

**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**  
Regd. Office: HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi- 110003  
CIN: L74899DL1970GOI005276  
Website: [www.hudco.org.in](http://www.hudco.org.in)  
Email: [cswhudco@hudco.org](mailto:cswhudco@hudco.org); [dividend.tax@hudco.org](mailto:dividend.tax@hudco.org)  
Phone: 011-24649610-21, 24648193-95

**Dear Shareholder,**

**Subject: Intimation/ Communication in respect of Deduction of tax at source on 3<sup>rd</sup> Interim Dividend for the Financial Year 2025-26.**

We are pleased to inform you that HUDCO is considering payment of 3<sup>rd</sup> Interim Dividend for the Financial Year 2025-26 in its meeting of Board of Directors scheduled to be held on Thursday, 29<sup>th</sup> January, 2026.

The Record date for determining the entitlement of shareholders for the payment of aforesaid interim dividend will be Saturday, 7<sup>th</sup> February, 2026 (subject to the approval of the Board). The dividend will be paid to the eligible shareholders within 30 days of the date of its declaration.

In terms of the provisions of the Income-tax Act, 1961, ('the IT Act') read with the Finance Act, 2020, dividend declared, paid and distributed by a Company on or after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the shareholders depending upon the residential status and classification of the shareholders as per the provisions of the Act. The Company shall therefore be required to deduct tax at source (TDS) at the time of payment of the dividend, in accordance with the provisions of the IT Act.

To claim exemption from deduction of tax at source including deduction at concessional rates, shareholders are required to submit the requisite documents as prescribed under the IT Act at [dividend.tax@hudco.org](mailto:dividend.tax@hudco.org) only latest by **9<sup>th</sup> February, 2026 (5 p.m.)**. Documents received after 9<sup>th</sup> February, 2026 (5 p.m.) and/ or incomplete documents will not be considered.

As per the latest information available with the depositories (NSDL/CDSL) or with the Beetal Financial & Computer Services Pvt. Ltd., Registrar and Transfer Agent (RTA), you are classified either as a Resident Shareholder or a Non-resident Shareholder and sub-classified as Individual / Company / Firm / HUF/AOP/ Trust / other entity based on the Permanent Account Number (PAN). If there is any change in the above information, you are requested to update your records such as tax residential status, permanent account number (PAN) and register your email address, mobile number and other details with your relevant depository through your depository participants in case you are holding shares in dematerialized form and if you are holding shares in physical mode, with the Company's RTA.

The applicable Tax Deduction at Source (TDS) provisions under the IT Act applicable for Resident and Non-Resident Shareholders are as under:

**For resident shareholders**

Taxes shall be deducted at source under Section 194 of the IT Act as follows-

In case valid PAN is provided/ available/ registered	10% or as notified by the Government of India
In case valid PAN is not provided/ not available/ registered	20% or as notified by the Government of India
Members submitting lower/ NIL tax deduction certificate issued by Income Tax Department u/s 197 of IT Act, 1961	Rate specified in the certificate

Shareholders, who are yet to furnish their PAN to their respective Depository Participant/ RTA, are therefore requested to do so immediately.

**No tax shall be deducted on the dividend payable to:**

- a) Resident Individual Shareholder, if:
- the amount of total dividend payable by the Company during Financial Year 2025-26 does not exceed, in the aggregate, **Rs.10,000/-**; However, the Company may deduct tax at the lower threshold, in such cases the shareholder may claim for refund from the tax authorities; and
  - In cases where the Shareholder provides Form 15G (Form 15H for individuals aged 60 years or more) subject to conditions specified in the IT Act, **self-attested copy of the PAN** is mandatory for members providing Form 15G / 15H or any other document as mentioned above.
- b) In case of Insurance Companies, Mutual Funds, Alternative Investment Fund, New Pension System Trust, Corporation established by or under a Central Act and Other Non-individual shareholders, no TDS shall be deducted provided sufficient documentary evidence thereof, to the satisfaction of the Company are submitted as mentioned below:

Category of shareholder	Documents required
Insurance companies	Self-declaration that they are beneficial owners of shares held along with self-attested copy of registration certificate and PAN.
Mutual Funds	Self-declaration that they are governed by the provisions of the IT Act, along with self-attested copy of PAN and SEBI registration certificate.
Alternative Investment Fund (AIF) established/ incorporated in India	A self-declaration that its income is exempt under the provisions of the IT Act and they are established and governed as category I or category II AIF under the SEBI regulations along with self-attested copy of the PAN and SEBI registration certificate.
New Pension System Trust	A self-declaration that they are governed by the relevant provisions of the IT Act along with self-attested copy of the PAN and registration certificate
Corporation established by or under a Central Act	Documentary evidence that the Corporation is covered under relevant provisions of the IT Act and along with self-attested copy of the PAN and registration certificate
Other non-individual resident shareholders	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

**For non-resident shareholders:**

Taxes are required to be deducted in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The TDS shall be at the rate of **20% (plus applicable surcharge and cess)** or as Tax Treaty Rate, whichever is lower.

However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (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 the benefits under the DTAA, non-resident shareholders will have to provide the following well before 9<sup>th</sup> February, 2026:

- Self-attested copy of the valid PAN card allotted by the Indian Income Tax authorities;
- Self-attested copy of the Tax Residency Certificate (TRC) covering the financial year 2025-26 issued by the tax authorities of the country of which the shareholder is resident;

- Electronic Form 10F issued by the Central Board of Direct Tax. Form 10F can be obtained electronically through the e-filing portal of the Income Tax website at <https://www.incometax.gov.in/iec/foportal/>;
- Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable tax treaty of Financial Year 2025-26;
- Self-declaration of beneficial ownership of Financial Year 2025-26 by the non-resident shareholder;
- Self-declaration that the non- resident shareholder is eligible to claim the benefit of the respective Tax Treaty in the Financial Year 2025-26;
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors/Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

The Company reserves its right to recover any demand raised subsequently on the Company for providing wrong/ inadequate information for claiming exemption from deduction of tax at nil/concessional rates.

In the event the benefit of lower tax on dividend cannot be provided by the Company in the absence of, or due to late receipt of, the aforesaid documents, shareholders will still have an option to claim appropriate refund, if eligible, at the time of filing their income tax returns. No claim shall lie against the Company for taxes once deducted.

### **Shareholders having multiple accounts under different status/ category**

In case Shareholders holding shares in multiple accounts under different status/ category under a single PAN, higher of the tax as applicable to the status in which shares are held under a PAN, will be considered on their entire holding in different accounts.

### **Information on tax deducted:**

- a) The company will not provide the benefit of Most Favored Nation Clause at the time of deduction of TDS. Shareholders can claim such benefit while filing their return of income.
- b) Shareholders can also use the "View Your Tax Credit" facility available at [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in). Please note, the credit in Form 26AS would be reflected after the TDS Return is filed on a quarterly basis by the Company, and the same is processed by the Income-tax department;
- c) Shareholders can check Form 26AS/AIS from their e-filing accounts at <https://www.incometax.gov.in/iec/foportal/>
- d) If the requisite documents and details are not provided by the shareholders within the specified time, TDS shall be deducted/ regulated as per the provisions of the IT Act. If TDS is deducted at a rate which is considered higher than the applicable rate of tax in a particular case, refund of such excess TDS may be claimed by the shareholder as provided under law. No claim shall, however lie against the Company for such deduction of TDS;
- e) 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 Company and also, provide the Company with all information/ documents and co-operation in appellate proceedings, if any,

preferred by the Company;

- f) Further, shareholders who have not registered their email address are requested to register the same. In case shares are held in physical mode, please provide Folio No., Name of shareholder, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA of the Company.
- g) In case shares are held in Demat mode, please provide DPID-CLID (16-digit DPID + Client ID or 16-digit beneficiary ID), Name, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to your DP;
- h) In line with the Securities and Exchange Board of India ("SEBI") directives, the Company is required to update bank details of the Members of the Company to enable usage of the electronic mode of remittance for distributing dividends and other cash benefits to its members.

To enable the Company to make prompt/ timely credit of dividend in the bank accounts of the shareholders, shareholders are requested to ensure that their bank account details in their respective Demat accounts are updated. In case shares are held in physical form, necessary updation of bank account details, if required, be made with Company's Registrar and Transfer Agent.

**Note:** The link to access the relevant forms for claiming exemption from TDS is given below:

<https://hudco.org.in/writereaddata/TDS-Deduction-Claim-form.pdf>

***This communication should not be treated as tax advice from the Company.***

*Disclaimer: The above information does not constitute tax or legal advice. In view of the individual nature of the tax complications, each investor is advised to consult his or her own tax advisors with respect to the specific tax implications.*

\*\*\*\*