



BK BIRLA GROUP OF COMPANIES

# MANGALAM CEMENT LTD.



MANGALAM CEMENT LTD.

MCL/SEC

17<sup>th</sup> June, 2024

The Corporate Relations Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G-Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai 400 051  
**Security Code : MANGLMCEM**

The Corporate Relations Department  
Department of Corporate Services  
BSE Limited  
25th Floor  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001  
**Scrip Code: 502157**

**Sub: Communication to Shareholders: Dividend for FY 2023-24 – Intimation on Tax Deduction at Source (TDS) / withholding tax on Dividend**

Dear Sir/Madam,

Pursuant to the changes introduced by the Finance Act, 2020, Dividend Distribution Tax has been abolished with effect from 1<sup>st</sup> April, 2020 and the Dividend income has become taxable in the hands of the Shareholders.

In this regard, please find enclosed an email communication which has been sent to all the Shareholders whose email addresses are registered with the Company/ Company's Registrar and Share Transfer Agent viz. Mas Services Limited or Depositories inter alia indicating the process and documentation required for claiming tax exemption on dividend.

Please take the same on your record.

**For Mangalam Cement Limited**

**Pawan Kumar Thakur**  
**Company Secretary & Compliance Officer**  
**Encl: As Above**



## **MANGALAM CEMENT LTD.**

CIN: L26943RJ1976PLC001705

Regd. Office: P.O. Aditya Nagar - 326520, Morak, Distt. Kota (Raj.)

Phone: 07459-233127, Fax No.: 07459-232036

E-mail: shares@mangalamcement.com Website: www.mangalamcement.com

**THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**Ref: Folio / DP Id & Client Id No:**

**Name of the Shareholder:**

**Dear Shareholder,**

**Subject: Communication to Shareholders – Deduction of Tax at Source (“TDS”) on the amount of Dividend income from Mangalam Cement Limited (“the Company”)**

We are delighted to inform you that the Board of Directors, at its meeting held on 1<sup>st</sup> May, 2024, has recommended a Dividend of Rs. 1.50 per equity share of Rs. 10 each, amounting to 15% on the paid-up equity capital of the Company for FY 2023-24. This recommendation is subject to the approval of shareholders in the forthcoming Annual General Meeting scheduled to be held on 27<sup>th</sup> July, 2024. The Register of Members and the Share Transfer Books of the Company will be closed for the purpose of ensuing 48<sup>th</sup> Annual General Meeting and also for Final Dividend from Saturday, 20<sup>th</sup> July, 2024 to Saturday, 27<sup>th</sup> July, 2024, both days inclusive. The dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Wednesday, 31<sup>st</sup> July, 2024 to those Members, whose names are registered in the Company’s Register of Members, as of close of business hours on Friday, 19<sup>th</sup> July, 2024.

We would like to draw your attention to the fact that, as per the Finance Act, 2020, dividends paid or distributed by the Company after 1<sup>st</sup> April, 2020, are taxable in the hands of the Shareholders. Therefore, your Company is required to deduct tax at source at the time of making the payment of the said Dividend, as per the following tax categories:

**1. For Resident Shareholders:**

- Taxes shall be deducted at source under Section 194 of the Income Tax Act, 1961, at 10% on the dividend amount if you have provided your Permanent Account Number (PAN).
- If no PAN is provided or PAN is invalid or individual shareholder is specified person as per section 206AB of the Income Tax Act, 1961, tax shall be deducted at source at 20%.
- However, please note that no tax shall be deducted on the dividend payable to a resident shareholder who is an individual if the aggregate total dividend to be received by that resident individual during Financial Year 2024-25 does not exceed Rs. 5,000.
- In cases where the shareholder provides duly filled Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an Individual

who is 60 years of age or above) for FY 2024-25, complete in all aspects and meeting all the required eligibility conditions, no taxes will be deducted at source. Please note that a Permanent Account Number (PAN) is mandatory for providing 15G/15H forms.

## **2. For Foreign Portfolio Investor (FPI)/(FII) Shareholders:**

- The Taxes shall be deducted at source under Section 196D of the Income Tax Act, 1961, at 20% on the dividend amount payable.
- The Taxes may be deducted as per the beneficial rate of the relevant Double Tax Avoidance Agreement (Treaty) between India and the country of tax residence of the FPI/FII, as per Section 90(2) of the Income Tax Act, 1961, subject to any conditions mentioned in the SEBI Registration Certificate as FII/FPI and related documents prescribed from Serial number 1 to 4 under the Para "For Other Non-Resident Shareholders" mentioned below.

## **3. For other Non-resident Shareholders:**

Taxes are required to be deducted in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. Accordingly, as per the current provisions, tax shall be deducted at the rate of 20% on the dividend amount payable.

However, as per section 90(2) of the Income Tax Act, 1961, the non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (Tax Treaty) between India and the country of tax residence of the shareholders, if they are more beneficial to them. Hence, for availing a lower rate of deduction of tax at source under an applicable Tax Treaty, non-resident shareholders need to provide the following:

- Self-attested copy of the PAN (if allotted by the Indian Income Tax authorities).
- Self-attested copy of the Tax Residency Certificate (TRC) obtained from the tax authorities of the shareholder's resident country for FY 2024-25. If the TRC is furnished in a language other than English, it should be translated to English, duly notarized and apostilled.
- Self-declaration in Form 10F for FY 2024-25, if the details required in this form are not mentioned in the TRC. (In pursuance of Notification no. 03/2022 dated 16<sup>th</sup> July 2022, non-resident shareholders are required to furnish Form 10F electronically on income tax portal with their login credentials at [eportal.incometax.gov.in](http://eportal.incometax.gov.in)).
- Self-declaration by the non-resident shareholder for FY 2024-25 (Refer Self-Declaration **Annexure 1** attached).

## **4. For Other Category Shareholders:**

- This category includes Mutual Funds, Insurance Companies, Alternate Investment Fund (AIF) Category I and II, Government (Central/State Government), etc. Self-Declaration as per **Annexure 2** is to be provided.

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 you to provide the above-mentioned details and documents applicable to you **on or before 20<sup>th</sup> July, 2024, 11.00 A.M.** The dividend will be paid after deducting tax at source, as determined based on the documents provided by the respective shareholders and found satisfactory.

For the purpose of understanding, the rate at which taxes are to be deducted at source based on the category of shareholders are mentioned hereunder:

Shareholder Category	Rate of TDS
<b>Resident Shareholders</b>	
(i) Shareholders providing Form 15G/15H	NIL
(ii) Resident Shareholder who is an Individual having Dividend income up to Rs. 5,000/-	NIL
(iii) Resident Shareholders other than (i) and (ii) above	<ul style="list-style-type: none"> <li>• 10% in case where PAN is provided / available</li> <li>• 20%, in other cases where PAN is not provided / not available / invalid PAN / shareholder is specified person as per section 206AB of the Income Tax Act, 1961</li> </ul>
<b>Non – resident shareholders</b>	
<b>Other Non-resident Shareholders (Including investments made under FPI/FII route):</b> Treaty benefit/ requirement of related document for FPI/FII may be subject to the condition prescribed under section 196D of the Income Tax Act, 1961.	20% or lower rate as mentioned in tax treaty, if the applicable details / documents are satisfactorily provided as aforementioned

**Note:**

1. Please note that all the tax rates mentioned above shall be duly enhanced by the applicable surcharge and cess.
2. Kindly be aware that the aforementioned documents need to be submitted / emailed to our Registrar and Share Transfer Agent (RTA) at [investor@masserv.com](mailto:investor@masserv.com). You can also e-mail the same to Company at [shares@mangalamcement.com](mailto:shares@mangalamcement.com) on or before **20<sup>th</sup> July, 2024, 11.00 A.M.** This submission is necessary for the Company to determine and deduct the appropriate TDS/withholding tax rate.

**Any communication regarding the tax determination or deduction in relation to the dividend will not be entertained after 20<sup>th</sup> July, 2024, 11.00 A.M. (IST).** In the event that the tax on the dividend is deducted at a higher rate due to the absence of the aforementioned details/documents from you, you still have the option to file a return of income with the Tax Authorities and claim an appropriate refund, if eligible.



For all communications or queries regarding this matter, please address and send them to our RTA, Mas Services Limited, at their email address: [investor@masserv.com](mailto:investor@masserv.com).

Please find the required forms and annexures attached below:

- To view / download Form 10F [Click here.](#)
- To view / download Form 15G [Click here.](#)
- To view / download Form 15H [Click here.](#)
- To view / download Self-Declaration for avilment of treaty benefits as Annexure-1 [Click here.](#)
- To view / download Declaration about category as Annexure-2 [Click here.](#)

**Disclaimer:** This communication should not be regarded as advice from the Company, its affiliates, or Mas Services Limited. Shareholders are advised to seek tax advice concerning their specific tax matters from a qualified tax professional.

We request your cooperation in this regard.

**For Mangalam Cement Limited**

**Pawan Kumar Thakur**  
**Company Secretary & Compliance Officer**