



July 19, 2024

**BSE Limited**  
**Scrip Code: 500440**

**National Stock Exchange of India Limited**  
**Scrip Code: HINDALCO**

**Luxembourg Stock Exchange**  
**Scrip Code: US4330641022**

**Sub:** Communication sent to the Shareholders regarding 'Deduction of tax at source on dividend payment of Hindalco Industries Limited (*'the Company'*)

**Ref:**

- a. Regulation 30 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*'SEBI Listing Regulations'*)
- b. ISIN: INE038A01020

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Pursuant to the amendments introduced by the Finance Act, 2020, effective from April 1, 2020, the dividend income is taxable in the hands of the Shareholders. The Company is required to withhold tax at source from dividend paid to its Shareholders at the prescribed rates (*plus applicable surcharge and cess*), as may be notified from time to time.

In this regard, please find enclosed herewith a communication being sent to all the shareholders of the Company whose e-mail IDs are registered with the Company/Depository Participants, explaining the provisions of withholding tax on dividend, prescribed rates, declarations to be submitted, as may be applicable.

The above communication along with the annexures is also available on Company's website at [www.hindalco.com](http://www.hindalco.com)

This is for your information and record.

for **Hindalco Industries Limited**

**Geetika Anand**  
**Company Secretary & Compliance Officer**

Encl.: a/a

**Hindalco Industries Limited**

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## Hindalco Industries Limited

CIN: L27020MH1958PLC011238

**Registered Office:** 21<sup>st</sup> Floor, One Unity Center, Senapati Bapat Marg,  
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**Tel:** +91 22 69477000/ 69477150 | **Fax:** +91 22 69477001 / 69477090

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Date: July 18, 2024

Dear Shareholder,

### **Subject: Communication in respect of deduction of tax at source on Dividend**

We wish to inform you that the Board of Directors [*the Board*] of your Company at their meeting held on May 24, 2024 have recommended a dividend of Rs. 3.50 [*Rupees Three and paise fifty only*] per equity share of the face value of Rs. 1 [*Rupee One only*] each for the financial year ended March 31, 2024.

The dividend, as recommended by the Board, if approved at the ensuing 65<sup>th</sup> Annual General Meeting, will be paid to the shareholders holding equity shares of the Company as at the book closure dates. The book closure dates will be announced in due course.

In accordance with the provisions of the Income Tax Act, 1961 [*the Act*], dividend income is taxable in the hands of shareholders and the Company is required to deduct tax at source [*TDS*] from dividend payable to the shareholders at the applicable rates.

TDS rates that are applicable to shareholders depend upon their residential status and classification as per the provisions of the Act. The Company will therefore deduct tax at source at the time of payment of dividend, at rates based on the category of shareholders and subject to fulfilment of conditions as provided herein below:

#### **For Resident Shareholders:-**

Tax will be deducted at source under Section 194 of the Act @ 10% on the amount of dividend payable, unless exempted under any of the provisions of the Act. However, in case of Individuals, TDS would not apply if the aggregate of total dividend paid to them by the Company during the financial year does not exceed Rs. 5,000.

No tax will be deducted at source 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 as prescribed under the Act are met. Form 15G and 15H can be downloaded from the link given at the end of this communication [Formats are enclosed as **Annexure A** and **Annexure B** respectively] or from the website of the Company viz. <https://www.hindalco.com/investors/tds-on-dividend>, or website of the RTA viz - <https://liiplweb.linkintime.co.in/client-downloads.html> on this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F". Please note that all fields mentioned in the forms are mandatory and the Company will not be able to accept the forms submitted, if not filled correctly.

Please also note that valid Permanent Account Number [*PAN*] will be mandatorily required. Shareholders are required to link their Aadhaar with their PAN in terms of the provisions of Section 139AA(2) read with Rule 114AAA of the Act within the prescribed timelines.

NIL/lower tax will be deducted on dividend payable to the following categories of resident shareholders, on submission of self-declaration. [Format enclosed as **Annexure C**]:

1. **Insurance companies:** Documentary evidence to prove that the Insurance company qualify as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of registration certificate and PAN card;
2. **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of section 10 of the Act and is eligible for exemption, along with self-attested copy of the registration certificate and PAN card;
3. **Alternative Investment Fund (AIF) established in India:** Documentary evidence to prove that AIF is a fund 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. Copy of self-attested registration certificate and PAN card should also be provided;
4. **National Pension System Trust & other Shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
5. 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.
6. **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:** Declaration along with self-attested copy of documentary evidence supporting the exemption

*Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company is invalid / inoperative, tax shall be deducted @ 20% as per section 206AA of the Act.*

**For Non-Resident Shareholders [including Foreign Institutional Investors and Foreign Portfolio Investors]:-**

1. Tax is required to be withheld in accordance with the provisions of Sections 195 and 196D of the Act @ 20% [plus applicable surcharge and cess] on the amount of dividend payable.
2. As per section 90 of the Act, a non-resident shareholder has an option to be governed by the provisions of the Double Taxation Avoidance Agreement ['DTAA'] between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to such shareholder. To avail the DTAA benefits, the non-resident shareholder will have to provide the following documents: -
  - (a) Self-attested copy of PAN, if any, allotted by the Indian tax authorities. In case of non-availability of PAN, declaration [Format enclosed as Annexure D] is to be submitted;
  - (b) Self-attested copy of valid Tax Residency Certificate ['TRC'] issued by the tax authorities of the country of which shareholder is tax resident, evidencing and certifying shareholder's tax residency status;
  - (c) Completed who have PAN or mandatorily required to have PAN under Indian tax laws and propose to claim treaty benefit need to mandatorily file the Form 10F online at the link <https://eportal.incometax.gov.in/> and provide us a copy thereof. In other cases, where shareholder is not having PAN and not required to obtained PAN, need to give us completed and duly signed self-declaration in Form 10F [Format enclosed as Annexure E]
  - (d) Self-declaration [Format enclosed as Annexure F] certifying the following points:-
    - i. Shareholder is and will continue to remain a tax resident of the country of its residence during FY 2024-25 [April 1 2024 to 31 March 31, 2025];
    - ii. Shareholder is the beneficial owner of the shares and is entitled to the dividend receivable from the Company;
    - iii. Shareholder qualifies as 'person' as per DTAA and is eligible to claim benefits as per DTAA for the purposes of tax withholding on dividend declared/payable by the Company;
    - iv. Shareholder has no permanent establishment / business connection / place of effective management in India;  
Or  
Dividend income is not attributable/effectively connected to any permanent establishment or fixed base in India;
    - v. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.
  - (e) 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.
  - (f) In case of shareholders being tax resident of Singapore, please furnish a letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

The format of the aforesaid documents may be downloaded from the link given at the end of this communication or Company's website viz. <https://www.hindalco.com/investors/tds-on-dividend>.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non- Resident shareholder and meeting the requirements of the Act, read with the applicable DTAA. In absence of the same, the Company will not be able to apply the beneficial DTAA rates at the time of deducting tax on dividend.

3. Where a shareholder furnishes Lower / Nil withholding tax certificate under Section 197 of the Act, TDS will be deducted as per the rates prescribed in such certificate.

### **Section 206AB of the Act**

The Finance Act, 2021 has brought in 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 returns (referred to as 'Specified Persons'). Under 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%.

'Specified person' as defined under section 206AB(3) is someone who satisfies the following conditions: -

- A person who has not filed income tax return for the assessment year relevant to the previous year 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 the aforesaid previous year.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a 'specified person'.

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

The Income Tax Department has made available a functionality for checking compliance under Section 206AB of the Act. Accordingly, for determining TDS rate on Dividend, the Company will be using said functionality to determine the applicability of Section 206AB of the Act.

**TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar**

As per Section 139AA of the Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act. The Company will be using online functionality of the Income-tax department for the above purpose and no claim shall lie against the Company for such higher tax deduction.

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

Sr. No.	Particulars	Rate of TDS
1.	Resident individual shareholders receiving dividend up to Rs. 5,000/-	Nil
2.	Resident individual shareholders in cases where duly filled up and signed Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card is submitted	Nil
3.	Other resident shareholders in case copy of valid PAN is provided/available	10%
4.	Resident shareholders if copy of PAN is not provided / not available	20%
5.	Non-resident shareholders.	Based on documents submitted
6.	Non-resident shareholders in case the relevant documents are not submitted	20% [plus applicable surcharge and cess]
7.	Submission of self-attested copy of the valid certificate issued under Section 197 of the Act	Lower/ NIL rate

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 with Company in the manner prescribed in the Rules (Refer Annexure C attached). No request in this regard will be considered by the Company after August 9, 2024.

**For all Shareholders:-**

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than August 9, 2024.

The aforementioned documents *[duly completed and signed]* are required to be uploaded on the URL mentioned below: <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company [Dropdown]
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

In case you are unable to upload the documents on the given URL, you may submit the aforementioned documents at Company's email ID [hiltids@adityabirla.com](mailto:hiltids@adityabirla.com). In case the requisite documents are submitted by the shareholders through his/her registered email, the Company has full right to demand for the original documents and the shareholders undertake to abide by such request. Documents received by Registered Post or from registered email ID will only be accepted.

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

No communication on the tax determination/ deduction shall be considered after August 9, 2024.

Shareholders may note 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 or due to defect in any of the aforementioned details/documents, option is available to you to file the return of income as per Act and claim an appropriate refund of the excess tax deducted, if eligible. No claim shall lie against the Company for such taxes deducted.

**Updation of PAN, Bank Account Details, Signature, Mobile Number, Email Id, Address and other details:**

All the shareholders are requested to update their PAN, Bank account details, Signature, Mobile Number, E-mail ID, Address, residential status, category and other details with their relevant depositories through their depository participants, if the shareholding is in demat form.

In case you are holding shares in physical form, you may submit Form ISR-1, ISR-2 and SH-13 along with supporting documents with the Company's RTA viz., Link Intime India Pvt Ltd at Unit: Hindalco Industries Limited, C-101, 247 Park, L B S Marg, Vikhroli (West) Mumbai 400083. The Shareholders are requested to go through the web link of RTA <https://liiplweb.linkintime.co.in/KYC-downloads.html> to download Forms, on this page select the KYC tab. All the forms are available in under the head "Format for KYC". or visit Company's website <https://www.hindalco.com/investors/tds-on-dividend> to download Forms.

The Company is obligated to deduct TDS based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited [*collectively referred to as 'the Depositories'*] in case of shares held in demat mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

We solicit your cooperation in this regard.

Thanking you,

Yours sincerely,

**For Hindalco Industries Limited**

**sd/-**

**Ms. Geetika Anand**

**Company Secretary & Compliance Officer**

**A23228**

[Click Here](#) to download Annexure A – Form 15G

[Click Here](#) to download Annexure B – Form 15H

[Click Here](#) to download Annexure C - self declaration (Resident shareholder)

[Click Here](#) to download Annexure D - self declaration for non-availability of PAN (Non-resident shareholder)

[Click Here](#) to download Annexure E – Form 10F

[Click Here](#) to download Annexure F – self declaration (Non-resident shareholder)

*Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the shareholders are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.*