

Ref. No.: LIC/SE/2022-23/33

Date: July 15, 2022

To,
The Manager
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai-400001
BSE Security Code: 543526

The Manager
Listing Department,
The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor, Plot C/1,
G Block, Bandra Kurla Complex,
Mumbai-400051
NSE Symbol: LICI

Dear Sir/Madam,

Sub: Communication to Members (Shareholders) – Intimation regarding Tax Deduction at Source (TDS) on Dividend for F.Y. 2021-22

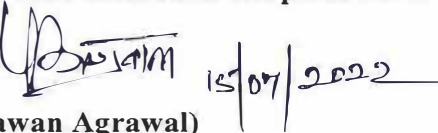
Please find enclosed an e-mail communication which is being sent to all the members of the Corporation whose e-mail IDs are registered with the Corporation/Depositories explaining the process on deduction of tax at source from dividends payable to the members for the Financial Year 2021-22 at prescribed rates, as may be applicable, along with the necessary annexures.

This communication is also being made available on Corporation's website at www.licindia.in.

Please take the above information on record and arrange for its dissemination.

Yours faithfully,

For Life Insurance Corporation of India


(Pawan Agrawal)
Company Secretary & Compliance Officer



LIFE INSURANCE CORPORATION OF INDIA
(constituted under the Life Insurance Corporation Act, 1956)

IRDAI Registration No. 512

Central Office: 'Yogakshema', Jeevan Bima Marg, Mumbai, Maharashtra – 400 021

Tel. No.: 022 – 2202 2079

Email: investors@licindia.com; website: www.licindia.in

Date: July 15, 2022

Dear Member,

We are pleased to inform you that the Board of Directors of Life Insurance Corporation of India at their meeting held on May 30, 2022, has recommended a final dividend of Rs. 1.50 (One Rupee Fifty Paise Only) per equity share of the face value of Rs.10/- each, for the Financial Year 2021-22, subject to the approval of members of the Corporation in **1st Annual General Meeting ("AGM") scheduled to be held on Tuesday, September 27, 2022.**

The record date for the purpose of final dividend would be Friday, August 26, 2022. The dividend would be paid to the eligible members within a period of 30 days from the date of AGM, electronically, through various online modes to those members who have updated their bank account details or through any other permissible mode.

As per the provisions of the Income-tax Act, 1961 ("IT Act"), as amended from time to time, with effect from April 1, 2020, dividend declared and paid by an entity is taxable in the hands of its members and Corporation is required to deduct tax at source ("TDS") from dividend paid to the members at the applicable rates.

To receive dividend amount directly in your bank account, all the members are requested to ensure that details with reference to valid Permanent Account Number ("PAN"), residential status as per the Act i.e. Resident or Non-Resident, category as per PAN, email/ postal address including Bank Account details, etc., as applicable, are complete and updated in their account maintained with Depository Participant.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the IT Act, for various member categories, including Resident or Non-Resident members.

For Resident Members:

For Financial Year 2022-23 taxes shall be deducted at source under Section 194 of the IT Act as follows:-

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN / invalid PAN; and Members who have not filed their Income-tax returns in the last financial year (Specified Person as per Section 206AB of the Income-tax Act)	20%

However, no tax shall be deducted on the dividend payable to a Resident Member (Individual), if the total dividend to be received by them during Financial Year 2022-23 does not exceed Rs. 5,000 and also in cases where members provide valid Form 15G (Format enclosed)/ Form 15H (Format enclosed) (as may be applicable) subject to conditions specified in the IT Act. PAN is mandatory for members providing Form 15G / 15H. **Where the PAN is either not registered or is invalid, tax shall be deducted at source at a rate which is higher of the prescribed TDS rates or @ 20%.**

Following category of resident members can also submit the documents mentioned in Column B of the below table for claiming exemption from withholding tax on dividend paid by the Corporation:

Category of Shareholders	Documents required to be submitted to ensure that no tax is deducted at source from dividend
A.	B.
Insurance Companies	<ol style="list-style-type: none"> 1. A self-declaration that they are covered by the second proviso to Section 194 of the Income-tax Act, 1961 and has full beneficial interest with respect to the shares owned by it; 2. Self-attested copy of IRDAI registration certificate; and 3. Self-attested copy of PAN.
Mutual Funds	<ol style="list-style-type: none"> 1. A self-declaration that they are governed by the provisions of Section 10(23D) of the Income-tax Act, 1961; 2. Self-attested copy of SEBI registration certificate; and 3. Self-attested copy of PAN.
Alternative Investment Funds (AIF)	<ol style="list-style-type: none"> 1. A self-declaration that the income of the AIF is exempt under Section 10(23FBA) of the Income-tax Act, 1961 and that they are governed as Category I or Category II AIF under the SEBI regulations; 2. Self-attested copy of SEBI registration documents; and 3. Self-attested copy of PAN.
Other non-individual resident shareholders	<ol style="list-style-type: none"> 1. A self-declaration that dividend receivable by them is exempt from tax under Section 196 or other relevant provisions of the Income-tax Act, 1961; 2. Self-attested copies of documents in support of the claim; and 3. Self-attested copies of PAN (if available)

For Non-Resident Members:

Taxes are required to be withheld in accordance with the provisions of Section 195 of the Act at the rates in force plus applicable surcharge and cess and Section 196D of the Act. However, as per Section 90 of the Act, the non-resident member has 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 Tax Treaty benefits, the non-resident member will have to provide the following:

- a) Self-attested copy of Permanent Account Number (PAN) if allotted to you, by the Indian Income Tax Authorities. If PAN is not allotted to you, please provide your email address, contact number and address in the country of residence along with documentary evidence of such address;

- b) Self-attested copy of Tax Residency Certificate (TRC) issued by the competent authority or tax authority of the country of your residency, evidencing and certifying your tax residency status in the country of residency during the Financial Year 2022-23;
- c) Completed and duly signed Form 10F in the format enclosed as annexure;
- d) Self-declaration in the format enclosed, certifying that –
 - i. member is and will continue to remain a tax resident of the country of its residency during the Financial Year 2022-23;
 - ii. member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Corporation;
 - iii. member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. member is the ultimate beneficial owner of the share(s) held in the Corporation as well as the dividend arising from such shareholding; and the member has 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;
 - v. member declares that it does not have and will not have any taxable presence, fixed base or permanent establishment in India as per the said tax treaty during the financial year 2022-23; and
 - vi. member hereby confirms that the above declaration should be considered to be applicable for all the shares held in the Corporation under PAN/ accounts declared in the form.

The Corporation is not obliged 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 Corporation/RTA, of the documents submitted by Non-Resident members.

Where a member furnishes a valid Nil or lower tax rate deduction Certificate under Section 195/ 197 of the Act, TDS/ withholding tax will be applied as per the rates prescribed in such Certificate.

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.

It may be further noted that as per the provisions of Section 206AB of the Act, the entity is required to deduct tax at double (2x) rates if you have not filed Income tax return for the last completed Assessment year where the Return was due and you have a Permanent Establishment (PE) in India. Accordingly, you are required to provide us with a signed declaration that you do not have a PE in India. In the absence of this declaration, if you are listed as a non-filer by the income tax department, then double rates of tax deduction would apply. This condition will not apply to shareholders whose tax deducted in India does not exceed INR 50,000 during the previous financial year.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 1961, we request Resident members and Non-Resident members to send the details and documents referred to in this Notice in the format provided by us and as applicable to you at <https://ris.kfintech.com/form15>. No communication on the tax determination / deduction shall be entertained beyond **5.00 p. m. on Friday, August 26, 2022.**

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

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member(s), such Member(s) will be responsible to indemnify the Corporation and also provide the Corporation with all information/documents and co-operation in any relevant proceedings.

Members will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal>.

Please CLICK on the following links to download/view the forms:

Download/View - Form 15G	Click here
Download/View - Form 15H	Click here
Download/View - Form 10F	Click here
Download/View - Declaration for No Permanent Establishment (PE) in India for Corporates	Click here
Download/View - Declaration for No Permanent Establishment (PE) in India for Non-Corporates	Click here

We seek your co-operation in the matter.

Thanking you,

Yours faithfully,

For **Life Insurance Corporation of India**

Sd/-
Pawan Agrawal
Company Secretary
(FCS - 7744)