

## Information of Tax on Interim Dividend 2022-23

### Dividend

The Board of Directors at their Meeting held on 19.07.2022 have declared the first Interim Dividend of Rs.6/- per Equity Share of the face value of Re.1/-each for the financial year 2022-23 and fixed 27<sup>th</sup> July 2022 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%*	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: <ul style="list-style-type: none"> <li>a) the shareholder(s) do not have PAN / have not registered their valid PAN details in their account.</li> <li>b) the shareholder(s) have not linked their Aadhaar with their PAN by due date as specified, rendering the PAN as invalid</li> <li>c) the shareholder(s) have not filed their Income Tax returns for FY 2020-21 the aggregate of TDS and tax collected at source in his/her case is Rs. 50,000 or more, in the previous year.</li> </ul>
Submission of declaration in Form 15G/ Form 15H by Individual resident shareholders	NIL	Declaration in Form No. 15G / Form 15H applicable to an Individual who is 60 years and more, fulfilling certain conditions.*  Please download Form 15G / 15H from the Income Tax website <a href="http://www.incometaxindia.gov.in">www.incometaxindia.gov.in</a>  or <a href="https://www.integratedindia.in/Downloads/Dr/Form_15G.pdf">https://www.integratedindia.in/Downloads/Dr/Form_15G.pdf</a> <a href="https://www.integratedindia.in/Downloads/Dr/Form_15H.pdf">https://www.integratedindia.in/Downloads/Dr/Form_15H.pdf</a>  *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 2022-2023 after including the income on which tax is to be deducted, will be NIL.
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.  <b>Mutual Funds:</b> (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 2022-23 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) <b>OR</b>  Tax Treaty Rate**  <b>(whichever is lower)</b>	<p>In order to apply the Tax Treaty rate, following documents would be required:</p> <ol style="list-style-type: none"> <li>1. Self-attested copy of Indian Tax Identification number Permanent Account Number (PAN), if available</li> <li>2. Tax Residency Certificate (TRC) (<i>of FY 2022-23 or later</i>) obtained from the tax authorities of the country of which the shareholder is a resident</li> <li>3. Form 10F duly filled and signed. Click here to download Form 10F <a href="https://www.integratedindia.in/Downloads/Dr/Form_10F.pdf">https://www.integratedindia.in/Downloads/Dr/Form_10F.pdf</a></li> <li>4. Self-declaration (<i>of FY 2022-23 or later</i>) from Non-resident, primarily covering the following: <ul style="list-style-type: none"> <li>-Non-resident is eligible to claim the benefit of respective tax treaty.</li> <li>-Non-resident receiving the dividend income is the beneficial owner of such income</li> <li>-Dividend income is not attributable / effectively connected to any Permanent Establishment (PE) or Fixed Base in India</li> <li>-PE declaration by all non-resident entities even in cases where no tax treaty benefits are claimed.</li> </ul> </li> </ol> <p><b>Click here to download Self Declaration format</b> <a href="#">Self-Declaration 1</a> <a href="#">Self-Declaration 2</a></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 05.08.2022.No communication on the tax determination/deduction received post 05.08.2022 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://incometaxindiaefiling.gov.in> or <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](mailto:secretarial@hap.in) or to RTA Email address. [gopi@integratedindia.in](mailto:gopi@integratedindia.in)