

December 11, 2020

The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E),
Mumbai-400 051.

Dear Sir/Madam,

Sub: Update on the Income Tax Assessment proceedings for FY 2008-09

This has reference to our earlier communications dated 2nd April 2013, 28th January 2014 and 15th July 2014 about the Income Tax Officer (AO) bringing to taxation the imputed profits on transfer of the Company's investment in Redington Gulf FZE, an overseas wholly owned subsidiary, to Redington International Holdings Limited (a step-down wholly owned subsidiary) in November 2008 without consideration, leading to a potential demand of Rs. 138 Crore excluding interest.

As was intimated earlier, the Company had preferred an appeal with the Honourable Income Tax Appellate Tribunal (ITAT) which had upheld our contention that the transfer of aforesaid investment is not subject to Income Tax and rejected the addition made by the AO.

Income Tax Department had preferred an appeal before the Honourable Madras High Court (HC) on the favourable order received by the company from ITAT on this issue along with other issues for FY 2008-09.

The case was heard by the HC during September & October 2020 and final submissions were made before HC on 6th October 2020. The decision was pronounced by the HC on 10th December 2020 allowing the appeals preferred by the income tax department, leading to a potential demand of Rs. 142.06 Crore excluding interest.

Normal appellate remedies are available on receipt of the order from the HC. The Company will take adequate steps to safeguard its interest in this regard.

Thanking you,
Very truly yours,

M. Muthukumarasamy
Company Secretary

Cc: BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.