

South West Pinnacle

ISO 9001 : 2015 Certified Company

South West Pinnacle Exploration Limited
(formerly known as South West Pinnacle Exploration Pvt. Ltd.)

CIN No.: L13203HR2006PLC049480

Regd. & Corp. Office:

"Sidhartha House"

4th Floor, Plot No - 6, Sector-44,

Gurugram-122003

Haryana, INDIA

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Date: 24.08.2021

To,

The Manager
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400051

Symbol: SOUTHWEST

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Communication to Shareholders on deduction of tax at source on dividend for FY 2020-21

Dear Sir/Madam,

In terms of the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, with effect from April 01, 2020, dividend declared and paid by the Company shall be taxable in the hands of the shareholders. In this regard, please find enclosed herewith a copy of the communication regarding deduction of tax at source on dividend which has been sent to the shareholders of the Company whose email ID's are registered with the Company/Depositories.

This communication is also available on the website of the Company at www.southwestpinnacle.com

This is for your information and record.

Thanking you,

For South West Pinnacle Exploration Limited

Vaishali

Vaishali

Company Secretary & Compliance Officer



South West Pinnacle

South West Pinnacle Exploration Limited

Regd. Office: Siddhartha House, 4th floor, Plot No.6, Sector-44, Gurugram-122003

CIN: L13203HR2006PLC049480; Phone: +91 124 4235400

Email: investors@southwestpinnacle.com; Website: www.southwestpinnacle.com

Dear Members,

Sub: Communication to Shareholder for deduction of tax at source on Final Dividend for FY 2020-21

The Board of Directors of the Company at its Meeting held on June 09, 2021, has recommended a Final dividend of Rs. 0.50 per equity share having Face Value of Rs. 10 each for the financial year ended March 31, 2021 to non promoters' shareholders of the company.

The dividend as recommended by the board, if approved at the ensuing Annual General Meeting, will be paid to the shareholders holding equity shares of the Company, either in electronic or in physical form on the record date (to be announced in due course).

The dividend will be paid electronically in the Members bank accounts and the Company may retain dividend warrants of members who have not registered their bank details and dividend warrants/demand drafts/cheques will be sent to the registered addresses depending on availability of postal services.

Accordingly, the Shareholders holding Shares in Demat Form are requested to complete necessary formalities with regard to their bank account attached to their Demat account for enabling the Company to make timely credit of Dividend in respective bank accounts. Members who have not updated their bank accounts details are requested to update bank details with their Depository Participant (*as 100% shareholding of company is in demat form*).

All the shareholders are also requested to ensure that their details with reference to valid Permanent Account Number, Resident status as per Act, i.e Resident or Non- Resident as applicable, Category of their account as per the PAN, E-mail-ID/Postal address, Bank Account details are complete/updated, as applicable, in their account maintained with Depository Participant.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, the final dividend for the Financial Year 2020-21 to be paid and distributed by the Company is taxable in the hands of its Shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. Accordingly, the above referred final dividend will be paid after deducting the tax at source including applicable surcharge and cess as notified from time to time under the Act

No tax will be deducted on payment of dividend to the resident individual shareholder if the total dividend, paid during Financial year ('FY') 2021-22, does not exceed INR 5,000/-.

The detailed communication summarises the applicable TDS provisions in accordance with the provisions of the Income tax Act, 1961, for various categories, including Resident or Non-Resident members as below:-

1) For Resident Members:

Category of Shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any Resident Shareholder	10%	<p>No deduction of taxes in the following cases-</p> <ul style="list-style-type: none"> • If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed INR 5,000/-. • 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 declaration in Form No. 15G (applicable to any person other than a company or a firm) /Form 15H (applicable to an Individual who is 60 years and older), fulfilling all the required eligibility conditions.
Mutual Funds	NIL	Self-attested copy of registration certificate with SEBI and PAN card along with self-declaration that the mutual funds are notified mutual fund u/s 10(23D)(ii) of Income Tax Act, 1961.
Insurance Companies (Public & other Insurance companies)	NIL	Documentary evidence that the provisions of Section 194 of the Income Tax Act, 1961 are not applicable along with self- attested copy of PAN card.
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 Corporation is covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card.
Recognized Provident Funds, Approved Superannuation Gratuity Fund	NIL	<p>i. A Declaration that their TDS is not required to be deducted as per circular No.18/2017 issued by CBDT</p> <p>ii. Attested copies of registration documents and PAN</p>
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 Corporation is covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card.
National Pension Scheme	NIL	<p>i. A Declaration that their income is exempt under Section 10 of the Act and there is no requirement to deduct TDS u/s 197A(1E) of the Act</p> <p>ii. Attested copies of registration documents and PAN</p>

Alternative Investment Fund Category- I & II	NIL	A declaration that its income is exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI Regulations. Self-attested copy of registration documents and PAN card should be provided.
Order u/s 197 of the Act	Rate provided in the order	i. Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities ii. Self-attested copy of PAN iii. Company's Tax Deduction Account No. [TAN) which is required for applying for Lower / NIL Rate.
Other resident shareholder without PAN/Invalid PAN /Shareholders identified as 'specified persons' for the purpose of higher deduction of tax as per 'Compliance Check Facility' made available by the Income Tax department (refer detailed note on Section 206AB below)	20%	Shareholders should update the PAN if not already done with Depositories.

2) For Non Resident Members:

Category of Shareholder	Section	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any non-resident shareholder / Foreign Institutional Investors (FII)/ Foreign Portfolio Investors (FPI)	195/196D	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	<p>i Non-resident shareholders / FFI / FPI may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company:</p> <p>i. Copy of the PAN Card, if any, allotted by the Indian authorities.</p> <p>ii. Self-attested copy of Tax Residency Certificate (TRC) valid as on the record date obtained from the tax authorities of the country of which the shareholder is resident.</p> <p>iii. Self-declaration in Form 10F.</p> <p>iv. Self-declaration from Non-residential, primarily covering the following:</p>

			<ul style="list-style-type: none"> ➤ 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. <p>TDS shall be deducted at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided / found not to be valid.</p> <p>The Company is not obligated to automatically 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 and satisfactory review by the Company, of the documents submitted by the non-resident shareholders.</p>
Sovereign Wealth Fund, Pension Funds, Other bodies notified under Section 10(23FE) of the Act	10(23FE)	NIL	Self- Declaration substantiating the fulfillment of conditions prescribed under Section 10(23FE) of the Act.
Submitting Order under section 197 of the Act.	197	Rate provided in the order	<p>i. Lower / NIL Withholding Tax Certificate obtained from Income Tax Authorities</p> <p>ii. Self-attested copy of PAN</p> <p>iii. Company's Tax Deduction Account No. [TAN] which is required for applying for Lower / NIL Rate.</p>
Shareholders identified as 'specified persons' for the purpose of higher deduction of tax as per 'Compliance Check Facility' made available by the Income-tax department (refer detailed note on Section 206AB below)	206AB	Twice the rate specified in the relevant provision of the Act; or Twice the rate or rates in force whichever is higher	Non-resident shareholder may file a declaration confirming that they do not have any fixed place of business in India.

Section 206AB of the Income Tax Act, 1961:

The rate of TDS under Section(s) 194, 195 & 196D of the Income Tax Act, 1961 (hereinafter referred to as the 'Act') are subject to provisions of Section 206AB of the Act (effective from 1st July, 2021) which introduced special provisions for TDS in respect of taxpayers who have not filed their income-tax return (referred to as specified persons). As per the provisions of Section 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons: -

- 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%.

In cases where Sections 206AA (Non PAN) and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return; tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB(3) is someone who satisfies the following conditions:

- A person who has not filed 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 whose case is Rs. 50,000 or more in each of these two previous years.

Non-Resident shareholders who do not have permanent establishment in India (i.e. fixed place of business of India) are excluded from the scope of a "specified person".

Notes:

- i. Update your KYC data to receive all communications and dividend information. Shareholders holding shares in dematerialized mode are requested to update the e-mail address or bank details with their respective Depository Participant or company's RTA i.e M/s Link Intime India Private Limited at https://linkintime.co.in/emailreg/email_register.html (on temporary basis). However, shareholders are advised to update the details with Depository Participant (on permanent basis) to ensure ease of communication and seamless remittances (as 100% shareholding of company in demat form).
- ii. Members are requested to provide their Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) /can also contact to their Depository Participant(s).
- iii. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded on the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before September 17, 2021 to enable the Company to determine the appropriate withholding tax rate applicable. In case where copy of documents (such as, PAN card, , Registration certificate, etc.) is provided, the copy should be self-attested by the Shareholder or its authorized signatory. Any communication in relation to tax rate determination/deduction received post September 17, 2021 shall not be considered.
- iv. After receipt of any of the above declarations, if the Company basis its independent assessment, finds any information that is contrary to the declarations received by it, the Company reserves right to rely on the results of its independent assessment and make a deduction of taxes at a higher rate as per applicable provisions of the Act.

- v. Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form as on the Record Date, and other documents available with the Company / RTA. In this respect, the company reserves the right to independently verify the PAN number of the shareholder from the National Securities Depository Ltd. ('NSDL') utility and if the same is found contrary to the PAN quoted/ provided, the company will disregard the PAN and proceed as per the prevalent law.
- vi. Shareholders holding shares under multiple accounts under different residential status / category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.
- vii. The 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 the documents in case of any discrepancies or the documents are found to be incomplete.
- viii. In case withholding tax is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. No claim shall lie against Company for any taxes deducted by the Company.
- ix. 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, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.
- x. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
- xi. 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.
- xii. All queries in respect of above should be addressed to our RTA, Link Intime India Private Limited at its email address rnt.helpdesk@linkintime.co.in or investors@southwestpinnacle.com Please note that the Company will not accept any declaration/document on any email address. Kindly use the link as provided in note (iii) to upload declaration/documents.

Thanking You.
Yours faithfully,

For South West Pinnacle Exploration Limited

Sd/-
Vikas Jain
Chairman & Managing Director
DIN: 00049217

Disclaimer: The information set out hereinabove is included for general information purpose 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.

(1) Form 15H

[From 15H Download Here](#)

(2) From 15G

[From 15G Download Here](#)

(3) From 10F

[From 10F Download Here](#)