

Sree Rayalaseema Hi-Strength Hypo Limited
Regd Off: Gondiparla, Kurnool -518004(A.P.)
Tel: 040-23313964 ; Fax:040-23313875
e-mail: companysecretary@srhhl.com
Website: tgvgroup.com

Dated: 02-09-2021

NOTICE TO THE SHAREHOLDERS

Subject: Deduction of Tax at Source on Dividend and Update of Bank Account and Contact Details

Dear Shareholder,

We trust and pray that you and your family are safe and healthy. The year gone by has been the most challenging year ever witnessed so far and has made us more adaptive to situations as they come.

We wish to inform you that the Board of Directors (the "Board") of Sree Rayalaseema Hi-Strength Hypo Limited ("Company") have at their meeting held on June 30, 2021 recommended Dividend of Rs. 3/- per equity share having face value of Re.10/- each for the financial year 2020-21.

As you may be aware, in terms of the provisions of the Income-tax Act, 1961, (the "Act") as amended by the Finance Act, 2020, dividend paid or distributed by a company on or after April 01, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of payment of dividend.

Needless to mention, the Permanent Account Number ("PAN") will be mandatorily required to be provided.

Please note that:

1. Section 206AB has been introduced by the Finance Act, 2021, whereby TDS will be higher of the following:
2. Twice the rate specified in the relevant provision of the Income-tax Act; or
3. Twice the rate or rates in force; or
4. The rate of 5%;

In case a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of tax deducted at source (TDS) including tax collected at source (TCS) in his/her case is Rs.50,000 or more in each of these two financial years. The aggregate amount of TDS / TCS of Rs. 50,000 in a year is not limited to TDS only on dividend income received by the shareholder but will include all TDS transactions of the shareholder during the relevant financial year. These provisions will be effective from July 01, 2021. The shareholder is required to provide a self- declaration to this effect. <https://incometaxindiaefiling.gov.in>. for the format of self - declaration.

To summarise, dividend will be paid after deducting the tax at source as under:

For Resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
With PAN	10%*	Update/Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode). In case of Individual shareholder, TDS would not apply if the aggregate of total dividend distributed to the shareholder by the Company during financial year 2021-22 does not exceed Rs. 5,000.
Without PAN/ Invalid PAN	20%	N.A.
Submitting Form 15G/ Form 15H	NIL	Duly verified Form 15G or 15H (as may be applicable in duplicate) is to be furnished along with self-attested copy of PAN card. Blank Form 15G and 15H can be downloaded from the below links or from the websites of Income Tax viz. https://incometaxindiaefiling.gov.in . Click here to download the format of Form 15G Click here to download the format of Form 15H
Submitting Order under Section 197 of the Act	Rate specified in lower tax withholding certificate obtained from Income Tax Department	* Copy of PAN card / * Copy of lower tax withholding certificate obtained from Income Tax Department.
Shareholders to whom Section 194 of the Act does not apply such as LIC, GIC, etc	NIL	* Copy of PAN card * Self-declaration (please download the Link given as Annexure – 1 – click here to download Annexure-1), along with adequate documentary evidence (e.g. registration Certificate), to the effect that the no tax withholding is required as per the provisions of

		Section 194 of the Act
Shareholder covered u/s 196 of the Act such as Government, RBI, Mutual Funds specified U/s Section 10(23D) corporations established by Central Act and exemption from Income Tax. Section 10 of the Act	NIL	Copy of PAN Card Self-declaration (Please download the link given as Annexure – 1- Click here to download Annexure – 1), along with adequate documentary evidence, substantiating applicability of 196 of the Act.
Category I and II alternative Investment Fund (AIF)	NIL	Copy of PAN card Self-declaration (Please download the link given as Annexure -1 Click here to download Annexure-1) that AIF's income is exempt under Section 10 (23FBA) of the Act and they are governed by SEBI regulations, as applicable to Category I or Category II AIFs, along with copy of registration certificate
Any other entity exempt from withholding tax under the provisions of Section 197A of the Act (including those mentioned in Circular No. 18 / 2017 issued by CBDT)	NIL	Copy of PAN card Self-declaration (Please download the link given as Annexure-1 &2 Click here to download Annexure – 1 and Click here to download annexure 2) along with adequate documentary evidence, substantiating the nature of the entry. Copy of the lower tax withholding certificate obtained from

For Non- Resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	Copy of PAN card (if available) Self-declaration (please download the link given as Annexure – 3 – Click here to download Annexure-3) along with adequate documentary evidence substantiating the nature of the entity
Other Non-resident shareholders	20% (plus applicable surcharge and cess)	Copy of PAN card (if available) Self-declaration (please download the link given

	cess)	as Annexure – 4 – Click here to download Annexure-4) along with adequate documentary evidence substantiating the nature of the entity
Other Non-resident Shareholders (except those who are tax residents of Notified Jurisdictional Area)	20% applicable surcharge (plus cess) or treaty whichever is beneficial	<p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ol style="list-style-type: none"> 1. Copy of PAN card (if available) 2. Copy of Tax Residency certificate (“TRC”) issued by revenue authority of country of residence of shareholder for the financial year 2021-22 (covering the period from April 1, 2021 to March 31, 2022). <p>Self-declaration in Form 10F ((please download the click given as Annexure – 5 – Click here to download Annexure – 5)</p> <p>Self-declaration for no permanent establishment / fixed base / business connection in India, place of effective management, beneficial ownership and eligibility to avail tax treaty benefit (on shareholder’s letterhead) (please download the link given as Annexure-6- click here to download Annexure – 6)</p> <p>(Note: Application of beneficial tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders. In case the document shared found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty.</p>
Non-Resident shareholders who are tax residents to Notified jurisdictional Area as defined u/s 94A(1) of the Act	30%	NA
Sovereign wealth funds and pension funds notified by Central Government u/s 10(23FE) of the Act	Nil	<p>Copy of the notification issued by CBDT substantiating the applicability of Section 10(23FE) of the Act issued by the Government of India</p> <p>Self – Declaration (please download the link given as Annexure – 7 & 8, at the end of this</p> <p>Communication - Click here to download Annexure – 7 and click here to download Annexure – 8 and click here to download-8) that the conditions specified in section 10(23FE) have been complied with</p>

Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under Section 10(23FE) of the ACT	NIL	Self-declaration (Please download the link given as Annexure - 9- click here to download Annexure - 9) substantiating the fulfillment of conditions prescribed under section 10(23FE) of the Act.
Availability of Lower /NIL tax deduction certificates issued by Income Tax Department u/s 195 or 197 of the Act.	Rate specified in lower tax withholding certificate obtained from Income Tax Department	Copy of the lower tax withholding certificate obtained from Income Tax Department

In case PAN is not updated with the Company's RTA or depository; or PAN is not available; and information sought in the declaration are not provided, higher rate of withholding tax as per Section 206AA shall be applied.

Notes:

1. The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Depository Participant / RTA post payment of dividend. Shareholders will be able to download the tax credit statement from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>(refer to Form 26AS)
2. 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 <http://www.aarthiconsultants.com/investors/login.php> on before September 23 , 2021 to enable the Company to determine the appropriate 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 23 , 2021 shall not be considered.
3. Determination of 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 of shares are held in physical form as on the Record date, and other documents available with the Company /RTA. 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 accounts.
4. 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.

5. In case 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.

6. 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.

7. 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.

8. 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.

9. All communication / queries in respect of above should be addressed to our RTA, Aarthi Consultants Private Limited

M/s Aarthi Consultants Pvt Ltd
Unit : Sree Rayalaseema Hi-Strength Hypo Limited
No. 1-2-285, Domalguda, Hyderabad
500029 TS

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infor@arthiconsultants.com

10. A declaration must be filed with the Company where the whole or any part of the dividend income is assessable under the provisions of the Act, in the hands of a person other than the shareholder in accordance with Rule 37BA(2) of the Income-tax Rules, 1962. The declaration must consist of Name, address, PAN of the person to whom credit is to be given and proportion of credit to be given in respect of dividend income. In case company does not receive such declaration before the stipulated timelines, the Company reserves the right to reject such declaration.

11. Company will withhold taxes as per the stipulated tax laws prevalent at the time of deduction of taxes i.e September 23 , 2021 as on record date.

Update of Bank account details:

While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

Updating of PAN, email address and other details

Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), 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 the registrar and share transfer agent at info@aarthiconsultants.com The 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 sent before September 23,2021 with the Registrar and Transfer Agent at info@aarthiconsultants.com

We seek your co-operation in the matter.

Thanking you

Yours sincerely
For Sree Rayalaseema Hi-Strength Hypo Limited

Sd/-
V Surekha
Company Secretary