

AXIS/CO/CS/156/2022-2023

June 22, 2022

Chief Manager,  
Listing & Compliance Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No. C/1, "G" Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051 NSE

The Deputy General Manager,  
Listing Department  
BSE Limited  
1st Floor, New Trading Ring,  
Rotunda Building  
P. J. Towers, 'Dalal Street Fort,  
Mumbai – 400 001

Symbol: AXISBANK

BSE Scrip Code : 532215

Dear Sir(s),

**Sub: Communication sent to the Shareholders of the Bank**

This is with reference to our letter AXIS/CO/CS/44/2022-23 dated April 28, 2022, where we have informed that the Board of Directors of Axis Bank Limited (the Bank) at its meeting held on April 28, 2022, recommended final dividend of Re. 1/- per equity share of face value of Rs. 2/- each for the financial year 2021-22, subject to approval of the members at the ensuing 28<sup>th</sup> Annual General Meeting ("AGM").

With reference to above, we wish to inform you that the Bank has sent email communication regarding tax deduction at source on dividend in terms of the provisions of the Income-tax Act, 1961, ("the Act"), to all its shareholders having their email address registered with their respective Depository Participants.

Enclosed is the copy of the email sent.

You are requested to take note of above and arrange to bring it to the notice of all concerned.

Thanking You,

With warm regards,

For Axis Bank Limited

Sandeep Poddar  
Company Secretary

Encl.: as above



CIN: L65110GJ1993PLC020769

Registered Office: 'Trishul', 3<sup>rd</sup> Floor, Opp. Samartheshwar Temple, Law Garden,  
Ellisbridge, Ahmedabad - 380 006. Gujarat.

Tel : +91 79-66306161 Fax : +91 79-26409321

Email: [shareholders@axisbank.com](mailto:shareholders@axisbank.com)

Website: [www.axisbank.com](http://www.axisbank.com)

Date: June 8, 2022

Ref: Folio / DP Id & Client Id No: xxxxxxxxxxxxxx

Name of the Shareholder : xxxxxxxxxxxxxxxxxxxxxxxx

Dear Shareholder,

**Sub: Tax Deduction at Source on Dividend.**

The Board of Directors of Axis Bank Limited (the Bank) at its meeting held on April 28, 2022, have declared final dividend of Re. 1/- (i.e. 50%) per equity share of face value Rs. 2/- per share for the financial year ended March 31, 2022. The dividend will be paid to the eligible shareholders as on the record date.

In terms of the provisions of the Income-tax Act, 1961, ("the Act"), dividend paid or distributed by a Company on or after April 1, 2020 is taxable in the hands of the shareholders and therefore the bank is required to withhold taxes at the prescribed rates on the dividends paid to its shareholders. The tax rates would vary depending on the residential status of the shareholder and the exemptions as enumerated in the Act subject to fulfilling the documentary requirements as explained herein below:

**(A) RESIDENT SHAREHOLDERS**

Particulars	Rate of withholding tax
Valid PAN updated in the Bank's Register of Shareholders	10%
Shareholders not having PAN (not registered) / invalid PAN-section 206AA of the Act	20%

1. No tax shall be deducted on the dividend payable to an individual during FY 2022-23, if either of the below two conditions are fulfilled:
  - Total dividend payable to a resident individual shareholder does not exceed Rs 5,000 per year.
  - The resident individual shareholder has provided duly filled and signed Form 15G (applicable to individuals) / Form 15H (applicable to an Individual above the age of 60 years) with valid PAN, provided all the prescribed eligibility conditions are met.
2. The following Resident Shareholders will be eligible for NIL/lower rate of TDS upon providing the documents to the Bank mentioned hereunder to the satisfaction of the Bank.

Section	Particulars	Applicable TDS Rates	Documents Required
194	Insurance Companies	Nil	<ul style="list-style-type: none"> <li>• Declaration that it is an Insurance company as specified under Proviso to section 194 of the Act</li> <li>• Self-attested copy of certificate of registration with IRDAI</li> <li>• Self-attested copy of PAN card</li> </ul>
196	Government, Reserve Bank of India (RBI), Specified Corporations established by or under Central Act whose income is exempt from tax	Nil	<ul style="list-style-type: none"> <li>• Declaration that it is covered by section 196 of the Act read with the Circulars issued thereunder.</li> <li>• Self-attested copy of relevant registry documents</li> <li>• Self-attested copy of PAN card</li> </ul>
196	Mutual Funds specified under section 10(23D) of the Act	Nil	<ul style="list-style-type: none"> <li>• Documentary evidence to prove that it is a mutual fund specified under clause (23D) of section 10 of the Act and is eligible for exemption.</li> <li>• Self-attested copy of the registration documents</li> <li>• Self-attested copy of PAN Card.</li> </ul>
197A(1F)	Category - I & II Alternative Investment Funds (AIF) registered with the Securities and Exchange Board of India (SEBI)	Nil	<ul style="list-style-type: none"> <li>• 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</li> <li>• Self-attested copy of SEBI AIF registration certificate</li> <li>• Self-attested copy of PAN card</li> </ul>
•	Shareholders exempted from TDS provisions in terms of any other provisions of the Act or CBDT	NIL	<ul style="list-style-type: none"> <li>• Declaration that it is covered by CBDT circular or Notification and copy of such circular or notification</li> <li>• Documentary evidence supporting the exemption status in terms of any</li> </ul>

	Circular or notification		provisions of the Act or CBDT Circular or notification <ul style="list-style-type: none"> <li>Self-attested copy of PAN card</li> </ul>
197	All resident shareholders holding Lower Deduction Certificate or Nil Deduction Certificate	Rate specified in the lower deduction certificate issued by the income tax department	<ul style="list-style-type: none"> <li>Self-attested copy of certificate under section 197 of the Act</li> <li>Please note the TAN of Axis Bank Limited to be mentioned in the lower deduction certificate as MUMU67455D</li> </ul>

3. Application of Nil rate at the time of tax deduction / withholding on the dividend is subject to completeness and satisfactory review by the Bank, of the documents submitted by such shareholders. Notwithstanding anything contained above, in case where the shareholder provides a certificate under Section 197 of the IT 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.

#### **Applicability of provisions of section of 206AB**

Section 206AB of the Act mandates special provisions for TDS in respect of taxpayers who have not filed their income-tax return for the previous year (referred to as specified persons). Now, as per provisions of section 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

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

In cases where Sections 206AA and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections. "Specified person" is defined u/s 206AB(3) of the Act.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a "specified person".

Please note that the information regarding whether a shareholder is a specified person or not will be determined using the Compliance Check functionality of the Income Tax Department in accordance with CBDT Circular No. 11 of 2021 dated June 21, 2021.

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 Bank in the manner prescribed by the Rules. The declarations under Rule 37BA, need to be submitted on or before July 8, 2022 for enabling the Bank to consider the same. Any request submitted after the record date shall not be considered.

## NON-RESIDENT SHAREHOLDERS

Section	Particulars	Applicable TDS Rates	Documents Required
196D	FII/FPI	20%	<ul style="list-style-type: none"> <li>Rate to be increased by applicable surcharge &amp; cess.</li> <li>FII/ FPI to be entitled to avail beneficial tax rate if any under Double Taxation Avoidance Agreements if documents referred below are duly submitted</li> </ul>
196C	Non-resident shareholder being Depository for Global Depository Receipt (GDR)	10%	<ul style="list-style-type: none"> <li>Declaration that it is covered by section 196C of the Act</li> <li>Rate to be increased by applicable surcharge &amp; cess</li> </ul>
195	For other non resident shareholders	20%	<ul style="list-style-type: none"> <li>Rate to be increased by applicable surcharge &amp; cess.</li> <li>They are entitled to avail beneficial tax rate if any under Double Taxation Avoidance Agreements if documents referred in below are duly submitted.</li> </ul>
197	All non-resident shareholders who furnishes LDC	Rate specified in the lower deduction certificate issued by the income tax department	<ul style="list-style-type: none"> <li>Self-attested copy of certificate under section 197 of the Act.</li> <li>Please note the TAN of Axis Bank Limited to be mentioned in the lower deduction certificate as MUMU67455D</li> </ul>
•	Non-resident shareholders having Permanent Establishment (PE) in India and who is a specified person as per section 206AB	-	<ul style="list-style-type: none"> <li>Twice the applicable rate would be applied</li> </ul>

Pursuant to provisions of section 90(2) of the Act, non-resident shareholders (other than Depository for GDRs) have the option to be avail the benefit of tax treaty between India and the countries of their tax residence for which such non-resident shareholders will have to provide the following documents, to the satisfaction of the Bank:

1. Self-attested copy of the PAN allotted by the Indian Income Tax authorities, if available
2. Self-attested copy of Tax Residency Certificate (TRC) (for FY 2022-23) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the official translated copy of TRC would be required.
3. Self-declaration in Form 10F for FY 2022-23
4. Self-declaration in prescribed format for FY 2022-23 on the letter head confirming following points:
  - Eligibility to claim tax treaty benefits based on the tax residential status of the Shareholder.
  - The shareholder did not at any time during the relevant year have permanent establishment/fixed base in India in accordance with the applicable tax treaty.
  - Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

*Please note that the application of beneficial DTAA rate at the time of tax deduction / withholding on dividend shall be subject to completeness and satisfactory review by the Bank, of the documents submitted by the non-resident shareholders.*

**General Instructions for shareholders:**

- i. Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, PAN, address, bank account details, email addresses and mobile numbers with their depository participants. Shareholders holding shares in physical mode are requested to furnish their above mentioned details to the Bank's R & T Agent. It is advisable to update the details on priority, if not done already
- ii. In case of joint shareholders, the shareholder named first in the Register of Members shall furnish the requisite documents for claiming any beneficial tax rate applicability.
- iii. 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.
- iv. To enable us to determine the appropriate TDS / withholding tax rate applicability, the aforementioned documents are required to be submitted to the Bank's R&T Agent viz. KFin Technologies Limited ("RTA") by uploading self-attested copies of the same on <https://ris.kfintech.com/form15/> not later than July 08, 2022. If the original Form 15G/15H or any other document is required in future, Bank would call for the same from the shareholders.
- v. Communications or documents submitted after the date stated above will not be considered by the Bank for computation of tax on dividend
- vi. On best effort basis Bank & RTA will check the TAX exemption documents and consider for Tax Exemption while processing the Dividend. In case tax on dividend is deducted / deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. However, no claim shall lie against the Bank in respect of such taxes deducted.
- vii. This Communication is not to be treated as advice from the Bank. Shareholders should obtain the tax advice related to their tax matters from a tax professional.
- viii. 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 Bank and also, provide the Bank with all information/documents and co-operation in any proceedings

- ix. The Company will arrange to email a soft copy of the TDS certificate to the registered email IDs of the shareholders. The TDS amount will also be reflected in Form 26AS of the shareholder, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>.
- x. For further information or clarification, shareholders can write to our RTA at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).

**Click here to download:**

[Form 15G](#)

[Form 15H](#)

[Form 10F](#)

[NR Self Declaration-DTAA Benefits 22-23](#)

Thanking you,

With warm regards,

**For and on behalf of the Board**

Sd/-

**Sandeep Poddar**

**Company Secretary**

**ACS13819**

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