

**MODISON
METALS LIMITED**

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Mumbai - 400021 India
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Cin No.: L51900MH1983PLC029783



February 14, 2022

The Market Operations Department
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Scip Code:506261

The Assistant Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051
NSE SCRIP CODE: MODISNME

Dear Sir,

Sub.: Communication to Shareholders on Interim Dividend

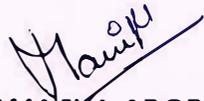
Pursuant to the declaration of Interim Dividend by the Board of Directors of the Company at its Board Meeting held on February 12, 2022 the Company has sent an enclosed email communication to its shareholders, whose email addresses are registered with the Company / Depository Participant. The specimen of the communication is appended for your reference and records.

This is for your reference and records.

Thanking you,

Yours Truly

For **MODISON METALS LIMITED**



MANIKA ARORA
COMPANY SECRETARY

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND

February 14, 2022

Dear Shareholder(s),

We are pleased to inform you that the Board of Directors has declared an Interim Dividend of 100% on equity shares of face value of Re.1/- i.e. Re.1/- per share for the financial year 2021-22 in their meeting held on February 12, 2022.

The said interim dividend will be payable to those shareholders whose name appear in the Register of Members of the Company as at the close of business hours on Thursday, February 24, 2022. The said shareholders will be entitled to receive the dividend through electronic credit to their registered bank accounts. Those shareholders, who have not registered their bank account details with the depository participant/ RTA, would receive demand draft at their registered address.

As you may be aware, as per the Income Tax Act, 1961 (Act), amended by the Finance Act, 2020, with effect from 1 April 2020, Dividend Distribution Tax is abolished, and dividend income is taxable in the hands of the shareholders. The companies are required to withhold tax at source from dividends paid to shareholders at prescribed rates (plus applicable surcharge and cess), as may be notified from time to time.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Act for various shareholder categories, including a Resident or Non- Resident shareholder. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the Dividend will be paid after deducting TDS as explained herein.

Section 1: Mandatory details applicable for all shareholders

All shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their depository records through their depository participant (if shares are held in Demat form) or in the register of members through registrar and share transfer agent (if shares are held in physical form) on or before February 18, 2022.

a. Residential status as per the Act i.e. Resident or Non-Resident for FY 2021-22

b. Valid Permanent Account Number (PAN)

c. Category of shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Foreign Portfolio Investor (FPI) /Foreign Institutional Investor (FII), Foreign Company, 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 etc.

d. Email id

e. Address

Please note that the above details as available on record date in the register of members will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

Section 2: TDS Provisions and documents required as applicable for relevant category of shareholders.

In addition to ensuring completion and/or updating, as applicable, of above mandatory details, shareholders are also requested to take note of the TDS rates and additional information requested by the Company for their respective category in order to comply with the applicable TDS provisions.

1. Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Mutual Funds - Applicable for Mutual Funds registered with SEBI	196	0%	No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions. A declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of relevant registration documents (*) (**).
Category I and II Alternative Investment Funds (AIF)	197A(1F)	0%	No TDS is required to be deducted as per Section 197A(1F) of the Act, subject to specified conditions. Copy of valid SEBI registration certificate need to be submitted and a declaration that its income is exempt under section 10(23FBA) of the Act (*) (**)
Other resident shareholder	194/ 197	10%	a) TDS is required to be deducted at the rate of 10% under Section 194 of the Act. b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual shareholder does not exceed ₹ 5000/- c) No TDS is required to be deducted on furnishing of valid Form 15G (#) (for individuals, with no tax

		<p>liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (#) (for individual above the age of 60 years with no tax liability on total income). (*) (***)</p> <p>## Declaration in Form No. 15G (applicable to resident individual) / Form 15H (applicable to a resident Individual who is 60 years and older), fulfilling certain conditions. Please download Form 15G / 15H from the Income Tax website www.incometax.gov.in</p> <p>d) PAN available in the register of members must be valid (**). TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid PAN of the shareholder is not available.</p> <p>e) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Act, if such valid certificate is provided. (*) (***)</p> <p>f)As per section 206AB inserted by Finance Act 2021, TDS is proposed to be deducted at twice the applicable rates, if Income Tax Return is not filed by the resident shareholders for preceding two financial years, for which the time limit for filing has expired. The Company will use the mechanism prescribed by Income tax department to verify if a shareholder is a 'specified person' under section 206AB of the Income Tax Act and</p>
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			basis the result provided, the Company will apply higher rates under section 206AB of the Income Tax Act on those shareholders who are covered as 'specified person' under section 206AB of the IT Act.
Any other entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption need to be submitted. (*) (***)

2.Non-Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
FPIs and FIIs	196D	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 196D of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-Resident shareholder. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail</p>

			<p>Tax Treaty benefits, the non- resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> • Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***) • Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***) • Self-declaration in Form 10F (*) (***); • Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication). <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p>
Other non- resident shareholder	195	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-Resident</p>

			<p>shareholder. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> • Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***) • Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***) • Self-declaration in Form 10F (*) (***); • Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication. <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p> <p>c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate</p>
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			issued under Section 197 of the Act, if such certificate is provided. (*) (***)
Any entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS is to be submitted. (*) (***)

CLEARING MEMBER SHOULD ENSURE THAT AS ON RECORD DATE NO SHARES ARE LYING IN THEIR ACCOUNT.

(*) The documents have to be emailed to support@freedomregistry.co.in of the Registrar and Share Transfer Agent ('RTA') / Company on or before February 18, 2022. Alternatively, physical documents may be sent to RTA at the following address:

Freedom Registry Ltd
Plot No.101,19th Street,
MIDC Area, Satpur,
Nasik - 422007.

Please note that the Company will not be able to consider the documents / communication sent physically, after February 18, 2022. 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 on or before 31st March, 2022. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after 31st March, 2022.

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.

(**) If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN.

(***) All documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorised signatory stating the document to be "certified true copy of the original"). Benefits depend upon availability of the documents within the time specified and verification of the same by the Company. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

(#) Given the current Covid scenario, the Company would accept scanned copy of the duly signed and verified Form 15G/15H. However, the shareholder is required to additionally self-attest the document stating, "certified true copy of the original". If the original Form 15G/15H is required in future, the Company would call for the same from the shareholders.

NOTE: • All the above referred rates will be enhanced by surcharge and cess, wherever applicable

- Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of members on the record date and any other additional documents that may be submitted.
- 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 shareholders, such shareholders will be responsible to pay and indemnify such income-tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income-tax/apellate authority.

ABOVE COMMUNICATION ON TDS SETS OUT THE PROVISIONS OF LAW IN A SUMMARISED MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

Thanking you,

Yours faithfully

For Modison Metals Limited

Sd/-

Manika Arora

Company Secretary

On the letterhead of Custodian

Date:

To

MODISON METALS LIMITED
33-NARIMAN BHAVAN,
227-NARIMAN POINT,
MUMBAI-400021

Sub: Declaration under Rule 37BA

We _____, are currently holding shares of Modison Metals Limited on behalf of the _____. We understand that Modison Metals Limited has declared an Interim dividend of INR___ per share for FY 2021-22 and shall soon be paying the same to us, as we are a shareholder in books of Modison Metals Limited.

We hereby declare that said dividend income on the shares belongs to and is assessable in hands of below-mentioned shareholders who are actual beneficial owners and entitled to receive such dividend income. Thus we request you to deduct tax on such dividend income in the name of the said shareholders and report the dividend income against the PAN of the respective shareholders.

Details about the shareholders to whom shares and dividend income belongs and credit to be given are as follows:

Sr. No.	Name (Shareholder)	Address	PAN	No of Shares	Expected Dividend Amount

We undertake and confirm that dividend to be received by us for the above does not belong to us and we shall not claim credit of the TDS applied on the said income.

We request that while furnishing the information to the Income-tax Department in your TDS statement/return, the details of dividend income and corresponding TDS on the same should be stated in name of the above mentioned shareholders instead of us.

The above declaration is in terms of Section 199 of the Income-tax Act, 1961 read with Rule 37BA(2) of the Income-tax Rules, 1962 and is based on which tax is deducted at source by the Company it would be in due compliance of law by the Company.

We seek your co-operation in this regard.

Thanking you,

Yours faithfully

For _____

Signature of Authorised Person

Name: _____ Designation: _____

No PE/No Beneficial Ownership Declaration
<Non- Residents letter head, if available>

Date:-

MODISON METALS LIMITED
33-NARIMAN BHAVAN,
227-NARIMAN POINT,
MUMBAI-400021

Folio No:

This is to certify that

1. I/We, << Name of the shareholder >> confirm that I/We am/are a tax resident of <> and eligible to claim benefits of the India - << Insert country>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in Multilateral Instrument (MLI), wherever applicable.
2. My/Our Tax Identification Number issued by <<Name the authority>> is <<mention number>>.
3. I/We, <Name of the Shareholder> am the beneficial owner of the shares allotted in above folio no. as well as of the dividend arising from such shareholding.
4. I/We further declare that I/we have the right to use and enjoy the dividend received/receivable from the above shares and such right is not constrained by any contractual and/or legal obligation to pass on such dividend to another person. I/We therefore eligible to invoke the beneficial provision of the tax treaty in respect to dividend income arising from above shareholding.
5. I/We either do not have a Permanent Establishment (P.E.) in India or Dividend income earned by me is not attributable/effectively connected to the my P.E. in India as defined under the Income Tax Act, 1961 and DTAA between India and << Name of the Country>> read with the provisions laid down in Multilateral Instruments (MLI), wherever applicable, during the financial year 2021-22.\
6. I/We further confirm that I/We do not have any business connection in India as per provisions of Income Tax Act 1961. In the event of I/We having a P.E. in India or Dividend income is attributable/effectively connected to such P.E., I/We acknowledge my/our obligation to inform you forthwith with necessary details.

I/We also undertake to provide all additional documents/ information, as may be prescribed/required by the Indian Revenue authorities (IRA), in order to substantiate any of the above aspects.

I/We hereby confirm that the declaration made above are true and bonafide. I/We further agree to indemnify, defend, and hold good Modison Metals Limited for any tax consequences (including but not limited to interest and penalty) that may arise on Modison Metals Limited

2. I have obtained a certificate referred to in sub-section (4) of section 90 from the Government of _____.

Signature: _____
Name: _____
Address: _____
Permanent Account Number: _____

Verification

I _____ do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today the _____ day of _____

Signature of the person providing the information

Place: _____

Notes:

1. *Delete whichever is not applicable.
2. #Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.