

# DISA India Limited

38<sup>th</sup> Annual Report – 2022-23



Norican Technologies

**DISA**

**ItalPressGauss**

**Monitizer**

**SIMPSON**

**StrikoWestofen**

**wheelabrator**



# Managing Director's Message

Dear Shareholders,

It is with great pride and pleasure we present this Annual Report to all of you. It's time to celebrate the years of success of your Company, and the last few years especially, which have taken the business to a whole new level of market presence and performance. The revenues and market capitalization of your Company is at an all-time high and has become the benchmark for the industry.

As shareholders, we have always counted on your valued support which led to this joint success for DISA India Limited (DIL).

**We would like to share with you a few of the highlights of the last year.**

**Consolidation of the Tumkur manufacturing facility into a world-class manufacturing hub:** One of the significant milestones we accomplished and presented to the market is the transformation of the our Tumkur manufacturing site. The consolidated facility has become a world-class production hub for Norican Group. It is a strategic move that has opened new opportunities for DIL to serve global markets. By leveraging state-of-the-art technology and a skilled local workforce, we have successfully ventured further into new international markets, fostering lucrative opportunities for export, and expanding our customer base. We are proud to say that DIL manufactured equipment today can be found in more than 30 countries around the world, across Europe, North America, South America, South Asia, CIS, and Middle East countries. This is no small achievement for our operation, and we would like to thank the Norican Group team for their help and guidance on this journey. The standard of quality of our equipment has improved significantly, solidifying our position as a global leader in our industry.

**Success in digitalizing foundries with Monitizer digital solutions:** In an era shaped by digital transformation, we recognized the need to innovate on behalf of our customers and stay ahead of the curve. This year, we helped many customers embark on their digitalization journeys by deploying Norican's revolutionary Monitizer digital solutions across their foundries. Harnessing the power of cutting-edge technology, we have delivered substantial improvements in operational efficiency, productivity and resource utilization. The seamless integration of Monitizer into our customers' processes has empowered them to make data-driven decisions, run advanced predictive maintenance programs, and achieve higher production volumes. We have first-mover advantage in our industry, offering an end-to-end solution designed for our customers' processes. It powerfully demonstrates our commitment to bringing new technologies to the market and embracing technological advancements for the benefit of our customers.

**SBTi - CSR initiative: Greening our future, planting trees:** As a responsible corporate citizen, we firmly believe in looking after the environment and the communities we operate in. This year, we made significant progress towards our SBTi commitments (emissions reduction targets) and other Corporate Social Responsibility (CSR) targets to promote sustainability in all its facets. For example, we initiated a comprehensive tree planting drive, successfully planting the first thousand trees – to help combat deforestation, restore biodiversity, and create a greener future. We are also working on switching to renewable power for all our operations very soon. Our commitment to environmental stewardship is deeply engrained in our values, and we remain dedicated to supporting initiatives that promote a sustainable planet for generations to come.

**Sowing the seeds for a strong export business in new regions:** We aspire to become a significant player in the exports markets and venture into new countries to convert opportunities into real business. In the pipeline are exciting new greenfield foundry projects in Qatar, Saudi Arabia, Uzbekistan, Turkey as well opportunities to sell equipment to the US, Europe and Middle East, plus Africa, as a new region of interest for the business.

DIL has been on a long and at times difficult journey over the last few years, which include the pandemic years. Today, we have left the after-effects of that challenging period fully behind us and are looking at strong growth opportunities ahead. This, we owe to all our dedicated and capable people, who have worked tirelessly to get us to this point. The performance of DIL is their work and they can be very proud of it.

As always, DIL team would like to express thanks to all our valued clients, suppliers, and other stakeholders for their unwavering support of our business.

We extend our sincere gratitude to the Norican Group management, who have been always at DIL's side. Their guidance and encouragement has been invaluable.

We will continue to work harder, smarter and better to create value for our shareholders.

Thank you once again for your support.

Sincerely,



Lokesh Saxena  
Managing Director



Amar Nath Mohanty  
Chief Financial Officer

**Board of Directors**

Ms. Deepa Agar Hingorani - Chairperson  
 Mr. Anders Wilhelm  
 Mr. Michael Declan Guerin  
 Ms. Ulla Hartvig Plathe Tonnesen  
 Mr. Bhagya Chandra Rao - Independent Director  
 Mr. Lokesh Saxena - Managing Director

**Chief Financial Officer**

Mr. Amar Nath Mohanty

**Company Secretary & Compliance Officer**

Mr. G. Prasanna Bairy (upto 11.11.2022)  
 Ms. Shrithee M S (from 22.11.2022)

**Bankers**

Kotak Mahindra Bank Ltd.  
 HDFC Bank Ltd.  
 HSBC Ltd.

**Registrars**

Integrated Registry Management Services Private Limited  
 Ramana Residency, 1A  
 Ground Floor,  
 IV Cross, Sampige Road  
 Malleswaram  
 Bengaluru-560 003  
 Ph: +91 80 23460815/816  
 E-mail: irg@integratedindia.in

**Registered Office**

World Trade Center (WTC)  
 6th Floor, Unit No. S-604  
 Brigade Gateway Campus  
 26/1, Dr.Rajkumar Road  
 Malleswaram-Rajajinagar  
 Bengaluru-560 055  
 Ph: +91 80 2249 6700

**Stock Exchange**

BSE Ltd.  
 Mumbai

**Auditors**

Deloitte Haskins & Sells  
 Bengaluru

**Solicitors**

Chander Kumar & Associates  
 Bengaluru

**Internal Auditors**

Protiviti India Member Pvt. Ltd, Bengaluru

**Secretarial Auditor**

Mr. Vijayakrishna KT  
 Bengaluru

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## Board of Directors



**Deepa Agar Hingorani**

Independent Director & Chairperson



**Anders Wilhjelm**

Director



**Michael Declan Guerin**

Director



**Bhagya Chandra Rao**

Independent Director



**Ulla Hartvig Plathe Tonnesen**

Director



**Lokesh Saxena**

Managing Director





## NOTICE

NOTICE is hereby given that the Thirty Eighth (38<sup>th</sup>) Annual General Meeting of DISA India Limited will be held on Thursday, the 10<sup>th</sup> day of August, 2023 at 11.00 AM IST through Video Conferencing (VC) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs. 100/- (1000%) and to declare Final Dividend of Rs. 10/- (100%) per Equity Share of Rs. 10/- each for the Financial Year ended March 31, 2023.
3. To appoint a Director in place of Mr. Anders Wilhelm (DIN: 08507772), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors of the Company.

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) years commencing from the conclusion of the 38<sup>th</sup> Annual General Meeting until the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

### SPECIAL BUSINESS:

5. To ratify the remuneration of Cost Auditors.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Reg. No.000065), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts and records for the Financial Year ended March 31, 2023 with a remuneration of Rs.1,80,000/- (Rupees One Lakh Eighty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses, at actuals, as approved by the Board of Directors, be and is hereby ratified."

6. To re-appoint Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 196,197 and

203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the Shareholders be and is hereby accorded to the re-appointment of, and remuneration payable to, Mr. Lokesh Saxena (DIN: 07823712), as the Managing Director of the Company for a period of three years with effect from June 21, 2023 to June 20, 2026 upon the terms and conditions recommended by the Nomination and Remuneration Committee and approved by the Board and subject to the Central Government approval, if required, on such terms and conditions as set out below:

#### (i) Basic Salary:

With effect from	Basic Salary per month
June 21, 2023	Rs.5,35,643/- (Rupees Five Lakhs Thirty-Five Thousand Six Hundred and Forty-Three Only) per month with such changes annually, as may be decided upon.

#### (ii) House Rent Allowance:

Not exceeding 50% of basic salary. House rent allowance will be Rs.2,67,821/- (Rupees Two Lakhs Sixty Seven Thousand Eight Hundred and Twenty One only) per month.

#### (iii) Conveyance:

Chauffeur driven car will be provided by the Company for the performance of official duties and personal use. All expenses towards this facility will be borne by the Company.

#### (iv) Telephone:

A residential telephone, Laptop Computer and one Internet Service connection will be provided by the Company at its cost to facilitate the performance of duties.

#### (v) Other Allowance:

Other allowance will be Rs.4,28,514/- (Rupees Four Lakhs Twenty Eight Thousand Five Hundred and Fourteen Only) per month.

#### (vi) Medical Allowance:

Medical Allowance limited to Rs.1,250/- (Rupees One Thousand Two Hundred and Fifty Only) per month.

#### Medi-claim Policy Coverage

Eligible for Medi-claim Policy (premium paid by the Company) covering self, spouse, dependent children less than 25 years of age and parents as applicable to other senior management personnel of the Company, with changes, if any, as applicable from time to time.

#### (vii) Leave and Leave Travel Assistance:

Leave entitlement will be as applicable to the other senior management personnel of the Company. Leave Travel Assistance for self and family (as defined above) of travel anywhere in India will be paid/reimbursed once a year subject to a ceiling of one month's basic salary, as may be revised from time to time.

**(viii) Company's Contribution to Provident Fund:**

The Company will contribute 12% of the basic salary to the Provident Fund plus 1% of basic salary towards Administration charges payable to Regional Provident Fund Authorities, as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

**(ix) Contribution to Superannuation Fund:**

The Company will contribute 15% of the basic salary to the Superannuation Fund as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

**(x) Contribution to Gratuity Fund:**

The Company will contribute to the Gratuity Fund as per the rules and regulations of the Company as applicable to other senior management personnel of the Company with changes, if any, from time to time. Payment of gratuity is limited to 15 days basis salary for each year of service to a maximum of 30 years as existing now, subject to any change that may be done from time to time.

**(xi) Reimbursement of Business Expenses:**

He will be eligible for reimbursement of all reasonable expenses on travel, entertainment etc., legitimately incurred in the course of performance of duties.

**(xii) Sitting Fee:**

He will not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof. He will not be liable to retire by rotation.

**(xiii) Variable Performance Bonus:**

The Managing Director is covered under the Norican Group NAIP (Norican Annual Incentive Program). The payment of the Variable Performance Bonus is based on the achievement of the performance parameters at the end of the year as compared to these parameters set out in the beginning of the calendar year. Accordingly, the annual payment of this Variable Performance Bonus may vary from year to year.

He will be eligible for performance variable pay bonus @ 30% of the annual fixed pay every year, or as may be determined every year by the Group, subject to the standard terms of NAIP. NAIP takes into account Group performance, Company performance in terms of growth and personal objectives measured against agreed objectives for the year.

**(xiv) Minimum Remuneration:**

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration of Rs. 22.676 Million (Rupees Twenty Two Million Six Hundred and Seventy Six Thousand Only) payable to Mr. Lokesh Saxena by way of Salary and perquisites as mentioned above shall be paid as the Minimum Remuneration, subject to the provisions under Schedule V of the Companies Act, 2013 as amended from time to time.

**(xv) Notice Period:**

If he wants to leave the Company, he is required to give 6 (six) months notice or salary in lieu thereof. However, only in case of severance by the Company, the notice period will be 3 (three) months and over and above he will be paid 3 (three) months salary by the Company.

**(xvi) Termination:**

The Company reserves the right to terminate his services forthwith if he is guilty of any misconduct or breach of duty including performance below the expectation etc. The Company may terminate his services, or he shall also be at the liberty to leave the services of the Company by giving notice or salary in lieu thereof.

**(xvii) Housing in Bangalore:**

He shall be provided with furnished accommodation upto a cost of Rs.1.32 Million (equivalent to 15,000 Euros) per annum for self and family in the city of Bangalore as and when the family is relocated to Bangalore.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary the terms and conditions of appointment of Mr. Lokesh Saxena as Managing Director subject to the limits prescribed under the Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT any Director of the Company, Mr. Amar Nath Mohanty, Chief Financial Officer and Ms. Shrithee M S, Company Secretary be and are hereby authorized to file relevant forms with Registrar of Companies, Karnataka, Ministry of Corporate Affairs and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment."

7. To approve 'Material Related Party Transactions' for 3 years from FY 2023-24 to FY 2025-26 with DISA Industries A/S; Denmark.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with DISA Industries A/S, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for purchase, sale, transfer or receipt of products, goods, materials, resources, services, royalty, commission or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and DISA Industries A/S, for an amount not exceeding in aggregate Rs. 900 Million (Rupees Nine Hundred Million Only) each year for a period of three years from FY 2023-24 to FY 2025-26 which are in the ordinary course of business and at an arm's length basis.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalize the terms and conditions as may be necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2023  
Place: Bengaluru

Shrithee M S  
Company Secretary  
Membership No.: ACS 56563

#### NOTES:

1. In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 and General Circular No. 11/2022 dated December 28, 2022 (collectively "**MCA Circulars**") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively "SEBI Circulars") extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till September 30, 2023 and permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC) till September 30, 2023, subject to compliance with various conditions mentioned therein. In compliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 38<sup>th</sup> AGM of your Company is being convened and conducted through VC.
2. The Company has facilitated the Members to participate in the 38<sup>th</sup> AGM through VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
3. As per MCA Circulars, members attending the 38<sup>th</sup> AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. For exercising the votes by the Members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
5. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting

facility. The members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again at the AGM.

6. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a Member of the Company. Since 38<sup>th</sup> AGM is being held through VC as per MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 38<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.
7. Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. In line with MCA Circulars and SEBI Circulars, the Annual Report for the Financial Year 2022-23 along with Notice of 38<sup>th</sup> AGM of the Company *inter-alia* indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company or with respective Depository Participant(s) or Registrar and Share Transfer Agents of the Company for communication. Physical copies of the Annual Report will be sent by permitted mode to those Members who request for the same.

Members may note that the aforesaid documents may also be downloaded from the Company's website under the Investor Relations Section at <https://www.disagroup.com/en-in> or from the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com)

In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically. Members may temporarily update their email address by accessing the link <https://www.disagroup.com/en-in/investor-relations/financial-reports>

10. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., August 10, 2023. Members seeking to inspect such documents may send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com)
11. Members seeking clarifications on the Annual Report are requested to send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) on or before August 3, 2023. This would enable the Company to compile the information and provide replies at the meeting.
12. Persons holding the shares on August 3, 2023 (Record Date) would be entitled to attend the AGM. The Register of Members

and the Share Transfer books of the Company will remain closed from August 4, 2023 to August 10, 2023 (both days inclusive).

13. Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend as recommended by the Board of Directors, if declared, at the AGM, will be disbursed on or before September 8, 2023 to those Members whose name appear in the Register of Members (in respect of shares held in physical form) or in the records of Depositories as Beneficial Owners of Shares (in respect of shares in dematerialized form) as on the Record Date i.e., August 3, 2023.
14. Dividend will be paid electronically through various online transfer modes to those members who have updated their bank accounts. For members who are yet to update their bank account details,

dividend demand drafts will be sent to their registered addresses through post.

15. Pursuant to the changes introduced by the Finance Act 2020 w.e.f. April 1, 2020, Dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source, as applicable, at the time of making the payment of the said Dividend.

The rate at which the dividend may be subject to withholding tax would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting the tax at source as follows:

### **Resident Shareholders**

It may be noted that tax would not be deducted at source on payment of dividend to resident Individual shareholder, if total dividend amount to be paid in a Financial Year does not exceed Rs. 5,000.

Tax to be deducted at source for FY 2023-24, wherever applicable, would be as under:

Particulars	Applicable Rate	Documents required (if any)
Shareholders having the PAN	10%	Update the PAN and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode).
	NIL	Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met, and a copy of PAN is furnished.
Shareholders not having PAN/ Invalid PAN	20%	-
Shareholders submitting the Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority along with a copy of PAN.
Shareholders (e.g. LIC, GIC) for whom Section 194 of the Act is not applicable	NIL	Declaration that it has full beneficial interest with respect to the shares owned by it along with PAN.
Shareholders, being Alternative Investment Funds (AIFs)	NIL	A declaration that the AIFs are registered under SEBI as per SEBI Regulations.
Shareholders covered under Section 196 of the Act (e.g. Mutual Funds, Govt.)	NIL	Certificate of Registration u/s 10(23D) issued by the appropriate authority along with PAN, documentary evidence that the person is covered under said Section 196 of the Act.

Resident individual shareholders are requested to ensure that Aadhar Number is linked with PAN within the prescribed timelines. In case of failure to link, PAN shall be considered as inoperative/invalid and hence, tax at 20% shall be deducted in such cases.

### **TDS to be deducted at higher rate in case of non-filers of Return of Income:**

The Finance Act, 2021, has *inter-alia* inserted the provisions of Section 206AB of the Act with effect from July 1, 2021. The provisions of said section require the Company to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

- i. At twice the rate specified in the relevant provision of the Income Tax Act; or
- ii. At twice the rate(s) in force; or
- iii. At the rate of 5%.

The 'specified person' in relation to Financial Year 2023-24 means a person who has:

- a) not filed the income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for filing the income tax return under section 139(1) of the Act has expired; and
- b) subjected to tax deduction/collection at source in aggregate amounting to Rs. 50,000/- or more in the aforesaid previous year.

Your Company will deduct the tax in accordance with guidelines provided by the Government to comply with the provisions of Section 206AB. Tax deducted in accordance with said guidelines will be final and your Company shall not refund/adjust said amount subsequently. Your Company might also seek necessary declarations from you to comply with the provisions of this section. The non-resident who does not have a permanent establishment is excluded from the scope of a specified person.