

**THE GREAT EASTERN
SHIPPING COMPANY LIMITED**

CIN: L35110MH1948PLC006472



OCEAN HOUSE, 130A, OR Ch. S/2000/INTI, Mumbai - 400 016, INDIA. Tel. :+91(22) 6661 3000 / 2492 2100 Fax : +91(22) 2492 5303 **June 30, 2020**

BSE Limited

1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Dear Sir,

SUB: Communication regarding TDS/withholding tax on Interim Dividend

Please find enclosed a communication being sent to the equity shareholders of the Company in connection with TDS/ withholding tax on Interim Dividend for FY 2019-2020 declared by the Company.

This is for your information and records.

Thanking You,

Yours faithfully,

For The Great Eastern Shipping Co. Ltd.

Jayesh M. Trivedi

President (Secr. & Legal) & Company Secretary

Email id: joyesh_trivedi@greatship.com

**THE GREAT EASTERN
SHIPPING COMPANY LIMITED**

CIN: L35110MH1948PLC006472



OCEAN HOUSE, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, INDIA. Tel.: +91(22) 6551 3000 / 2492 2100 Fax: +91(22) 2498 5343

June 02, 2020

To

The Equity Shareholders
The Great Eastern Shipping Company Limited

Dear Sir/Madam,

Sub: Interim Dividend for FY 2019-20 - Communication regarding TDS/withholding tax on Dividend

As you may be aware, the Board of Directors of the Company has declared a second Interim Dividend of Rs. 2.70 per Equity Share of the face value of Re.10/- each for the financial year ended March 31, 2020.

Pursuant to the provisions of the Income-tax Act, 1961 ('the Act'), as amended by the Finance Act, 2020, dividends paid or distributed by a company after April 1, 2020, shall be taxable in the hands of the shareholders.

Accordingly, the Company shall be required to deduct tax at source ('TDS'), at the time of making payment of the said Interim Dividend. The withholding tax rate would vary depending on the residential status of each shareholder and the documents submitted by them and accepted by the Company.

Accordingly, the aforesaid Interim Dividend will be paid after deducting the tax at source in the following manner.

For Resident Shareholders

- 1) Where, the Permanent Account Number (PAN) is available and is valid:
 - a) Tax shall be deducted at source in accordance with the provisions of the Income-tax Act, 1961 at 7.50% (as per Finance Ministry's Press Release dated May 13, 2020) on the amount of dividend.
 - b) No tax shall be deducted in the case of a resident individual shareholder, if:
 - i) the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed INR 5,000; or
 - ii) the shareholder provides duly signed Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an individual above the age of 60 years) provided that all the prescribed eligibility conditions are met. The form at of Form 15G and Form 15H are available on the website of the Company : www.greatship.com
- 2) Where the PAN is either not available or is invalid, tax shall be deducted at the prescribed rate or 20%, whichever is higher.



- 3) No tax will be withheld from dividends paid to Mutual Funds and Category - I & II Alternative Investment Funds registered with SEBI. The Mutual Funds & Alternative Investment Funds shall furnish the following documents on or before June 10, 2020 to the Company's Registrar and Share Transfer Agents ('RTA') viz., KFin Technologies Private Limited:

Certified copy of SEBI registration / CBDT notification and a declaration that their income is exempt under section 10(23D) of the Act and therefore no TDS is required in terms of section 196(iv) of the Act.

For Non-resident Shareholders

- 4) Tax will be deducted at source in accordance with the provisions of the Act at applicable rates in force. As per the relevant provisions of the Act, tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend.
- 5) As per the provisions of the Act, the non-resident shareholder (other than FIIs/FPIs) may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them. To avail the DTAA benefits, the non-resident shareholder shall furnish all the following documents on or before June 10, 2020 to the RTA viz., KFin Technologies Private Limited
- a) Self-attested copy of Permanent Account Number (PAN), if allotted by the Indian Income Tax Authorities;
 - b) Self-attested Tax Residency Certificate (TRC) issued by the tax authorities of the country of which shareholder is a tax resident, evidencing and certifying shareholder's tax residency status during the Financial Year 2020-21;
 - c) Completed and duly signed Self-Declaration in Form 10F, draft format available on the website of the Company : www.greatship.com;
 - d) Self-declaration for the Financial Year 2020-21 in the prescribed format available on website of the Company : www.greatship.com.
- 6) 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 the concerned Non-Resident shareholder.
- 7) Notwithstanding paragraphs 4 and 5 above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) by the Company on dividends paid to Foreign Institutional Investors and Foreign Portfolio Investors. Such TDS rate shall not be reduced on account of the application of the lower DTAA rate, if any.

However, in case FPIs / FIIs want tax to be deducted at a lower rate as per the DTAA applicable to them, they may obtain a certificate under section 197 of the Act for lower TDS from the Income-tax



authorities and furnish the same on or before June 10, 2020 to the Company's RTA viz. KFin Technologies Private Limited.

Kindly note that in order to enable the Company to determine and deduct appropriate TDS/withholding tax, the scanned copy of the duly signed documents as mentioned above are required to be emailed to the Company at shares@greatship.com or to its RTA, viz., KFin Technologies Private Limited at inward.ris@kfintech.com on or before June 10, 2020. No communication on the tax determination/ deduction shall be entertained thereafter.

The original documents may be sent in due course to the Company at its registered office or to its RTA at the following address :

KFin Technologies Pvt. Ltd.
Unit: The Great Eastern Shipping Co. Ltd.
Kury Selenium, Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032

For withholding of taxes, the residential status of the shareholders will be considered as per the data available with the Company/RTA/the Depository Participants ('DPs'). In case there is change in their status, then the shareholders are requested to update their current status with the Company/RTA/the DPs on or before June 10, 2020.

You may kindly note that in case the tax on the dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

Kindly note that no claim shall lie against the Company for such taxes deducted.

The Company shall arrange to email a soft copy of the TDS certificate at the shareholder's registered email ID post payment of the Interim Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

In case you require any other information/clarification with regard to the above, kindly write to us at shares@greatship.com or our RTA at inward.ris@kfintech.com.

Disclaimer: This Communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

Thanking you,
Yours faithfully,
For The Great Eastern Shipping Company Limited

Jayesh Trivedi
President (Sec. & Legal) and Company Secretary