

Date: 28.08.2024

NOTICE TO THE SHAREHOLDERS

Sub: Aries Agro Limited –Dividend FY 2023-24 - Communication on Tax Deduction at Source (‘TDS’) on Dividend payout

Dear Shareholder,

We hope this E-mail finds you safe and in good health.

We wish to inform you that the Board of Directors of your Company have, at their meeting held on May 29, 2024, recommended for payment of Dividend of Rs. 1.00 per share of face value of Rs. 10/- each for the Financial Year - 2023-24. The Record Date for the same has been fixed as September 16, 2024 for determining eligibility of shareholders to receive dividend and the dividend will be paid on or before October 15, 2024.

Pursuant to the amendments introduced in the Income-tax Act, 1961 (‘the Act’) vide Finance Act, 2020, w.e.f. April 1, 2020, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders.

No tax will be deducted on payment of dividend to the resident individual shareholder if the total dividend, paid during Financial year (‘FY’) 2024-25, does not exceed INR 5,000/-

The withholding tax rate would vary depending on the residential status, category of the shareholder and is *subject to provision of requisite declarations / documents to the Company (refer below)*.

A. RESIDENT SHAREHOLDERS:

A.1 Tax deductible at source for Resident Shareholders (other than resident individual shareholders receiving dividend not exceeding INR 5,000 during the FY 2024-25)

S No.	Particulars	Withholding tax rate	Declaration / documents required
1	Valid PAN updated with the Depository Participant in case shares are held in dematerialized form; or Registrar and Transfer Agent (‘RTA’) in case shares are held in physical form and no exemption sought by Shareholder	10%	N.A.
2	No / Invalid PAN with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form and no exemption sought by Shareholder	20%	N.A.

3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"> • Copy of PAN card / • Copy of lower tax withholding certificate obtained from Income Tax Department
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A.2 Nil Tax Deductible at Source on dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in table below with the Company/ RTA

S No.	Particular	Declaration / documents required
1	An Individual furnishing Form 15G/ 15H	<ul style="list-style-type: none"> • Copy of PAN card • Declaration in Form No. 15G (applicable to an individual who is less than 60 years) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling prescribed conditions. <p>The format of Form 15G is available on our website www.ariesagro.com under the 'Investor Relations' Section</p>
2	Shareholders to whom section 194 of the Act does not apply such as LIC, GIC, etc.	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration (Please download the Link given as Annexure-I (available on our website www.ariesagro.com under the 'Investor Relations' Section), 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.
3	Shareholder covered u/s 196 of the Act such as Government, RBI, Mutual Funds specified u/s 10(23D), corporations established by Central Act and exempt from Income Tax.	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration (Please download the Link given as Annexure-I (available on our website www.ariesagro.com under the 'Investor Relations' Section), along with adequate documentary evidence, substantiating applicability of 196 of the Act.
4	Category I and II Alternative Investment Fund (AIF)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration (Please download the Link given as Annexure-I - (available on our website www.ariesagro.com under the 'Investor Relations' Section) 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.
5.	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)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration (<i>Please download the Link given as Annexure-1 & 2</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section) along with adequate documentary evidence, substantiating the nature of the entity • Copy of the lower tax withholding certificate obtained from Income Tax Department (<i>except those covered by Circular 18/2017</i>)

B. NON-RESIDENT SHAREHOLDERS:

Tax deductible at source for non-resident shareholders.

S No.	Category	Withholding tax rate	Declaration / documents required
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration (<i>Please download the Link given as Annexure-3</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section) along with adequate documentary evidence substantiating the nature of the entity
2	Alternative Investment Fund – Category III located in International Financial Services Centre	10% (plus applicable surcharge and cess)#	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration (<i>Please download the Link given as Annexure-4</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section) along with adequate documentary evidence substantiating the nature of the entity

3	Other Non-resident shareholders (except those who are tax residents of Notified Jurisdictional Area)	20% (plus applicable surcharge and cess) or tax treaty rate 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 (<i>Please download the Link given as Annexure-5</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section),</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](<i>Please download the Link given as Annexure-6</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section),</p> <p><i>(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).</i></p>
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4	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	NA
5	Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the Act	NIL	<ul style="list-style-type: none"> • Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India. • Self-Declaration (<i>Please download the Link given as Annexure-7 & 8, at the end of this communication-</i> (available on our website www.ariesagro.com under the 'Investor Relations' Section), that the conditions specified in section 10(23FE) have been complied with
6	Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under section 10(23FE) of the Act	NIL	Self-Declaration (<i>Please download the Link given as Annexure-9</i> - (available on our website www.ariesagro.com under the 'Investor Relations' Section) substantiating the fulfillment of conditions prescribed under section 10(23FE) of the Act
7	Availability of Lower/NIL tax deduction certificate 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:

- i. The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Depository Participant / RTA post payment of the 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).
- ii. 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 or **before September 9 2024** 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 9, 2024** shall not be considered.
- iii. 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. 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.
- iv. 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.
- v. 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.
- vi. 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.
- vii. 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.

AN ISO 9001 COMPANY : Quality Management System: ISO 9001: 2015 Certified

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- viii. 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.
- ix. All communication/queries in respect of above should be addressed to our RTA, Aarthi Consultants Private Limited
- M/s Aarthi Consultants Pvt
Ltd.,
Unit: Aries Agro Ltd.,
No.1-2-285,
Domalguda,
Hyderabad 500 029 TS
www.aarthiconsultants.com
info@arthiconsultants.com
- x. 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.
- xi. Company will withhold taxes as per the stipulated tax laws prevalent at the time of deduction of taxes i.e. 16th September, 2024 as on record date
- xii. 20% withholding tax rate would be applicable for resident shareholders who have not filed ITR for tax year immediately prior to the year in which tax is required to be deducted and for which the time limit to file tax return has expired and the aggregate amount of TDS and TCS in whose case exceeds Rs 50,000 or more in each of these two previous years. Further, in case the PAN is not linked with Aadhaar, the same is shown on the Income Tax site as 'INOPERATIVE PAN', in such cases also the tax will be deducted at a higher rate of 20%.

We seek your co-operation in the matter.

Thanking you,

Yours sincerely,

For **Aries Agro Limited**

Sd/-

Qaiser Parvez Ansari
Company Secretary