

Anant Raj Limited

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Ref: Folio / DP Id & Client Id No: [FOLIO]
Name of the Shareholder: [HOLDERNAME]

Date: September 27, 2021

Dear Shareholder(s),

Sub: Anant Raj Limited - Communication on Tax deduction on dividend.

We are pleased to inform you that the Board of Directors at their meeting held on June 30, 2021 recommended payment of dividend, subject to the approval of the shareholders of Re. 0.10 per equity share (i.e. 5% on Rs. 2/- fully paid up share) for the financial year ended March 31, 2021. Pursuant to the changes introduced by the Finance Act 2020 ("Act"), w.e.f. April 1, 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders at the time of making the payment of the said dividend.

The rate at which the dividend may be subject to TDS/Withholding Tax would vary depending on the residential status, category of the shareholder, compliant/non-compliant status basis 2 years income tax return filing and subject to the documents submitted by them and accepted by the Company. Accordingly, the above dividend will be paid after deducting TDS in the following manner:

Resident Shareholder

It may be noted tax would not be deducted on payment of dividend to resident Individual shareholder, if the total dividend to be paid in a financial year does not exceed Rs. 5,000. Please note that this includes the future dividends, if any, which may be declared by the Board in the financial year 2021-22.

Where the dividend payable exceeds Rs. 5,000 for financial year 2021-22, please refer to the table below for the details of applicable TDS:

Particulars	Applicable Rate	Documents required (if any)
With PAN	10%	Update 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 - M/s Alankit Assignments Limited (in case of shares held in physical mode).
	NIL	No tax shall be deducted on the dividend payable to resident individuals if the member has provided Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met.



Without PAN/ Invalid PAN	20%	-
Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from the Income Tax authorities.
Insurance Companies as specified section 194 of Income Tax, 1961	NIL	Self-Declaration that it has full beneficial interest with respect to the shares owned by it along with self –attested PAN
Alternative Investment Fund (AIF) Established in India	NIL	Self-declaration that their income is exempt under section 10 (23FBA) of the Income Tax Act, 1961 and they are established as Category I or Category II AIF under the SEBI Regulations, along with self-attested copy of PAN Card and registration Certificate.
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.
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.

Non - Resident Shareholders

As per Section 90 of the Income Tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them. Please refer to the below table for details of documents to avail Tax Treaty benefits.

Particulars	Applicable Rate	Documents required (if any)
Any Non –resident shareholder, Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is lower)	<p>Non-resident shareholders may opt for tax rate under the Double Taxation Avoidance Agreement (“Tax Treaty”). The Tax Treaty rate shall be applied for tax deduction at source on submission of the following documents to the Company:</p> <p>a) Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.</p> <p>b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for financial year 2021-22 or calendar year 2021.</p> <p>c) Self-declaration in Form 10F</p> <p>d) Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty.</p>

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		<p>e) Self-declaration of Beneficial ownership by the non-resident shareholder.</p> <p>f) In case of Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.</p> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided. Further, please provide a self-attested copy of PAN Card, if registered with the Indian Tax Authorities.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Income Tax authorities.</p>
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.

Applicable to all shareholders (resident and non-resident)

In terms of the new introduced section 206AB of the Act, where TDS is required to be deducted on any sum or income or amount paid, or payable or credited, by a person to a specified person, the tax shall be deducted at the higher of the below rates:-

- 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%

The term 'specified person' is defined in section 206 AB as follows:

- A person who has not filed the 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 his case is INR 50,000/- or more in each of these two previous years.

Further, where the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher rate between both the said sections (i.e Sections 206AA and 206 AB).

Pursuant to above, we will rely on the Report generated from the Compliance Check Functionality as facilitated by the Income Tax Department under Section 206AB of the Income Tax Act as per which TDS at a higher rate, as applicable will be applied in case of specified person.

The aforesaid documents, as applicable, should be received by email on or before 5:00 p.m on **October 12, 2021** to the Company's e-mail address at manojpahwa@anantrajlimited.com, to enable the Company to determine the appropriate TDS/withholding tax rate applicable.



The members may update the said Documents/Forms with the company's Registrar and Transfer Agents, M/s Alankit Assignments Limited at <https://einward.alankit.com>

The members 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.

Please note that no communication on the tax determination/deduction received post **October 12, 2021** shall be considered for payment of the above dividend.

If the tax on above dividend is deducted at a higher rate in absence of receipt of or satisfactory completeness of the afore-mentioned details/documents by **October 12, 2021**, the shareholder may be able to claim refund of tax in the return of income filed by the concerned shareholder with their respective Income Tax authorities and **no claim shall lie against the Company for such tax deducted.**

The Company shall send by email soft copy of the TDS certificate to the shareholders at their registered email addresses in due course after payment of the above dividend. Shareholders will also be able to see the credit of the said TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

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

We look forward to receive your cooperation in this regard.

Yours faithfully,

For Anant Raj Limited



Manoj Pahwa
Company Secretary & Compliance officer
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