



June 11, 2026

Compliance Department, BSE Limited (BSE) Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001	Compliance Department, National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex (BKC), Bandra (E), Mumbai - 400 051
Scrip Code:- 539889	NSE Symbol:- PARAGMILK

Dear Sir / Madam,

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

We hereby inform that the Company has sent an email communication on June 11, 2026, regarding tax on dividend to all the shareholders whose e-mail address are registered with the Company / Depositories explaining the process on tax Deduction from dividends at the prescribed rates, as may be applicable, and documentation required for claiming tax exemption on dividend. A specimen of the above e-mail communication is enclosed herewith.

Kindly note that all the documents/declarations should be submitted by the shareholders on or before Friday, July 31, 2026, in order to enable the Company to determine and deduct appropriate Tax / withholding tax at the prescribed rates, as applicable.

This is for your information and records. This communication will also be available on the website of the Company at <https://www.paragmilkfoods.com/investors.php>.

Thanking you.

Yours Faithfully,
For **Parag Milk Foods Limited**

Virendra Varma
Company Secretary and Compliance Officer
FCS No. 10520

Encl: As above





PARAG MILK FOODS LIMITED

CIN: L15204PN1992PLC070209

Regd. Office: Flat No 1 Plot No. 19, Nav Rajasthan Hsg. Soc., behind Ratna Memorial Hospital, S.B. Road, Shivaji Nagar, Pune - 411 016

Corporate Office: 10th Floor, Nirmal Building, Nariman Point, Mumbai - 400 021

Tel. No. 022-43005555 **Website:** www.paragmilkfoods.com **Email:** cs@parag.com

Date: June 11, 2026

Ref: DP ID & Client ID No.:

Name of the Shareholder:

Sub: Parag Milk Foods Limited - Dividend - Financial Year 2025-26 - Tax Deduction at Source (TDS) on Dividend.

Dear Shareholder,

We hope this communicate finds you safe and in good health.

We are pleased to inform you that the Board of Directors of your Company has at its meeting held on May 7, 2026, recommended a final dividend of ₹1.10/- (i.e. 11%) per equity share of the face value of ₹10/- each, for the financial year ended March 31, 2026, subject to approval of shareholders at the ensuing 34th Annual General Meeting (AGM) of the Company.

The dividend, as recommended by the Board, if approved at the ensuing AGM will be credited within 30 days from the date of approval.

Shareholders may note that pursuant to the amendments made under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, payment of dividend shall be processed in electronic mode only, and payment through dividend warrants or cheques has been discontinued. Shareholders are therefore requested to update their bank details, to enable the Company to make timely credit of dividend in their bank accounts.

In accordance with the provisions of the Income-Tax Act, 2025 as amended from time to time ("Act"), dividend declared and paid by the Company is taxable in the hands of its Shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the Shareholders at the applicable rates.

Section 397(2) of the Act provides for higher rate of tax (i.e., higher of rate specified in relevant provision of the Act or rate or rates in force or 20%) in cases where the recipient of the income fails to furnish Permanent Account Number ("PAN"). Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with

PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20% under Section 397(2) of the Act.

All Shareholders are requested to ensure that the following details are updated, as applicable, through their depository participant, on or before the Record Date which shall be intimated separately:

1. Residential status as per the Act, i.e., Resident or Non-Resident for the Tax Year 2026-27
2. Valid PAN, if allotted
3. Category of shareholder
4. Email Address;
5. Residential Address with Postal Code (including country)

Please note that for the purpose of complying with the applicable TDS provisions, the Company will rely on the above-mentioned details as available in the Register of Members on the Record Date and information submitted by the shareholders to determine applicable rate of TDS.

This communication summarizes the applicable TDS provisions in the Act for various shareholder categories, including Resident or Non-Resident shareholders. Shareholders are requested to take note of the following TDS rates and provide additional information to the Company for their respective categories, if applicable.

Resident Shareholders:

Category	Section	TDS Rate	Applicability Conditions
Mutual Fund [as specified at Schedule VII (Table: Sl. No. 20 or 21) of the Act]	393(5)(d)	Nil	Applicable for Mutual Funds registered with SEBI. Certificate of registration issued by the appropriate authority and self-declaration with an exemption certificate is required to be furnished - Refer Annexure 1
The Government	393(5)(a)	Nil	Self-declaration with an exemption certificate is required to be furnished - Refer Annexure 1
Alternative Investment Fund ("AIF")	393(1) [Table: Sl. No.7]	Nil	Applicable for Category I and II AIF registered with SEBI. Certificate of registration issued by the appropriate authority and self-declaration with an exemption certificate is required to be furnished - Refer Annexure 1

	393(4) [Table: Sl. No. 10]	10%	In the case of Category III AIF
Category III AIF IFSC, as referred to in Schedule VI [Note 1(g)] of the Act	393(2)[Table: Sl. No. 16]	10%	This rate is applicable for Category III AIF located in any International Financial Services Centre ("IFSC") of which all the units are held by non-residents other than unit (other than those covered under section 208 of the Act) held by a sponsor or manager. In addition to tax, surcharge as per respective slabs and cess @ 4% would be applicable.
National Pension System Trust, as referred to in Schedule VII (Table: Sl. No. 41) of the Act	393(9)	Nil	-
Insurance companies	393(4) [Table: Sl. No. 10]	Nil	Certificate of registration issued by the appropriate authority and self-declaration with an exemption certificate is required to be furnished - Refer Annexure 1
Resident Individuals	393(4)[Table: Sl. No. 10]	Nil	This rate is applicable: <ol style="list-style-type: none"> 1. If aggregate amount of dividend during Tax Year 2026-27 does not exceed ₹10,000/- or if valid Form 121, is submitted; and 2. Dividend should be in mode other than cash.
Eligible resident shareholders	395	Rate as per lower deduction certificate	TDS rate specified in the Lower Deduction Certificate issued by the Income Tax Authority valid for Tax Year 2026-27, covering dividend income.
Resident Shareholders not covered in above provisions	393(1) [Table: Sl. No. 7]	10%	If valid PAN is registered in the Register of Members, tax shall be deducted at the rate of 10% under section 397(1) of the Act.

		20%	In the absence of PAN or invalid PAN, tax shall be deducted at the rate of 20% under section 397(2) of the Act.
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Non-Resident Shareholders:

Category	Section	TDS Rate	Applicability Conditions
FII/FPI	393(2) [Table: Sl. No. 15]	20%	<p>In addition to tax, surcharge as per respective slabs and cess @ 4% would be applicable.</p> <p>A lower TDS rate as per relevant Double Taxation Avoidance Agreements ("DTAA") may also apply, if the following documents are furnished:</p> <ol style="list-style-type: none"> 1. Copy of valid PAN, if PAN not available provide the details in a specific format in Annexure 2 (as prescribed in Rule 217(2) of the Income-tax Rules, 2026 ("Rules")); 2. A copy of TRC of the country of residence of the shareholder valid for Tax Year 2026-27; 3. Self-declaration in Form 41 (filed online on income-tax portal) - Refer Annexure 3; 4. Self-declaration of having no Permanent Establishment in India, beneficial ownership of shares and dividend income and eligibility to claim treaty benefits - Refer Annexure 4.
Other Non-resident shareholders	393(2) [Table: Sl. No. 17]	20%	<p>In addition to Tax, surcharge as per respective slabs and cess @ 4% would be applicable.</p> <p>The Company may deduct taxes at a lower rate as per relevant DTAA, if all the following documents are submitted:</p> <ol style="list-style-type: none"> 1. Copy of valid PAN, if PAN not available provide the details in a specific format in Annexure 2 (as prescribed in Rule 217(2) of the Rules);

			<ol style="list-style-type: none"> 2. Copy of TRC of the country of residence of the shareholder valid for Tax Year 2026-27; 3. Self-declaration in Form 41 (filed online on income-tax portal) - Refer Annexure 3; 4. Self-declaration of having no Permanent Establishment in India, beneficial ownership of shares and dividend income and eligibility to claim treaty benefits - Refer Annexure 4.
Category III AIF IFSC, as referred to in Schedule VI [Note 1(g)] of the Act	393(2) [Table: Sl. No. 16]	10%	<p>This rate is applicable for Category III AIF located in any IFSC of which all the units are held by non-residents other than unit (other than those covered under section 208 of the Act) held by a sponsor or manager.</p> <p>In addition to tax, surcharge as per respective slabs and cess @ 4% would be applicable.</p>
All non-resident shareholders	395	Rate as per lower deduction certificate	TDS rate specified in Lower Deduction Certificate issued by the Income tax authority valid for Tax Year 2026-27, covering dividend income.

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.

If the dividend income is taxable in the hands of any person other than the recipient of the dividend, then the requisite details by way of a declaration in **Annexure 5** should be communicated to the RTA by July 31, 2026.

The required documents have to be uploaded as one single pdf on the portal <https://ris.kfintech.com/form15> of the KFin Technologies Limited, RTA of the Company or e-mail to einward.ris@kfintech.com, on or before July 31, 2026. Alternatively, physical documents may be sent to RTA at the following address such that they reach the RTA before the aforementioned date and time. Any communication on the tax determination/deduction received post the aforesaid date **shall not be considered**.

KFin Technologies Limited

Unit: Parag Milk Foods Ltd

Selenium Tower B,

Plot 31 & 32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad, Telengana - 500 032

Toll free number: 1-800-3094-001

Email: einward.ris@kfintech.com Website: www.kfintech.com

All documents to be submitted are required to be self-attested (the documents should be signed by the shareholder/authorized signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate. The Company would accept scanned copy of the duly signed, verified and self-attested copies. Shareholders are requested to maintain the original under their possession and if the original Forms are required in future, the Company would seek for the same from the Shareholders.

If the PAN is not as per the database of the Income-tax Portal, it would be considered an invalid PAN.

In the event of a mismatch in the category of Shareholder as per the Register of Members and as per the fourth letter of PAN, the Company would consider fourth letter of PAN for applying the surcharge rate.

All communications/documentation/queries in this respect should be addressed and sent to our RTA, KFin Technologies Limited at its email address einward.ris@kfintech.com. No communication on the tax determination/ deduction shall be entertained after July 31, 2026. The Company shall arrange to email a soft copy of TDS certificate to the Shareholders at their registered email address in due course. Shareholders will also be able to see the credit of TDS in Form 168/Annual Information Statement, which can be downloaded from their e-filing account at www.incometax.gov.in. Shareholders may note that in case the tax on said dividend is deducted at a higher rate, in absence of receipt, or insufficiency of the aforementioned details/documents, an option is available to the Shareholders to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

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), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

Shareholders are requested to update their KYC details with their respective Depository Participant to ensure ease of communication and seamless payment.

We request your cooperation in this regard.

Thanking You,

Yours truly,
For **Parag Milk Foods Limited**

Sd/-
Virendra Varma
Company Secretary and Compliance Officer
FCS 10520

The declaration Forms can be downloaded from the below link:

[Click here](#) to download the format of Self-declaration - **Annexure 1**

[Click here](#) to download the Details of non-resident shareholders with no PAN - **Annexure 2**

[Click here](#) to download the Form 41 - **Annexure 3**

[Click here](#) to download the Declaration for non-residents for claiming treaty benefits - **Annexure 4**

[Click here](#) to download the Declaration for TDS credit to other person - **Annexure 5**

The Form 121 can be downloaded from the below link:

<https://www.incometaxindia.gov.in/income-tax-forms-2026>

The Form 41 can be filed via log in at <https://www.incometax.gov.in/iec/foportal/>

Disclaimer: This Communication is not to be treated as an advice from the Company or its affiliates or our RTA. Further, no assurance is provided that all the shareholder categories are listed. Shareholders should obtain the tax advice related to their tax matters from a tax professional.