



Clean Science and Technology Limited

i n n o v a t i o n a t w o r k

03.02.2023

To,

BSE Limited

Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543318

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
Trading Symbol: CLEAN

Dear Sir/Madam

Subject: Communication to Shareholders on Interim Dividend for the financial year 2022-2023 and Deduction of Tax at Source ('TDS').

This is to inform you that on 2nd February 2023 the Company has sent an email communication to all the equity shareholders whose e-mail addresses are registered with Company/Registrar and Share Transfer Agent viz. Link Intime India Private Limited/ Depository Participants stating the process and documents required for claiming exemption from deduction of TDS on interim dividend for the Financial Year 2022-2023 to be paid to the shareholders at the prescribed rates given under Income Tax Act, 1961.

A copy of the said communication sent to the Shareholders is enclosed herewith for your information and records.

Thanking You.

For Clean Science and Technology Limited

Mahesh Kulkarni
Company Secretary

(Erstwhile known as Clean Science and Technology Private Limited)

Regd. Office: 503, Pentagon Tower 4, Magarpatta City, Hadapsar, Pune - 411013, MS, India
Tel: +91 20 26899953 Fax: +91 20 26898894 Email: corporate@cleanscience.co.in Website: www.cleanscience.co.in

CIN: L24114PN2003PLC018532



CLEAN SCIENCE AND TECHNOLOGY LIMITED

Registered Office: Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar,
Pune 411 013 Maharashtra, India.

Corporate Identification Number: L24114PN2003PLC018532

Tel: - +91 20 26899953 | **Fax:** +91 20 26898894

Website: www.cleanscience.co.in | **E-mail:** compliance@cleanscience.co.in

Date: 02.02.2023

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder:

Subject: Clean Science and Technology Limited – Communication on Interim Dividend for the financial year 2022-2023 and Deduction of Tax at Source ('TDS')

Dear Shareholder,

We wish to inform you that the Board of Directors of your Company at their meeting held on Thursday, 2nd February, 2023 have declared interim dividend of Rs. 2/- (Rupees Two Only) (200%) per equity share having nominal value of Re.1/- each for Financial Year 2022-23.

The interim dividend shall be paid to the equity shareholders of the Company whose names appear on the Register of Members of the Company or in the records of the Depositories as beneficial owners of the shares as on Friday, 10th February, 2023 which is the Record Date fixed for this purpose.

TDS ON DIVIDEND

Pursuant to the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of the shareholders with effect from 1st April 2020 and therefore the Company shall be required to deduct Tax at Source ("TDS") at the time of making the payment of dividend at prescribed rates. For the prescribed rates of various categories, shareholders are requested to refer to the Finance Act, 2021 and amendments thereof. In order to enable the Company to determine the appropriate TDS rate as applicable. Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 as mentioned in below paras.

For Resident Shareholders: - Tax shall be deducted at source under Section 194 of the Income Tax Act, 1961 @ 10% on the amount of **Dividend declared and paid by the Company during 2022-23** provided PAN is registered by the Shareholder. If PAN is not registered, and are considered to be specified person under section 206 AB of Income Tax Act 1961, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

a) For Resident Individual: No TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during FY 2022-23 does not exceed Rs. 5,000. Separately, in cases where the shareholder provides Form 15G (applicable to all individuals) / Form 15H (applicable to an Individual above the age of 60 years) along with copy of self-attached PAN, no TDS shall be deducted provided that the eligibility conditions are being met.

Form 15G / Form 15H can be uploaded at below link (i.e. Link Intime India Private Limited):<https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

TDS will not be deducted, if the shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the PAN along with documentary evidence in relation to the same.

Needless to mention, PAN will be mandatorily required. If your PAN details are available in your demat account for shares held in demat form or with the Registrar and Share Transfer Agent i.e. Link Intime India Private Limited (“RTA”) for the shares held in physical form, then there is no need to send PAN details again to the Company. If PAN is not available or invalid, TDS would be deducted at the rate of 20% as per Section 206AA of the Income Tax Act.

b) For Resident Non-individual: No tax shall be deducted on dividend payable to the following resident non-individual where they provide relevant details and documents: -

- i. **Insurance companies:** A declaration that it has full beneficial interest in the shares along with self-attested copy of PAN and Registration Certificate with Insurance Regulatory Development Authority (IRDA) and PAN card.
- ii. **Mutual Funds:** A declaration that it is a mutual fund governed by the provisions of Section 10(23D) of the Income Tax Act 1961 and is covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN and valid SEBI Registration Certificate.
- iii. **Alternative Investment Fund (AIF) established in India:** A declaration that its dividend income is exempt under Section 10(23FBA) of the Income Tax Act 1961 and it has been granted a certificate of registration as Category I or Category II AIF under the SEBI Regulations, along with self-attested copy of PAN and valid SEBI Registration Certificate.
- iv. **National Pension Scheme:** A declaration that they are governed by the provisions of Section 10(44) of the Income Tax Act, 1961 along with self-attested copy of registration documents and PAN.
- v. **Corporation established by or under a Central Act:** A declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN and valid SEBI Registration Certificate.

- vi. **Recognised Provident Fund/Approved Gratuity/Superannuation Fund:** Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes.
- vii. **Other shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
- viii. In case of other resident shareholder having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the Shareholder submits copy of the Order obtained from the income-tax authorities.

c) For Non-resident Shareholders: -

Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be @ 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) under Section 196D of the Income Tax Act.

However, as per Section 90 of the Income Tax Act, 1961 a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the Non-Resident Shareholder (including FII and FPI) 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) issued by the tax authorities of the country of which the shareholder is resident, evidencing and certifying shareholder’s tax residency status during the financial year 2022– 2023.
- Self-declaration in Form 10F duly filled and signed.
- SEBI registration certificate in case of Foreign Institutional Investors and Foreign Portfolio Investors.
- Self-declaration in the prescribed format certifying that:
 - a) The shareholder is eligible to claim the beneficial Tax Treaty rate for the purposes of tax withholding on dividend declared by the Company;
 - b) The transaction / arrangement / investments from which the dividend is derived by the shareholder is not arranged in a manner which results in obtaining a tax benefit, whether directly or indirectly, as one of its principal purposes. The tax benefit, if any, derived from such transaction / arrangement / investments would be in accordance with the object and

purpose of the provisions of the relevant Tax Treaty ('the Principle Purpose Test', if applicable to the respective Tax Treaty);

- c) No Permanent Establishment / fixed base in India during the FY 2022-23 in accordance with the applicable tax treaty;
- d) The shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company.

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 the completeness and satisfactory review by the Company, of the documents submitted by a Non-Resident Shareholder.

In case of Non-resident shareholder having Order under Section 197 of the Income Tax Act, 1961 TDS will be deducted at the rate mentioned in the Order; provided the shareholder submits copy of the order obtained from the income-tax authorities.

Where any entity is entitled for exemption from TDS, TDS will not be deducted provided such shareholder/entity provides valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. issued by the Indian tax authorities)

For All shareholders

As per the provisions of Section 206AB of the Income Tax Act, 1961, tax would be required to be deducted at twice the applicable rate in respect of any sum or amount or income paid or payable or credited to a 'specified person'.

Further, the Act defined 'specified person' to mean:

- A person who has not filed return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted and the time for filing tax return under section 139(1) of the Income Tax Act has expired; and
- aggregate of tax deducted at source and tax collected at source in his / her case is Rs. 50,000 or more in the said previous year

However, the aforementioned withholding at higher rate shall not apply to a Non-Resident who does not have a Permanent Establishment / fixed base in India. Accordingly, a Non-Resident should submit a No Permanent Establishment declaration (as referred above)

Notes:

- i. All the above referred tax rates will be enhanced by surcharge and cess, as applicable.

- ii. For all self-attested documents, shareholders must mention on the document “certified true copy of the original”. For all documents being uploaded by the shareholder, the shareholder undertakes to send the original document(s) on request by the Company/RTA.
- iii. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, the concerned Shareholder may still have the option of claiming refund at the time of filing the income tax return (provided a valid PAN is registered with the RTA or DP). No claim shall lie against the Company for such taxes deducted.
- iv. 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 proceedings.
- v. 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 are held under a PAN will be considered on their entire holding in different accounts.
- vi. Documents furnished by the shareholders [such as Form 15G / 15H, TRC, Form 10F, Self-Attested Declaration etc.] shall be subject to review and examination by the Company before granting any beneficial rate or Nil Rate. The Company reserves the right to reject documents in case of any discrepancies or the documents are found to be incomplete. Decision of the Company with respect to the validity of any document will be final.
- vii. In case of any discrepancy in documents submitted by the shareholder, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.
- viii. The Company will withhold taxes as per the stipulated tax laws prevalent at the time of deduction of taxes i.e. as on aforesaid cut-off Date.

The requisite form for claiming tax exemption can be downloaded from Registrar’s website **under General Tab**. The URL for the same is: <https://web.linkintime.co.in/client-downloads.html>

To enable the Company to determine the appropriate TDS / withholding tax rate applicable, members should upload necessary documents at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 5.00 p.m. (IST), Friday, 10th February, 2023.

No communication on the tax determination/deduction shall be entertained post Friday, 10th February, 2023.

On clicking the above link, the user will be prompted to select/share the following information to register their request: -

1. Select the company (Dropdown)
2. Folio No./DP-Client ID
3. PAN
4. Financial year (Dropdown)

5. Form selection
6. Document attachment - 1 (PAN)
7. Document attachment - 2 (Forms)
8. Document attachment - 3 (Any other supporting document)

In case of joint shareholders, the shareholder named first in the Register of Member is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Act and claim for a credit / appropriate refund, if eligible. 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://incometaxindiaefiling.gov.in>

All future communications in this regard may kindly be addressed to:

Link Intime India Private Limited

Unit: Clean Science and Technology Limited
Block No. 202, 2nd Floor, Akshay Complex,
Off. Dhole Patil Road, Near Ganesh Temple,
Pune – 411 001
Tel:- (020) – 46014473
Email: pune@linkintime.co.in

**For Clean Science And Technology Limited
(Erstwhile Known as Clean Science and Technology Private Limited)**

**Mahesh Arvind Kulkarni
Company Secretary**

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: Please don't reply to this email, as this email id is not monitored.