



An ISO 9001, ISO 14001, ISO 45001 & ISO 50001 Certified Company

**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**
CIN : L24110GJ1976PLC002903

P.O Narmadanagar - 392015, Dist. Bharuch, Gujarat, India
Ph. (02642) 247001, 247002 Website: www.gnfc.in

NO. SEC/TDS-DIV/GNFC
July 11, 2026

Dy. General Manager
BSE Limited
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
Rotunda Bldg, PJ Tower,
Dalal Street, Fort,
Mumbai - 400 001
Scrip Code: "500670"

Dy. General Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
C-1, Block - "G",
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol: "GNFC"

Dear Sir / Madam,

Sub: Communication to Shareholder - Intimation on Tax Deduction on Dividend

Pursuant to the Income Tax Act, 2025, dividend income is taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an e-mail communication sent to all shareholders having their e-mail IDs registered with the Company/Registrar and Transfer Agent/Depositories explaining the process regarding the applicability of tax deduction and formalities to be followed by the shareholders to ensure appropriate deduction of tax on the dividend, if declared at the 50th Annual General Meeting and payable during FY 2026-27.

This is for your information and records.

You are requested to take note of the above.

Thanking you.

Yours faithfully,
For Gujarat Narmada Valley Fertilizers & Chemicals Limited

Rajesh Pillai
Company Secretary & Compliance Officer

Encl.: As above



Gujarat Narmada Valley Fertilizers & Chemicals Limited

An ISO 9001, ISO 14001, ISO 45001 & ISO 50001 Certified Company
Regd. Office : P.O. Narmadanagar - 392015, Dist. Bharuch (Gujarat), India
CIN : L24110GJ1976PLC002903 Website : www.gnfc.in Email Id : investor@gnfc.in

Ref: Folio / DP Id & Client Id No: [REDACTED]

Name of the Shareholder: [REDACTED]

Dear Shareholder(s),

Communication on Tax Deduction at Source (TDS) on Dividend for the FY 2025-26.

Trust you and your family are safe and in good health.

We are pleased to inform you that the Board of Directors of your Company at their Meeting held on May 18, 2026, have recommended a dividend of ₹ 21/- (@210%) per equity share, having face value of ₹10/- each, fully paid up, for the financial year ended on March 31, 2026.

The dividend, as recommended by the Board of Directors, if approved at the ensuing 50th Annual General Meeting ("AGM"), will be paid to the shareholders holding equity shares of the Company as at the Record date. The Record date will be announced in due course.

As per the Income Tax Act, 2025 ("**the Act**"), dividend paid and distributed by the Company shall be taxable in the hands of shareholders. The Company shall, therefore, be required to deduct tax at source ("**TDS**") at the time of making payment of the dividend.

The shareholders are requested to ensure that their details with reference to valid Income Tax Permanent Account Number ("**PAN**"), Residential Status as per the Act and the Rules i.e. Resident or Non-Resident, Category of their Account as per the PAN, Email / Postal Address, Bank Account Details for payment of dividend etc. are complete / updated, as applicable. In case of shares held in dematerialised form / mode, the above mentioned details need to be updated with their respective Depository Participant ("**DP**"), with whom the Demat Account is maintained. In case of shares held in physical form / mode, the above mentioned details need to be updated with KFin Technologies Limited, the Company's Registrar & Share Transfer Agent ("**RTA / KFin**").

The tax deduction rates would vary depending on the residential status of the shareholders, documents submitted by the shareholders and accepted by the Company. This communication provides a brief of the applicable TDS provisions under the Act for Resident and Non-Resident Shareholder categories.

For Resident Shareholders:

Tax is required to be deducted at source under Section 393 (1) of the IT Act at the rate of 10% on the amount of dividend where shareholder(s) have registered their valid PAN and at a rate of 20% for cases wherein the shareholder(s) do not have PAN / have not registered their valid PAN.

a. Resident Individuals:

No tax shall be deducted on the dividend payable to resident individuals if -

1. Total amount of dividend to be received during the Financial Year 2026-27 does not exceed ₹ 10,000/-
2. The shareholder provides Form 121 (applicable to all individuals including an Individual above the age of 60 years) along with a copy of PAN card, provided that all the required eligibility conditions are met and form should be filed with respect to all field.- (Format of form 121 is available as [Annexure-1](#) on website of the Company)
3. Exemption certificate is issued by the Income-tax Department, if any.

Note:

Shareholders are requested to ensure their Aadhaar number is linked with PAN. In case of failure of linking Aadhaar with PAN, the PAN shall be considered invalid/inoperative, and in such scenario, tax shall be deducted at higher rate of 20%. The Company will be using functionality of the Income-tax department for the above purpose.

b. Resident Non-Individuals:

No tax shall be deducted on the dividend payable to the following resident Non-Individuals where they provide details and documents as per format (Declaration is available as [Annexure 2](#) on the website of the Company)-

1. **Insurance Companies:** For Public & Other Insurance companies, a declaration that it has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN and certificate of registration with Insurance Regulatory and Development Authority ("IRDA") / LIC / GIC.
2. **Mutual Funds:** Self-declaration that it is registered with Securities and Exchange Board of India ("SEBI") along with self-attested copy of PAN card and certificate of registration with SEBI.
3. **Alternative Investment Fund ("AIF"):** AIF established / incorporated in India - Self-declaration that its income is exempt under Schedule V to section 11 of the Act and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and SEBI registration certificate.
4. **New Pension System ("NPS") Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.

c. Other Non-Individual shareholders:

Documentary evidence along with an attested copy of the PAN for Shareholders who are exempted from deduction of tax under Section 393 of the IT Act.

In case where the shareholders (both Individuals or Non-Individuals) provide certificate under Section 395 (1) of the IT Act, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, based on submission of self-attested copy of the same.

For Non-resident Shareholders (including Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI))

As per Domestic Tax Law:

Taxes are required to be withheld in accordance with the provisions of Section 393(2) of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident Shareholders provide a certificate issued under Section 395(1) of the Act, for lower / nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

As per Double Tax Avoidance Agreement ("DTAA"):

As per Section 159 of the Act, the non-resident Shareholder has the option to be governed by the provisions of the DTAA 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 DTAA benefit, the non-resident Shareholders are required to submit the following:

- i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. If the PAN is not available, the non-resident shareholder shall furnish name, e-mail address, contact number, tax identification number allotted in the country of residence and address in country of residence (Declaration is available as [Annexure 3](#) on the website of the Company).
- ii. Self-attested copy of Tax Residency Certificate ("TRC") for the year 2026-27 or calendar year 2026, valid as on record date, obtained from the tax authorities of the country of which the Shareholder is a resident.
- iii. Form 41 needs to be filed electronically through e-filing portal of income tax at <https://eportal.incometax.gov.in/>. Accordingly, furnishing of Form 41 in any other format will not be considered valid. (Format of form 41 is available as [Annexure 4](#) on the website of the Company.)
- iv. Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty (of TY 2026-27) (Format is available as [Annexure 5](#) on the website of the Company).
- v. Self-declaration by NRI Shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement. (Format is available as [Annexure 6](#) on the website of the Company).
- vi. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.

Declaration under Rule 203:

In terms of Rule 203 of the Income Tax Rules, 2026, 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 in the Rules (Declaration is available as [Annexure 7](#) on the website of the Company)

It is recommended that Shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident Shareholder.

For all Shareholders

Shareholders are requested to upload aforementioned documents latest by 5:00 PM, August 15, 2026, on the website of the RTA at <https://ris.kfintech.com/> and also email them at einward.ris@kfintech.com in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

No communication on the tax determination / deduction shall be entertained after 5:00 PM, August 15, 2026.

Documents received by post or from registered email Id will only be accepted. In case of joint shareholders, first name of shareholder in the share certificate / demat account is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Shareholders may note that in case the tax on the said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, option is available to shareholders to file Return of Income as per the Act and claim for a credit / appropriate refund, if eligible. The Company shall not be liable to entertain any request from such shareholder and the requisite steps will have to be taken by the shareholder at his / her end.

In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of the information provided by the shareholder/s, such shareholder/s will be responsible, accountable and liable to indemnify the Company for all expenses, charges, costs, damages and losses forthwith on demand without any demure and also to provide the Company all information / documents and co-operation in any assessment/defense / appellate proceedings before the Tax / Government authorities.

Note: Shareholders holding shares under multiple accounts under different status / category and single PAN, shall note that, higher of the tax as applicable to the status / category in which the shares held under PAN will be considered on their entire holding in different accounts.

Updation of PAN, Bank Account Details, Signature, Mobile Number, Email Id, Address, Nomination and Other Details:

Shareholders are requested to update their PAN, Bank Account details, Signature, Mobile Number, E-mail Id, Residential Address, Residential status, Category, Nomination and other details with their relevant Depository Participants (DPs), if the

shareholding is in demat form.

In case, shares are held in physical form, shareholders will have to submit Form ISR-1, ISR-2, ISR-3 or SH-13, SH-14 to KFin Technologies Limited, the Registrar and Share Transfer Agents of the Company at KFin Technologies Limited, Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana 500032.

The shareholders are requested to go through the web link <https://www.gnfc.in/investor-service-requests-forms/> to download the Forms.

Further, in accordance with SEBI Listing Regulations, dividend payments will be made only through electronic modes and the issuance of payable-at-par warrants / cheques has been discontinued. Shareholders are therefore requested to ensure that their updated bank account details are registered with their Depository Participant (for shares held in demat form) or with KFin Technologies Limited (for shares held in physical form).

The company is obligated to deduct the applicable tax at Source and deposit with the Govt., based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited (collectively referred to as 'the Depositories') in case of shares held in demat mode and by the RTA of the Company in case of shares held in physical mode and that no request will be entertained for revision of TDS at any later stage.

Thanking you.

Yours faithfully,

For Gujarat Narmada Valley Fertilizers & Chemicals Limited

**Sd/-
Rajesh Pillai
Company Secretary**

Disclaimer :

The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Tax consequences depend on the facts and circumstances of each case. The investors are advised to consult their tax consultant to know and understand tax implications in respect of dividend receivable, depending on their specific residential status under the Income Tax Act and the Rules, as amended.

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