



**THE INDIAN HOTELS COMPANY LIMITED**

Corporate Identification No. (CIN) - L74999MH1902PLC000183  
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Dear Shareholder,

**Subject: Deduction of tax at source on dividend**

We hope that you and your family are safe and in good health!!

We are pleased to inform you that the Board of Directors at its Meeting held on May 11, 2026, has recommended a Dividend of ₹ 3.25/- per Equity Share of ₹ 1/- each (325%) for the Financial Year ended March 31, 2026 which includes a special dividend of ₹ 0.50 per equity share to commemorate the 125th AGM of the Company and on account of exceptional gain derived during the year. The payment of dividend is subject to the shareholders' approval at the ensuing Annual General Meeting (AGM) to be held in 2026.

As you are aware, the Income Tax Act, 2025 ('the IT Act'), as amended by the Finance Act, 2026, mandates that dividends paid or distributed by a company after, shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source (where applicable) at the time of making the payment of the said Dividend, if declared at the aforesaid AGM.

This communication provides the applicable Tax Deduction at Source (TDS) provisions under the IT Act for Resident and Non-Resident shareholder categories.

**Table 1: Resident Shareholders:**

Category of Shareholders	TDS Rate	Exemption Applicability/ Documents required
Any resident shareholder	10% with Valid PAN  OR  20% without PAN or Invalid PAN or Inoperative PAN (i.e., PAN-Aadhaar not linked)	<ul style="list-style-type: none"><li>No TDS in the following cases<ul style="list-style-type: none"><li>If dividend payable or likely to be paid to a resident individual shareholder during financial year 2026-27 (or tax year 2026-27) does not exceed INR 10,000/-</li><li>If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.</li></ul></li><li>For shareholders who have not linked PAN and Aadhaar, the PAN will be considered as invalid and higher rate of taxes shall apply.</li></ul> <p>Please note that for the purpose of determining the TDS rate, Company will verify the status (i.e., PAN-Aadhaar linkage) from the Government enabled online facility and deduct TDS accordingly based on the output received from the facility.</p>

Category of Shareholders	TDS Rate	Exemption Applicability/ Documents required
Submitting Form 121 (erstwhile Form 15G/ Form 15H)	NIL	Eligible shareholder providing Form 121 ( <b>Annexure 1</b> ) (applicable to a resident Individual) and on fulfilment of prescribed conditions.
Order under section 395 (erstwhile section 197) of the IT Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax department.
<b>Insurance Companies</b> (Public/ Other) OR <b>Mutual Funds</b> specified under Section 11 read with Schedule VII serial no. 20 of the Act OR <b>Alternative Investment Fund</b> (covered by Notification No. 51/2015 dated 25 June'15) specified under Section 11 - Schedule V [Table: S.No. 1] OR <b>Business Trust</b> OR <b>Recognized Provident funds/ Approved Superannuation fund/Approved Gratuity Fund</b> OR <b>New Pension System Trust</b>	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with documentary evidence such as self-attested copy of PAN card and registration certificate. ( <b>Annexure 2</b> )  TDS shall be deducted at applicable rates, if any of the abovementioned documents are not provided.
Corporation established by or under a Central Act, which is exempt from income-tax	NIL	Self-declaration along with documentary evidence that the person is covered under section 393(5) (erstwhile section 196) of the IT Act. ( <b>Annexure 2</b> )

- a) In case where shares held by intermediaries/ stock brokers and TDS is to be deducted in the PAN of the beneficial shareholders then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration (**Annexure 3**). This declaration should be shared within 2 days from the record date. No declaration shall be accepted after 2 days from the record date.

**Table 2: Non-resident Shareholders**

Category of Shareholders	TDS Rate	Exemption Applicability/ Documents required
Any non-resident shareholder [including Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI)]	20% (plus applicable surcharge and cess) or DTAA rate, whichever is lower	Non-resident shareholders (including FPI and FII shareholders) may opt for tax rate under Double Taxation Avoidance Agreement ("DTAA") if the DTAA rate is more beneficial to the shareholder. The DTAA rate shall be applied for TDS on submission of following documents to the company:

Category of Shareholders	TDS Rate	Exemption Applicability/ Documents required
		<ul style="list-style-type: none"> <li>• Self-attested copy of the PAN Card, if any, allotted by the Indian authorities.</li> <li>• Self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date for the tax year 2026-27 or the calendar year 2026 obtained from the tax authorities of the country, of which the shareholder is resident.</li> <li>• <u>E- filed Form 41 (erstwhile Form 10F)</u> filed electronically on the Indian Income Tax web portal (Please note that the shareholders shall not be eligible for DTAA benefit if the e-filed Form 41 is not furnished).</li> <li>• Self-declaration confirming not having a Permanent Establishment in India, eligibility to DTAA benefit and do not / will not have place of effective management in India. <b>(Annexure 4)</b>.</li> </ul> <p>TDS shall be deducted at 20% (plus applicable surcharge and cess), if any, of the above-mentioned documents are not provided. The rate of surcharge shall be determined considering the dividend paid in the tax year 2026-27.</p> <p>The Company is not obligated to apply the DTAA rates at the time of deduction/ withholding on dividend amounts. Application of DTAA rate shall depend upon the completeness of the documents (as required under the provisions of the IT Act) submitted by the non-resident shareholder.</p>
Submitting Order under section 395 (erstwhile section 195(3) /197) of the IT Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

#### Updation of PAN, email address and other details:

Shareholders holding shares in dematerialisation mode, are advised to update their records such as tax residential status, Permanent Account Number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are advised to furnish details with the Company's Registrar and Transfer Agents (RTA) – MUFG Intime India Private Limited. The company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return. Shareholders holding shares in physical form are requested to make their folio KYC compliant. Please note that the dividend will be released only if the folio is KYC compliant.

#### Tax rate on multiple folios / accounts:

Shareholders holding shares under multiple folios/ dematerialisation accounts under different status / category under a 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.

The Forms as mentioned in Table 1 & 2 can be accessed and downloaded from the website of the Company at the web-link <https://ir.ihcltata.com/shareholder-information/annual-general-meetings/year-25-26>.

Kindly note that the documents/annexures as mentioned in the Table 1 and 2 above are required to be submitted to the Registrar by updating the same on the link <https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html> on or before **June 19, 2026** in order to enable the Company to determine and deduct appropriate TDS/ withholding tax. No communication/ documents on the tax determination/ deduction shall be considered post 11:59 PM (IST) of June 19, 2026.

It may be further noted that in case the tax on the said Dividend is deducted at a higher rate in the 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. However, no claim shall lie against the Company for such taxes deducted.

The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://traces.tdscpc.gov.in/> or the e-filing website of the Income Tax department of India <https://www.incometax.gov.in/iec/foportal>

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

**Updating bank account details:**

In order to facilitate receipt of dividend directly into your bank account, we request you to submit / update your bank account details and complete necessary formalities with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you are requested to make your folio KYC compliant. Please note that the dividend will be released only if the folio is KYC complaint..

We seek your co-operation in this regard.

Thank you

Yours faithfully,

**For The Indian Hotels Company Limited**

**Sd/-**

**Melisa Alva**

Senior Vice President & Company Secretary

Mem No.: A34774

*Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional*

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