



RKL/SX/2021-22/45
September 02, 2021

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001. Scrip Code: 532497	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051. Scrip Code: RADICO
--	--

Sub: Communication in respect of deduction of tax at source on Dividend payout

Dear Sirs/Madam,

In accordance with the provisions of the Income Tax Act, 1961, dividend paid on or after April 01, 2020, is taxable in the hands of shareholders and the Company is required to deduct tax at source ('TDS') from dividend paid to the shareholders at the applicable rates.

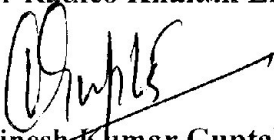
In this regard, please find attached the communication, which is sent to the shareholders of the Company, today, regarding deduction of TDS on dividend payout for FY 2020-21. The communication is sent to those shareholders whose email IDs are registered with the Company or Depositories.

Shareholders of the Company are requested to upload necessary documents as mentioned in the communication with Company's RTA – KFin Technologies Private Limited at <https://ris.kfintech.com/form15> or email to inward.ris@kfintech.com with a copy to investor@radico.co.in within specified timelines.

The above is for your information and record.

Thanking you,

Yours sincerely,
For Radico Khaitan Limited


(Dinesh Kumar Gupta)
Vice President - Legal &
Company Secretary



Email Id: investor@radico.co.in

Encl.: As above.

Radico Khaitan Limited

Plot No. J-1, Block B-1, Mohan Co-op. Industrial Area
Mathura Road, New Delhi-110044
Ph : (91-11) 4097 5444/555 Fax: (91-11) 4167 8841-42
Registered Office : Bareilly Road, Rampur-244901 (U.P.)
Phones : 0595-2350601/2, 2351703 Fax : 0595-2350009
e-mail : info@radico.co.in, website : www.radico.khaitan.com
CIN No. L26941UP1983PLC027278



2nd September, 2021

Dear Shareholder,

Subject: Deduction of tax at source on dividend

We hope that you are safe and healthy. Please take care of yourselves.

We wish to inform you that the Board of Directors of your Company has, in its meeting held on June 01, 2021, recommended a dividend of Rs.2.40 per equity share having a nominal value of Rs. 2/- each for the financial year ended March 31, 2021.

The dividend, if approved at the ensuing 37th Annual General Meeting, will be paid to the Members on the basis of the details of beneficial ownership furnished by the Depositories, as at the close of Tuesday, September 21, 2021 and in respect of shares held in physical form to those Members whose names will appear in the Register of Members of the Company as on the close of Tuesday, September 21, 2021.

As you may be aware that 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 is taxable in the hands of the Members. The Company is, therefore, required to deduct tax at source at the time of payment of dividend to the Members.

For Resident Shareholders:

Tax will be deducted at source under Section 194 of the Act @10% on the amount of Dividend payable, unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend paid to them by the Company during the financial year does not exceed Rs.5,000/-.

Tax at source will not be deducted where a member provides Form 15G (applicable to Individual in case of dividend) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. Blank Form 15G and 15H can also be downloaded from the link given at the end of this communication or from the website of the RTA viz. <https://ris.kfintech.com/form15>

Radico Khaitan Limited

Plot No. J-1, Block B-1, Mohan Co-op. Industrial Area
Mathura Road, New Delhi-110044

Ph : (91-11) 4097 5444/555 Fax: (91-11) 4167 8841-42

Registered Office : Bareilly Road, Rampur-244901 (U.P.)

Phones : 0595-2350601/2, 2351703 Fax : 0595-2350009

e-mail : info@radico.co.in, website : www.radicokhaitan.com

CIN No. L26941UP1983PLC027278

The above deduction of TDS on resident shall be subject to Section 206AB of the Income Tax Act, 1961 which provides for higher rate for TDS for the non-filers/late filers of income-tax return. If the resident will be specified person as per Section 206AB of the Act, the TDS rate will 20% else Normal rates will apply.

Needless to mention, the Permanent Account Number (PAN) will be mandatorily required. If PAN is not submitted, Tax at source will be deducted @ 20% as per Section 206AA of the Act.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

- **Insurance companies:** A declaration that they are beneficial owners of shares held.
- **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self-attested).
- **Alternative Investment Fund (AIF) established in India:** 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. Copy of registration documents (self-attested) should be provided.
- **New Pension System Trust :** A declaration that they are governed by the provisions of Section 10(44) [subsection 1E to Section 197A] of the Act along with copy of registration documents (self-attested);
- **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 - Documentary evidence that the person is covered under Section 196 of the Act.

For non-resident members:

Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident member has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to the member. For this purpose, i.e. to avail tax treaty benefits, the non-resident member will have to provide the following:

- i. Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is resident;
- iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration by the non-resident member of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- v. Self-declaration of beneficial ownership by the non-resident member. The documents referred to in point nos. (iii) to (v) can be downloaded from the link given at the end of this communication or from the website of the RTA viz. <https://ris.kfintech.com/form15>

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non- resident member.

Notwithstanding the above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the Act. Such rate shall not be reduced on account of the application of the lower DTAA rate, if any.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than 5 PM, Tuesday, the September 21, 2021.

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

- NIL for resident members receiving dividend upto Rs.5000/- or in case Form 15G / Form15H (as applicable) along with self-attested copy of the PAN is submitted
- 10% for resident members in case PAN is provided / available- subject to section 206AB of the Act.
- 20% for resident members, if PAN is not provided / not available.
- Tax will be assessed on the basis of documents submitted by the non-resident members.

- 20% plus applicable surcharge and cess for non-resident members in case the aforementioned documents are not submitted.
- Lower / NIL TDS on submission of self-attested copy of the certificate issued under Section 197 of the Act.

Kindly note that the aforementioned documents should be uploaded with KFin Technologies Private Limited, the Registrar and Transfer Agent ("KFin") at <https://ris.kfintech.com/form15> or emailed to einward.ris@kfintech.com.

No communication on the tax determination / deduction shall be entertained after September 21, 2021.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such tax deducted.

We request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the demat 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 the first member, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with KFin. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear the members' name, please attach a copy of the bank pass-book statement duly self-attested. **We also request you to register your email IDs and mobile numbers with the RTA.**

Stay Healthy and Safe.

Thanking you,

Yours faithfully,

For Radico Khaitan Limited

Sd/-

(Dinesh Kumar Gupta)
VP - Legal & Company Secretary