



Date:23rd April, 2026

Dear Member,

Subject: Deduction of tax at source on Final Dividend for 2025-26

We hope that you and your family are doing well and are safe and healthy. The Board of Directors at its meeting held on April 23, 2026, has declared a Final dividend of Rs 0.2/- per share for the financial year 2025-26. The Board has fixed Monday, May 11, 2026 as the record date for determining entitlement of members to receive Final dividend for the year 2025-26.

Further, in terms of the applicable provisions of the Income-tax Act, 2025 ("the Act") as amended by the Finance Act, 2026, any dividend paid or distributed by a Company is taxable in the hands of the members. The Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident members.

1. **For resident members**, tax shall be deducted at source under Section 393 of the Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members having invalid PAN / not having PAN / PAN not linked with Aadhar number	20% or as notified by the Government of India

However, no tax/lower tax shall be deducted on the dividend payable to resident individuals if -

i. the total dividend amount to be received during the financial year 2025-26 **does not exceed Rs.10,000/.**

ii. the member submits duly filled and signed **Form 121 along with self-attested copy of PAN card**, provided that all the required eligibility conditions are met. Blank Form 121 can be downloaded from the website of the company.

SELF-ATTESTED COPY OF PAN CARD IS MANDATORY ALONGWITH DECLARATION.

KINDLY NOTE THAT ONLY THOSE 121 FORMS SHALL BE CONSIDERED WHICH IS FOUND COMPLETE IN ALL RESPECTS AND NO FURTHER OPPORTUNITY FOR RESUBMISSION OF THE FORM(S) WILL BE PROVIDED.

iii. the member submits exemption certificate/Lower deduction certificate u/s 395 in respect of section 393, if any, issued by the Income-tax Department along with self-attested copy of PAN card.



PAE LIMITED

Registered Office Address:

Level 1, Block A, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400018, Maharashtra, India.

Corporate Office Address:

A-1115 Titanium Business Park, Nr Makarba Railway Crossing, Jivraj Park, Ahmedabad- 380051, Gujarat, India.



+91 7069044458



compliance.pae@gmail.com



www.paelttd.com



CIN-L46201MH1950PLC008152



In case of resident non-individual members, no TDS shall be deducted on submission of the following documents:

2. For non-resident members, tax is required to be withheld in accordance with the provisions of section 393 and other applicable sections of the Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.

However, as per section 159 of the Act, non-resident members have the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”), read with Multilateral Instrument (“MLI”) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA read with MLI, non-resident members will have to provide the following:

- i. Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 217 of Income Tax Rules, 2026.
- ii. Copy of Tax Residency Certificate for financial year 2025-26 obtained from the revenue authorities of the country of tax residence, duly attested by the member.
- iii. E filing of form 41 is now mandatory. Accordingly, non-resident shareholders must share e-filed form 41 for processing.
- iv. Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty (format provided at the link given at the end of the Communication).
- v. Self-declaration of beneficial ownership by the non-resident member (format provided at the link given at the end of the Communication).
- vi. Any other documents as prescribed under the Act for lower withholding tax rates, if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 393 of the Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

In addition, no tax/lower tax shall be deducted on the dividend payable to non-resident members if –

- i. the member submits exemption certificate/lower deduction certificate u/s 395, if any, issued by the Income-tax Department along with self-attested copy of PAN card.
- ii. in case of Sovereign Wealth Fund, Pension Funds, other bodies notified under section Schedule V(7) of the Act, if the member submits self-attested valid documentary evidence regarding the applicability of Schedule V(7) of the Act and a declaration substantiating the fulfilment of conditions prescribed under Schedule V(7) of the Act.



Kindly note that the aforementioned documents should be uploaded with M/s. MUFG Intime India Private Limited, the Registrar and Transfer Agent (“RTA”) at <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html> on or before May 11, 2026.

NO COMMUNICATION/DOCUMENTS IN RESPECT OF TDS WOULD BE ACCEPTED FROM MEMBERS AFTER MAY 11, 2026.

3. Declaration by Recipient Shareholder for transfer of TDS credit to the beneficial shareholder under Rule 203 of the Income Tax Rules, 2026:

In case dividend income is assessable in the hands of person other than member then declaration needs to be provided by member for the same as per **Rule 203 of the Income Tax Rules, 2026**. Member needs to confirm the (a) Residential status & (b) validity of PAN in respect of the beneficial shareholders as a part of the declaration. Declaration may be submitted before the payment of dividend by the company. Members may note that TDS credit will be applied only in a scenario where the beneficial shareholders in respect of cases where TDS rate applicable for the beneficial shareholder is in line with TDS rate considered for deduction in respect of the member.

Further, the company would independently carry out relevant verification and would transfer TDS credit only in case the aforementioned conditions are satisfied.

4. Other General Information to members:

i. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend paid to members. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident members.

ii. Application of TDS rate is subject to necessary due diligence and verification of the members details as available in register of Members on the Record Date and aforesaid prescribed documents. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will deduct tax at the maximum applicable rate.

iii. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible.

iv. 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 Member, such Member will be responsible to indemnify the Company against all claims, demands, penalties, losses etc. and also, provide the Company with all information / documents and co-operation in any appellate proceedings. No claim shall lie against the Company for such taxes deducted.

v. 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. Members should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.



While on the subject, for updation of your personal details including PAN, bank account, email id, mobile number, you are requested to contact with your Depository Participant

For any clarification, you may contact the RTA as per details given below:

MUFG Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli West,
Mumbai, Maharashtra, 400083.
Toll Free Number: 022 - 49186270
Email: rnt.helpdesk@in.mpms.mufg.com

We seek your co-operation in the matter.

Your sincerely,

For PAE Limited

Sd/-

Sarah Eugene Kantharia
Company Secretary & Compliance Officer