate as per DTAA whichever is lower	20% (plus applicable surcharge and Cess) OR Rate as per DTAA whichever is lower	Section 195, Section 196D , 115A, Rule 37BC
2.	Tax Resident of any Notified Jurisdictional area	30%	30%	Section 94A(1) and 94A(5) of the Act

Note to TABLE 2. Surcharge and cess are applicable to the tax rates as per the Act in case of all the NR shareholders. Also, wherever DTAA rates are applied, they are considered to be final i.e. not to be increased by surcharge or cess as provided under the domestic tax laws of India.

TABLE 3.**LIST OF DOCUMENTS TO BE PROVIDED BY SHAREHOLDER/BENEFICIAL OWNER:**

Field Name	List of Supporting documents
PAN	Copy Of PAN CARD
If Shareholder is Resident Individual <ul style="list-style-type: none"> Whether willing to submit Form 15G/15H as applicable 	Copy Of Duly Signed Form 15G/15H With Valid Pan
Whether Lower Deduction certificate has been provided under Section 197	Valid Lower Deduction Certificate From Authority In Respect Of Section 194/195 Depending On Residential Status
Shareholder falls in category of Resident shareholders being exempted from TDS under Section 196	
<ul style="list-style-type: none"> The Government The Reserve Bank of India Corporation established under a Central Act exempt from Income Tax Mutual Fund specified in 10(23D) 	A. Govt./ RBI/ Corporation established under a Central Act to establish exemption from Income Tax: <ul style="list-style-type: none"> (i) Self- attested Copy of the PAN card (ii) Certificate of registration of the corporation and copy of gazette notification (iii) Declaration that the corporation is established under a Central Act and exempt from income tax B. Mutual Fund specified in 10(23D) to establish they are covered in 10(23D) <ul style="list-style-type: none"> (i) Self- attested Copy of the PAN card (ii) Certificate of registration of Mutual Fund with SEBI
Shareholder falls in following categories to which Section 194-TDS on dividends not applicable	
<ul style="list-style-type: none"> Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), in respect of any shares owned by it or in which it has full beneficial interest; General Insurance Corporation of India (hereafter in this proviso referred to as the Corporation) or to 	LIC/ GIC / Insurer <ul style="list-style-type: none"> (i) Certificate of registration of Insurer with IRDA / LIC / GIC, as applicable (ii) Self- attested copy of PAN Card

<p>any of the four Companies (hereafter in this proviso referred to as such company), formed by virtue of the schemes framed under sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), in respect of any shares owned by the Corporation or such company or in which the Corporation or such company has full beneficial interest;</p> <ul style="list-style-type: none"> any other insurer in respect of any shares owned by it or in which it has full beneficial interest. 	
Alternative Investment Fund referred in Section 10(23FBA)	
Alternative Investment Fund established in India	<p>(i) Self- declaration that they are specified in Section 10(23FBA) and established as Category I and Category II under SEBI Regulations</p> <p>(ii) Self attested copy of PAN</p> <p>(iii) Self attested copy of Registration certificate issued by SEBI</p>
New Pension System Trust (NPS)	
New Pension System Trust	<p>(i) Self declaration that it qualifies as NPS Trust and Income is eligible for exemption u/s 10(44) of Income Tax Act and is being regulated by provisions of Indian Trusts Act 1882</p> <p>(ii) Self attested copy of PAN Card</p>

Note to TABLE 3.

Where DTAA rate is to be applied, following documents shall be provided:

- PAN, if available
- Tax Residency Certificate (TRC) valid for FY 2022-23 obtained from Authorities of the Country where shareholder is Resident
- Form 10F duly filled (Filed Online in case of Shareholders with Valid PAN)
- Declaration to the effect that:
 - Dividend Income is not attributable to any Permanent Establishment (PE) or Fixed Base in India
 - Non -resident is Eligible to claim benefit of DTAA. Shareholder has no reason to believe that his/ her claim for the benefits of the DTAA is impaired in any manner
 - Non- Resident receiving Dividend Income is beneficial owner of shares
 - Shareholder is and will continue to remain a tax resident of the country of its residence during the financial year 2022-23