

FMHL/SE/APR'24

April 12, 2024

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 523696

Sub: Intimation on Tax Deduction at Source (TDS) / withholding tax on Dividend and treatment in case of KYC non-compliant folios and dividend payment on Physical securities.

Dear Sir/Madam,

With reference to our letter dated April 08, 2024, regarding intimation of record date for payment of interim dividend of Rs. 40/- per equity shares, as approved by the Board of Directors of the Company in its meeting held today i.e. April 12, 2024. The Company has sent an e-mail communication on April 12, 2024, to all the shareholders of the Company whose e-mail IDs are registered with the Company/Depositories regarding explaining the process on Tax Deduction at Source/withholding tax from dividends along with the necessary annexures and the intimation regarding treatment in case of KYC non-compliant folios and dividend payment on Physical securities.

Accordingly, the shareholders who intend to avail benefit of exemption/lower tax deduction as may be available under the provisions of the Income Tax Act must submit necessary declaration along with supporting documents, as provided in the e-mail, on or before April 19, 2024. The Company has made available following modes through which the shareholders may submit the self-declaration along-with necessary supporting documents (self-attested):

- a) The shareholders may visit the weblink: <https://ris.kfintech.com/form15/default.aspx> and select 'Fortis Malar Hospitals Limited' and holding type and thereafter follow the instruction as may appear on the screen;
- b) The shareholders may also email these documents to inward.ris@kfintech.com from their registered email address.

Further please find enclosed herewith the email communication sent to the shareholders and the same is also made available on the website of the Company at www.fortismalar.com.

This is for your information and record please.

Thanking You
For **Fortis Malar Hospitals Limited**

Chandrasekar Ramasamy
Whole-Time Director

Encl. as above



FORTIS MALAR HOSPITALS LIMITED

CIN: L85110PB1989PLC045948

Regd. Off. : Fortis Hospital, Sector 62, Phase - VIII, Mohali, Punjab, 160062

Tel.:+91-172-509 6001, Fax: +91-172-509 6002,

Website: www.fortismalar.com; Email: secretarial.malar@malarhospitals.in

April 12, 2024

Subject: Fortis Malar Hospitals Limited (the Company)- Intimation on Tax Deduction at Source (TDS) / withholding tax on Dividend and Treatment in case of KYC non-compliant folios and dividend payment -Physical securities.

Dear Member,

We wish to inform you that the Board of Directors of your Company (Board), at its meeting held on April 12, 2024, has declared an interim dividend of Rs.40 (Forty Rupees only) per equity share of the Company of face value of Rs. 10/- each, for the financial year ended March 31, 2024.

The dividend declared in the Board Meeting, will be payable subject to deduction of Tax at Source (TDS) in accordance with the provisions of Income Tax Act, 1961 read with the Finance Act, 2023 (together referred to as "the Act") applicable for the financial year 2024-25.

The Company shall deduct the tax at the rates specified in the Act, and for this purpose will use the information of shareholders as per data made available to the Company by National Securities Depository Limited and Central Depository Services Limited (in case of shares held in demat mode) and the details recorded in the Register of Members of the Company maintained by the Registrar and Share Transfer agent of the Company i.e., KFin Technologies Limited (RTA/KFintech) as on April 23, 2024, i.e. the Record date fixed for the purpose, being the date as on which the entitlement of shareholders for payment of dividend shall be determined.

Hence, all Shareholders are requested to ensure that the details such as PAN, residential status, category of Shareholder (e.g. Domestic company, foreign company, Individual, Firm, LLP, HUF, Foreign Portfolio Investor (FPI) Foreign Institutional Investor (FII), Government, Trust, Alternate Investment Fund - Category I, II or III, etc), bank account details, email id and postal address are updated, in their respective demat account/s maintained with the Depository Participants or in their respective folio by submitting Form ISR-1 to RTA.

Further, shareholders who intend to avail benefit of exemption/lower tax deduction as may be available under the provisions of the Act must submit necessary declaration along-with supporting documents, as provided hereinbelow, on or before April 19, 2024. The Company has made available following modes through which the shareholders may submit the self-declaration along-with necessary supporting documents (self-attested):

- a. the shareholders may visit the weblink: <https://ris.kfintech.com/form15/default.aspx> and select 'Fortis Malar Hospitals Limited' and holding type and thereafter follow the instruction as may appear on the screen.
- b. the shareholder may also email these documents to einward.ris@kfintech.com from their registered email address.

Please ensure to submit the aforesaid by the following date:

Sr. No	Date of shareholding	Last date to submit details
1.	Shareholders holding shares as on April 05, 2024	April 19, 2024

Please ensure to submit the details on the tax determination /deduction on or before April 19, 2024.

Please read the following information in respect of applicable rate for TDS as per the provisions of the Act carefully and take actions, as mentioned above, if required:

I. FOR RESIDENT SHAREHOLDERS

Tax will be deducted at source under Section 194 of the Act at the rate of 10% on the amount of dividend payable in cases where valid PAN of the Shareholder is registered. In case the shareholder have not registered their valid PAN details in their accounts/folios TDS at the rate of 20% shall be deducted as per section 206AA of the Act. NIL/lower tax shall be deducted if;

- a. exempt under any provisions of the Act as may be applicable.
- b. in case of resident individual shareholders, TDS would not apply if the aggregate of total dividend distributed/paid to them by the Company during a financial year does not exceed Rs. 5,000/-.
- c. Tax will not be deducted at source in cases where a shareholder provides Form 15G (where applicable) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are met.
- d. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the Form are mandatory and the Company may reject the forms submitted, if it does not fulfil the requirement of the law.
- e. e. NIL / lower tax shall be deducted on the dividend payable to following resident non-individual shareholders as listed below on submission of self-declaration (as per formats provided at the end of this communication):
 - i. Insurance companies: Self-attested copy of registration certificate issued by authorities and PAN card. Also, a declaration that you are an Insurance company as defined under the second proviso to section 194 of the Act.

- ii. Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with self-attested copy of registration documents issued by authorities and PAN card.
- iii. Alternative Investment Fund (AIF) established in India: Self attested certificate of registration/ declaration evidencing that you are a Category I/ Category II Alternative Investment Fund, as defined under Section 10(23FBA) and clause (a) of Explanation 1 to Section 115UB of the Indian Income-tax Act, 1961 [covered by Notification No. 51/2015 dated June 25, 2015].
- iv. New Pension System Trust: Self attested registration certificate/ declaration that you qualify as NPS Trust for the purpose of section 197A(1E) of the Act, and that your income is eligible for exemption under section 10(44) of the Act.
- v. Other exempt shareholders - Documentary evidence and self-declaration substantiating that you are an entity covered by the Circular No. 18 of 2017 e.g., Recognized provident fund, Approved Superannuation fund, approved gratuity fund etc. issued by the Central Board of Direct Tax and your income is unconditionally exempt under section 10 of the Act.
- vi. Government - Documentary evidence and self-declaration that it is a Corporation set up under specific legislation whose income is exempt from any income-tax and can be considered as a 'Government' and qualify for exemption under section 196 of the Act.
- vii. Shareholders who have provided a valid certificate issued under section 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.

Self-Attested declaration as per Rule 37BA along with **Appendix A** needs to be provided in case where shares are held by Clearing Member/ intermediaries/ stockbrokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders, and in case of Joint shareholders, Minor shareholders etc.

FOR NON-RESIDENT SHAREHOLDERS (INCLUDING FOREIGN PORTFOLIO INVESTORS):

Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld at the rate of 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") read with applicable Multilateral Instruments ("MLI") between India and the country of tax residence of the shareholder if they are more beneficial to the shareholder.

Hence, for this purpose, i.e., to avail the DTAA benefits, the non-resident shareholder will have to provide the following:

- i. Self-attested copy of **Tax Residence Certificate (TRC)** (of FY 2024-25 or calendar years 2024, valid as on record date) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter, duly notarized and apostilled copy of the TRC would have to be provided;
- ii. Self-declaration in **Form 10F** for FY 2024-25 furnished electronically on the e-filing portal of the shareholder.
- iii. Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities.
- iv. Self-declaration to be provided under Rule 37BC(2) of the Income Tax Rules, 1962 in case of Non-resident taxpayers not having PAN in India.
- v. Self-declaration in the format prescribed by the Company, certifying the following points:
 - a. Shareholder is and will continue to remain a tax resident of the country of its residence during the FY 2024-25;
 - b. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - c. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - d. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the FY 2024-25. 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;
 - e. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - f. 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.
- vi. 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.
- vii. In case of FPI/FII, copy of SEBI Registration certificate.

Self-Attested declaration as per Rule 37BA along with **Appendix A** needs to be provided in case where shares are held by Clearing Member/ intermediaries/ stockbrokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders, and in case of Joint shareholders, Minor shareholders etc. The self-declarations referred to in point nos. (ii), (iv) and (v) can be downloaded from the link given at the end of this

communication.

Important Information Regarding Application of DTAA Rate and Tax Deduction on Dividend

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting requirement of the Act read with applicable DTAA. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividend.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the aforementioned details/ documents from the shareholders within the timeline mentioned above, the shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted. The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email ID within the prescribed time, post payment of the said dividend, if declared in the AGM. The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at income tax website.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information 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 assessment/ appellate proceedings before the Tax/ Government authorities.

SECTION 206AB OF THE ACT

Rate of TDS at the rate of 10% under section 194 of the Act is subject to provisions of section 206AB of Act (effective from 1st July, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return.

As provided in section 206AB of the Act, tax is required to be deducted **at the highest of following rates** in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where sections 206AA and 206AB are applicable simultaneously i.e., the specified person has not submitted the PAN as well as not filed returns; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB of the Act who satisfies the following conditions:

- A person who has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of Section 139 has expired; and

- the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year.

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

We request you to inform us by the aforementioned applicable dates, i.e., April 19, 2024, if you are covered under the definition of 'specified person' as provided in section 206AB of the Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB of the Act in your case.

Valid PAN

For resident individuals as per Section 139AA(2) of the Act read with Rule 114AAA of the Income tax Rules, 1962, currently, PAN is mandatorily required to be linked with Aadhaar. If PAN is not linked with Aadhaar, such PAN will be deemed inoperative and tax at source will be required to be deducted at higher rates under section 206AA of the Act.

To summarize, dividend will be paid after deducting the tax at source as under:

- NIL for resident individual shareholders receiving dividend up to Rs. 5,000/- or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card is submitted.
- 10% for other resident shareholders in case copy of PAN card is provided/available.
- 20% for resident shareholders if copy of PAN card is not provided / not available.
- Tax will be assessed & deducted on the basis of documents submitted by the non-resident shareholders.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under section 197 of the Act.
- The aforesaid rates will be subject to applicability of section 206AB of the Act.
- 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.

In addition to the above, please note the following:

- ✓ In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.

✓ In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

✓ For deduction of tax at source, the Company would be relying on the above data shared by KFintech as updated up to the record date.

✓ 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.

✓ 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

The Company is obligated to deduct tax at source 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. Kindly note that the necessary documents along-with the Self-declaration should be uploaded on the weblink: <https://ris.kfintech.com/form15/default.aspx> or sent from registered email address to einward.ris@kfintech.com as mentioned hereinabove on or before April 19, 2024.

In case of queries the members may write to einward.ris@kfintech.com.

UPDATION OF PAN, EMAIL ADDRESS AND OTHER DETAILS

Please note that, the aforesaid facility cannot be used to update category of shareholders or updating/registering PAN or other KYC details of the shareholders, as detailed below. For updating these details, the shareholders must approach the Depository Participant (in case of Demat Holding) or RTA (in case of physical holding) by submitting the details in Form ISR 1 along-with supporting documents, for the purpose of complying with the applicable TDS provisions:

- Valid Permanent Account Number (PAN);
- Residential status as per the Income-tax Act, 1961, i.e., Resident or Non-Resident for FY 2023-24;
- Category of the Shareholder, viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) - Category I, II and III, Government (Central/ State Government), Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII), Foreign Company, Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, etc.;
- Email Address;
- Mobile Number;
- Bank account details; and

- Address with PIN code.

Further for your ready reference you may also download relevant forms from the links below:

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

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

[Click here](#) to download - 10F

[Click here](#) to download - Declaration for claiming the tax treaty benefits.

[Click here](#) to download - ISR 1

[Click here](#) to download - ISR 2

[Click here](#) to download - Declaration under Rule 37BA along with [Appendix A](#) in case where shares are held by Clearing Member/ intermediaries/ stockbrokers.

[Click here](#) to download - Declaration under Rule 37BA in case of Joint accounts, minor shareholder etc.

[Click here](#) to download - Declaration under Rule 37BC for Non-resident shareholders not having PAN in India.

Note: The aforesaid link can be opened in Portable Document Format (PDF). If need be, the necessary PDF software may be downloaded from the Adobe Reader website <https://get.adobe.com/reader/> after following the instructions to download the appropriate version of Adobe Reader for your system.

Treatment in case of KYC non-compliant folios and dividend payment -Physical securities

SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from **April 01, 2024**.

Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness:

https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf In this regard, Listed companies are hereby advised to prominently display the aforesaid requirements to be complied with by holders of physical securities on their respective websites. Listed companies shall also, directly or through RTA, intimate* their security holders about folios which are incomplete about PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature by providing the following message:

- I. In case of non-updation of PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only

through electronic mode with effect from **April 01, 2024**, upon furnishing all the aforesaid details in entirety.

- II. If a security holder updates the folio with the KYC details as aforesaid after **April 01, 2024**, then the security holder would receive all the dividends/interest etc. declared during that period (**from April 01, 2024, till date of updation**) automatically in respect of the folio/securities.

Further pursuant to SEBI Circular 16th March 2023, an intimation to the physical holders about the non-updation of KYC also to be sent within six months from end of each financial year.

Please find the draft intimation letter to be forwarded to the shareholder post dividend payment to notify about the withholding of Dividend payment and intimation about the Non-Updation of KYC.

[SPECIMEN INTIMATION LETTER](#)

The attached specimen letter would serve as the dividend withheld advice cum KYC intimation as envisaged vide aforesaid circulars.

In case of any additional information/clarifications, do reach out to the Group Relationship Manager (GRMs) servicing your esteemed company.

We seek your co-operation in the matter.

Thanking you,

Yours faithfully,
For **Fortis Malar Hospitals Limited**

Sd/-
Chandrasekar R.
Whole-Time Director

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.

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