

Ref No: APTUS/08-FEB/2023-24

February 06, 2024

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 543335	To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 Scrip Symbol: APTUS
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Dear Sir/Madam,

Sub: Communication to Shareholders - Intimation on Tax Deduction at Source (TDS) / withholding tax on Dividend.

Pursuant to the declaration of Interim Dividend by the Board of Directors of the Company at its Meeting held on Thursday, February 01, 2024, the Company has sent email communication on tax deductible at source (TDS)/withholding tax to the shareholders, whose email addresses are registered with the Company/ Depository Participant.

Please find enclosed herewith the email communication which has been sent to the Shareholders indicating the process and documentation required for claiming tax exemption/withholding tax on the dividends payable to the Shareholders.

Further, the aforesaid information is also available on the Company's website at www.aptusindia.com

Please take the same on record.

Thanking you,

For Aptus Value Housing Finance India Limited

Sanin Panicker
Company Secretary & Compliance Officer



Aptus Value Housing Finance India Limited

Registered Office: 8B, Doshi Towers, 8th Floor, No. 205, Poonamallee High Road,
Kilpauk, Chennai - 600 010.

CIN: L65922TN2009PLC073881, Tel: 044 - 45650000

E-mail: cs@aptusindia.com Website: www.aptusindia.com

Date: February 05, 2024

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

Name of the Shareholder: _____

Dear Shareholder(s),

Subject: Tax Deducted at Source (TDS) on Interim Dividend

We are pleased to inform you that the Board of Directors of Aptus Value Housing Finance India Limited ("Company"), at its Meeting held on February 01, 2024, has declared an interim dividend of Rs. 2/- (Indian Rupees Two Only) per equity share of face value of Rs. 2/- for the financial year 2023-24.

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 or the time of entry in books of accounts whichever is earlier/ on record date. The tax deduction/ withholding tax rate may vary depending on the residential status and category of the shareholder and dividend will be paid after deducting the tax at source/ withholding tax including surcharge and cess, as applicable.

All the shareholders are requested to update their records such as tax residential status, Permanent Account Number (PAN), bank account details and register your email address, mobile numbers and other details with your relevant depositories through your depository participants in case you are holding shares in dematerialized form and if you are holding shares in physical mode, you are requested to furnish details to the Company's Registrar and Share Transfer Agent ("RTA"), i.e. KFin Technologies Limited¹.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident shareholder categories.

¹ Details to be furnished at einward.ris@kfinetech.com for updating the details.

I. FOR RESIDENT SHAREHOLDERS

The summary of applicable rates of TDS for resident shareholders are given below:

Sl. No	Category of shareholder	Rate of deduction (%)
1	Resident Individuals	<ul style="list-style-type: none"> Exempt where the total dividend for the year does not exceed INR 5,000 In other cases, 10% shall apply
2	Alternative Investment Fund	<ul style="list-style-type: none"> Category I or a Category II AIF – Exempted Category III AIF – 10%
3	Mutual Funds	Exempt
4	Insurance Companies	Exempt
5	Government (Central/State)	Exempt
6	Others	10%

Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend payable where shareholders have registered their valid PAN. In case, shareholders do not have PAN / have not registered their valid PAN details in their account, TDS at the rate of 20% (plus applicable surcharge and cess) shall be deducted as per Section 206AA of the Act.

A. Resident Individuals

No tax shall be deducted on the dividend payable to resident individuals if –

- Total dividend amount to be received by them during the Financial Year 2023-24 does not exceed Rs. 5,000/-; or
- The shareholder provides Form 15G (applicable to Individual) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law; or

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

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

- Exemption certificate is issued by the Income-tax Department, if any.

B. Resident Non-individuals: No tax shall be deducted on the dividend payable to the following resident non- individuals where they provide details and documents as below:

Category of shareholders	Exemption Applicability/ Required Documents	Self-Declaration Format
Mutual Funds	No TDS is required to be deducted as per Section 196(iv) of the Act, provided a self-declaration that they are specified under section 10(23D) of the Act	

Category of shareholders	Exemption Applicability/ Required Documents	Self-Declaration Format
	along with self-attested copy of the PAN and SEBI registration certificate is submitted to the Company.	Click here to download
Insurance Companies	No TDS is required to be deducted as per Section 194 of the Act, provided a self-declaration that it has full beneficial interest with respect to shares owned along with self-attested copy of PAN and valid IRDAI registration certificate is submitted to the Company.	
Category I and II Alternative Investment Fund	No TDS is required to be deducted as per Section 197A(1F) of the Act, provided a self-declaration that they are specified under section 10(23FBA) of the Act along with self-attested copy of the PAN and SEBI registration certificate is submitted to the Company.	
Government (Central/State)	No TDS is required to be deducted as per Section 196 (i) of the Act, provided a self-declaration that dividend receivable by them is exempt from tax under section 196 or other relevant provisions of the Act along with self-attested copy of documents in support of the claim.	
Any other entity entitled to exemption from TDS	Valid self-attested documentary evidence in support of the entity being entitled to TDS exemption along with a self-attested copy of PAN card should be submitted to the Company.	

- C. In case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Act, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

II. FOR NON-RESIDENT SHAREHOLDERS

The applicable rate of TDS for non-resident shareholders are given below :

Sl. No	Category of shareholder	Rate of deduction (%)
1	Foreign Promoter Bodies Corporates	20% or treaty rate, whichever is lower
2	Foreign Corporate Bodies	
3	Foreign Portfolio - Corp	
4	Non-resident Indians	
5	Non-resident Indian Non Repatriable	
6	Foreign Trusts	

Further, Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income tax Act, 1961 at the applicable rates in force. As per the relevant provisions of Section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of FII/FPIs, the withholding tax shall be as per the rates specified in 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them. However, as per Section 90 read with Section 195 of the Income tax Act, the 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 them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- In case of FPI / FII, copy of SEBI registration certificate;
- Self-attested true copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2023-24;
- Self declaration in Form 10F ([Click Here](#) to download Form 10F)
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration in the format given below, certifying the following points:

[Click here](#) to download self-declaration

- i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2023-24;
- ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
- iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- iv. Shareholder does not have a taxable presence or a Permanent Establishment (PE) in India during the Financial Year 2023-24. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
- v. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
- vi. Self-declaration by the shareholder regarding the satisfaction of the Place of Effective Management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.
- vii. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore DTAA.

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 the non-Resident shareholder.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on dividend payment to such shareholder.

III. TDS TO BE DEDUCTED AT HIGHER RATE IN CASE OF NON-FILERS OF RETURN

Section 206AB of the Act requires 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 one assessment year relevant to the previous year immediately preceding 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. Aggregate of tax deducted/collection at source is Rs.50,000 or more in said immediate previous year.

The Central Board of Direct Taxes (CBDT) has prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

Kindly note that the aforementioned documents are required to be submitted on or before 12th February 2024 in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. No communication on the tax determination/deduction shall be entertained post 12th February 2024. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you or incomplete documents, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

Shareholders are requested to upload tax exemption declaration on below weblink:

[Tax Exemption Forms Registration \(kfintech.com\)](https://kfintech.com/Tax-Exemption-Forms-Registration)

Notes:

- 1. All the above referred tax rates will be enhanced by surcharge and cess, wherever applicable.
- 2. Shareholders holding Ordinary 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.

3. For all self-attested documents, Shareholders must mention on the document "certified true copy of the original". For all documents being submitted by the Shareholder, the Shareholder undertakes to send the original document(s) on the request by the Company.
4. Above communication on TDS sets out the provisions of law 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.
5. We shall arrange to email the soft copy of TDS certificate at your registered email ID in due course, post payment of the dividend.
6. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such higher taxes deducted.
7. 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.
8. Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, Permanent Account Number (PAN), registered email addresses, mobile numbers, bank account details and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to contact the Company's registrar and share transfer agent KFin Technologies Limited at einward.ris@kfintech.com for updating the above-mentioned details. The Company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

Incomplete and/or unsigned forms, declarations and documents will not be considered by the Company for granting any exemption.

In case of any queries, you may write to us at einward.ris@kfintech.com

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

We request your cooperation in this regard.

Thanking you,
For Aptus Value Housing Finance India Limited
sd/-
Sanin Panicker
Company Secretary