

Registered Office :

A-1, Corporate House, Shivalik Business Center,
Opp. Epic Multi speciality Hospital, Bh. Rajpath
Club, Off S. G. Highway, Ahmedabad - 380059
CIN No. : L24119GJ2004PLC044011

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Date: 21.08.2024

To,
BSE LIMITED,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

SECURITY ID: AAL
SECURITY CODE: 542012

SUB: INFORMATION REGARDING DEDUCTION OF TAX AT SOURCE ON THE FINAL DIVIDEND

Dear Sir/Madam,

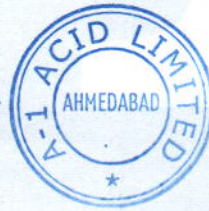
The Board of Directors of the Company ('the Board') at the Meeting held on 29th May, 2024 have recommended Final Dividend @ 1.50 per Equity Share of 10/- each for the financial year ended 31st March, 2024.

The Final Dividend, if declared at the 20th Annual General Meeting of the Company on 29th August, 2024 will be paid within 30 days from declaration of dividend.

Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has fixed Thursday, 22nd August, 2024 as the Record Date for determining entitlement of members to final dividend for the financial year ended March 31, 2024.

The instructions on deduction of tax at source on the final dividend available is given in annexure-A. Please take the note of the above.

Thanking you.
Yours faithfully,
For A-1 ACID LIMITED,



Harshadkumar Naranbhai Patel
Chairman & Managing Director
DIN: 00302819

Annexure- A

Date: August 21, 2024

Dear Shareholder,

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder:

We are pleased to inform you that the Board of Directors of your Company at its meeting held on 29th May, 2024, recommended and declared a Final Dividend of Re. 1.50/- (One Rupee Fifty Paise) (15%) per equity share having a nominal value of Rs. 10/- each for the financial year ended on 2023-24. This dividend will be paid from the conclusion of the AGM (Annual General Meeting) subject to the approval of shareholders of the Company.

The Final Dividend declared will be paid on or before Saturday, September 28, 2024, to the Equity Shareholders of the Company existing as on Thursday, August 22, 2024, which is the record date fixed for this purpose.

As you are aware, as per the Income Tax Act, 1961 ('the Act'), dividends paid or distributed by a company shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend.

To enable us to determine appropriate withholding tax rate please note the following:

PART 1: UPDATION OF MANDATORY INFORMATION BY ALL THE SHAREHOLDERS: All Shareholders are requested to ensure that the following details are updated, as applicable, through their depository participant (as shares are held in Dematerialized Form), on or before the Record date i.e. Thursday August 22, 2024:

1. Residential Status as per the Act i.e., Resident or Non -Resident for FY 2024-25
2. Valid Permanent Account Number (PAN)
3. In case of individual shareholders, Aadhaar number (in addition to PAN)
4. Category of shareholders:
 - Mutual Fund
 - Insurance Company
 - Alternate Investment Fund (AIF) Category I and II
 - AIF Category III: 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
 - AIF Category III: Others
 - Government (Central/State)

- Foreign Portfolio Investor (FPI) /Foreign Institutional Investor (FII): Foreign Company
- FPI/FII: Others (being Individual, Firm, Trust, AJP, etc.)
- Individual
- Hindu Undivided Family (HUF)
- Firm
- Limited Liability Partnership (LLP)
- Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP)
- Trust
- Domestic company
- Foreign company
- Others (specify category)

5. Email ID

6. Address

7. Contact number

Please note that for the purpose of complying with the applicable TDS provisions, the Company will rely on the above-mentioned details as available on record date with registrar and transfer agent in the Register of Members and tax would be deducted wherever applicable.

PART 2: TDS PROVISIONS AND DOCUMENTS REQUIRED FOR RESPECTIVE CATEGORY OF SHAREHOLDERS

RESIDENT SHAREHOLDERS For resident shareholders, generally, the tax will be deducted at source (TDS) under Section 194 of the Act at the rate of 10% on the amount of dividend declared and paid by the Company during FY 2024-25 provided valid Permanent Account Number (PAN) is provided by the shareholder. Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative / invalid and, in such scenario too, tax shall be deducted at higher rate of 20%. If PAN is not submitted/is inoperative/is invalid, TDS would be deducted @ 20% as per Section 206AA of the Act.

Resident individual shareholders

In the case of resident individuals, TDS would not apply if the aggregate of total dividend distributed or paid to them by the Company during FY 2024-25 does not exceed Rs. 5,000.

Separately, TDS will not be deducted in cases where a shareholder provides a written declaration in prescribed Form 15H ([Annexure 1](#)) (for individual at or above the age of 60 years with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) / Form 15G ([Annexure 2](#)) (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax as per the provisions of the Act), subject to eligibility conditions being met.

Blank Form 15G and 15H can also be downloaded from the link given at the end of this communication. Needless to mention, PAN will be mandatorily required along-with such declarations. Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form if it does not fulfil the requirement of law or the form is otherwise incomplete in any manner.

Resident shareholders (other than individuals):

In case of a certain class of resident shareholders other than individuals who are covered under provisions of Section 194 or Section 196 or Section 197A of the Act, no tax shall be deducted at source ('nil rate') provided sufficient documentary evidence thereof, to the satisfaction of the Company, is submitted. This illustratively includes providing the following:

- **Insurance Companies:** Self declaration by public & other insurance companies that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and that it has a full beneficial interest with respect to the shares owned by it along with PAN. Self-attested copy of valid IRDAI registration certificate also needs to be submitted.
- **Mutual Funds:** Self-declaration that they are specified and covered under Section 10 (23D) of the Act along with a self-attested copy of PAN card and copy of SEBI registration certificate.
- **Alternative Investment Fund (AIF):** AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the Act and they are governed by SEBI regulations as Category I or Category II AIF along with a self-attested copy of the PAN card and SEBI registration certificate.
- **New Pension System (NPS) Trust:** Self-attested valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) granting approval to the Scheme along with self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
- **Recognized Provident Fund/ Approved Superannuation Fund/ Approved Gratuity Fund** : Self-attested copy of a valid order from Commissioner under Rule 2 of Part B or Rule 2 of Part C or Rule 3 of Part A, of Fourth Schedule to the Act, as the case may be, and/ or self-attested valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) in support of the fund being established under a scheme framed under the applicable statute needs to be submitted along with a self-attested copy of the PAN card.
- **Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income:** - Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act along with a self-attested copy of the PAN card and registration certificate.
- **Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the Act:** - Self Declaration along with copy of the notification issued by

CBDT substantiating that the conditions specified in section 10 (23FE) of the Act have been complied with and self-attested copy of the PAN card.

- **Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under section 10(23FE) of the Act:-** Self-Declaration substantiating the fulfilment of conditions prescribed under section 10 (23FE) of the Act along with self-attested copy of the PAN card.
- **Other Resident Non Individual Shareholders:** Shareholders who are exempted from the provisions of TDS as per Section 194 of the Act and/ or who are covered u/s 196 of the Act and/or any other provisions of the Act (e.g. entities as provided in CBDT Circular No.18 of 2017), shall also not be subjected to any TDS, provided they submit an attested copy of the PAN along with the documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of it being entitled to the exemption available.

The Company is not obligated to consider nil rates at the time of tax deduction / withholding on dividend amounts. Application of nil rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by such shareholders.

NON-RESIDENT SHAREHOLDERS OR FOREIGN COMPANIES ('non-resident payee')

For non-resident person or foreign company being the shareholders, ('non-resident payee'), tax is required to be withheld in accordance with the provisions of Section 195 and / or section 196D of the Act at applicable rates in force. As per the applicable provisions, the tax shall be withheld @ 20% plus applicable surcharge and cess on the amount of dividend payable.

Further, as per Section 90 of the Act, a non-resident payee has the option to be governed by the provisions of the tax treaty between India and the country of tax residence of the shareholder if they are more beneficial to the shareholder subject to fulfilment of prescribed conditions. In such case, the tax shall be withheld at such lower rate as prescribed in the tax treaty, on the amount of dividend payable. For this purpose, i.e., to avail the tax treaty benefits, the non-resident payee will have to provide the following:

- Self-attested copy of Permanent Account Number (PAN Card), if any allotted by the Indian Income Tax authorities;
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident for the period between April 1, 2024 to March 31, 2025. 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
- In case, PAN is not available, the non-resident shareholder shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (e) tax residency certificate from the Government of that country or specified territory (f) Tax Identification Number of the residency country;

- For Non-resident shareholders who propose to claim treaty benefit need to mandatorily file Electronic Form 10F online at the link <https://eportal.incometax.gov.in/> and provide copy of Electronic Form 10F for the period between April 1, 2024 to March 31, 2025.
- Self-declaration by the non-resident payee of meeting tax treaty eligibility requirements including fulfillment of the Principal Purpose Test, No Permanent Establishment / fixed base in India, satisfying the beneficial ownership requirement in accordance with the applicable tax treaty; if any, under the applicable tax treaty.
- In case of Foreign Institutional Investors and Foreign Portfolio Investors, in addition to the above details, copy of SEBI registration certificate will also be required.

It is imperative that shareholders independently satisfy their eligibility to claim tax treaty benefit including meeting all conditions laid down by tax treaty.

The Company is not obligated to apply the beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial tax treaty Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.

Notwithstanding anything contained in other part of this communication, where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under Section 94A(1) of the Act, tax will be deducted at source at the rate of 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such shareholder in accordance with Section 94A of the Act.

TDS TO BE DEDUCTED AT HIGHER RATE IN CASE OF NON-FILERS OF RETURN OF INCOME (Specified Person u/s.206AB of the Act):

The provisions of Section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

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

The 'specified person' means 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 a 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 in the Official Gazette in this behalf is excluded

from the scope of a specified person for the purpose of section 206AB. Accordingly, if a non-resident shareholder is found to be a specified person as per reporting under section 206AB and such shareholder does not furnish a no PE declaration, higher rate shall be applied.

Notwithstanding anything contained in other part of this communication, for Shareholders who are identified as "specified persons" under Section 206AB of the Act, higher tax rate as applicable would be deducted. The Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

The non-resident who does not have a 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 in the Official Gazette in this behalf is excluded from the scope of a specified person for the purpose of section 206AB. Accordingly, if a non-resident shareholder is found to be a specified person as per reporting under section 206AB and such shareholder does not furnish a no PE declaration, higher rate shall be applied.

Notwithstanding anything contained in other part of this communication, for Shareholders who are identified as "specified persons" under Section 206AB of the Act, higher tax rate as applicable would be deducted. The Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

LOWER WITHHOLDING CERTIFICATE (RESIDENT AS WELL AS NON-RESIDENT SHAREHOLDERS)

Notwithstanding anything contained in other part of this communication, in the case where the shareholders provide a certificate under Section 197 or Section 195 of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

DIVIDEND INCOME ASSESSABLE IN THE HANDS OF PERSON OTHER THAN DEDUCTEE

If in terms of Rule 37BA of the Income Tax Rules 1962 ('the Rules'), the dividend income on which tax has to be deducted at source is assessable in the hands of a person other than the deductee, then such deductee should also file a declaration with Company in the manner prescribed in the Rules.

SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY:

Shareholders holding 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.

Subject to what is stated above, the rate at which taxes are to be deducted at source based on the category of shareholders, are as under:

Shareholder Category	Rate of TDS
Resident Shareholders	
Shareholders providing Form 15G/15H	Nil

If Dividend income < Rs. 5,000	Nil
If Dividend income > Rs. 5,000	- 10% in case where PAN is provided / operative/valid/linked with Aadhar - 20%, in other cases where PAN is not provided / not available/inoperative/not linked with Aadhar/non-filers of return of income u/s.206AB
Non - resident shareholders	
Non-resident Shareholders	- *20% or lower rate as mentioned in tax treaty, if the applicable details / documents are satisfactorily provided as aforementioned. - *40% in case where shareholder is non-filer of return of income u/s. 206AB and not furnished No PE declaration

**All the above referred tax rates shall be duly enhanced by the applicable surcharge and cess.*

OTHERS

To enable us to determine the appropriate TDS / withholding tax rate applicability, the aforementioned documents are required to be uploaded with the Registrar and Transfer Agent viz. Cameo Corporate Services Limited ("RTA") not later than July 23, 2024. No communication on the tax determination / deduction shall be entertained thereafter. The documents (Form 15 G / Form 15 H) can be submitted at <https://wisdom.cameoindia.com/> and other documents can be submitted through email to rani@cameoindia.com.

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 of the aforementioned details / documents on time, you would still have an option of claiming refund of the higher tax paid at the time of filing your income tax return, if eligible. No claim shall lie against the Company for such taxes deducted.

Copies of the TDS certificate will be emailed to you at your registered email ID in due course, post payment of dividend after filling of TDS return.

Note: TDS amount will also reflect in 26AS at the Income Tax Portal of the shareholder against their valid PAN.

We also request you to register your email IDs, mobile numbers and update your bank account details with your Depository Participant for receiving electronic credit of dividends directly into your bank accounts, in case if it is not updated.

You may also refer to SEBI FAQs by accessing the link

https://www.sebi.gov.in/sebi_data/faqfiles/jan-%202024/1704433843359.pdf (FAQ No 38 & 39).

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 own tax consultants with respect to specific tax implications arising out of receipt of dividend.

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 proceedings.

The exemption Form 15G/15H can be downloaded from our

Website <https://www.a1acid.com//contact.html> and submitted to the Company's Registrars and transfer agents through e-mail to rani@cameoindia.com / investor@vmsil.in **o n o r b e f o r e 23.08.2024.**

Any communication received after this date, will not be considered for deduction of applicable tax.

Should you require any further clarification in this regard, please contact us through email to or the Registrars and transfer agents through e-mail to rani@cameoindia.com or contact our Registrars viz., Cameo Corporate Services Ltd., Unit: A-1 Acid Limited, "Subramanian Building" No. 1 Club House Road, Chennai 600 002, Tel: 044-28460395.

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. In case any provisions of applicable laws undergo a modification or replacement, the requirement as set out above shall stand revised in terms of the said amendment. 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.

Contact Details:

Company's Registrar and Share
Transfer Agent

Cameo Corporate Services Limited

Unit: A-1 Acid Limited

Subramanian Building, 5th Floor, No.1, Club House

Road, Chennai - 600 002.

Please Click to download the below Annexures:

1. *Click here Annexure 1 15H*
2. *Click here Annexure 2 15G*
4. *Click here Annexure 3 10F*

Thanking You,

For A-1 ACID Limited
Nidhi Chokshi
Company Secretary & Compliance Officer