

June 20, 2023

BSE Limited
Listing Centre
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Scrip Code - 530589

Sub: Communication to the Shareholders on Final Dividend

Dear Sir / Madam,

Pursuant to the recommendation of final dividend by the Board of Directors of the Company at its Meeting held on May 29, 2023, the Company has sent an enclosed email communication to its shareholders, whose email addresses are registered with the Company / Depository Participant informing about applicability of Tax Deduction at Source (“TDS”) / withholding tax on proposed dividend for the financial year ended March 2023 and requesting them to submit relevant forms / documents in order to enable the Company to determine the appropriate TDS rate as applicable.

The specimen of the communication is appended for your reference and records and the same will be uploaded on the website of the Company.

Thanking you,

For Prima Plastics Limited

Vandana S. Ahuja
Company Secretary and Compliance Officer
Membership No. A57118

Encl: a/a





PRIMA PLASTICS LIMITED

Regd. Office: 98/4 Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman 396210

Tel: +91 22 28570912; CIN: L25206DD1993PLC001470

Website: www.primaplastics.com; E-mail: investor@primaplastics.com

Date: June 19, 2023

Folio No. / DP Id & Client Id.:

Name of the Shareholder:

Dear Shareholder,

Sub: Communication on deduction of tax at source on final dividend

We are pleased to inform you that the Board of Directors ("Board") of the Company at its Meeting held on May 29, 2023 has declared a final dividend of ₹ 1.50 per equity share of face value of ₹10/- each for the Financial Year 2022-23. The dividend, as recommended by the Board, if approved by the members at the ensuing Annual General Meeting ("AGM") of the Company, will be paid to eligible shareholders as on record date i.e. Friday, August 4, 2023 within 30 days from the date of approval.

Shareholders whose bank accounts are registered with the Depository Participant / Registrar and Share Transfer Agent ("RTA") shall receive electronic credit of dividend. In case of shareholders whose bank accounts are not registered, dividend shall be paid through demand drafts sent to their registered addresses.

In accordance with the provisions of the Income Tax Act, 1961 as amended from time to time ("Act"), dividend declared and paid by the Company is taxable in the hands of its shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the shareholders at the applicable rates.

The below details provide a brief of the applicable TDS provisions under the Act for Resident and Non-Resident shareholder categories.

All Shareholders are requested to ensure that the following details are updated, as applicable, through their Depository Participant (if shares are held in Demat Form) or with RTA in the Register of Members (if shares are held in Physical Form):

1. Residential status as per the Act, i.e., Resident or Non-Resident for Financial Year ("FY") 2023-24 that is Assessment Year 2024-25
2. Valid Permanent Account Number ("PAN"), if allotted
3. Category of shareholder

Please note, that for the purpose of complying with the applicable TDS provisions, the Company will rely on the above-mentioned details as available in the Register of Members on the Record Date and information submitted by the shareholders to determine applicable rate of TDS.

Resident Shareholders:

Category	TDS Rate	Applicability Conditions
Insurance Companies OR Mutual Funds specified under section 10 (23D) OR Alternative Investment Fund	0%	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. (Annexure 1) TDS shall be deducted at applicable rates if any of the above-mentioned documents are not provided.
The Government	0%	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. (Annexure 1) TDS shall be deducted at applicable rates if any of the above-mentioned documents are not provided.
Resident Individuals	0%	This rate is applicable: 1. If aggregate amount of dividend during FY 2023-24 does not exceed ₹ 5,000/- or 2. Eligible shareholder providing Form 15G (applicable to Individual [below the age of 60 years] (Annexure 2) / Form 15H (applicable to an Individual aged 60 years and above) (Annexure 3) - on fulfilment of prescribed conditions.
Order under Section 197 of the IT Act	Rate as per lower deduction certificate	TDS rate specified in the Lower Deduction Certificate issued by the Income Tax Authority valid for FY 2023-24, covering dividend income.
Resident Shareholders not covered in above provisions	10% 20%	If valid PAN is registered in the register of members. In the absence of PAN or invalid PAN, tax shall be deducted at 20% under section 206AA of the Act.

Non-Resident Shareholders:

Category	TDS Rate	Applicability Conditions
Any non-resident shareholder [including Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI)]	20%	In addition to tax, surcharge as per respective slabs and cess @ 4% would be applicable A lower TDS rate as per relevant Double Taxation Avoidance Agreements ("DTAA") may also apply, if the following documents are furnished:

		<p>1. Copy of valid PAN, if PAN not available provide the details in a specific format in Annexure 4 (as prescribed in Rule 37BC of the Income-tax Rules, 1962 ("Rules"));</p> <p>2. A copy of TRC of the country of residence of the shareholder valid for Financial Year 2023-24;</p> <p>3. Self-declaration in Form 10F - Refer Annexure 5;</p> <p>4. Self-declaration of having no Permanent Establishment in India, beneficial ownership of shares and dividend income and eligibility to claim treaty benefits - Refer Annexure 6.</p>
Submitting Order under section 195(3) /197 of the IT Act	Rate as per lower deduction certificate	TDS rate specified in lower deduction certificate issued by the Income tax authority valid for Financial Year 2023-24, covering dividend income.

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 Non-Resident shareholder.

Section 206AA of the Act provides for higher rate of tax (i.e., higher of rate specified in relevant provision of the Act or rate or rates in force or 20%) wherein a person to whom an income is payable on which the TDS is required to be deducted fails to furnish his PAN.

Section 206AB of the Act provides for higher rate of tax (i.e., higher of twice the rate specified in the relevant provisions of the Act or twice the rate(s) in force or 5%) on payment made to a 'Specified Person' defined under the provisions of the aforesaid section.

The term 'specified person' means a person who satisfies the following conditions:

- Has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and
- The aggregate of TDS and TCS in his case is ₹ 50,000 or more in said previous year.

Shareholders holding shares under multiple folios / demat 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.

If the dividend income is taxable in the hands of any person other than the recipient of the dividend, then the requisite details by way of a declaration in – **Annexure 7** should be communicated to the Company.

If the PAN is not as per the database of the Income-tax Portal, it would be considered an invalid PAN.

In the event of a mismatch in the category of Shareholder as per the Register of Members and as per the fourth letter of PAN, the Company would consider fourth letter of PAN for applying the surcharge rate, if applicable.

All documents to be submitted are required to be self-attested (the documents should be signed by the shareholder /authorized signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate. The Company would accept scanned copy of the duly signed, verified and self-attested copies. Shareholders are requested to maintain the original under their possession and if the original Forms are required in future, the Company would seek for the same from the Shareholders.

Kindly note that the aforementioned documents should be emailed to Company at investor@primaplastics.com on or before July 31, 2023 (6:00 PM IST.) to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Draft declarations which needs to be submitted are available at <https://www.primaplastics.com/information-for-shareholder.php>

Post payment of the said 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 income tax department's new website <https://eportal.incometax.gov.in/>

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate, in absence of receipt, or insufficiency of the aforementioned details / documents, an option is available to the Shareholders to file the return of income as per Act and claim an appropriate refund, if eligible.

No claim shall lie against the Company for such taxes deducted.

Your co-operation in this regard is solicited.

Thanking you,

Yours faithfully,

For Prima Plastics Limited

Sd/-

Vandana S. Ahuja

Company Secretary and Compliance Officer

Membership No. A57118

Disclaimer: This Communication is not to be treated as an advice from the Company or its affiliates or our RTA. Further, no assurance is provided that all the shareholder categories are listed. Shareholders should obtain the tax advice related to their tax matters from a tax professional.