



Biocon Limited
20th KM, Hosur Road
Electronic City
Bangalore 560 100, India
T 91 80 2808 2808
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CIN : L24234KA1978PLC003417

July 1, 2022

www.biocon.com

To, The Manager BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 532523	To, The Manager National Stock Exchange of India Limited Corporate Communication Department Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 Scrip Symbol – Biocon
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Subject: Communication to the shareholders w.r.t. TDS on Final Dividend

Dear Sir/Madam,

Pursuant to the declaration of final dividend by the Board of Directors of the Company at its Board Meeting held on April 28, 2022, the Company has sent the enclosed email communication to its shareholders, with respect to the deduction of tax at source on Final Dividend for the Financial Year 2021-22, whose email addresses are registered with the Company/Depository Participants.

The specimen of the communication is appended herewith for your reference and records, and the same will also be available on the website of the Company at www.biocon.com.

Kindly take the above intimation on record.

Thanking you,

Yours faithfully,

For **Biocon Limited**



Mayank Verma
Company Secretary and Compliance Officer



Biocon Limited

CIN: L24234KA1978PLC003417

Registered Office: Biocon Campus, 20th KM, Hosur Road,
Bengaluru - 560 100, Karnataka, India

Tel: 080-2808 2808,

Website: www.biocon.com; E-mail: co.secretary@biocon.com

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

Name of the Shareholder : _____

Dear Shareholder,

**Sub: Communication on deduction of tax at source on Final Dividend for the
Financial Year ended March 31, 2022**

We are pleased to inform you that the Board of Directors of the Company at its Meeting held on April 28, 2022 has recommended final dividend at the rate of 10% i.e. ₹ 0.5/- per equity share of face value of ₹ 5/- each fully paid-up for the Financial Year ended March 31, 2022.

The said dividend as recommended by the Board of Directors, is subject to approval of shareholders at the ensuing Annual General Meeting (AGM) scheduled to be held on Thursday, July 28, 2022 and will be payable to those shareholders whose names appear in the Register of Members of the Company as at the close of business hours on Friday, July 01, 2022 ("Record Date").

Shareholders whose bank accounts are registered with the Depository Participant/Registrar and Share Transfer Agent ("RTA") shall receive electronic credit of dividend and in case of shareholders whose bank accounts are not registered/ updated, dividend shall be paid through dividend warrants / demand drafts sent to their registered addresses.

As per the provisions of the Income Tax Act, 1961 ("Act") as amended from time to time, dividend paid by a company on or after April 1, 2020 is taxable in the hands of the Shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the Shareholders at the applicable rates. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

All Shareholders are requested to ensure that the following details are updated, as applicable, through their depository participant (if shares are held in Demat Form) or with RTA, KFin Technologies Limited (if shares are held in Physical Form):

1. Residential status as per the Act, i.e., Resident or Non-Resident for Financial year ("FY") 2022-23 (Assessment Year 2023-24)
2. Valid Permanent Account Number ("PAN"), if allotted
3. Category of shareholder

Please note that for the purpose of complying with the applicable TDS provisions, the Company will rely on the above-mentioned details as available with the RTA as on the Record Date.

This communication summarizes the applicable TDS provisions in the Act, for various shareholder categories, including Resident and Non-Resident shareholders. Shareholders are requested to take note of the following TDS rates and provide additional information to the Company for their respective categories, if applicable.

I. Resident Shareholders:

Section	Category	TDS Rate	Applicability Conditions/Documents required
194	Insurance companies	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN card and certificate of registration by IRDA/ LIC/ GIC.
196	Mutual Fund	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that it is registered with SEBI and is notified under Section 10(23D) of the Act along with self-attested copy of PAN card and certificate of registration.
196	Corporation established by or under a Central Act	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is a Corporation established by or under a Central Act along with self-attested copy of PAN card and document evidencing that

			shareholder is covered under section 196 of the Act.
197A(1E)	New Pension System Trust	Nil	Self-declaration to be provided as per format enclosed as Annexure 1 that shareholder is a New Pension System Trust specified under clause(44) of Section 10 of the Act along with self-attested copy of PAN card and registration Certificate.
197A(1F)	Alternative Investment Fund ("AIF")	Nil	Self-declaration is to be provided as per format provided in Annexure 1 that its income is exempt under Section 10 (23FBA) of the Act, and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
197	Resident shareholders obtaining certificate under Section 197 of the Act	Rate as per lower deduction certificate	TDS rate specified in the Lower Deduction Certificate issued by the Income Tax Authority valid for FY 2022-23, covering dividend income, to be provided.
194/197A	Other Resident shareholders	Nil	<p>This rate is applicable:</p> <ol style="list-style-type: none"> 1. If aggregate amount of dividend during FY 2022-23 does not exceed ₹ 5,000/- (applicable to individual); or 2. Duly filled and verified Form 15G or 15H, as the case may be, is submitted. <p>The shareholder may provide Form 15G (applicable to individual, Form enclosed as Annexure 2) / Form 15H (applicable to an Individual who is of the age 60 years or more, form enclosed as</p>

			<p>Annexure 3), provided that all the required eligibility conditions are met, along with self-attested copy of PAN card. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law.</p> <p>3. Self-declaration to be provided as per format enclosed as Annexure 1 that the dividend income is not subject to TDS and are governed by exemption provided under the Act. Self-attested copy of Exemption certificate as issued by the Income-tax Department, along with self-attested copy of PAN card is to be provided.</p>
194	Resident Shareholders not covered in above provisions	10% 20%	<p>If valid PAN is registered in the register of members.</p> <p>In the absence of PAN or invalid PAN, or shareholder treated as specified person under section 206AB then the tax shall be deducted at 20% under section 206AA/206AB of the Income Tax Act.</p>

II. Non-Resident Shareholders:

Tax will be deducted on the amount of dividend payable to non-resident shareholders at the rate given below:

Section	Category	TDS Rate	Applicability Conditions/Documents required
196D(1A)	Category III AIF IFSC	10% plus applicable surcharge and cess	This rate is applicable for Category III AIF located in any IFSC of which all the units are held by non-residents other than unit (other than those covered under section 115AB of the Income Tax Act) held by a sponsor or manager (i.e. specified fund defined under clause (c) of the Explanation to section 10(4D) of the Income Tax Act). Self-attested copy of PAN Card and registration certificate is to be provided.
195/197	Non-resident shareholders obtaining certificate under section 195 / 197 of the Act	Rate as per lower deduction certificate	TDS rate specified in lower deduction certificate issued by the Income tax authority under section 195 / 197 of the Act, valid for Financial Year 2022-23, covering dividend income, to be provided.
195/196D (1)	Non-residents shareholders/FII/FPI	20% + applicable surcharge & cess	Self-attested copy of PAN card, if any, allotted by the Indian tax authorities. In case of non-availability of PAN, information is to be furnished as per format enclosed as Annexure 4 . In case of Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI), self-attested copy of the registration certificate issued by the Securities and Exchange Board of India (SEBI) is to be provided. See Note# given below.

#Note:

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:

- I. Self-attested copy of valid Tax Residency Certificate ('TRC') issued by the tax authority of the country of which shareholder is a tax resident along with duly filled and signed Form 10F (format of Form 10F enclosed as [Annexure 5](#)).
- II. Self-declaration certifying the following points (format enclosed as [Annexure 6](#)):-
 - i. Shareholder is and will continue to remain a tax resident of the country of its residence during FY 2022-23 (i.e. 01.04.2022 to 31.03.2023);
 - ii. Shareholder is the beneficial owner of the shares and is entitled to dividend receivable from the Company;
 - iii. Shareholder is eligible to claim benefits as per DTAA for the purposes of withholding tax on dividend declared by the Company;
 - iv. Shareholder has no permanent establishment/fixed base/place of effective management in India;

Or

Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India;

 - v. Shareholder is entitled to claim the benefits of the DTAA and is not impaired in any manner.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon meeting the requirements of the Act, the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.

The Finance Act, 2021 has inserted the provisions of Section 206AB - Special provision for deduction of tax at source for non - filers of income - tax return of the Act, with effect from July 01, 2021, pursuant to which the Company would be liable to deduct tax at higher of the below rates on the dividend paid/credited to 'specified persons':

- i. At twice the rate specified in the relevant provision of the Act; or
- ii. At twice the rate or rates in force; or
- iii. At the rate of 5%

The Income Tax Department has issued a compliance check utility to check whether a person is covered under the 'specified person' as defined under Section 206AB of the Act. Accordingly, for determining TDS rate on Dividend, the Company will be using said utility to determine the applicability of section 206AB of the Act.

A non-resident who does not have the permanent establishment is excluded from the scope of a specified person under section 206AB of the Act.

Other Points:

1. In the event the dividend income, as on the Record Date i.e. Friday, July 01, 2022, is assessable to tax in the hands of a person other than the registered shareholder (viz., the shares are held by a clearing member, broker etc. on behalf of the actual beneficial owner), such registered shareholder (i.e. the said clearing member, broker etc.) is required to furnish to the Company, a declaration in terms of Rule 37BA of the Income Tax Rules, 1962 as provided. Please refer [Annexure 7](#).
2. In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Company to make timely credit of dividend in their bank accounts.
3. Shareholders holding shares under multiple accounts under different status / category under single PAN, may note that, TDS will be deducted at applicable higher rate on the entire shareholding in all accounts.

4. The required documents have to be uploaded on the link <https://ris.kfintech.com/form15> of KFin Technologies Limited, RTA of the Company, on or before Saturday, July 16, 2022. Alternatively, physical documents may be sent to RTA at the following address before the aforementioned date.

KFin Technologies Limited

Unit: Biocon Limited

Selenium, Tower B, Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032.

Ph: + 91 40 6716 2222

Toll Free No.: 1800-309-4001

Website: www.kfintech.com

The documents may also be emailed to the Company at the email id dividend.tax@biocon.com.

All queries in this respect should be addressed to the email id inward.ris@kfintech.com

Please note that no communication on the tax determination/deduction received post Saturday, July 16, 2022 shall be considered.

Incomplete and/or unsigned forms, declarations and documents will not be considered by the Company for payment or granting any exemption/relief.

If the tax on said dividend is deducted at a higher rate in absence of receipt of or satisfactory completeness of the afore-mentioned details/documents by Saturday, July 16, 2022, the shareholders may claim an appropriate refund in the return of income filed with their respective Tax authorities, if eligible. No claim shall lie against the Company for such taxes deducted.

Post payment of the said Dividend, shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in>.

In the event of any tax demand (including interest and penalty) arises from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operate in any proceedings before the income tax authorities and / or appellate authorities.

We seek cooperation in this regard.

Thanking you,

Yours faithfully,

For **Biocon Limited**

Sd/-

Mayank Verma

Company Secretary and Compliance Officer

***Disclaimer:** This communication shall not be treated as an advice from the Company or its affiliates or its Registrar & Transfer Agent.*

Shareholders are advised to consult their tax consultants with respect to specific tax implications arising out of receipt of dividend

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