

Sportking INDIA LTD.

(Govt. Recognised Four Star Export House)

Regd. & Corporate Office : Vill. Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 Ph. (0161) 2845456 to 60 Fax : 2845458
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E-mail : sportking@sportking.co.in CIN No. L17122PB1989PLC053162
Website : www.sportking.co.in GST No.: 03AAACS3037Q1ZA

SIL/2024-25/SE

Date: 31.07.2024

To BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001	To National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
Script Code: 539221	Symbol: SPORTKING

Subject: Communication to Shareholders - Intimation on Tax Deduction on Dividend

Dear Sir

We have sent the enclosed communication regarding Tax Deduction at Source (TDS) on dividend distribution during FY 2024-25 to the shareholders whose e-mail addresses are registered with the Company/Registrar & Transfer Agent/Depositories.

You are requested to take the above mentioned information on your records.

Yours truly,

For SPORTKING INDIA LIMITED

LOVLESH VERMA
COMPANY SECRETARY
(ACS: 34171)

SPORTKING INDIA LIMITED

Registered Office: Village kanech, Near Sahnewal, GT Road, Ludhiana

CIN: L17122PB1989PLC053162

website: www.sportking.co.in | email: cs@sportking.co.in

Tel: 0161-2845456

Dear Shareholder,

Subject: Deduction of tax at source on dividend

We are pleased to inform you that the Board of Directors of the Company, at its Meeting held on 27th April 2024, has recommended a dividend of Rs. 5/- (50%) per Ordinary (Equity) share of Rs. 10 each for the Financial Year ended 31st March 2024.

The Dividend will be paid after 17th August 2024, subject to the approval of Members at the 35th Annual General Meeting ("AGM") scheduled to be held on Saturday 17th August 2024.

As you are aware that pursuant to the Income Tax Act, 1961 ("the Act"), as amended by the Finance Act, 2020, dividends paid or distributed by a company on or after 1st April 2020 shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct tax at source ("TDS") at the time of making the payment of the dividend at the rates applicable on the amount distributed to the shareholders, if approved at the forthcoming AGM.

All shareholders are requested to ensure that the details such as Permanent Account Number (PAN), residential status, category of shareholder (e.g. Domestic Company, Foreign Company, Individual, Firm, LLP, HUF, Foreign Portfolio Investor (FPI), Foreign Institutional Investor (FII), Government, Trust, Alternate Investment Fund - Category I, II or III, etc.), email id and address are updated, in their respective demat account(s) maintained with the Depository Participants. Please note that these details as available on 10th August 2024 in the Register of Members will be relied upon by the Company, for the purpose of complying with the applicable withholding tax provisions as the Register of Members and Share Transfer Books of the Company will remain closed for payment of Dividend and AGM from 11th August 2024 to 17th August 2024 (both days inclusive).

FOR ALL SHAREHOLDERS - UPDATION OF DETAILS, AS APPLICABLE

All Shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the Depository participant(s); or in case of shares held in physical form, with the RTA or Company. Please note that the following details, in case you had already registered with the Company, as available with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- Valid Permanent Account Number.
- Residential status as per the Act i.e. Resident or Non-Resident for FY 2024-25.
- Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/State Government), Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII): Foreign Company, FPI/FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, etc.
- Email Address.
- Residential Address

For resident shareholders: Tax will be deducted at source ("TDS") 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 be applied if the aggregate of total dividend distributed to them by the Company during financial year does not exceed Rs. 5,000/- (Rupees Five Thousand only). Tax at source will also not be deducted in cases where a shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. The format of Form 15G and Form 15H are available on the website of the Company at www.sportking.co.in and RTA website <http://www.beetalmail.com>

TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under section 197 of the Act, if such valid certificate is provided. Please note that the Permanent Account Number (PAN) will be mandatorily required to be submitted. If PAN is not submitted or is invalid, TDS would be deducted @ 20% as per Section 206AA of the Act. Also the shareholders are requested to ensure that Aadhar Number is linked with PAN,

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as per the timelines prescribed. In case of failure of linking Aadhar Number with PAN within the prescribed timelines, PAN shall be considered as inoperative and, in such case, tax shall be deducted at higher rate of 20% as prescribed under the Act. The provisions for higher tax deduction shall be applicable after that date, unless further extended.

Please note that:

- Section 206AB has been introduced by the Finance Act, 2021, whereby TDS will be higher of the following:

- Twice the rate specified in the relevant provision of the Income-tax Act; or
- Twice the rate or rates in force; or
- 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 1st July, 2021. In order to provide exemption from withholding of tax, the following organizations must provide a self-declaration as listed below:

1. **Insurance companies:** A declaration that they are beneficial owners of shares held;
2. **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);
3. **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 or Category III AIF under the SEBI regulations. Copy of registration documents (self-attested) should be provided;
4. **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);
5. **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.
6. Shareholders who have provided a valid certificate issued u/s 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities.

For Non-Resident Shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors):-

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 shareholder 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 shareholder, if it is more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

1. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
2. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident. Request you to kindly note that TRC should cover the period of payment i.e. FY 2024-25 and should be in English Language. If the local language is other than English, TRC shall be required to be translated into English and be required to be notarized/apostille;
3. Completed and duly digitally signed Form 10F in electronic format submitted on income tax portal; Pursuant to Notification No. 03/2022 dated 16th July, 2022 of the Central Board of Direct Taxes ('CBDT'), it has been mandated for non-resident to issue Form 10F in electronic format (to be obtained through e-filing portal of income tax website) duly verified in manner as prescribed in the said Notification.
4. Self-declaration in the format is also available on the website of the Company at [sportking.co.in](http://www.sportking.co.in) and RTA website <http://www.beetalmail.com>.

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5. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India.

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 shareholders. The provisions of Section 206AB shall not be applicable to non-resident who does not have permanent establishment (P.E) in India, therefore non-resident shareholders must provide a declaration confirming whether they have permanent establishment (P.E) in India or not to ascertain the applicability of said provisions respectively. TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under section 197 of the Act, if such valid certificate is provided.

For all Shareholders:

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 1961, we request you to provide the above-mentioned details and documents as applicable to you on or before 07th August 2024. The dividend will be paid after deduction of TDS as determined on the basis of the aforementioned documents provided by the respective shareholders as applicable on them and satisfactory review of the documents by the RTA/ Company.

The documents such as Form 15G/ Form 15H / Form 10F, documents under sections 196, 197A of the Act, FPI Registration Certificate, Tax Residency Certificate, Lower Tax Certificate etc. through e mail on cs@sportking.co.in on or before 07th August 2024 to enable the RTA/ Company to determine the appropriate TDS / withholding tax rate applicable.

NO COMMUNICATION ON THE TAX DETERMINATION / DEDUCTION SHALL BE ENTERTAINED AFTER 07TH AUGUST 2024

In case tax on dividend is deducted at a higher rate in the absence of receipt or insufficiency of the aforementioned details / documents from you, 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 taxes deducted. Shareholders will be able to see the credit of TDS in Form No. 26AS, which can be downloaded from their e-filing account at <https://incometaxindia.gov.in/pages/downloads/most-used-forms.aspx>, in case their PAN is registered with the income tax department.

UPDATION OF PAN, EMAIL ADDRESS AND OTHER DETAILS:

All the Shareholders are requested to update the residential status, email address, mobile number, residential address, category and other details with their relevant depositories through their depository participants, in case the shares are held in electronic form or with the Company, if the shareholding is held in physical form, as may be applicable. The Company is obligated to deduct TDS based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited (collectively referred to as 'the Depositories') in case of shares held in demat mode and from the Company record in case of shares held in physical mode and no request will be entertained for revision of TDS Return

UPDATE OF BANK ACCOUNT DETAILS:

In order to facilitate receipt of dividend directly in your bank account, 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 Form ISR-1 and Form ISR-2, 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, with Beetal Financial & Computer Services Private Ltd. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque does not bear your name, please attach a copy of the bank passbook statement duly self-attested.

DISCLAIMER

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), especially with respect to its residential status such Shareholder(s) will be responsible to indemnify the Company and also, provide the

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Company with all information / documents and co-operation at the time of payment of dividend/during the course of any appellate proceedings.

Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

In case of any queries, you may write at beetalrta@gmail.com.

Your co-operation in this regard is solicited.

Thanking you,

Yours faithfully,

For Sportking India Limited

**Sd/-
Lovlesh Verma
Company Secretary
ACS-34171**