



Birla Corporation Limited
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Ref. No. BCL/10

14th August, 2021

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers, Dalal Street, Fort,
Mumbai- 400 001
Scrip Code: 500335

Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051
Scrip Code: BIRLACORPN

Dear Sirs,

Sub: **Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Ref: **Communication to Shareholders on deduction of tax at source on dividend**

In terms of the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, with effect from 1st April, 2020, dividend declared and paid by the Company shall be taxable in the hands of the shareholders.

In this regard, please find enclosed herewith a copy of the communication regarding deduction of tax at source on dividend which has been sent to the shareholders of the Company whose email ID's are registered with the Company or Depositories.

This communication along with the Annexures is also available on the website of the Company at www.birlacorporation.com

This is for your information and record.

Thanking you,

Yours faithfully,
For **BIRLA CORPORATION LIMITED**

(MANOJ KUMAR MEHTA)
Company Secretary & Legal Head

Encl: As above



BIRLA CORPORATION LIMITED

CIN: L01132WB1919PLC003334

Birla Building, 9/1, R.N. Mukherjee Road, Kolkata – 700 001

Ph: 033-66166729/6737, Fax: 033-22487988/2872

E – mail: investorsgrievance@birlacorp.com

Website: www.birlacorporation.com

Date: 13.08.2021

Dear Shareholder,

Folio No. / DPID & Client ID No. : <Folio>

We hope this communicate finds you and your family safe and in good health.

We are pleased to inform you that the Board of Directors of your Company at their meeting held on 12th May, 2021 has recommended a dividend of Rs.10/- per equity share having nominal value of Rs.10/- each for the Financial Year ended 31st March, 2021.

The dividend, as recommended by the Board, if approved at the ensuing Annual General Meeting, will be paid to shareholders holding equity shares of the Company, either in electronic or in physical form on record date (to be announced in due course).

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020, dividend declared and paid by the Company shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source u/s 194, 195 and 196D of Income Tax Act, 1961 depending upon the status and category of the Shareholders at the time of making the payment of the said Dividend.

This communication summarizes the applicable Tax Deduction at Source (TDS) provisions, as per the Income Tax Act, 1961, for various categories of shareholders along with required documents provided in Table 1 and 2 below:

Table 1: Resident Shareholders

Category of shareholder	Tax deduction Rate	Exemption applicability/ Documentation requirement
Any resident shareholder	10%	No deduction of taxes in the following cases - <ul style="list-style-type: none">• If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed INR 5,000/-.• If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.• Submitting declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and older), fulfilling all the required eligibility conditions. Format of Form 15G and Form 15H can be downloaded from the link given at end of this communication.

Mutual Funds	NIL	Self-attested copy of registration certificate with SEBI and PAN card along with self-declaration that the mutual funds are notified mutual fund u/s 10(23D)(ii) of Income Tax Act, 1961.
Insurance Companies: Public & Other Insurance Companies	NIL	Documentary evidence that the provisions of Section 194 of the Income Tax Act, 1961 are not applicable along with self-attested copy of PAN card.
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 Corporation is covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card.
Shareholder submitting Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities along with self-attested copy of PAN card.
Alternative Investment Fund (AIF)	NIL	A declaration that its income is exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI Regulations. Self-attested copy of registration documents and PAN card should be provided.
Other resident shareholder without PAN/Invalid PAN/ Shareholders identified as 'specified persons' for the purpose of higher deduction of tax as per 'Compliance Check Facility' made available by the Income Tax department (refer detailed note on Section 206AB below)	20%	Shareholders should update the PAN if not already done with Depositories (in case shares are held in demat mode) and with the Company's Registrar & Share Transfer Agent - MCS SHARE TRANSFER AGENT LTD - 383 Lake Garden, 1st Floor, Kolkata-700045 at their email id: mcssta@rediffmail.com or with us at investorsgrievance@birlacorp.com (in case shares are held in physical mode).

Table 2: Non-resident Shareholders

Category of shareholder	Section	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any non-resident shareholder/ Foreign Institutional Investors (FII)/ Foreign Portfolio Investors (FPI)	195/196D	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	<p>Non-resident shareholders / FFI / FPI may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company:</p> <ol style="list-style-type: none"> Copy of the PAN Card, if any, allotted by the Indian authorities. Self-attested copy of Tax Residency Certificate (TRC) valid as on the record date obtained from the tax authorities of the country of which

			<p>the shareholder is resident.</p> <p>iii. Self-declaration in Form 10F.</p> <p>iv. Self-declaration from Non-residential, primarily covering the following:</p> <ul style="list-style-type: none"> ➤ Non-resident is eligible to claim the benefit of respective tax treaty. ➤ Non-resident receiving the dividend income is the beneficial owner of such income. ➤ Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India. <p>The format of documents referred to in point nos. (iii) and (iv) can be downloaded from the link given at the end of this communication.</p> <p>TDS shall be deducted at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided / found not to be valid.</p> <p>The Company is not obligated to automatically apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non-resident shareholders.</p>
Shareholders Submitting Order under Section 197 of the Act	197	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities, along with self-attested copy of PAN card.
Sovereign Wealth Fund, Pension Funds, Other bodies notified under Section 10(23FE) of the Act	10(23FE)	NIL	Self-Declaration substantiating the fulfillment of conditions prescribed under Section 10(23FE) of the Act
Shareholders identified as 'specified persons' for the purpose of higher deduction	206AB	Twice the rate specified in the relevant provision of the Act; or Twice the rate or rates in force whichever is higher	Non-resident shareholder may file a declaration confirming that they do not have any fixed place of business in India.

of tax as per 'Compliance Check Facility' made available by the Income-tax department (refer detailed note on Section 206AB below)			
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Section 206AB of the Income Tax Act, 1961:

The rate of TDS under Section(s) 194, 195 & 196D of the Income Tax Act, 1961 (hereinafter referred to as the 'Act') are subject to provisions of Section 206AB of the Act (effective from 1st July, 2021) which introduced special provisions for TDS in respect of taxpayers who have not filed their income-tax return (referred to as specified persons).

As per the provisions of Section 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons: -

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

In cases where Sections 206AA (Non PAN) and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB(3) is someone who satisfies the following conditions:

- A person who has not filed income tax return for two 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 Act has expired; and
- The aggregate of TDS and TCS in whose case is Rs. 50,000 or more in each of these two previous years.

Non-Resident shareholders who do not have permanent establishment in India (i.e. fixed place of business of India) are excluded from the scope of a "specified person".

Shareholders 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.

Kindly note that the aforementioned documents are required to be mailed to the Company at **tds@birlacorp.com on or before 10th September, 2021** (cut-off date) in order to enable the Company to determine appropriate TDS / withholding tax rate. No communication on the tax determination/deduction shall be entertained post cut-off date. The Company reserves the right to reject the documents in case of any discrepancy or if the documents are found to be incomplete.

It may be further noted that in case the tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible, but no claim shall lie against the Company for such taxes deducted.

In terms of Rule 37BA of the Income Tax Rules, 1962, 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 send a duly signed declaration with details of actual beneficial in excel sheet as per Annexure-A (Formats can be downloaded from the link given below) to **tds@birlacorp.com** in the manner prescribed in the said Rules. Declaration should be filed within 7 days of the record date for the purpose of payment of Dividend. **Declaration filed after the said period would not be entertained by Company.**

Updation of Contact and Bank Account details:

While on the subject, we also request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with MCS SHARE TRANSFER AGENT LTD. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested. We also request you to register your email IDs and mobile numbers with the Company at **investorsgrievance@birlacorp.com** or with MCS SHARE TRANSFER AGENT LTD. at their email id: **mcssta@rediffmail.com**.

We request your cooperation in this regard.

Yours Sincerely,

For **BIRLA CORPORATION LIMITED**

Sd/-

Manoj Kumar Mehta
Company Secretary & Legal Head

[Click here](#) to download - 15H

[Click here](#) to download - 15G

[Click here](#) to download - 10F

[Click here](#) to download - Self declaration

[Click here](#) to download - Format under Rule 37BA

[Click here](#) to download – Annexure-A Rule 37BA

Note: Please mention DP ID/ CL ID or Folio number in all future communication.

Disclaimer: *This Communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional.*

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