



Nirlon Limited

CIN:L17120MH1958PLC011045

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September 6, 2020

**The Secretary,
BSE Limited,
P.J. Towers,
Dalal Street,
Mumbai- 400 001.**

Security Code: 500307

Dear Sir,

Sub: Tax Communication letter/ withholding tax rate on dividend

Ref: 61st Annual General Meeting - F.Y. 2019-2020

As you are aware, the Board of Directors of the Company, at their Meeting held on June 30, 2020, have recommended, subject to TDS, a dividend of Rs.0.75 paise (@7.5%) per Equity Share of Rs.10/- each for the Financial Year ended March 31, 2020.

This dividend will be paid, subject to approval of the Members of the Company at the 61st Annual General meeting (AGM) to be held on September 29, 2020.

As you are aware that pursuant to the changes introduced by the Finance Act, 2020, w.e.f. 1st April, 2020, the Company would be required to withhold taxes at the prescribed rates on the dividend paid to its Members.

The withholding tax rate would vary depending on the residential status of the Members / Shareholders and the documents submitted by them and accepted by the Company.

Accordingly, the above referred dividend will be paid after deducting the tax at source as follows:

A. Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
With PAN	7.5%*	Update/Verify 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 Share Transfer Agent, i.e. Link Intime India Private Limited (in case of shares held in Physical Mode).
Without PAN/ Invalid PAN	20%	
Submitting Form 15G/ Form 15H	NIL	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 certain conditions. The Forms are attached herewith.
Submitting 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.
An Insurance Company as specified under Sec 194 of the Income Tax Act, 1961)	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it along with Self attested PAN
Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate

*** Notwithstanding the above, tax would not be deducted on payment of dividend to resident Individual shareholder, if total dividend to be paid in the F.Y. 2020-21 does not exceed Rs.5,000/-**

B. Non-Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio	20% (plus applicable surcharge and cess)	None

Investors (FPIs)		
Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	Update/Verify 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 Agents – Link Intime India Private Limited (in case of shares held in physical mode). In order to apply the Tax Treaty rate, ALL the following documents would be required: 1) Copy of Indian Tax Identification number (PAN). 2) Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident 3) Form 10F duly filled and signed (Format attached herewith) 4) Self-declaration from Non-resident, primarily covering the following: - 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. (Format attached herewith).
Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

** The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company.

The 61st AGM Notice to Members provides the specific e-mail id nirlonlimitedtaxexemption@linkintime.co.in to submit declarations in this regard by the Members in prescribed forms in order to avail the benefit of non-deduction of tax at source, if any.

In order to streamline the process, Members are requested to upload the aforesaid documents, as applicable, on the following link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> **on or before September 16, 2020** to enable the Company to determine the appropriate TDS rates. No communication on the tax determination/deduction received post **September 16, 2020** shall be considered for payment of the Dividend. It is advisable to upload the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates. Thereafter, the Company shall neither entertain nor be liable for any claim for such taxes deducted on payment of dividend amount.

In order to facilitate the Members of the Company, we are providing the following link:

To view / download Form-10F [click here](#)

To view / download Form-15G [click here](#)

To view / download Form-15H [click here](#)

To view / download Letter in case Foreign Company [click here](#)

To view / download Self declaration [click here](#)

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://incometaxindiaefiling.gov.in>"

We request your co-operation, support and early submission of the required documents in this regard.

Thanking you,

Yours faithfully,

For Nirlon Limited

Sd/-

Jasmin K. Bhavsar

Company Secretary, V. P. (Legal) & Compliance Officer

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