

18 June, 2025

National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1,  
G-Block, Bandra- Kurla Complex,  
Bandra (E),  
Mumbai- 400 051.

**NSE Symbol - TIMKEN**

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai- 400 001.

**Scrip Code- 522113**

Dear Sir/Madam,

**Sub: Communication to Members - Intimation on Tax Deduction on Dividend**

The Board of Directors, subject to approval of Members at ensuing Annual General Meeting ('AGM'), has recommended dividend of Rs. 36 /- per equity share of Rs. 10/- each fully paid up for the financial year ended 31 March, 2025.

As you are aware, as per the provisions of the Income Tax Act, 1961 (the Act), dividend paid or distributed by a Company shall be taxable at the hands of Members. Therefore, the Company is required to deduct tax at source (TDS) at the rates applicable on the amount distributed to the Members.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident Member categories.

**I. For Resident Members**

Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend where Members have registered their valid Permanent Account Number (PAN). In case, Members do not have PAN / invalid PAN/ PAN not linked with Aadhar/ not registered their valid PAN details in their account TDS at the rate of 20% shall be deducted under Section 206AA of the Act.

**a. Resident Individuals**

No tax shall be deducted on the dividend payable to resident individuals if:

- i. Total dividend amount to be received by them during the Financial Year (FY) 2025-26 does not exceed Rs. 10,000/-; or
- ii. The Member provides Form 15G (applicable to individual) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole

Engineered Bearings | Mechanical Power Transmission Products | Industrial Services

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CIN:L29130KA1996PLC048230

discretion reject the form, if it does not fulfil the prescribed requirement under the Act. The template of the Form 15G / 15H are available at <https://www.timken.com/en-in/investors/statutory-compliances/> - under “Dividend Updates” section)

- iii. Exemption certificate is issued by the Income-tax Department, if any.

## **b. Resident Non-Individuals**

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide details and documents as per the format. (Format available at <https://www.timken.com/en-in/investors/statutory-compliances/> - under “Dividend Updates” section).

- i. **Insurance Companies:** 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 ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.
- ii. **Mutual Funds:** Self-declaration that it is registered with 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.
- iii. **Alternative Investment Fund (AIF):** 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.
- iv. **New Pension System (NPS) Trust:** 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.

c. In case, Members (both individuals or non-individuals) provide certificate under Section 197 of the Act, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy to the Company.

## **II. For Non-resident Members**

### **a. As per Domestic Tax Law**

Taxes are required to be withheld in accordance with the provisions of Section 195 of the Act as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident Members provide a certificate issued under Section 197 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

### **b. As per Double Tax Avoidance Agreement (DTAA)**

As per Section 90 of the Act, the non-resident Member has the option to be governed by the provisions of the DTAA between India and the country of tax residence of the Member if they are more beneficial to them. For this purpose, i.e., to avail DTAA benefit, the non-resident Members are required to submit the following:

- i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities.
- ii. Self-attested copy of Tax Residency Certificate (TRC) (financial year April 1, 2025, to March 31, 2026) obtained from the tax authorities of the country of which the Member is a resident.
- iii. Members who have PAN and propose to claim treaty benefit need to mandatorily file the Form 10F online at the income tax portal to avail the benefit of DTAA.
- iv. Self-declaration by Member of meeting treaty eligibility requirement and satisfying beneficial ownership requirement. (Financial year April 1, 2025, to March 31, 2026) (Format available at <https://www.timken.com/en-in/investors/statutory-compliances/> - under “Dividend Updates” section)
- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.

It is recommended that Members should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident Member.

Accordingly, to enable us to determine the appropriate withholding tax rate applicable, we request you to provide these details and documents as mentioned, above, on or before Friday, 25 July 2025.

#### **PAYMENT OF DIVIDEND**

The dividend once approved by the Members of the Company at the AGM, will be paid after deducting tax at source as mentioned in the earlier paragraphs. Following provisions under the Act will also be considered to determine applicable TDS rate:

##### **A. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar**

As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link PAN with Aadhaar. In case of failure to comply to this, PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act.

##### **B. For Members having multiple accounts under different status / category:**

Members 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.

## **SUBMISSION OF TAX RELATED DOCUMENTS:**

The documents as specified above can be sent to the email id: [TIL.TDS@timken.com](mailto:TIL.TDS@timken.com) on or before Friday, 25 July, 2025 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post Friday, 25 July, 2025 shall not be considered.

It may be further noted that in case the tax on 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.

## **UPDATION OF BANK ACCOUNT DETAILS:**

To facilitate receipt of dividend directly in your bank account, Members are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Company to make timely credit of dividend in their bank accounts. We seek your cooperation in this regard.

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

You are kindly requested to take note of the above.

Thanking you,

Yours faithfully,

For **TIMKEN INDIA LIMITED**

Avishrant Keshava  
Digitally signed by  
Avishrant Keshava  
Date: 2025.06.18  
15:02:17 +05'30'

**Avishrant Keshava**  
**Whole-time Director**