



August 16, 2023

The Manager
Corporate Relationship Department
BSE Limited
1st Floor, New Trading Wing
Rotunda Building,
P J Towers, Dalal Street, Fort,
Mumbai- 400001
BSE Scrip Code: 543463

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, Block- G
Bandra Kurla Complex, Bandra (E)
Mumbai- 400051
SYMBOL: MANYAVAR

Sir/Madam,

Sub.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with Schedule III (Part A)

In terms of the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of the shareholders.

In this regard, a communication to shareholders regarding deduction of tax at source on dividend explaining the process on withholding tax from dividend (to be paid to the shareholders) at prescribed rates, along with the necessary annexures, was sent to those shareholders whose e-mail IDs are registered with the Company, the RTA or the Depositories.

The aforesaid email communication will also be made available on the website of the Company, viz., www.vedantfashions.com. The same is for your information and records.
Please take the above on record.

Thanking you,
For **Vedant Fashions Limited**

Navin Pareek
Company Secretary & Compliance Officer
Membership No.: F10672



VEDANT FASHIONS
- LIMITED -

(formerly Vedant Fashions Private Limited)

Registered Office: A501-A502, SDF-1, 4th Floor, Paridhan Garment Park,
19 Canal South Road, Kolkata-700 015, WB (IN)

CIN: L51311WB2002PLC094677

Phone: 033-61255353

E mail Id: secretarial@manyavar.com Website: www.vedantfashions.com

THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Date: XXXX, 2023

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder:

Dear Member,

We are pleased to inform you that the Board of Directors at its meeting held on April 28, 2023 recommended a dividend of ₹ 9 per Equity Share of ₹ 1/- each for the Financial Year ended March 31, 2023.

Pursuant to the Income Tax Act, 1961 ("Act"), as amended by the Finance Act, 2020, dividends paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source (at the applicable rates) at the time of payment of dividend, if approved, at the Annual General Meeting ("AGM") of the Company scheduled to be held on Thursday, August 24, 2023. The withholding tax rate would vary depending on the residential status of the shareholder(s) and subject to verification of documents uploaded by the shareholder(s) in this regard at with KFin Technologies Limited, the Company's Registrar and Share Transfer Agent ("KFin") at <https://ris.kfintech.com/form15> or emailed to einward.ris@kfintech.com and complianceofficer@manyavar.com.

This communication provides a brief of the applicable Tax Deduction at Source ("TDS") provisions under the Act for Resident and Non-Resident shareholder categories.

A. Resident Shareholder

A.1 Rate of Withholding Tax

Particulars	Applicable Rate	Documents required (if any)
With Permanent Account Number ('PAN') (Section 194)	20%	Update the PAN, if not already done, with the depositories (in case of shares held in DEMAT mode) and with the Company's Registrar and Transfer Agents (in case of shares held in physical mode).

Without PAN / Invalid PAN / has not registered their valid PAN details in their account (Section 206AA)	20%	N.A.
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Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative, and, in such scenario, tax shall be deducted at higher rate of 20% u/s 206AA of the Act.

We request you to inform us well in advance, if you have not linked your Aadhar with PAN as provided in section 139AA (2) read with Rule 114AAA of the Income Tax Rules, 1962 ("Rules"). The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

A.2 No tax shall be deducted on the dividend payable to Resident shareholder(s) in the following cases.

	Particulars	Applicable Rate	Documents required (if any)
Individual Shareholders	If the total dividend to be received by them during Financial Year ('FY') 2023-24 does not exceed Rs. 5,000	NIL	N.A.
	Submitting Form 15G/ Form 15H under section 197A of the Act	NIL	Signed declaration in Form No. 15G (applicable to individual) / Form 15H (applicable to an Individual who is of Age 60 years and older claiming income without deduction of tax), fulfilling certain conditions along with self-attested copy of PAN card. Format of Form 15G and Form 15H is enclosed as Annexure 1 and 2 respectively.
Non-Individual Shareholders	Insurance Company(ies) for whom Section 194 of the Act is not applicable	NIL	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card along with declaration enclosed as Annexure 3 .
	Persons covered under Section 196 of the Act (e.g., Government, Reserve Bank of India, Mutual Fund specified under section 10(23D) of the Act, corporation established by or under a Central Act which has income exempt from tax	NIL	Self-attested copy of the documentary evidence that the person is covered under said Section 196 of the Act along with self-attested copy of PAN card along with declaration enclosed as Annexure 3 .

	Alternative Investment Fund ('AIF') established / incorporated in India having exempt income under section 10(23FBA) of the Act (as per CBDT Notification No. 51/2015 dated 25 June 2015)	NIL	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card along with declaration enclosed as Annexure 3 .
	New Pension System Trust established u/s 10(44)	Nil	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card along with declaration enclosed as Annexure 3 .
	Benefit under Rule 37BA	Rates based on the status of the beneficial owners	In case where shares are held by Clearing Member/ intermediaries/ stockbrokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stockbrokers and beneficial shareholders will have to provide a declaration given in Annexure 4 .

A.3. In case where shareholders (both Individuals and Non-Individuals) provide certificate under section 197 of the Act for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered on submission of self-attested copy thereof.

Application of NIL / lower withholding rate at the time of tax deduction / withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by the shareholders.

B. Non-Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors ('FIIs') / Foreign Portfolio Investors ('FPIs') / All Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is lower)	Copy of PAN card. In absence of PAN, specified information/documents as per Rule 37BC of Income Tax Rules, 1962 ('Rules') to be provided as per Annexure 4 . On non-furnishing of the prescribed information/documents as per Rule 37BC of the Rules, withholding tax of 20% (plus applicable surcharge and cess) may be applicable.

Further, as per Section 90 of the Act, non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail Tax Treaty benefits, following documents would be required in addition to the above:

1. Self-attested copy of the Tax Residency Certificate ('TRC') (for the period April 2023 to March 2024) obtained from the tax authorities of the country of which such shareholder is a resident.
2. Electronically generated Form 10F from the link <https://eportal.incometax.gov.in/> (for non-resident possessing PAN) and in case of non-resident not possessing PAN & not required to have a PAN, a hard copy of duly executed Form 10F along with a declaration that the shareholder is not required to have a PAN as per the provisions of the Act read along with Rules. Completed and duly signed Self-Declaration in Form 10F as per format enclosed as Annexure 6.
3. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
4. Self-declaration (as per format enclosed as **Annexure 7**) from Non-resident shareholder for the financial year April 2023 to March 2024 in which dividend is received, primarily covering the following:
 - Non-resident is eligible to claim the benefit of respective tax treaty.
 - Non-resident receiving the dividend income is the beneficial owner of such income.
 - Dividend income is not attributable / effectively connected to any Permanent Establishment ('PE') or Fixed Base in India or any business connection in terms of section 9(1) of the Act.

In case of shareholder being tax resident of Singapore, please furnish the letter issued by the

		competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore DTAA
Sovereign Wealth Fund, Pension Fund, Other bodies notified u/s 10(23FE) of the Act	NIL	<ol style="list-style-type: none"> 1. Document evidencing the applicability of section 10(23FE) of the Act / notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India 2. Self-declaration in the format as prescribed in Annexure 8 that the conditions specified in section 10(23FE) of the Act have been complied with.
Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A (1) of the Act	30%	N.A.
Submitting Order under Section 195 / 197 (i.e., lower or NIL withholding tax certificate)	Rate provided in the Order	Self-attested copy of Lower / NIL withholding tax certificate obtained from the income tax authority.

It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-resident shareholder and review to the satisfaction of the Company of the documents submitted by the Non-resident shareholder.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on dividend payment to such shareholder.

The scanned copy of aforesaid documents, as applicable, should be uploaded with KFin at <https://ris.kfintech.com/form15> or emailed to einward.ris@kfintech.com and complianceofficer@manyavar.com **on or before 11.59 P.M. (IST) of August 18, 2023** to enable the Company to determine the appropriate TDS / withholding tax rate. No communication on the tax determination / deduction received post August 18, 2023 shall be considered for payment of Dividend.

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 **on or before August 18, 2023**, the shareholder may claim an appropriate credit/ refund in the return of income filed with their respective Income Tax authorities.

C. TDS to be deducted at higher rate in case of non-filers of Return of Income:

The Finance Act, 2021, has inter alia inserted the provisions of section 206AB of the Act with effect from July 1, 2021. The provisions of section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

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

The 'specified person' means a person who satisfies the following criteria cumulatively:

- a. who has not filed return of income 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 return of income under sub-section (1) of section 139 has expired; and
- b. The aggregate amount of TDS and TCS in his case is Rs. 50,000 or more in such preceding previous year.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

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

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, shareholders will be able to claim credit/ refund of the excess tax deducted by filing your income tax return.

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

The Company will arrange to email a soft copy of the TDS certificate at the shareholder(s) registered email id in due course, post payment of the said Dividend. Shareholder(s) will also be able to see the credit of TDS in Form 26AS (in case PAN is made available), which can be downloaded from their e-filing account at www.eportal.incometax.gov.in

Shareholder(s) having multiple accounts under different status / category:

Shareholder(s) 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.

In terms of Rule 37BA of 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 deductee should file declaration with Company in manner prescribed by Rules. .

Updation of Bank Account, PAN, Email address and other Details:

In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their respective bank account details in their respective Demat accounts are updated, to enable the Company to make timely credit of dividend in their respective bank accounts.

Further, Shareholders are requested to update their records such as tax residential status, permanent account number, registered email addresses, mobile numbers and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to KFin. Company is obligated to deduct tax at source ("TDS") based on the records available with RTA and no request will be entertained for revision of TDS return.

Kindly note that the aforementioned documents should be uploaded with KFin at <https://ris.kfintech.com/form15> or emailed to einward.ris@kfintech.com and complianceofficer@manyavar.com. No communication on the tax determination / deduction shall be entertained after August 18, 2023.

We seek your cooperation in the above matters.

Thanking You,

Yours faithfully,

For Vedant Fashions Limited

Sd/-

Navin Pareek

Company Secretary & Compliance Officer

[Click Here](#) to download - 15G

[Click Here](#) to download - 15H

[Click Here](#) to download - Self declaration

[Click Here](#) Declaration for beneficial ownership under Rule 37BA

[Click Here](#) to download - Information under Rule 37BC

[Click Here](#) to download - 10F

[Click Here](#) to download - Self Declaration Form Non Resident

[Click Here](#) to download - Sovereign Wealth fund Tax Declaration