

General Communication on Tax Deduction at Source on Dividend

30th July, 2025

Dear Shareholder

We are pleased to inform that the Board of Directors of Magna Electro Castings Limited ('Company') at their meeting held on 30th May, 2025, have recommended a **dividend of ₹ 6.00/- per share (60%) for the year ended 31st March, 2025**, subject to approval of the shareholders. The 35th Annual General Meeting ('AGM') of the Shareholders of the Company will be held on Thursday, the 4th day of September, 2025 at 4.00 P.M (IST) through Video Conference/ Other Audio-Visual Means. Further details on the same would be sent along with the Notice convening the said AGM.

The following are the dividend details:

Rate of dividend	₹ 6.00/- per share
Record date for dividend entitlement	Thursday, 28 th August, 2025
The Dividend will be paid after the approval of Shareholders in the 35 th AGM of the Company.	

Shareholders are requested to note that as per the Income Tax Act, 1961 ('the Act'), as amended by the Finance Act, 2020, dividends paid or distributed after 1st April, 2020 are taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of payment of dividend based on the category of shareholders and subject to fulfillment of conditions as provided herein below:

1) For Resident Shareholders:

Particulars	Tax Deduction Rate	Exemption applicability and documentation requirements
a) For Resident Individual:		
If the total dividend to be received by a Resident Individual during FY 2025-26 does not exceed ₹10,000.	Nil	-
Resident individuals submitting Form 15G/15H	Nil	Declaration in Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) / Form 15H (for individuals above the age of 60 years with no tax liability on total income) for the FY 2024-25. You can download Form 15G/ 15H from the Income-tax website https://www.incometax.gov.in/iec/foportal/
Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of the Act	Rate specified in lower tax withholding certificate obtained from Income Tax Department.	<ul style="list-style-type: none"> Self attested copy of PAN Card Self attested copy of lower/NIL withholding tax certificate obtained from Income Tax authorities. The certificate should be valid for the FY 2025-26 and should cover the dividend income.
Any Resident Shareholder fulfilling following conditions: (i) Furnishes valid Permanent Account Number (PAN) linked with Aadhar, wherever applicable. (ii) Is not a non-filer of Income tax return specified under section 206AA/206AB of the Act.	10% *	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. MUFG Intime India Private Limited (in case of shares held in physical mode).

Particulars	Tax Deduction Rate	Exemption applicability and documentation requirements
Any Resident Shareholder (without/invalid/inoperative PAN/ Specified person/s under Section 206AB of the Act)	20% *	N.A.
If a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of tax deducted at source in his/her case is ₹50,000 or more in each of these two financial years.	Higher of the following: a) Twice the rate specified in the relevant provision of the Income-tax Act, 1961; or b) Twice the rate or rates in force; or c) The rate of five per cent.	N.A.
* Notwithstanding the above, tax would not be deducted on payment of dividend to Resident Individual Shareholder, if total dividend to be received by them during FY2025-26 does not exceed ₹10,000.		
b) For Resident Non-Individual:		
Insurance Companies as specified under Section 194 of the Income Tax Act, 1961	Nil	Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the equity shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/Life Insurance Corporation of India(LIC)/ General Insurance Corporation of India (GIC).
Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	Nil	Self-declaration that it is registered with Securities and Exchange Board of India (SEBI) and is notified under Section 10 (23D) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.

Particulars	Tax Deduction Rate	Exemption applicability and documentation requirements
Alternative Investment Fund (AIF) established in India	Nil	Self-declaration that its income is exempt under Section 10 (23FBA) 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 certificate of AIF registration with SEBI.
Corporation established by or under a Central Act, which is, under any law for the time being in force, exempt from income-tax on its income	Nil	Declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, covered under section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate and relevant extract of the section whereby the income is exempt from tax.
National Pension System (NPS) Trust:	Nil	Self-declaration that it qualifies as NPS Trust and income is eligible for exemption under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
Any other entity entitled to exemption from TDS	Nil	Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption along with self-attested copy of PAN card

2) For Non-resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
Non-resident shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) Investors (FPIs))	20% (plus surcharge and education cess as applicable)/ DTAA rate, whichever is lower provided requisite documents have been submitted.	<p>Non-Resident Shareholders may opt for a tax rate under the Double Taxation Avoidance Agreement ("DTAA"). The DTAA rate shall be applied for withholding the tax on submission of the following documents:</p> <ul style="list-style-type: none"> ➤ Self-attested copy of Tax Residency Certificate (TRC) for current financial year as obtained from the tax authorities of the country of which the Shareholder is resident; ➤ Self-declaration in Form 10F <p>Note:- As per Income tax provisions, Foreign shareholders need to submit electronic Form 10F, to be generated from Indian Income tax e-filing (https://www.incometax.gov.in/iec/foportal/)</p> <ul style="list-style-type: none"> ➤ Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if available; ➤ Self-declaration in the attached format (Click here to download the self-declaration format), certifying the following points: <ul style="list-style-type: none"> • Shareholders are and will continue to remain a tax resident of the country of their residence for FY26; • Shareholders are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; • Shareholders have no reason to believe that their claim for the benefits of the DTAA is impaired in any manner; • Shareholder is the ultimate beneficial owner of shares held in the Company and dividend receivable from the Company.

Particulars	Applicable Rate	Documents required (if any)
		<ul style="list-style-type: none"> Shareholder does not have a taxable presence or a permanent establishment in India for FY26. Self-declaration by the shareholder regarding the satisfaction of the place of effective management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.
Shareholder submitting order under Section 197 of the Income Tax Act, 1961	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2025-26 and should cover the dividend income.

Shareholders may submit the aforementioned documents to investorscell@magnacast.com on or before Monday, 1st September, 2025 in order to enable the Company to determine and deduct appropriate tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible. The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

Notes:

- Incomplete and/or unsigned forms and declaration will not be considered by the Bank. No communication on the tax determination / deduction shall be entertained after 1st September, 2025.
- If your PAN detail is not registered, we request you to update the same with your Depository Participant (if the shares are held in dematerialized mode) or the Banks' Registrar and Share Transfer Agents (if the shares are held in physical mode), at the earliest.

3. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return by consulting your tax advisor. No claim shall lie against the Company for such taxes deducted.
4. Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in>.
5. 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.
6. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
7. The Beneficiary data provided by the CDSL and NSDL will be taken for consideration.
8. 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 appellate proceedings.
9. Shareholders are requested to ensure that their Bank Account Details in their respective Demat Accounts / Physical Folios are updated, to enable the Bank to make timely credit of dividend in their bank accounts.
10. The above communication on TDS sets out the provisions of law in a summary manner only and does not support to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their tax advisors for the tax provisions applicable based on their particular circumstances.

We seek your co-operation in the matter.

Thanking you,
Yours faithfully,
Sd/-
N Krishnasamaraj
Managing Director

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