Shree Karni Fabcom Limited
CIN: L47820GJ2023PLC140106
Regd. Office: Plot 188-190, Block – 314, Rajhans Texpa, Village – Baleshvar, Taluka – Palsana, Surat - 394317, Gujarat, India.
Ph. No: +91 262 235 0900,
E-mail: cs@skflindia.com, Website: www. skflindia.com

Communication – Tax deduction at Source (TDS) on Dividend

Dear Sir/Madam,

We hope this communication finds you and your family in good health and high spirits.

We are pleased to inform you that the Board of Directors of the Company, at its meeting held on May 21, 2026, has recommended a final dividend of ₹ 0.25/- per equity share of face value ₹10/- each for the financial year ended March 31, 2026.

The final dividend, as recommended by the Board, is subject to the approval of the shareholders at the ensuing Annual General Meeting scheduled to be held on **September 30, 2026**.

As you may be aware that in terms of the provisions of the Income Tax Act, 2025 (“the Act”), and the rules framed thereunder, the Dividend payments shall be taxable in the hands of shareholders. Accordingly, the Company shall be required to deduct tax at source at the prescribed rates at the time of making the payment to shareholders.

The deduction of tax at source will be based on the category of shareholders and subject to fulfilment of conditions as provided herein below:

A. RESIDENT SHAREHOLDERS:

i. In accordance with Section 393(1) [Table Sr. No. 7] read with Section 393(4) [Table Sr. No. 10] of the Act, tax shall be deducted at source from the dividend amount at rate of 10% where shareholders have registered their valid PAN. In case, Shareholders does not have PAN / Invalid PAN/ declared to be inoperative on non-linking of PAN with Aadhaar/ has not registered their valid PAN details in their Demat account, TDS at rate of 20% shall be deducted u/s 397 of the Act.

ii. No tax shall be deducted/ tax shall be deducted at lower rate on the dividend payable to shareholders in the following cases:

a) Resident Individual Shareholders:

Sr. No.	Particulars	Applicable Rate of TDS
1	If the total dividend payable to the shareholder during the FY 2026-27 does not exceed Rs. 10,000.	Nil
2	The shareholder provides duly signed Form 121 along with the self-attested copy of the PAN card.	Nil*

*Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form if it does not fulfil the requirement of law. Refer Annexure 1 of Form 121. The said filed form may be emailed to us at cs@skflindia.com.

b) <u>Resident Non-Individual Shareholders:</u>

S. No.	Particulars	Applicable Rate of TDS	Documents Required
1	Insurance Companies	Nil	Documentary evidence that the provisions of section 393 of the Act are not applicable alongwith declaration in **Annexure 2.**
2	A corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income.	Nil	Documentary evidence that the person is covered under section 393(5) of the Act alongwith declaration in **Annexure 2.**
3	Mutual Fund specified u/s 11 0f Schedule VII (Table Sr. No. 20)	Nil	Documentary evidence that the person is covered under section 393(5) of the Act alongwith declaration in **Annexure 2.**
4	Category - I & II Alternative Investment Funds (AIF) registered with the Securities and Exchange Board of India (SEBI).	Nil	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 alongwith declaration in **Annexure 2.**
5	Shareholders exempted from TDS provisions in terms of any provisions of the Act or CBDT Circular or notification.	Nil	Documentary evidence supporting the exemption status in terms of any provisions of the Act or CBDT Circular or notification alongwith declaration in **Annexure 2.**

iii. Shareholders who have provided a valid certificate issued u/s 395 or 400 of the Act for lower / NIL rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration in **Annexure 2,** tax shall be deducted at source from the dividend amount at the rate specified in the certificate. Please note the TAN of Shree Karni Fabcom Limited is to be mentioned in the said certificate as SRTS29356F.

B. NON-RESIDENT SHAREHOLDERS:

i. Tax is required to be withheld in accordance with the provisions of Section 393(2) [Table Sr No. 15, 16 & 17] of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-Resident not being a company, or to a foreign company.

ii. However, as per Section 159 of the Act, a non-resident shareholder has the option to take the benefit of provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty (DTAA) benefits, the non-resident shareholder shall provide the following:

1. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities. If PAN is not allotted, please provide the following information:

    a) name, e-mail id, contact number;
    b) address in the country or specified territory outside India of which the deductee is a resident;
    c) a certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory;
    d) Tax Identification Number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

2. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident;

3. Shareholders who propose to claim treaty benefit need to mandatorily file the Form 41 (valid for the period April 2026 to March 2027) online at the link https://eportal.incometax.gov.in/ with effect from April 1, 2023 to avail the benefit of DTAA pursuant to Notification no. 03/2022 dated 16th July 2022 issued by the Central Board of Direct Taxes (CBDT).

4. Self-declaration by the non-resident shareholder of meeting DTAA eligibility requirement and satisfying beneficial ownership requirement in **Annexure 3**;

5. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.

iii. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident shareholders and meeting requirements of the Act read with applicable tax treaty. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend.

iv. In case, certificate issued under section 395 of the Act is given by non-resident shareholder for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered based on submission of self-attested copy of the same. Please note that the TAN of Shree Karni Fabcom Limited to be mentioned in the lower deduction certificate as SRTS29356F.

C. <u>Declaration under Rule 203:</u>

In terms of Rule 203 of the Income Tax Rules 2026, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

Notes:

1. Accordingly, shareholders holding shares in dematerialized form, are requested to update their records such as tax residential status, permanent account number (PAN), email addresses, mobile numbers, other details with their relevant depositories through their depository participants and shareholders holding shares in physical form are requested to furnish the said details to the Company's registrar and share transfer agent (RTA) M/s MAS Services Limited at the below-mentioned address, duly quoting your Folio No./ DP Id-Client Id. This will enable us to determine the appropriate TDS rate (if any).

   Address for correspondence with RTA:

   MAS Services Limited
   T-34, Okhla Industrial Area, Phase-II, New Delhi - 110020
   Phone No.:011-26387281-83, Fax: 011-26387384
   E-mail : investor@masserv.com

2. In order to enable the Company to determine the appropriate TDS / withholding tax rate, **we request you to provide the details and <u>documents relevant to the Dividend payment as mentioned above at cs@skflindia.com on or before September 23, 2026 to update our records.</u>**

3. No communication on the tax determination/deduction shall be entertained post September 23, 2026 by the Company for the purpose of Dividend Payment. The company shall arrange to email the soft copy of the TDS certificate at the registered email address in due course. Shareholders will also be able to see the credit of TDS in Form 168, which can be downloaded from their e-filing account at https://eportal.incometax.gov.in/iec/foservices/#/login.

4. **For shareholders holding multiple accounts under different status / category,** highest rate of tax based on status in which shares are held will be applied on their entire holding in different accounts.

5. It may be further noted that in case the tax on the Dividend declared if any, is deducted at a higher rate in absence of receipt of the aforementioned details/documents, if the shareholder has provided valid PAN to company later on, shareholder has an option to file the return of income and claim an appropriate refund, if eligible.

6. In order to facilitate receipt of dividend directly in your bank account, you are requested to ensure that the bank account details in your respective demat accounts/physical folios are updated, to enable the Company to make timely credit of dividend in your bank accounts.

Thanking you,

Yours faithfully,
For **Shree Karni Fabcom Limited**

Sd/-
Dhiraj Ramkishor Vaishnav
Company Secretary & Compliance Officer

Encl: As Above

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

Note: Please don't reply to this e-mail, as this e-mail id is not monitored.

Annexure 1

FORM NO. 121

[*See* rule 211]

Declaration under section 393(6) for receipt of certain incomes without deduction of tax

PART A

[To be Filled by the person for receipt of certain incomes without deduction of tax]

<table>
<tr><th colspan="7">Details of the declarant</th></tr>
<tr><td>1.</td><td colspan="4">Name</td><td colspan="2"></td></tr>
<tr><td>2.</td><td colspan="4">Address</td><td colspan="2"></td></tr>
<tr><td>3.</td><td colspan="4">Permanent Account Number</td><td colspan="2"></td></tr>
<tr><td>4.</td><td colspan="4">Status</td><td colspan="2"></td></tr>
<tr><td>5.</td><td colspan="4">Residential status</td><td colspan="2"></td></tr>
<tr><td>5(a).</td><td colspan="4">If resident individual, whether age is 60 years or more at any time during the tax year</td><td colspan="2">Yes/no</td></tr>
<tr><td>6.</td><td colspan="4">Email id</td><td colspan="2"></td></tr>
<tr><td>7.</td><td colspan="4">Contact number</td><td>Country Code</td><td>Number</td></tr>
<tr><td>8.</td><td colspan="4">Tax Year (for which declaration is made)</td><td colspan="2"></td></tr>
<tr><th colspan="7">Details of income</th></tr>
<tr><td>9.</td><td colspan="4">Nature of income</td><td colspan="2"></td></tr>
<tr><td>10.</td><td colspan="4">Estimated income for which declaration is made</td><td colspan="2"></td></tr>
<tr><td>11.</td><td colspan="4">Details of Form No. 121 other than this form filed during the tax year, if any</td><td colspan="2"></td></tr>
<tr><td>11(a).</td><td colspan="4">Total number of Form No. 121 filed earlier</td><td colspan="2"></td></tr>
<tr><td>11(b).</td><td colspan="4">Aggregate amount of income for which Form No. 121 were filed</td><td colspan="2"></td></tr>
<tr><td>12.</td><td colspan="4">Aggregate amount of income for which declaration is made during the tax year [sum of column 10 and 11(b)]</td><td colspan="2"></td></tr>
<tr><td>13.</td><td colspan="4">Estimated total income of the tax year including the income mentioned in column 12</td><td colspan="2"></td></tr>
<tr><td rowspan="4">14.</td><td colspan="4">Details of the ITR filed for previous two tax years</td><td colspan="2"></td></tr>
<tr><td>Sl. No.</td><td>Tax Year</td><td>Acknowledgment Number</td><td>Return Income</td><td colspan="2"></td></tr>
<tr><td>1.</td><td></td><td></td><td></td><td colspan="2"></td></tr>
<tr><td>2.</td><td></td><td></td><td></td><td colspan="2"></td></tr>
</table>

DECLARATION

I... having Permanent Account Number ....do hereby declare that

(i) to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

(ii) the incomes referred to in this form are not includible in the total income of any other person under sections 96 to 99.

(iii) tax on my estimated total income as referred to in column 13 of Part A (including the income referred to in column 12 of Part A) for tax year… will be nil.

(iv) my income as referred to in column 12 of Part A does not exceed the maximum amount not chargeable to tax for tax year….. (*not to be applicable in case of resident individual of age of sixty years or more at any time during the tax year*)

(v) in case this declaration is found to be false, I shall be liable to prosecution/penalty under the Act.

Place: ………… Signature of the Declarant

Date: ………… Name:

PART B

[Verification by the person who has received declaration(s) in Part-A from the declarant(s) and responsible for paying the income in respect of which this declaration is made]

	Details of the person responsible for paying income		
1.	Name	*(refer Note 1)*	
2.	Address	*(refer Note 2)*	
3.	Tax Deduction and Collection Account Number		
4.	Permanent Account Number		
5.	Email id		
6.	Contact number	Country Code	Number
7.	Tax Year		
	Details of the declarant and the declarations received		
8.	Name of the declarant	*(refer Note 1)*	
9.	Permanent Account Number		
10.	Unique Identification Number		
11.	Date of Birth/Incorporation	*(dd/mm/yyyy)*	
12.	Address	*(refer Note 2)*	
13.	Email id		
14.	Contact number	Country Code	Number
15.	Estimated income for which declaration is made	*(as per column 10 of Part A)*	
16.	Estimated total income of the tax year of the declarant	*(as per column 13 of Part A)*	
17.	Aggregate amount of income for which declaration is made during the tax year	*(as per column 12 of Part A)*	
18.	Date on which declaration is received	*(dd/mm/yyyy)*	

DECLARATION

I (name of authorized person)………………. having Permanent Account Number ....hereby certify that the information pertaining to the declarant(s) above has been duly furnished.

Place: ………… Signature of the authorized person

Date: ………… Name:

Notes:

1. In case of individual, the first, middle and last name shall be provided in full without any abbreviations. In any other case also, name shall be provided in full.
2. The address shall contain i. Country/Region, ii. Flat/Door/Building, iii. Road/Street/ Block/Sector, iv. PIN/ZIP Code, v. Post Office, vi. Area/locality, vii. District, viii. State.
3. Declaration can be furnished by an individual being a resident under section 393(6)[Table: Sl. No. 1] or by any person, not being a company or a firm or an individual covered in section 393(6)[Table: Sl. No. 1], under section 393(6)[Table: Sl. No. 2].
4. Fill ‗residential status' as (i) Resident (ii) Non-resident (iii) Resident but not ordinarily resident.
5. This application is applicable for following incomes, please fill as applicable:
    (a) payment of accumulated balance due to an employee participating in recognized provident fund
    (b) insurance commission for soliciting or procuring insurance business including business related to continuance, renewal, or revival of the insurance policies.
    (c) rent from a specified person
    (d) income in respect of (i) units of a mutual fund, or (ii) units from the Administrator of the specified undertaking, or (iii) units from the specified company
    (e) interest on securities, interest other than interest on securities by a banking company or a co-operative society carrying on the business of banking or interest by a post office for a deposit made under a scheme notified by the Central Government or by Specified person
    (f) payment in respect of life insurance policy including the sum allocated as bonus on such policy
    (g) dividend (including dividend on preference shares) declared by domestic company

    Refer Section 393(6) for more details.

6. In case any declaration(s) in Form No, 121 is filed before filing this declaration during the tax year, mention the total number of such Form No. 121 filed along with the total amount of income for which said declaration(s) have been filed.

7. Please mention amount of estimated total income of the tax year for which declaration is filed including the amount of income for which this declaration and earlier declaration(s), if any, is made.

8. The person responsible for paying income referred to in row no. 10 of Part A shall allot a unique identification number to all Form No. 121 received by him during a quarter of the tax year and report the same in TDS statement furnished for the same quarter.

9. The person responsible for paying income referred to in row no. 10 of Part A shall accept the declaration where the tax on declarant's estimated total income as referred to in row no. 13 of Part A of the tax year will be nil.

10. Estimated total income shall be calculated after allowing for deduction(s) under Chapter VIII of the Act, if any, or set off of loss, if any, under the head ―Income from house property‖ and rebate allowable under section 156.

11. For a declarant other than the resident individual whose age is 60 years or more at any time during the tax year, the person responsible for paying income referred to in row no. 10 of Part A shall not accept the declaration where the amount of income of the nature referred to in section 393(6) or total amount of such income credited or paid or likely to be credited or paid during the tax year in which such income is to be included exceeds the maximum amount which is not chargeable to tax.

12. Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section *482*.

13. Some of the information in the form would be pre-filled to the extent possible.

14. Amounts to be filled in ₹ unless otherwise provided.

Annexure 2

Date:

To
Shree Karni Fabcom Limited
Plot 188-190, Block – 314, Rajhans Texpa,
Village – Baleshvar, Taluka – Palsana, Surat - 394317,
Gujarat, India.

Subject: Declaration regarding Category and Beneficial Ownership of shares

Ref: PAN – Mention PAN of Shareholder
Folio Number / DP ID/ Client ID – Mention all the account details

With reference to the captioned subject, and in relation to the appropriate withholding of taxes on the Dividend payable to me / us by **Shree Karni Fabcom Limited** (the Company), I / We hereby declare as under:

1. We, Full name of the shareholder ________________________________, holding share/shares of the Company as on the record date, hereby declare that I am /we are tax resident of India for the period April 2026-March 2027 (Indian Fiscal Year/ Tax Year).

2. We hereby declare that (Select Applicable)

☐ We are **Insurance Company** and are the beneficial owner of the share/shares held in the Company; and we are submitting self-attested copy of PAN Card.

☐ We are **Mutual Fund** specified in Section 11 of Schedule VII [Table Sr. No. 20] of the Income Tax Act, 2025 (‘the Act’) and are the beneficial owner of the share/shares held in the Company; and we are submitting self-attested copy of PAN Card and registration certificate.

☐ We are **Alternative Investment fund** established in India and are the beneficial owner of the share/shares held in the Company; and our income is exempt under Section 11 - Schedule V [Table Sr. No. 1] of the Act and are governed by SEBI regulations as Category I or Category II AIF; and we are submitting self-attested copy of the PAN card and registration certificate.

☐ We are **category of the entity** and are the beneficial owner of the share/shares held in the Company; and are not subject to withholding tax under Section 393(5) of the Income Tax Act; and we are submitting self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card.

☐ We are specified person **<<mention category of person mentioned by provision>>** in terms of Section ___ - Schedule ___ [Table Sr No. __] and are the beneficial owner of the equity share(s) held in the Company; and our income is exempt under Section ____ - Schedule __ [Table Sr No. _] of the Act and we are submitting self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card.

☐ We are **(Recognised Provident Fund/Approved Superannuation Fund/Approved Gratutity Fund/National Pension Scheme / any other entity entitled to exemption from TDS)** and are the beneficial owner of the share/shares held in the Company; and are exempted from TDS deduction under **(Please specify the relevant Section/Rules giving exemption under the Income Tax Act)**; and we are submitting self-attested copy of the documentary evidence supporting the exemption status (e.g. relevant copy of registration, notification, order, etc.) along with self-attested copy of PAN card.

3. I/ We further indemnify the Company for any penal consequences arising out of any acts of commission or omission initiated by the Company by relying on my/ our above averment.

4. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

Thanking you.
Yours faithfully,
For Name of the shareholder
<<insert signature>>
Authorized Signatory -

Annexure 3

Date:

To
Shree Karni Fabcom Limited
Plot 188-190, Block – 314, Rajhans Texpa,
Village – Baleshvar, Taluka – Palsana, Surat - 394317,
Gujarat, India.

Subject: Declaration regarding Tax Residency and Beneficial Ownership of shares

Ref: PAN – Mention PAN of Shareholder
Folio Number / DP ID/ Client ID – Mention all the account details

With reference to the captioned subject, and in relation to the appropriate withholding of taxes on the Dividend payable to me / us by **Shree Karni Fabcom Limited** (the Company), I / We hereby declare as under:

1. I / We, Full name of the shareholder ___________________________________ , holding share/shares of the Company as on the record date, hereby declare that I am /we are tax resident of country name for the period April 2026-March 2027 (Indian Fiscal Year) as per tax treaty between India and country name (hereinafter referred to as 'said tax treaty').

2. I / We hereby declare that, I am /we are the beneficial owner of the share/shares held in the Company as well as the dividend arising from such shareholding and I/ we have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.

3. I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), etc. as applicable.

4. I/We confirm that I/We are the beneficial owners of the shares in the Company and have held the shares for a period of holding period days prior to the dividend payment date.

5. I/We hereby furnish a copy of valid Tax Residency Certificate dated __________ having Tax Identification number___________ issued by ___________ along with a copy of e-filed Form 41 for the period April 2026-March 2027.

6. I/We further declare that I/we do not have and will not have any taxable presence, fixed base or Permanent Establishment in India as per the said tax treaty during the period April 2026-March 2027.

7. I declare that, being individual, my aggregate presence in India for the period of April 2026-March 2027 does not exceed 120 days.

8. I/ We further indemnify the Company for any penal consequences arising out of any acts of commission or omission initiated by the Company by relying on my/ our above averment.

9. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

Thanking you.
Yours faithfully,
For Name of the shareholder
<<insert signature>>

Authorized Signatory - Name and designation
Contact address: ____[Please insert]
Email address: ____[Please insert]
Contact Number: ____[Please insert]
Tax Identification Number _____________________________________[Please insert]

Note: Kindly strikethrough whichever is not applicable