



Syngene International Limited

Registered Office: Biocon Park, Biocon SEZ, Plot No. 2 & 3,
Bommasandra Industrial Area, IV Phase, Jigani Link Road, Bengaluru - 560 099

Tel: 080-6891 9191, CIN: L85110KA1993PLC014937

Website: www.syngeneintl.com; E-mail: Investor@syngeneintl.com

Date: June 24, 2023

Dear Shareholder(s),

Sub: Communication on deduction of tax at source on Final Dividend for the Financial Year ended March 31, 2023

We are pleased to inform you that the Board of Directors of the Company at its Meeting held on April 26, 2023 has recommended final dividend at the rate of 12.50% i.e. Re. 1.25/- per Equity Share of Rs.10/- each of the Company (comprising a regular dividend of Re.0.50 per share and a special additional dividend of Re. 0.75 per share to mark the 30th anniversary of the founding of the Company in November 1993) for the Financial Year ended March 31, 2023.

The dividend, as recommended by the Board of Directors, is subject to approval of shareholders at the ensuing Annual General Meeting (AGM) scheduled to be held on Wednesday, July 26, 2023 and will be paid to those shareholders whose names appear in the Register of Members of the Company as at the close of business hours on Friday, June 30, 2023 ("Record Date").

Shareholders whose bank accounts are registered with the Depository Participant/ Registrar and Transfer Agent shall receive electronic credit of dividend and in case of shareholders whose bank accounts are not registered / updated, dividend shall be paid through dividend warrants / demand drafts sent to their registered addresses.

As per the provisions of the Income-tax Act, 1961 (the Act), as amended from time to time, dividend paid by a company on or after April 1, 2020 is taxable in the hands of the shareholders. Further, the Company in compliance with the provisions of the Act, would be required to deduct tax at source (TDS) / withhold taxes at the prescribed rates on the amount of dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status, category of shareholder and the documents submitted by them and accepted by the Company.

The shareholders are requested to update/verify the PAN, address, category, and the residential status as per the Act, if not already done, with the Depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent - KFin Technologies Limited (in case of shares held in physical mode). The Company will rely on the details as available with the Registrar and Transfer Agent on the Record date.

This communication summarizes applicable TDS provisions of the Act for various shareholder categories, including Resident and Non-Resident shareholders. Shareholders are requested to take note of the following TDS rates and provide additional information to the Company, if applicable.

I. Resident Shareholders

Section	Category	Rate of TDS	Documents required, if any
194	Insurance Company	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is an Insurance Company and has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN card and registration certificate issued by the IRDAI/LIC/GIC
196	Mutual Fund	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is a Mutual Fund specified under clause (23D) of Section 10 of the Act along with self-attested copy of PAN card and registration certificate
196	Corporation established by or under a Central Act	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is a Corporation established by or under a Central Act along with self-attested copy of PAN card and document evidencing that shareholder is covered under section 196 of the Act
197A(1E)	New Pension System Trust	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is a New Pension System Trust specified under clause (44) of Section 10 of the Act along with self-attested copy of PAN card and registration certificate
197A(1F)	Alternative Investment Fund (AIF) established in India	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is an Alternative Investment Fund specified under clause (23FBA) of Section 10 of the Act and established as Category I or Category II AIF under the SEBI regulations or International Financial Services Centre (IFSC) Regulations along with self-attested copy of PAN card and registration certificate
197	Resident shareholders obtaining certificate under Section 197 of the Act	Rate provided in the Certificate	Copy of the Certificate issued under section 197 of the Act is to be provided. The certificate should be valid for the financial year 2023-24 and should cover dividend income
194 / 197A	Other Resident Shareholders	Nil	<ul style="list-style-type: none"> Aggregate amount of dividend payable during the financial year 2023-24 does not exceed Rs.5,000

			<ul style="list-style-type: none"> Duly filled and verified Form 15G (applicable to individual) (Form enclosed as Annexure 2) / Form 15H (applicable to an individual who is of the age of 60 years or more) (Form enclosed as Annexure 3) is to be furnished by eligible shareholders in duplicate along with self-attested copy of PAN card. Please note that all fields are mandatory to be filled up and Company will reject incomplete forms. Self-declaration to be provided as per format enclosed as per Annexure 1 that the dividend income is not subject to TDS and is governed by the exemption provided under the Act along with self-attested copy of PAN card and documentary evidence supporting the exemption
		10%	Shareholder having valid PAN
		20%	<ul style="list-style-type: none"> Shareholder not having PAN / invalid PAN / not having linked with their Aadhaar wherever applicable. The last date for linking PAN with Aadhar is June 30, 2023 (unless extended further) as stipulated by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India Shareholder treated as Specified Person under section 206AB * of the Act

* The Finance Act, 2021, has inserted the provisions of section 206AB - Special provision for deduction of tax at source for non-filers of income-tax return of the Act, with effect from July 01, 2021. Pursuant to the same, the Company would be liable to deduct tax at higher of the following rates on the amount of dividend paid/ credited to 'specified person':

- i. At twice the rate specified in the relevant provision of the Act; or
- ii. At twice the rate(s) in force; or
- iii. At the rate of 5%.

The Income Tax Department has issued a compliance check utility to check whether a person is covered under the 'specified person' as defined under Section 206AB of the Act. Accordingly, for determining the TDS rate on dividend, the Company will be using said utility to determine the applicability of Section 206AB of the Act.

A non-resident who does not have the permanent establishment in India or a person who is not required to furnish the return of income for the assessment year relevant to the said previous year and is notified by the Central Government are excluded from the scope of a specified person under Section 206AB of the Act.

II. Non-Resident Shareholders

Tax will be deducted on the amount of dividend payable to non-resident shareholders at the rate given below.

Section	Category	Rate of TDS	Documents required, if any
196D(1A)	Category III AIF	10% plus applicable surcharge and cess	This rate is applicable for income received from securities (other than those covered under section 115AB of the Act) by Category III AIF located in any International Financial Services Centre (IFSC) of which all the units are held by non-residents other than unit held by a sponsor or manager (i.e. specified fund defined under clause (c) of the Explanation to section 10(4D) of the Act). Self-attested copy of PAN Card and registration certificate is to be provided
195 / 197	Non-Resident shareholders obtaining certificate under section 195 / 197 of the Act	Rate provided in the Certificate	Copy of the Certificate issued under section 195 / 197 of the Act is to be provided. The certificate should be valid for the financial year 2023-24 and should cover dividend income
195 / 196D(1)	Non-resident shareholders / FII / FPI	20% plus applicable surcharge and cess	Self-attested copy of PAN card, if any, allotted by the Indian tax authorities. In case of non-availability of PAN, information is to be furnished as per format enclosed as Annexure 4 . 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 is to be provided. See Note given below

Note:

As per Section 90 of the Act, a non-resident shareholder has an option to be governed by the Articles of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to such shareholder. To avail the DTAA benefits, the non-resident shareholder will have to provide the following documents:

- a. Self-attested copy of valid Tax Residency Certificate ('TRC') issued by the tax authority of the country of which shareholder is a tax resident along with duly filled and signed Form 10F (format of Form 10F enclosed as [Annexure 5](#)).

Pursuant to Notification No.03/2022 dated July 16, 2022 of the Central Board of Direct Tax ("CBDT"), Form 10F is required to be obtained electronically by the Foreign Shareholders, having Permanent Account Numbers (PAN), through the e-filing portal of the Income Tax website. However, in terms of the CBDT Notifications dated December 12, 2022 and March 28, 2023, non-resident taxpayers not having PAN and also not required to have PAN as per the relevant provisions of the Act have been exempted from the mandatory electronic filing of Form 10F till September 30, 2023. Therefore, such category of taxpayers may furnish Form 10F in manual mode till September 30, 2023.

- b. Self-declaration certifying the following points (format enclosed as [Annexure 6](#)):-
- i. Shareholder is and will continue to remain a tax resident of the country of its residence during FY 2023-24 (i.e. 01.04.2023 to 31.03.2024);
 - ii. Shareholder is the beneficial owner of the shares and is entitled to dividend receivable from the Company;
 - iii. Shareholder is eligible to claim benefits as per DTAA for the purposes of withholding tax on dividend declared by the Company;
 - iv. Shareholder has no permanent establishment/fixed base/place of effective management in India;
Or
Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or fixed base in India;
 - v. Shareholder is entitled to claim the benefits of the DTAA and is not impaired in any manner.

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 and meeting the requirements of the Act, read with applicable DTAA. In absence of the same, the Company will not be able to apply the beneficial DTAA rates at the time of deducting tax on dividend.

III. Other Points

1. In terms of Rule 37BA of Income-tax Rules, 1962 if dividend income on which tax will be deducted is assessable in the hands of a person other than the deductee, then deductee should furnish a declaration with the Company as per format enclosed as [Annexure - 7](#). The Company will deduct TDS in the name of other person at the rate applicable as mentioned above.
2. **Updation of bank account details:** Shareholders are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to make timely credit of dividend in their bank accounts.
3. Shareholders holding shares in multiple accounts with different status / category under single PAN, may note that, TDS will be deducted at applicable higher rate on the entire shareholding.

4. The aforesaid documents such as certificates, declarations, Form 15G/15H, etc., can be uploaded on <https://ris.kfintech.com/form15/> on or **before Friday, July 14, 2023** so as to enable the Company to determine applicable amount of TDS / withholding tax.

Alternatively, physical documents may be sent to the RTA at the following address before the aforementioned date.

KFin Technologies Limited
Unit : Syngene International Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District
Nanakramguda
Serilingampally Mandal
Hyderabad - 500032

The documents may also be emailed to the Company at the email ID dividend.tax1@syngeneintl.com. All communications/documentation/queries in this respect should be addressed to the said email id.

Any communication received post Friday, July 14, 2023 shall not be considered.

5. Incomplete and/or unsigned forms, declarations and documents will not be considered by the Company for granting any exemption/relief.
6. In case tax on dividend income is deducted at a higher rate in the absence of receipt of duly filed and signed aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
7. Post payment of the said Dividend, shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in>.
8. In the event of any tax demand (including interest and penalty) 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 proceedings before the income tax authorities and / or appellate authorities.

We seek cooperation in this regard.

Thanking you,

Yours faithfully,

For **Syngene International Limited**

Priyadarshini Mahapatra
Company Secretary and Compliance Officer

Disclaimer: This communication shall not be treated as an advice from the Company or its affiliates or its Registrar & Transfer Agent. Shareholders are advised to consult their tax consultants with respect to specific tax implications arising out of receipt of dividend.