

TDS for 'Specified Person' under Section 206AB of the Income Tax Act, 1961.

TDS will be deducted under Section 206AB of the Income Tax Act, 1961 @20% i.e. at twice the applicable rate on the amount of dividend payable to a resident shareholder who has:

- (a) not filed return of income for the assessment year relevant to the previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the Income-tax Act, 1961 has expired; and
- (b) been subjected to tax deduction / collection at source aggregating to ₹ 50,000/- or more in the aforesaid previous year.

The Central Board of Direct Taxes (CBDT) has prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.