

As per the Income Tax Act, 1961 ("Act"), as amended by the Finance Act, 2020 Dividend distribution tax has been abolished with effect from April 1, 2020. Accordingly, dividend income is taxable in the hands of the shareholders. Mphasis Limited ("the Company") shall therefore deduct tax at source at the time of making payment of final dividend.

As per the information available in our domain, you are a **Foreign Portfolio Investor ("FPI") / Foreign Institutional Investor ("FII")** holding shares in the Company.

In the ensuing paragraphs, we have provided the applicable TDS rates and the relevant documents as required by the Company to determine the TDS rate applicable to you.

#### **A. Withholding tax implications**

For FII /FPI Investor, you have the option of being governed by the provisions of the Double Taxation Avoidance Agreement (DTAA) between India and your country of tax residence, if the provisions of the DTAA are more beneficial to you. Taxes then shall be deducted at the rate provided under Double Taxation Avoidance Agreement (DTAA) if same is lower than the existing TDS rate of 20% ( Plus Surcharge % 4% Cess).

#### **B. Documents required**

If you wish to avail a lower/ Nil TDS rate on the dividend pay-out under the Act, we request you to provide us the lower/NIL withholding certificate issued under section 197 of the Act. The certificate must pertain to financial year ("FY") 2020-21 and must be valid for FY 2020-21.

Additionally,

- a) We request you to kindly verify the correctness of the PAN and update the same with your Depository Participant (if you hold shares in dematerialized mode) or the Registrar and Share Transfer Agent (if you hold shares in physical mode), at the earliest.
- b) Please furnish your SEBI registration certificate and a Self Declaration that the FPI/FII qualifies as a Person under the DTAA
- c) If the above documents are found in accordance with the provisions of the Act, the same shall be considered while deducting taxes by the Company.
- d) In case you are holding shares under multiple accounts under different status / category and single PAN, you may note that, higher of the tax as applicable will be considered on your entire holding in different accounts
- e) The documents as mentioned above and as mentioned in the separate communication are required to be emailed to us at <https://www.integratedindia.in/ExemptionFormSubmission.aspx> on or before 17 September 2021, 5:00 PM (IST) in order to enable the Company to determine and deduct appropriate TDS. Thereafter, no communication/documents on the tax determination/ deduction shall be considered by the Company and the TDS as appropriate basis information/ documents available with the Company would be considered.

No claim shall lie against the Company for such taxes deducted.

The Company will arrange to email a soft copy of the TDS certificate at your registered email ID in due course, post payment of the said dividend. You will also be able to see the credit of TDS in Form 26AS, which can be downloaded from your e-filing account at <https://www.incometaxindiaefiling.gov.in/>.

*Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional.*