



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062
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Corp. Office: 'Strides House', Bilekahalli, Bannerghatta Road, Bengaluru - 560 076.
Tel No.: +91 80 6784 0000/ 6784 0290
Website: www.strides.com ; Email: investors@strides.com

Date: August 22, 2024

Ref: Folio / DP Id & Client Id No:

Name of the Shareholder :

Dear Shareholder(s),

Ref: Strides Pharma Science Limited ('Strides'/ 'the Company')
Sub: Deduction of tax at source on Dividend pay-out for FY2024

We hope that you and your family are doing well and are safe and healthy.

We wish to inform you that Board of Directors of the Company in their meeting held on May 22, 2024 recommended a **Final Dividend** of Rs. 2.50 per equity share having nominal value of Rs. 10/- each for the Financial Year ('FY') ended March 31, 2024, subject to shareholders' approval at the ensuing Annual General Meeting ('AGM') to be held on **Wednesday, September 25, 2024.**

As you are aware, as per 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 1, 2020 shall be taxable in the hands of the shareholders. Therefore, the Company shall be required to deduct taxes at source at the rates applicable to each category of shareholder as per the relevant provisions of the Act.

Further, Section 206AB of the Act provides that higher rate of tax (twice the specified rate) will be applicable on payment made to a 'Specified Person' defined under the provisions of the aforesaid section. Detailed instruction regarding the same is given below.

As per the latest information available with the depositories (NSDL/ CDSL) / Registrar and Share Transfer Agent ('KFin Technologies Limited' or 'KFintech'), you are a shareholder of the Company. If you remain as a shareholder as on the **Record Date i.e., Monday, September 9, 2024**, dividend receivable by you would be taxable under the Act. Hence, we request you to kindly verify the correctness of your records (including Residential status as per the Act for FY 2024-25, Permanent Account Number ('PAN'), Aadhaar number (in case of individual shareholders), bank account details, Email ID, Address and Contact phone number) and update the same with your depository

participant (if you hold shares in dematerialized mode) or the Registrar and Share Transfer Agent (if you hold shares in physical mode), at the earliest. Please note that for the purpose of complying with the applicable provisions on Tax Deducted at Source (TDS), the Company will rely on the above-mentioned details in the Register of Members as on **Monday, September 9, 2024**.

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 shareholder, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with Company's RTA. 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.

We also request the shareholders holding shares in dematerialized mode to register their email address and mobile number with their relevant depositories through their depository participants.

Shareholders holding shares in physical mode are hereby notified that based on SEBI Circular number SEBI/ HO/ MIRSD/ MIRSD-PoD-1/ P/ CIR/ 2023/ 37, dated March 16, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers.

It shall be mandatory for the security holders to provide mobile number. Physical Holders can register/ update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link:

<https://ris.kfintech.com/clientservices/isc/isrforms.aspx>
https://www.strides.com/shareholders_service_request.html

ISR Form(s) and the supporting documents can be provided by any one of the following modes:

- a. Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials;
- b. Through hard copies which are self-attested, which can be shared on the address below;

Name	KFIN Technologies Limited Unit: Strides Pharma Science Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- c. Through electronic mode with e-sign by following the link:
<https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

RELEVANT TAX PROVISIONS FOR TDS AND DOCUMENTS REQUIRED FROM RESPECTIVE CATEGORY OF SHAREHOLDERS

I. For Resident Shareholders

Tax is required to be deducted on dividend income under section 194 of the Act at 10% where shareholders have registered their valid PAN. However, please note that if you do not furnish PAN or PAN is not valid, it would be considered as PAN not being available and taxes would be deducted at 20% as per section 206AA of the Act. Further, the Company shall be liable to deduct taxes at higher rates (double the tax rate) if the conditions as per the provisions of section 206AB of the Act (discussed later in detail) are not satisfied.

a. Resident Individual Shareholders

No tax shall be deducted on the dividend payable to resident individuals, if:

1. Total dividend to be received by you from Strides during the FY 2024-2025 does not exceed Rs. 5,000/-.
2. In order to provide exemption from TDS on the dividend payable to you, you should submit all the following documents, if eligible, as per the relevant provisions of the Act:
 - a. Form No. 15G (applicable to Resident Individuals); Form No. 15H (applicable in case of Resident Individual's age is 60 years or more) provided that all eligibility conditions are met - The link to download the forms is provided below.

Please note that PAN is mandatory while providing Form No. 15G/ Form No. 15H, failing which tax would be deducted @20% as per Section 206AA of the Act.

- b. Lower deduction tax / Nil tax certificate for the FY 2024-2025, if any, obtained from the Income Tax authorities;

If the above documents are found in accordance with the provisions of the Act, the same shall be considered while deducting the taxes.

b. Resident Non - Individual Shareholders

In case your income is subject to lower rate of TDS, or is exempted under the Act, you should submit the following, as applicable:

1. **For Mutual Funds/ Insurance companies/ AIF (with Category I/ II status):** A self-declaration in the format as provided in the link below (as relevant) along with the documentary evidence.
2. **For Others (Resident Company / Firm / HUF / AOP / Trust / Local Authority / Artificial Juridical Person, etc):** In case you are a specified person covered under section 196 of the Act or you have tax exemption status under section 197A of the Act read with Circular No. 18/2017, submit a self-declaration as provided in the link below (as relevant) along with the documentary evidence.
3. Lower deduction tax certificate for the FY 2024-2025, if any obtained from the Income Tax authorities;

If the above documents are found in accordance with the provisions of the Act, the same shall be considered while deducting the taxes.

II. For Non-resident Shareholders

Taxes are required to be deducted in accordance with the provisions of section 195, section 196D and other applicable provisions of the Act as per the rates in force i.e. the TDS rate shall be at 20% (plus applicable surcharge and cess) on the amount of dividend. However, as per Section 90 of the Act, you have an option to be governed by the provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of your tax residence, if they are more beneficial to you, read with the provisions laid down in Multilateral Instrument ('MLI'). In case you propose to avail the benefit of DTAA, read with the MLI between India and the country of your tax residence, you should submit all the following documents as prescribed under the Act:

- i. Self-attested copy of the Permanent Account Number ('PAN Card') allotted by the Indian income tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (e) self-attested copy of the Tax Residency Certificate from the resident country and (f) Tax Identification Number of the residency country, as prescribed under Rule 37BC of the Income-tax Rules, 1962 ('the Rules').
- ii. Self-attested copy of Tax Residency Certificate ('TRC') for the FY 2024-2025 (for the period April 2024 to March 2025) obtained from the revenue authorities of the country of your residence;
- iii. Shareholders holding PAN to submit Form No. 10F electronically filed on the Indian Income Tax web portal. Further, in case of shareholder not having a valid PAN and not required to obtain a PAN in India, online Form

10F can be generated via registering as "Others" on the income tax e-filing portal (<https://eportal.incometax.gov.in/iec/foservices/#/pre-login/register>) and category as "Non-Resident not having PAN and not required to obtain PAN".

- iv. Self-declaration in the format as provided in the link below that you are eligible to avail the DTAA benefits;
- v. Copy of SEBI registration certificate in case of Foreign Institutional Investors and Foreign Portfolio Investors;
- vi. Any other document as prescribed under the Act for lower rate of tax, if applicable and as obtained from the Indian Income Tax authorities.

If the above documents are found in accordance with the provisions of the Income-tax Act, 1961, the same shall be considered while deducting the taxes. Further, please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction on the dividend amount. The application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-resident shareholders.

Further, the Company shall be liable to deduct taxes at higher rates (double the tax rate) if the conditions as per the provisions of section 206AB of the Act (discussed later in detail) are not satisfied.

III. For Shareholders Having Multiple Accounts Under Different Status/ Category:

Shareholders holding equity shares in the Company 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 are held under a PAN will be considered on their entire holding in different accounts.

TDS to be deducted at higher rate in case of non-filers of Income-tax Return

The provisions of section 206AB require the deductor to deduct taxes at higher of the following rates from amounts paid/ credited to a 'specified person':

- i. At twice the rate specified in the relevant provision of the Act; or
- ii. At twice the rates or rates in force; or
- iii. At the rate of 5%

'Specified person' means a person who has:

- a. not filed return of income for the assessment years relevant to the previous years immediately preceding the financial year in which tax is required to be deducted, for which the time limit of filing return of income under section 139(1) has expired; and
- b. to the aggregate of tax deduction/ collection at source in aggregate amounting to Rs. 50,000 or more in that previous year.

Non-resident who does not have a Permanent Establishment (i.e., a fixed place of business through which the business of the shareholder is wholly or partly carried on in India) is excluded from the definition of specified person.

Basis the above, with respect to the resident shareholders, the Company shall verify whether such shareholder is a specified person or not for the purpose of section 206AB of the Act from the online functionality issued by the Central Board of Direct Taxes ('CBDT'). Further, with respect to the Non-resident shareholders, the provisions of section 206AB of the Act is applicable only when the Non-resident shareholder has a Permanent Establishment in India. The Company hereby requests the Non-resident shareholders to mandatorily submit a self-declaration on having/ not having a Permanent Establishment in India (as provided in the link below). If such declaration is not provided by the Non-resident shareholders, the Company shall verify whether such shareholder is a specified person or not basis the details available for the purpose of section 206AB from the online functionality issued by the CBDT.

The Company shall rely on the results produced by the functionality and accordingly proceed to deduct taxes at higher rates as specified under section 206AB of the Act, as applicable, and such TDS would be final and the Company shall not refund/ adjust the said amount subsequently.

The Company reserves its right to recover any tax demand raised subsequently on the Company for not informing the Company or providing wrong information with respect to applicability of section 206AB in your case.

Declaration under Rule 37BA of the Rules

In terms of Rule 37BA of the Rules, 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 submit a self-certified declaration with the Company in the manner prescribed by the said Rule, which shall contain the name, address, PAN of the person to whom credit is to be given, payment or credit in relation to which credit is to be given and reasons for giving credit to such person. Accordingly, in case where shares are held by intermediaries / stock brokers and TDS is to be applied by the Company on the PAN of the beneficial Shareholders, then such intermediaries / stock brokers and beneficial shareholders will have to provide a declaration in the prescribed format under Rule 37BA of the Act. Hence, such registered Shareholder (i.e. the said clearing member, stock broker etc.) are required to furnish to the Company latest by **September 9, 2024**, a declaration containing the name, address, residential status and PAN of the actual beneficial owner to whom TDS credit is to be given, and reasons for giving credit to such person. No request in this regard will be considered by the Company after **September 9, 2024**.

You may note that the Company on **August 22, 2024** notified Record Date for the purpose of Final Dividend for FY 2023-2024 as **Monday, September 9, 2024** to the Stock Exchanges. We request you to kindly take note accordingly.

Kindly note that the aforementioned documents, where ever applicable for respective category of shareholders above should be uploaded with KFin Technologies Limited, the Registrar and Transfer Agent ("KFintech") at <https://ris.kfintech.com/form15>, mentioning the name of the Company i.e., Strides Pharma Science Limited, in the subject line. The above documents should reach us latest by 17:00 hrs IST on or before Monday, September 9, 2024, in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

No communication/ documents on the tax determination/ deduction shall be entertained after September 9, 2024. We request you to kindly take note accordingly. The Company is obligated to deduct TDS based on the records available with RTA and no request will be entertained for revision of TDS return.

It may be further noted that in case the tax on the said dividend is deducted in the absence of receipt of the aforementioned details/ documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible. Incomplete and / or unsigned forms, declarations and documents will not be considered by the Company for granting any exemption. No claim shall lie against the Company for taxes once deducted.

The Company shall make arrangements for sending the TDS certificate, when taxes deducted, to the shareholders at their registered email-id in due course, once the dividend payment has been made. Shareholders can also view the TDS credit in Form 26AS, which can be downloaded from the e-filing website of the income-tax department - <https://incometaxindiaefiling.gov.in>

We seek your co-operation in the matter.

Please reach out to us at investors@strides.com or einward.ris@kfintech.com (Toll Free No. 1-800-309-4001) for any queries.

Thanks & Regards,
For **Strides Pharma Science Limited**

Sd/-
Manjula Ramamurthy
Company Secretary

[Click Here](#) to download - Form No. 15H

[Click Here](#) to download - Form No. 15G

[Click Here](#) to download - Self-declaration format for Mutual Funds

[Click Here](#) to download - Self-declaration format for Insurance

[Click Here](#) to download - Self-declaration format for AIF with Category I / II status

[Click Here](#) to download - Self-declaration format for Other Resident Non-Individuals

[Click Here](#) to download - Self-declaration for Non-residents shareholders to avail DTAA benefits

[Click Here](#) to download - Self-declaration from Non-residents shareholders on Permanent Establishment in India for the purpose of section 206AB of the Act

Please note Forms/ self- declaration formats (as applicable) can be downloaded from the Companys website viz www.strides.com/shareholder_services.html.

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