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CIN: L99999MH1863PLC000002



**THE BOMBAY BURMAH TRADING CORPORATION, LIMITED**

REGD. OFFICE : 9, WALLACE STREET, FORT,  
MUMBAI 400 001, INDIA.

21<sup>st</sup> August, 2021

The Secretary  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI 400 001.  
**Scrip Code: 501425**

Manager – Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, 5th Floor,  
Plot No.C/1, 'G' Block,  
Bandra-Kurla Complex,  
Bandra (E),  
MUMBAI 400 051.  
**Scrip Code: BBTC**

Dear Sirs,

**Sub: Communication to Shareholders – Intimation on Tax Deduction on Dividend**

Pursuant to the Finance Act, 2020 with effect from 1<sup>st</sup> April, 2020, Dividend Distribution Tax is abolished and dividend income is taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an email communication which has been sent to all the shareholders having their email ID's registered with the Company/Depositories explaining the process on withholding tax from dividends paid to shareholders at prescribed rates along with the necessary annexures.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For The Bombay Burmah Trading Corporation, Limited

Sanjay Kumar Chowdhary  
Company Secretary & Compliance Officer  
Encl: a/a



**Bombay Burmah**

**THE BOMBAY BURMAH TRADING CORP., LTD**

Cin : L99999MH1863PLC000002

Regd. Office : 9, Wallace Street, Fort, Post Box No. 10077, Mumbai 400 001, India.

Tel. Nos.: +91 22 2219 7101 | Fax :0091-22- 2207 1612 / 6772

Email: [writetous@bbtcl.com](mailto:writetous@bbtcl.com) | Website : [www.bbtcl.com](http://www.bbtcl.com)

August 20, 2021

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder :

Dear Shareholder(s),

As you are aware, the Board of Directors of the Corporation, at their Meeting held on May 6, 2021, have recommended a Final Dividend of ₹1.20 per Equity Share of the face value of ₹2 each for the Financial Year ended March 31, 2021. This dividend will be paid/dispatched on or after Friday, 17<sup>th</sup> September, 2021, subject to approval of the shareholders of the Corporation.

Pursuant to the changes introduced by the Finance Act 2020, w.e.f. April 1, 2020, the Company would be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Corporation. Accordingly, the above referred Final Dividend will be paid after deducting the tax at source as follows:

Tax at source will also not be deducted in cases where a shareholder provides Form 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are met. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the forms are mandatory and the Company may reject the forms submitted, if not filled correctly.

NIL / lower tax will be deducted on dividend payable to the following categories of resident shareholders, on submission of self-declarations:

- i. **Insurance companies:** Declaration (refer format) by shareholder qualifying as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;
- ii. **Mutual Funds:** Declaration (refer format) by the mutual fund eligible for exemption u/s 10(23D) of the Act along with self-attested copies of the registration documents and PAN card;

iii. **Alternative Investment Fund ("AIF") established in India:** Declaration (refer format) that the shareholder is eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self-attested registration documents and PAN card should also be provided;

iv. **New Pension System Trust:** Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;

v. **Other shareholders:** Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.

vi. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration (refer format).

• **FOR NON-RESIDENT SHAREHOLDERS (including Foreign Institutional Investors and Foreign Portfolio Investors):**

Tax is required to be withheld in terms of the provisions of Sections 195 and 196D of the Act, at applicable rates in force. As per the relevant provisions of the Act, tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, in terms of Section 90 of the Act, non-resident shareholders have 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 shareholder, if the DTAA provisions are more beneficial. To avail the tax treaty benefits, non-resident shareholder(s) will have to provide the following:

- i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of residence of the shareholder;
- iii. Self-declaration in Form 10F (refer format), if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration (refer format) by the non-resident shareholder of meeting the treaty eligibility requirements and satisfying beneficial ownership requirement (Non-resident having PE in India need to comply with the provisions of section 206AB of the Act);
- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India

The formats and declarations can be downloaded from the link given at the end of this communication.

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 the requirements of the Act, read with the applicable tax treaty. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of deducting tax on dividend.

• **SECTION 206AB OF THE ACT**

Rate of TDS @10% u/s 194 of the Act is subject to provisions of Section 206AB of the Act (effective from 1st July, 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax return (referred to as specified persons). U/s 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 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 are excluded from the scope of a "specified person".

The Company is awaiting mechanism from the Government for identification of taxpayers who would be covered as 'specified person'. In the event the same are not prescribed before the payment of dividend, the Company will proceed on the assumption that all shareholders are in compliance with the provisions of Section 206AB of the Act. Given the above circumstances, we request you to inform us well in advance and before the cut-off date (as defined hereinafter), if you are covered under the definition of 'specified person'. In case you do not provide the relevant information or provide any wrong information relating to the aforesaid, the Company would be entitled to recover from you demands, if any, made on the Company by the tax authorities for incorrect submission of information.

"Cut-off date" as referred to in this communication means 6<sup>th</sup> September, 2021.

To summarise, dividend will be paid after deducting tax at source as under:

- NIL for resident shareholders receiving dividend upto Rs.5,000 or in case duly filled up and signed Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card is submitted.
- 10% for other resident shareholders in case copy of PAN card is provided/available.
- 20% for resident shareholders if copy of PAN card is not provided / not available.
- Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

The above mentioned rates will be subject to applicability of Section 206AB of the Act.

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 file declaration (refer format) with Company in the manner prescribed in the Rules.

In case tax on dividend is deducted at a higher rate in the absence of receipt or due to defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

• **UPDATION OF PAN, EMAIL ADDRESS AND OTHER DETAILS:**

Shareholders holding shares in dematerialised mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Transfer Agent, viz. KFin Technologies Private Limited ("KFin"). The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

Kindly note that the aforementioned documents should be uploaded with KFin at <https://ris.KFintech.com/>

[form15/](#) or emailed to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). No communication on the tax determination / deduction shall be entertained after 6<sup>th</sup> September, 2021.

- **UPDATE OF BANK ACCOUNT DETAILS:**

While on the subject, we 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 you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with KFin. 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 request your cooperation in this regard.

Thanking you,

Yours faithfully,  
For **The Bombay Burmah Trading Corporation, Limited**

Sd/-  
**Sanjay Kumar Chowdhary**  
**Company Secretary**

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