



R Systems International Limited

Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi- 110019

Correspondence Address: C - 40, Sector - 59, Noida, Uttar Pradesh - 201 307

Corporate Identity Number (CIN): L74899DL1993PLC053579

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Date: November 02, 2021

Dear Shareholder,

SUB: SECOND INTERIM DIVIDEND 2021 – COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND PAYOUT

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

We are pleased to inform you that the Board of Directors of R Systems International Limited (the “Company”/ “R Systems”) at their meeting held on November 02, 2021, has declared Second Interim Dividend of Rs. 3.20/- per equity share of Re. 1/- each for the financial year 2021. The record date for the purpose of second interim dividend would be Friday, November 12, 2021. The said dividend will be paid by November 26, 2021.

As you are aware that as per the Income Tax Act, 1961 (the “Act”), as amended by the Finance Act, 2020, w.e.f. April 1, 2020 dividend paid by companies shall be taxable in the hands of the shareholders. The respective Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of the dividend at the rates applicable to each category and residential status of shareholder.

Accordingly, shareholders holding shares in dematerialized mode, are requested to update their records such as residential status, permanent account number (PAN) and register their email addresses, mobile numbers and other details with their relevant depositories through their depository participants and shareholders holding shares in physical mode are requested to furnish details to the Company’s registrar and share transfer agent Link Intime India Private Limited, if not already done. This will enable us to determine the appropriate TDS rate (if any).

The detailed provisions regarding the taxability and documents required are explained herein below:

For Resident Shareholders:

Sr. No.	Particulars	Applicable Rate	Documents required (if any) & Other Remarks
1	Total dividend paid to Individual shareholder during year 2021-22, does not exceed Rs. 5,000/-	Nil	Nil
2	With Valid PAN and ITR filed for past 2 years	10%	Update/ Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (" RTA ") (in case of shares held in physical mode).
3	PAN is not available/ Invalid PAN	20%	N.A.
4	Submitting Form 15G/ Form 15H	NIL	No TDS shall be deducted if the Individual shareholder (as may be applicable) provides duly verified Form 15G or 15H, as applicable in duplicate is to be furnished along with self-attested copy of PAN card. Blank Form 15G and 15H can be downloaded from the below links or from the websites of Income Tax viz. www.incometaxindia.gov.in Click Here to download - 15H Click Here to download - 15G Company may at its sole discretion reject the form if it does not fulfil the requirement of law.
5	Submitting Order under Section 197 of the Act	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 financial year 2021-22 and should cover the dividend income.
6	An Insurance Company as specified	NIL	Self-declaration that that it qualifies as 'Insurer' as per section 2(7A) of the

Sr. No.	Particulars	Applicable Rate	Documents required (if any) & Other Remarks
	under Section 194 of the Act		Insurance Act, 1938 and it has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN card and copy of registration certification issued by the IRDAI. To download self-declaration Click Here .
7	Mutual Fund specified under clause (23D) of Section 10 of the Act	NIL	Self-declaration that they are specified in Section 10 (23D) of the Act along with self-attested copy of PAN card and registration certificate. To download self-declaration Click Here .
8	Alternative Investment Fund (AIF) established in India	NIL	Self-declaration that they are specified in Section 10 (23FBA) of the Act and established as and they are registered with SEBI as Category I or Category II AIF under the SEBI regulations along with self-attested copy of PAN card and registration certificate issued by SEBI. To download self-declaration Click Here .
9	New Pension System Trust established in India	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. To download self-declaration Click Here .
10	Other Non-Individual shareholders:	As per Documentary evidence provided	Documentary evidence along with an attested copy of the PAN of Shareholders who are exempted from deduction of tax under Section 194 of the IT Act and categories who are covered under Section 196 of the IT Act

Note:

1. Except the case as mentioned in Sr. No. 01, recording of the Permanent Account Number (PAN) with the registered Folio/DP ID-Client ID is mandatory. In the absence of valid PAN, tax will be deducted at a higher rate of 20%, as per Section 206AA of the Act.

2. Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered invalid and, in such scenario, tax shall be deducted at higher rate of 20%.
3. Further, as per the Finance Act 2021, section 206AB has been inserted w.e.f. July 01, 2021 wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a 'Specified Person' defined under the provisions of the aforesaid section.

For Non- Resident Shareholders:

Sr. No.	Particulars	Applicable Rate	Documents required (if any)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) OR DTAA Rate (whichever is lower)	Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories or with the Company's RTA, as the case may be. Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route. In order to apply the Tax Treaty rate, submit the documents as mentioned in Sr. No. 02.
2.	Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR DTAA Rate (whichever is lower)	Update/ Verify the PAN, legal entity status and the residential status as per the Act, if not already done, with the depositories or with the Company's RTA's, as the case may be. In order to apply the Tax Treaty rate, submit the following documents: <ul style="list-style-type: none"> ➤ Self-attested copy of Indian Tax Identification number (PAN). In case PAN is not available , information to be provided under sub-rule (2) of rule 37BC of the Income Tax Rules (Click Here to download – 37BC) ➤ Self-attested copy of the Tax Residency Certificate applicable for the period April 1, 2021 to March 31, 2022 obtained from the tax authorities of the country of which the shareholder is a resident. ➤ Self-declaration in Form 10F duly filled and signed (Click Here to download - 10F). ➤ Self-declaration from Non-resident (Click Here to download - Self declaration), primarily covering the following:

			<ul style="list-style-type: none"> ➤ Non-resident is eligible to claim the benefit of respective tax treaty; Non-resident receiving the dividend income is the beneficial owner of such income; ➤ Dividend income is not attributable/ effectively connected to any Permanent Establishment or Fixed Base in India; ➤ Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'); ➤ Non-resident does not have a place of effective management in India. <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company/ RTA.</p>
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General Instructions:

1. To enable the Company to determine the appropriate TDS/ withholding tax rate applicable, we request you to provide the above details and documents not later than November 15, 2021. Kindly note that the aforementioned documents (duly completed and signed) may be uploaded on the website of the RTA at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

Any communication on the tax determination/ deduction received post November 15, 2021 shall not be considered.

2. All forms/ declarations submitted are valid for one Financial Year. Hence, you are requested to submit fresh form for Financial Year 2021-22. It may be noted that the tax documents/forms for Financial Year 2020-21 or earlier, will not be valid for the exemption from deduction of TDS for current dividend distribution.
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.
4. No claim shall lie against the Company for tax deducted at higher rate, for any reason, whatsoever. Further, the Company reserves a right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

5. The Company shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said dividend.
6. In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
7. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
8. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded by login into their e-filing account at <https://incometax.gov.in>.

UPDATION OF DETAILS WITH DEPOSITARY PARTICIPANTS/ COMPANY

To receive dividend amount directly in your bank account, we request you to submit/ update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case you are holding shares in physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a self-attested copy of your PAN card, with RTA.

We also request you to update/ register your email address and mobile numbers with your Depository Participant, in case you are holding shares in the electronic form and with the Company or RTA at the respective email addresses as mentioned hereinabove, if you are holding shares in physical form, for the purpose of receiving communications including annual reports and notices, from the Company over e-mail.

Alternatively, you can also update your e-mail address and Bank Account details with the RTA at the following link: https://web.linkintime.co.in/EmailReg/Email_Register.html

Thank you.

With warm regards

For & on behalf of R Systems International Limited

Sd./-

Bhasker Dubey

Company Secretary & Compliance Officer

***Disclaimer:** This communication shall not be treated as an advice from the Company or its affiliates or its Registrar & Transfer Agent.*