

Information of Tax on Interim Dividend 2023-24

Dividend

The Board of Directors at their Meeting held on 19.07.2023 have declared the first Interim Dividend of Rs.6/- per Equity Share of the face value of Re.1/-each for the financial year 2023-24 and fixed 27th July 2023 as Record date for Payment of Interim Dividend.

Pursuant to the changes introduced in the Finance Act 2020, w.e.f. April 1, 2020, the Company would be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above-referred Dividend will be paid after deducting the tax at source as follows:

Resident Shareholder

Particulars	Applicable withholding tax Rate	Documents required (if any)- Please submit with details of DPID – Client Id/ Folio No.
If PAN registered (In accordance with Section 194 of the I.T. Act)	10%*	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 –M/s. Integrated Registry Management Services Pvt Ltd, Bengaluru (in case of shares held in physical mode).
If PAN not registered/ Invalid PAN registered	20%*	<p>Tax is required to be deducted at source under Section 194 of the IT Act, at 10% on the amount of dividend where shareholder(s) have registered their valid Permanent Account Number (PAN) and at a rate of 20% for cases wherein:</p> <ol style="list-style-type: none"> a) the shareholder(s) do not have PAN / have not registered their valid PAN details in their account. b) the shareholder(s) have not linked their Aadhaar with their PAN by due date as specified, rendering the PAN as invalid c) the shareholder(s) have not filed their Income Tax returns for FY 2021-22 d) Shareholders who have not filed Income tax returns for the FY 2022-23 whose due date is 31st July 2023. <p>For the above two i.e., (c) and (d), the aggregate of TDS and tax collected at source in his/her case is Rs. 50,000 or more, in the previous year will be considered. The status of filing of returns of such Shareholders would be verified in the income tax database and the details considered for calculating and remitting the dividend.</p>
Submission of declaration in Form 15G/ Form	NIL	Declaration in Form No. 15G / Form 15H applicable to an Individual who is 60 years and more, fulfilling certain conditions.*

15H by Individual resident shareholders		<p>Please download Form 15G / 15H from the Income Tax website www.incometaxindia.gov.in</p> <p style="text-align: center;">or</p> <p>https://www.integratedindia.in/Downloads/Dr/Form_15G.pdf https://www.integratedindia.in/Downloads/Dr/Form_15H.pdf</p> <p>*A declaration in Form No. 15G/15H, as the case may be furnished, to the Company to the effect that the tax on the estimated total income of the FY 2023-2024 after including the income on which tax is to be deducted, will be NIL.</p> <p>Note: If PAN and Aadhaar are not linked in respect of persons who have submitted form 15H/G, Tax will be deducted at the rate of 20%.</p> <p>For Shareholders who have not filed Income tax return for the FY 2022-23 before the due date of 31st July 2023 even if they submit form 15G/H, Tax will be deducted at the rate of 20% as per Section 206AB.</p>
Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Submit certificate obtained from tax authority for Lower/NIL withholding tax

Particulars	Applicable withholding tax Rate	Documents required (if any)- Please submit with details of DPID – Client Id/ Folio No.
Persons for whom Section 194 of the Act is not applicable (e.g. LIC, GIC)	NIL	-Documentary evidence that the said provisions u/s 194 are not applicable. -a declaration that it has full beneficial interest with respect to the shares owned by it along with PAN
Persons Covered under Section 196 of the Act (e.g. Mutual Funds, Govt.)	NIL	Documentary evidence that the person is covered under said Section 196 of the Act. Mutual Funds: (i) 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. (ii) Also a certificate stating that the securities or shares owned by it or in which it has full beneficial

		interest to which the dividend is payable are owned by it or on which it has full beneficial interest.
Category - I & II Alternative Investment Funds (AIF) registered with SEBI	NIL	AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate

*** Notwithstanding the above, tax would not be deducted on payment of dividend to resident Individual shareholder, if total dividend to be paid in FY 2023-24 does not exceed Rs. 5,000.**

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 the Company in the manner prescribed by Rules.

Non-Resident Shareholder:

Particulars	Applicable withholding tax Rate	Documents required (if any)- Please submit with details of DPID – Client Id/ Folio No.
Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)]	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	In order to apply the Tax Treaty rate, following documents would be required: <ol style="list-style-type: none"> 1. Self-attested copy of Indian Tax Identification number Permanent Account Number (PAN), if available 2. Tax Residency Certificate (TRC) (of FY 2023-24 or later) obtained from the tax authorities of the country of which the shareholder is a resident 3. Form 10F duly filled and signed or Electronically filed form 10F . Click here to download Form 10F https://www.integratedindia.in/Downloads/Dr/Form_10F.pdf 4. Self-declaration (of FY 2023-24 or later) from Non-resident, 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

		<p><u>Self Declaration format</u> For Foreign Company does not have a “PE” in India – Refer to Annexure 1</p> <p>For Non-Resident other the Foreign Company - Refer to Annexure 2</p>
Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

**Further, as per Section 90 of the Act the Non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (tax treaty) between India and the country of tax residence of the shareholder read with provisions laid down in Multilateral Instrument, wherever applicable. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholder will have to provide documents as specified above.

Kindly note that 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.

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.

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

The Company through M/s. Integrated Registry Management Services Pvt Ltd, Company’s Registrar and Transfer Agent has enabled a shareholders web portal for submission of tax exemption forms/requested documents. Shareholders can submit their tax exemption forms and supporting documents directly on portal for purposes of tax deduction at source by Clicking the below link and selecting ‘*Hatsun Agro Product Limited*’ in the company drop down

<https://www.integratedindia.in/ExemptionFormSubmission.aspx>

We request shareholders to upload the relevant documents at aforementioned link on or before 05.08.2023.No communication on the tax determination/deduction received post 05.08.2023 shall be considered for payment of dividend.

For withholding of taxes as mentioned above, the residential status of the shareholders will be considered as per the data available with the Company/RTA/the Depository Participants (the "DPs"). In case there is

change in their status, then the shareholders are requested to update their current status with the Company/RTA/the DPs.

If the tax on said Dividend is deducted at a higher rate in the absence of receipt of or satisfactory completeness of the aforementioned details/documents, the shareholder may claim an appropriate refund in the return of income filed with their respective Tax authorities, if eligible.

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 shareholders registered email ID, post payment of the said dividend. Shareholders will also 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/>

Above communication on TDS sets out the provisions of law in a summary manner only from Withholding tax perspective. Shareholders should consult their tax advisors for the applicable tax provisions.

In case of any queries, the Shareholders may write to us at secretarial@hap.in or to RTA Email address. gopi@integratedindia.in

Annexure 1

Letter in case a Foreign Company does not have a “PE” in India

<Company’s letter head>

Date:

Hatsun Agro Product Limited
No.41 (49), Janakiraman Colony Main Road, Janakiraman Colony,
Arumbakkam
Chennai – 600 106
e-mail : secretarial@hap.in

Subject: Declaration for claiming tax treaty benefits on dividend income for the period April 2023- March 2024

Folio Number / DP Id-Client Id:

PAN of Shareholder:

With reference to the captioned subject, and in relation to the appropriate withholding of taxes on the Dividend payable to us by HATSUN AGRO PRODUCT LIMITED, this is to certify that:

1. <insert Company’s name>, is a body corporate incorporated and registered in <Name of the country > under the laws of <mention Name of the country>.
2. We, << Name of the shareholder >> confirm that we are a tax resident of <<Insert country>> for the period April 2023-March 2024 (Indian Fiscal Year) and are eligible to claim benefits of the India - << Insert country>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in Multilateral Instrument (MLI), wherever applicable.
3. Our Tax Identification Number issued by <Name of the authority> is <mention number>
4. We, <<Name of the shareholder >> are the beneficial owner of the shares allotted in above folio no. as well as of the dividend arising from such shareholding. .
5. I/ We further declare that I/ we have the right to use and enjoy the dividend received/receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
6. We either do not have a Permanent Establishment (P.E.) in India or Dividend income earned by us is not attributable/effectively connected to the our P.E. in India as defined under the Income Tax Act, 1961 and DTAA between India and <Name of Country> read with the provisions laid down in Multilateral Instruments (MLI), wherever applicable, during the financial year <<<Year>>>. We further confirm that we do not have any business connection in India as per provisions of Income Tax Act 1961. In the event of we having a P.E. in India or Dividend income is attributable/effectively connected to such P.E., we acknowledge our obligation to inform you forthwith with necessary details.

7. We further indemnify Hatsun Agro Product Limited for any penal consequences arising out of any acts of commission or omission initiated by Hatsun Agro Product Limited by relying on our above averment.

8. The construct and affairs of the shareholders are not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.

Thanking you,
Yours Sincerely,
For <Company's name>

Name: <insert authorised person name>
<Insert designation>

Annexure 2

Date:

Hatsun Agro Product Limited
No.41 (49), Janakiraman Colony Main Road, Janakiraman Colony,
Arumbakkam
Chennai – 600 106
e-mail : secretarial@hap.in

Subject: Declaration for claiming tax treaty benefits on dividend income for the period April 2023-March 2024

Folio Number / DP Id-Client Ids:

PAN of Shareholder:

With reference to the captioned subject, and in relation to the appropriate withholding of taxes on the Dividend payable to us by HATSUN AGRO PRODUCT LIMITED, this is to certify that:

1. I, <<Name of the shareholder >> confirm that I am a tax resident of <<Insert country>> for the period April 2023-March 2024 (Indian Fiscal Year) and are eligible to claim benefits of the India - << Insert country>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in Multilateral Instrument (MLI), wherever applicable.
2. My Tax Identification Number issued by <Name of the authority> is <mention number>
3. I, am beneficial owner of the shares allotted in above folio no. as well as of the dividend arising from such shareholding.
4. I further declare that I have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
5. I do not have a Permanent Establishment (P.E.) or any fixed base in India as defined under the Income Tax Act, 1961 and DTAA between India and <Name of Country> read with the provisions laid down in Multilateral Instruments(MLI), wherever applicable, during the financial year <<<Year>>>. In the event of I would have a P.E. or fixed base in India., I acknowledge my obligation to inform you forthwith with necessary details.
6. I further indemnify Hatsun Agro Product Limited for any penal consequences arising out of any acts of commission or omission initiated by Hatsun Agro Product Limited by relying on my above averment.

7. The construct and affairs of the shareholders are not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.

Thanking you,

Yours Sincerely,

Name: