



CEAT LIMITED
RPG House
463, Dr. Annie Besant Road,
Worli, Mumbai - 400030, India
☎ 91 22 24930621
✉ customercare@ceat.com
@ www.ceat.com
CIN: L25100MH1958PLC011041

May 30, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Security Code: 500878

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051

Symbol: CEATLTD

NCD Symbol: CL25, CL26

Dear Sir/Madam,

Sub: Email Communication to shareholders regarding dividend taxation provisions

Pursuant to provisions of the Income Tax Act, 1961, dividends paid or distributed by a company on or after April 1, 2020, is taxable in the hands of shareholders.

In view thereof, please find enclosed herewith an email communication sent to the shareholders having their email ID registered with the Company/Depositories, elaborating the process to be followed in respect of the applicability of tax deduction and formalities to be complied by the shareholders to ensure appropriate deduction of tax on the dividend, as applicable.

The same is being made available on the website of the Company at www.ceat.com. You are requested to kindly take note of the same.

Thanking you,

Yours faithfully,

For **CEAT Limited**

(Gaurav Tongia)

Company Secretary

Encl: As above



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Dear Shareholder

In terms of the provisions of the Income-tax Act, 1961, ("Act"), dividend paid or distributed by a Company on or after 1st April, 2020 is taxable in the hands of shareholders. The Company will therefore deduct tax at source at the time of payment of dividend, at rates based on the category of shareholders and subject to fulfilment of conditions as provided here in below:

FOR RESIDENT SHAREHOLDERS:

Tax will be deducted at source ("TDS") under Section 194 of the Act, @10% on the amount of dividend payable holding valid PAN (other than specified person), unless exempt under any of the provisions of the Act. However, in the case of individuals, TDS would not apply if the aggregate (by clubbing PAN) of total dividend distributed to them by the Company during the financial year does not exceed Rs.10,000 /- (Rupees Ten Thousand only). In case the person/ shareholder is not holding PAN or the PAN is not linked with Aadhaar (as applicable), TDS at the rate of 20% shall apply.

Tax at source will also not be deducted in cases where a shareholder provides Form No.15H (applicable to individuals above the age of 60 years)/Form No.15G (applicable to other individuals) provided that the eligibility conditions are met. Blank Form No. 15G and Form No. 15H can be downloaded from RTA website https://rta.ndml.in/CoreRTAReports/Tax_forms.zip Please note that all fields mentioned in the forms are mandatory and the Company may reject the forms submitted, if not filled correctly & duly signed by the shareholders. Kindly take specific note of the fact that the tax period for which the declaration in Form 15G/ 15H to be given is Financial Year 2025-26. Declarations for any prior period will not be considered as valid.

NIL/lower tax will be deducted on dividend payable to the following categories of resident shareholders, only upon submission of self-declarations.

i. Insurance companies: Self Declaration (refer format) that it has full beneficial interest with respect to shares owned by it along with self-attested copy of registration certificate and PAN card;

ii. Mutual Funds: Self Declaration (refer format) by the mutual fund eligible for exemption u/s 10(23D) of the Act along with self-attested copies of the registration documents and PAN card;

iii. Alternative Investment Fund ("AIF") established in India: Declaration (refer format) that the shareholder is eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self-attested registration documents and PAN card should also be provided;

iv. New Pension System Trust: Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;

v. Other shareholders: Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;

vi. Finance company, Finance Unit and broker dealer located in International Financial Services Cent 'IFSC' : Declaration (refer attached form 1 in Annexure 6) along with self-attested registration certificate and PAN card.



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vii. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower/nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration (refer format).

FOR NON-RESIDENT SHAREHOLDERS (including Foreign Institutional Investors and Foreign Portfolio Investors):

Tax is required to be withheld in terms of the provisions of Sections 195 and 196D of the Act, at applicable rates in force. As per the relevant provisions of the Act, tax shall be withheld @20% (plus applicable surcharge and cess) on the amount of dividend payable. However, in terms of Section 90 of the Act, non-resident shareholders have the option to be governed by the provisions of the Double Taxation Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if the DTAA provisions are more beneficial. To avail the tax treaty benefits, non-resident shareholder(s) will have to provide the following as applicable for/ pertaining to FY 2025-26 (April 2025 to March 2026):

i. Self-attested copy of PAN card, if allotted by the Indian income tax authorities;

In case PAN is not available, details as prescribed under rule 37BC of the Income-tax Rules, 1962 ("the Rules") to be furnished as follows:

- name, e-mail id, contact number;
- address in the country or specified territory outside India of which the shareholder is a resident;
- a certificate of his/her being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate i.e., Tax Residency Certificate ("TRC")
- Tax Identification Number of the shareholder in the country or specified territory of his/her residence and in case no such number is available, then a unique number on the basis of which the shareholder is identified by the Government of that country or the specified territory of which he/she/it claims to be a resident.

ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of residence of the shareholder;

iii. Self-declaration in E- Form No.10F valid for FY 2025-26 (duly uploaded on income tax portal), if all the details required in this form are not mentioned in the TRC;

iv. Self-declaration (refer format) by the non-resident shareholder of meeting the treaty eligibility requirements and satisfying beneficial ownership requirement.

v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India.

vi. Valid certificate issued u/s 197 or 195(3) of the Act for lower/nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration (refer format).



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vii. In case any non-resident shareholder is exempted from TDS as per the provisions of Act or any other law such as The United Nations (Privileges and Immunities) Act, 1947, etc., necessary documentary evidence substantiating exemption be submitted.

The formats and declarations can be downloaded from the RTA website viz. https://rta.ndml.in/CoreRTAReports/Tax_form.zip 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 the requirements of the Act, read with the applicable tax treaty. It must be ensured that self-declaration should be addressed to CEAT Limited and must be in the same format as attached. In the absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of deducting tax on dividend.

SECTION 206AA OF THE ACT

As per section 139AA of the Act resident shareholders are requested to ensure Aadhaar number is linked with PAN as per timelines prescribed. In case of failure to link Aadhaar with PAN, it would be considered as inoperative/ invalid, and tax shall be deducted at rate of 20% as per provisions of section 206AA of the Act.

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

- i. NIL for resident shareholders (individuals) receiving dividend up to Rs.10,000 or in case duly filled up and signed Form No. 15G/Form No. 15H (as applicable) along with self-attested copy of the PAN card is submitted.
- ii. 10% for other resident shareholders in case copy of PAN card is provided/ available and the PAN is active.
- iii. 20% for resident shareholders if copy of PAN card is not provided/not available or PAN is inactive/ invalid.
- iv. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- v. 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- vi. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

In terms of Rule 37BA of the 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 (refer format) with the Company in the manner prescribed in the Rules.

In case tax on dividend is deducted at a higher rate in the absence of receipt or due to defect in any of the aforementioned details/documents, you will only have to claim refund of the excess tax deducted by filing your income tax return.



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No claim shall lie against the Company for such taxes deducted. It is the responsibility of the shareholder concerned, to provide requisite and timely information as stipulated herein / as mandated under respective regulations. In case of any discrepancy or failure to submit the same by the Shareholder within the timelines herein, the Company would not be in a position to subsequently revise its returns for tax already deducted.

UPDATION OF PAN, EMAIL ADDRESS AND OTHER DETAILS:

Shareholders holding shares in dematerialized mode are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares to physical mode are requested to furnish details to the Company's Registrar and Transfer Agent, viz. NSDL Database Management Ltd. (NDML). The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

Kindly note that the aforementioned documents should be emailed at tax.ndmlrta@ndml.in. No communication on the tax determination/deduction shall be entertained after July 10, 2025 and in the interest of shareholders who have properly submitted documents duly in time, the Company may not be in a position to create any exception.

UPDATE OF BANK ACCOUNT DETAILS:

While on the subject we request you to submit/update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a covering letter duly signed by you, along with a cancelled Cheque leaf with your name and bank account details and a copy of your PAN card along with KYC forms, duly self-attested with Company's Registrar and Transfer Agent, viz. NSDL Database Management Ltd. (NDML). This will facilitate receipt of dividend directly into your bank account. In case the cancelled Cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

In compliance with the SEBI mandate as per email dated 17.01.2024, shareholders holding physical securities are required to update their KYC details, including bank information, to facilitate electronic payments of dividends, interest, or redemptions. This directive is in line with SEBI's efforts to enhance the efficiency and security of transactions, as outlined in their circulars dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023).

Shareholders are urged to submit their updated KYC forms to the Registrar and Transfer Agent (RTA), NSDL Database Management Ltd., to ensure uninterrupted processing of their electronic payments from April 1, 2024.

Investors can download the following forms & SEBI Circulars, which are also uploaded on the website of the company and on the website of NSDL Database Management Limited; <https://www.ndml.in/forms.php#rta>



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For any further queries, you are requested to contact our Registrars and Share Transfer Agent: NSDL Database Management Ltd. Tel: 022-49142578/2636 and Email: investor.ndmlrta@ndml.in

We seek your co-operation.

Thanking you,

Yours faithfully,

For CEAT Limited

Sd/-

Gaurav Tongia
Company Secretary

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 shareholders are advised to consult their tax consultant with respect to specific tax implications arising out of receipt of dividend.