



CREST VENTURES LIMITED

Registered Office: 111, Maker Chambers IV, 11th Floor, Nariman Point, Mumbai – 400021
CIN: L99999MH1982PLC102697 | **Website:** www.crest.co.in | **E-mail:** secretarial@crest.co.in
Tel: 022 - 4334 7000 | **Fax:** 022 - 4334 7002

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COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Dear Shareholder,

We are pleased to inform you that the Board of Directors at their Meeting held on 26th May, 2022, have recommended a Dividend of Rs. 0.50 per Equity Share of Rs. 10 each for the Financial Year ended 31st March, 2022.

As you are aware as per the Income-tax Act, 1961 (“the Act”), as amended by the Finance Act, 2020, dividends paid or distributed by a Company on or after 1 April 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of the said Dividend, if declared at the 40th Annual General Meeting of the Company.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder (With PAN)	As per Section 194 of the Act - 10%	Update/Verify the PAN, and the residential status as per the Act 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) by sending a request on or rnt.helpdesk@linkintime.co.in If shareholder is classified as "specified person" as per the provision of Section 206AB, tax will be deducted at the higher of the following rates: <ol style="list-style-type: none">Twice the rate specified in the relevant provision of the Act; orTwice the rate or rates in force; orThe rate of 5%. <i>Specified person means a person –</i> <i>a) who has not filed the return of income for the assessment year relevant previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired; and</i> <i>b) the aggregate of tax deducted at source and tax collected at source in his/her case is rupees fifty thousand or more in each of the said previous year.</i> For the purpose of identifying whether shareholder is “Specified Person” as per the provisions of Section 206AB, the tax department has started functionality check on the Income-tax Reporting Portal. The Company will be relying on the information verified by the utility available on the Reporting Portal of the Income Tax website. < /td>
No deduction of taxes in the following cases –		
<ul style="list-style-type: none">If aggregate dividend income to a resident Individual shareholder during FY 2022-23 does not exceed INR 5,000/-. For the purpose of aggregation, dividend already paid in FY 2022-23 will be considered.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 Form 15G / Form 15H	NIL	Eligible Shareholder providing Form 15G (Annexure 1a) (applicable to Individual [below the age of 60 years) / Form 15H (Annexure 1b) (applicable to an Individual above the age of 60 years) - on fulfilment of prescribed conditions. PAN is mandatory to provide Form 15G/15H.

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
		Shareholders are requested to submit Form 15G/15H considering the dividend already paid in FY 2022-23.
Order under Section 197 of the Act	Rate provided in the Order	Self-attested copy of Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned along with self-attested copy of PAN card and registration certificate (Annexure 2)
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 person is covered under Section 196 of the Act. (Annexure 2)
Mutual Funds	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 (Annexure 2)
Alternative Investment Fund (AIF) established in India	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 (OR) Self declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate (Annexure 2)
Recognized Provident Fund	NIL	Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees Provident Funds Act, 1952 needs to be submitted. (Annexure 2)
Approved Superannuation Fund	NIL	Self-attested copy of valid approval granted by the Commissioner needs to be submitted:
Approved Gratuity Fund	NIL	a) under Rule 2 of Part B of Fourth Schedule to the Act (In case of Approved Superannuation Fund) b) under Rule 2 of Part C of Fourth Schedule to the Act (In case of Approved Gratuity Fund) (Annexure 2)
National Pension Scheme Trust	NIL	No TDS is required to be deducted as per Section 197A(1E) of the Act
Other shareholder without PAN/Invalid PAN	20%	As per Section 206AA of the Act

Please Note that:

- Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act. In case the shareholder with PAN is identified as specified person under Section 206AB, higher rate of TDS as applicable shall be deducted.
- 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.

Table 2: Non-resident Shareholders

Category of shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any non-resident shareholder [other than Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)]	As per Section 195 of the Act - 20% (plus applicable surcharge and cess) subject to applicable Treaty rate	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty") read with Multilateral Instrument ("MLI") provisions. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company:</p> <ul style="list-style-type: none"> • Self-attested Copy of the PAN Card • Self-attested copy of Tax Residency Certificate (TRC) valid as on the Board meeting date for the FY 2022-23 or for the calendar year 2023 obtained from the tax authorities of the Country of which the shareholder is resident • Self-declaration in Form 10F in the attached form. (Annexure 3) • Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit read with MLI provision, if any and do not / will not have place of effective management in India. (Annexure 4) • Declaration to establish the genuineness of applicability of treaty provisions including provisions of General Anti-Avoidance Rules and Multilateral Instruments, if any (Annexure 5) <p>Tax shall be deducted at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided and dividend already paid in the FY 2022-23 will also be considered for determining the surcharge.</p>
FIIs / FPIs	Section 196D of the Act - 20% (plus applicable surcharge and cess) subject to applicable Treaty rate	<ul style="list-style-type: none"> • For treaty relief as per the amended provisions of Section 196D of the Act, kindly provide all documents as stated above else tax shall be deducted at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided and dividend already paid in the FY 2022-23 will also be considered for determining the surcharge. • Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories or with the Company's Registrar and Transfer Agent ("RTA"), as the case may be • Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route • Self-attested copy of SEBI Registration certificate
Submitting Order under Section 195 /197 of the Act	Rate provided in the Order	Self-attested copy of Lower/NIL withholding tax certificate obtained from Income Tax authorities

Please Note that:

1. The 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.
2. Kindly note that the Company is not obligated to apply beneficial tax treaty rates read with MLI provision at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

To view / download Annexure 1a Form 15G [click here](#)

To view / download Annexure 1b Form 15H [click here](#)

To view / download Annexure 2 Resident Tax Declaration [click here](#)

To view / download Annexure 3 Form 10F [click here](#)

To view / download Annexure 4 Letter Foreign Company has no Permanent Establishment in India and Self declaration owner [click here](#)

To view / download Annexure 5 Self - declaration for claiming beneficial provisions of Double Taxation Avoidance Agreement [click here](#)

If the dividend income is taxable in the hands of any person other than the recipient of the dividend, then the requisite details by way of a declaration under section 199 of the Act and Rule 37BA of the Income-tax Rules, 1962 should be provided in **Annexure 6** [click here](#)

Kindly note that the aforesaid documents as explained in the Tables 1 and 2 above are required to be updated by visiting the link: <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or in case of any difficulty, can also to be submitted to the Company / Registrar at email ID : rnt.helpdesk@linkintime.co.in on or before **19th August 2022, 17:00 hrs IST** in order to enable

the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/documents on the tax determination / deduction shall be considered post 19th August 2022, 17:00 hrs IST. It is advisable to upload/send the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.

It may be further noted that in case the tax on said Dividend is deducted at a higher rate in the 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.

All communications/ queries in this respect should be addressed and sent to our RTA, Link Intime India Private Limited at its email address rnt.helpdesk@linkintime.co.in

No claim shall lie against the Company for such taxes deducted.

In the event of any income tax demand (including interest, penalty, etc.) arising 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-operation in any appellate proceedings.

The Company will arrange to e-mail a soft copy of the TDS certificate at the shareholders registered email ID in due course, 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/iec/foportal>

TRANSFERRING CREDIT TO THE BENEFICIAL OWNER:

In cases where the shareholder is merely a custodian of the shares and, accordingly, not the beneficial owner of the dividend payable in respect thereof, then, in order to transfer the credit of TDS to the beneficial owner of dividend income, the shareholder may provide a declaration prescribed by Rule 37BA of the Income-tax Rules, 1962. The aforesaid declaration shall contain (i) name, address, PAN and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

*The above declaration must be provided on or before **19th August, 2022**, in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Please note that the application for transfer of credit of TDS under Rule 37BA would not be entertained in absence of the aforesaid prescribed details.*

Above communication on TDS sets out the provisions of Income-tax Act, 1961 as applicable in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

We request your cooperation in this regard. We urge you to stay safe.

Thanking you
For **Crest Ventures Limited**

Sd/-
Namita Bapna
Company Secretary

Note: Please do not reply to this email as this email id is not monitored.