

SANGHVI MOVERS LIMITED

Regd. Office : Survey No. 92, Tathawade,
Taluka - Mulshi, Pune, Maharashtra - 411033, INDIA
Tel. : 8669674701/2/3/4, 020-27400700
E-mail : sanghvi@sanghvicranes.com
Web. : www.sanghvicranes.com
CIN No. : L29150PN1989PLC054143



REF: SML/SEC/SE/22-23/23

Date: 25th July 2022

By Online filing

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

Kind Attn.: Ms. Pooja Sanghvi - Relationship Manager

Ref: Code No. 530073

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai - 400051

Kind Attn.: Mr. K. Hari - Asst. Vice President

Symbol: SANGHVIMOV

Subject: Communication on Deduction of tax at source on dividend 2021-22

Dear Sir/Madam,

This is to inform you that the Company has circulated a detailed email communication on 23 July 2022, to all the Shareholders, whose e-mail addresses are registered with Company/ Registrar and Share Transfer Agent viz. Link Intime India Private Limited/ Depository Participant(s) indicating the process and documentation required for claiming exemption from tax on dividend paid to the Shareholders at the prescribed rates. A copy of the said communication sent to the Shareholders is enclosed herewith for your information and records.

This intimation is also available on the Company's website: www.sanghvicranes.com

You are requested to take the same on record and confirm.

Thanks & Regards,

For Sanghvi Movers Limited

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

Encl.: As above





SANGHVI MOVERS LIMITED

CIN: L29150PN1989PLC054143

Registered Office: Survey No 92, Tathawade, Taluka - Mulshi, Pune - 411033

Tel.: +91 20 27400700, 8669674701/2/3/4

Email: grievance.redressal@sanghvicranes.com; Website: www.sanghvicranes.com

Date: 23 July 2022

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder:

Dear Valued Shareholder,

Subject: Sanghvi Movers Limited - Communication on Deduction of tax at source on dividend.

We are pleased to inform you that the Board of Directors at their Meeting held on 25 May 2022, have recommended a Final Dividend of Rs. 1.00 per Equity Share of Rs.2/- each (50%) for the Financial Year ended on 31 March 2022 and the said Final Dividend will be payable post approval of the shareholders at the ensuing Annual General Meeting of the Company to be held on 18 August 2022.

Pursuant to the Finance Act, 2020 (the 'Act'), dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020. Accordingly, the Company is required to deduct the tax at source from the dividend paid to the shareholders at prescribed rates.

For resident shareholders:

In case of having valid PAN, Tax will be deducted at source ("TDS") under Section 194 of the Act @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in the case of individuals, TDS would not apply if the aggregate of total dividend distributed to the shareholder by the Company during the FY 2022-2023 does not exceed INR 5,000 (INR Five Thousand only).

Requirement of PAN:

Please note, that the Permanent Account Number ("PAN") allotted by the Income Tax Authority will be mandatorily required for this exercise. If your PAN details are available in your Demat account for shares held in Demat form or with Company's Registrar and Transfer Agents for shares held in physical form, then there is no need to send PAN details again to the Company. You are requested to Update/Verify the PAN and residential status as per Act if not already done, with the depositories.

Tax shall be deducted at source under section 194 of the IT Act at the rate of 10% on the amount of dividend declared and paid by the Company during FY 2022-23. However, in the following cases, TDS at the rate of 20% would be applicable as per the IT Act:

Section 206AA of IT Act - In case where, PAN is not available/submitted, or PAN submitted is invalid.

Section 206AB of IT Act - In case of 'specified person'.

- Specified person means a taxpayer who has not filed income tax return of previous year (i.e. FY 2020-21) where aggregate of TDS and TCS in said previous year is Rs. 50,000 or more;
- As per Notification No. 01 of 2022 dated 9 June 2022, issued by Central Board of Direct Taxes, in order to check the status of a shareholder as 'specified person', the Company would rely on the details available on the online functionality of the Income tax Department and shall accordingly determine the applicable TDS rate. The Company shall not rely on any declaration in relation to non-applicability of provisions of section 206AB of the IT Act.
- **In order to deduct TDS (if applicable) or provide an exemption from withholding of tax (if applicable), the following organization must provide a self-declaration as listed below:**

Particulars	Rate Applicable	Documents Required
Shareholders having valid PAN	10%	<ul style="list-style-type: none"> Update/Verify the PAN and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode). In case of Individual shareholder, TDS would not apply if the aggregate of total dividend distributed to the shareholder by the Company during financial year 2022-23 does not exceed Rs. 5,000.
Without PAN/Invalid PAN	20%	N.A.
Form 15G/15H in the case of eligible Resident Individual shareholders:	NIL	<ul style="list-style-type: none"> No TDS shall be applied in the case of a resident individual shareholder if the shareholder provides duly signed Form 15G (applicable to an individual below the age of 60 years) or Form 15H (applicable to an individual of the age of 60 years and above), provided that all the prescribed eligibility conditions are met; Click Here to download - Form 15G Click Here to download - Form 15H
Insurance companies under Sec 194 of the Act	NIL	<ul style="list-style-type: none"> Documentary evidence (PAN and registration certificate along with self-declaration) that the provisions of section 194 of the Act are not applicable to them (self-attested by the competent authority with affixed stamp);
Mutual Funds under Sec 10(23D) of the Act	NIL	<ul style="list-style-type: none"> Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of section 10 of the Act and is covered under Section 196 of the Act (along with self-declaration);
Alternative Investment Fund (AIF) established in India	NIL	<ul style="list-style-type: none"> Self-declaration that its dividend income is not chargeable under the head 'Profit and Gains of Business or Profession' and exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations (along with self-declaration);
Entities Exempt under Section 10 of the Act:	NIL	<ul style="list-style-type: none"> In case of resident non-individual shareholders, if the income is exempt under the Act, the authorized signatory shall submit the declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS (along with self-declaration);
Corporation established by or under a Central Act governed by section 196	NIL	<ul style="list-style-type: none"> 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 - Documentary evidence that the person is covered under section 196 of the Act;
Beneficial ownership	NIL	<ul style="list-style-type: none"> In case of equity share(s) held in the Company as a beneficiary; and are not subject to TDS under Section 196 of the Act, the person shall submit self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card (along with self-declaration);
Submitting Order under Section 197 of the Act	Rate provided in the Order	<ul style="list-style-type: none"> Lower/NIL withholding tax certificate obtained from tax authority. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2022-23 and should cover the dividend income.

The forms are available on the following link:

[https://linkintime.co.in/website/GoGreen/2022/Update/Sanghvi Movers Limited/5 SelfDeclaration Other Entities.DOCX](https://linkintime.co.in/website/GoGreen/2022/Update/Sanghvi_Movers_Limited/5_SelfDeclaration_Other_Entities.DOCX)

- **Benefit under Rule 37BA:** In case where shares are held by intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration. This declaration should be shared within 4 days from the record date as may be intimated by the Company. Kindly note that no declaration shall be accepted after 4 days from the record date.
- **The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, etc. can be uploaded on the link <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 11 August 2022, to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post due date shall not be considered.**

For non-resident shareholders:

Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force and as per Section 115A of the Act. As per the relevant provisions of the Section 115A of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Taxation Avoidance Agreement ("DTAA") (if any) between India and the country of tax residence of the shareholder. Please note that there is no threshold provided for which no tax will be withheld. Entire dividend is subject to withholding of tax. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

- **Self-attested copy of PAN card**, if any, allotted by the Indian Income Tax Authorities;
- **Self-attested copy of Tax Residency Certificate ("TRC")** obtained from the tax authorities of the country of which the shareholder is resident[TRC valid for FY 2022-23];
- **Self-declaration in Form 10F**, if all the details required in this form are not mentioned in the TRC;
- **Self-declaration** by the non-resident shareholder as to:
 - i. Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
 - ii. No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;
 - iii. Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review of the documents by the Company which should meet the requirement of the IT Act read with applicable DTAA. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividend.

Please note:

- Please note that the Company is not obligated to consider the forms and the declarations submitted by Resident shareholders while deducting tax at source. Deduction of tax at a rate lower than statutory rate or no deduction of tax shall depend upon the completeness of the documents and the satisfactory review of the forms and the documents, submitted by Resident shareholders, by the Company.
- 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.
- For complete details and prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
- In this regard, the Company has availed the facility for online submission of Tax Exemption forms from the Registrar wherein the shareholders can submit their tax-exemption forms along with other required documents. The shareholders may follow the below steps:
 - i. The requisite form for claiming tax exemption can be downloaded from Registrar's website. The for the same is as under: <https://web.linkintime.co.in/client-downloads.html>
 - ii. On this page, select the General tab. All the forms are available under the head "Form 15G/15H/10F".
 - iii. The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below: <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>
 - iv. On this page, the user shall be prompted to select/share the following information to register their request:
 - Select the company (Dropdown);
 - Folio / DP-Client ID;
 - PAN;
 - Financial year (Dropdown);
 - Form selection;
 - Document attachment – 1 (PAN);
 - Document attachment – 2 (Forms);
 - Document attachment – 3 (Any other supporting document).
 - Please note that the upload of documents (duly completed and signed) on the website of the Registrar, should be done in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax.
 - Incomplete and/or unsigned forms and declarations will not be considered by the Company.

- No communication on the tax determination / deduction shall be entertained beyond 5.00 p. m. on Thursday, August 11, 2022.
- No claim shall lie against the Company for such taxes deducted. Shareholders, whose valid PAN is updated, will 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/home>.
- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information 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 assessment / appellate proceedings before the Tax Government authorities.
- To receive dividend amount directly in your bank account, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form.

In case you are holding shares in physical form, you will have to send a scanned copy of the covering letter, duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a self-attested copy of your PAN card to email pune@linkintime.co.in. In case the cancelled cheque leaf does not bear your name, please attach a self-attested copy of your bank pass-book statement.

We also request you to update / register your email address and mobile numbers with your Depository Participant in case you are holding shares in the electronic form and with the Company or the RTA by sending an email to the abovementioned email address, if you are holding shares in physical form, for the purpose of receiving communications including annual reports and notices, from the Company over e-mail.

Thank you and best regards,

Rajesh P. Likhite
Company Secretary & Chief Compliance Officer
Sanghvi Movers Limited
Membership Number: A-13151

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 investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.

Note: *This is a system-generated email. Please do not reply to this email.*