

Dear Shareholder(s),

RE: Intimation / Communication in respect to Deduction of Tax at Source on Dividend

Pursuant to Income Tax Act, 1961 (the Act), ~~dividends~~ paid or distributed by a company on or after 1st April, 2020 shall be taxable in the hands of the shareholders and the Company therefore, shall be required to deduct tax at source (TDS) as per applicable rate at the time of making the payment of the dividend. However, the withholding tax rate (WHT) would vary depending on the residential status, category of the shareholder and is subject to provision of requisite declarations / documents provided by the concerned shareholder to the Company.

To enable us to determine appropriate TDS / WHT rate, you are requested to note and do the following:

PART 1: UPDATION OF MANDATORY INFORMATION BY ALL THE SHAREHOLDERS

All Shareholders are requested to ensure that all the requisite details are updated, through their depository participant (if shares are held in Dematerialized Form) or with registrar and transfer agent in the register of members (if shares are held in Physical Form).

PART 2: TDS PROVISIONS AND DOCUMENTS REQUIRED FOR RESPECTIVE CATEGORY OF SHAREHOLDERS

A. RESIDENT SHAREHOLDERS:

A.1 No tax will be deducted on payment of dividend to the **RESIDENT INDIVIDUAL SHAREHOLDER** if the total dividend, paid during Financial year ('FY'), does not exceed INR 5,000/-.

A.2 Tax deductible at source for **RESIDENT SHAREHOLDER (OTHER THAN RESIDENT INDIVIDUAL SHAREHOLDER RECEIVING DIVIDEND NOT EXCEEDING INR 5,000/- DURING FY)**

Sl. No.	Particulars	Withholding tax rate	Declaration(s)/ document(s) required
1.	Valid PAN updated with the Depository Participant in case shares are held in dematerialized form; or Registrar and Transfer Agent ('RTA') in case shares are held in physical form and no exemption sought by Resident Shareholder	10%	N.A.
2.	No/ Invalid PAN with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form and no exemption sought by Shareholder	20%	N.A.

3.	Availability of lower/ nil tax deduction certificate issued by Income Tax Department under section 197 of the Act	Rate specified in lower tax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"> • Copy of PAN card; and • Copy of lower tax withholding certificate obtained from Income Tax Department
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A.3 NIL TAX-DEDUCTIBLE AT SOURCE/ NIL WITHHOLDING on dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in the below table with the Company/ RTA:

Sl. No.	Particulars	Declaration(s)/ document(s) required
1.	An Individual furnishing Form 15G/ 15H	<ul style="list-style-type: none"> • Copy of PAN card • Declaration in Form No 15G (applicable to an individual who is less than 60 years)/ Form 15H (applicable to an Individual who is 60 years and above), fulfilling prescribed conditions.
2.	Shareholders to whom section 194 of the Act does not apply such as LIC, GIC, etc.	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration*, along with adequate documentary evidence (e.g., registration certificate), to the effect that the no tax withholding is required as per provisions of section 194 of the Act.
3.	Shareholder covered u/s 196 of the Act such as Government, RBI, Mutual Funds specified under section 10 (23D), corporations established by Central Act and exempt from Income Tax	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration*, along with adequate documentary evidence substantiating applicability of section 196 of the Act.
4.	Category I and II Alternative Investment Fund (AIF)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration* that AIF's income is exempt under Section 10(23FBA) of the Act and they are governed by SEBI regulations as applicable to Category I or Category II
		AIFs, along with copy of registration certificate.

5.	Any other entity exempt from withholding tax under the provisions of section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration* along with adequate documentary evidence, substantiating the nature of the entity. • Copy of the lower tax withholding certificate obtained from Income Tax Department (except those covered by Circular 18/2017)
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B. NON-RESIDENT SHAREHOLDERS:

Tax deductible at source/ tax withholding for non-resident shareholders.

Sl. No.	Particulars	Withholding tax rate	Declaration(s)/ document(s) required
1	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration* along with adequate documentary evidence substantiating the nature of the entity • To avail beneficial rate of tax treaty, tax documents as mentioned in Sl. No. 3 below would be required to be submitted.
2	Alternative Investment Fund – Category III located in International Financial Services Centre	10% (plus applicable surcharge & cess)#	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration* along with adequate documentary evidence substantiating the nature of the entity
3	Other Non-resident shareholders except those who are tax residents of Notified Jurisdictional Area	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ul style="list-style-type: none"> • Copy of PAN card (if available) • Copy of Tax Residency certificate issued by revenue authority of country of residence of shareholder for the respective financial year • Self-declaration* in Form 10F • Self-declaration* for no permanent establishment/ fixed base/ business connection in India, place of effective management,

			<p>beneficial ownership and eligibility to avail tax treaty benefit [on shareholder's letterhead]</p> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents Submitted by the non-resident shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty).</p>
4	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	N.A.
5	Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the Act	NIL	<ul style="list-style-type: none"> Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India Self-declaration* that the conditions specified in section 10(23FE) have been complied with
6	Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed u/s 10(23FE) of the Act	NIL	<ul style="list-style-type: none"> Self-declaration* substantiating the fulfillment of conditions prescribed under section 10(23FE) of the Act
7	Availability of lower/ NIL tax Deduction certificate issued by Income Tax Department u/s 195 or 197 of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"> Copy of the lower tax withholding certificate obtained from Income Tax Department

*Formats of Self-declarations and other relevant forms are available on the website of the Company www.orientbell.com (Path: Investor Relations>Investor information>Downloads).

In case PAN is not updated with the Company's RTA or depository or PAN is not available and information sought in the declaration is not provided, higher rate of withholding tax as per section 206AA shall be applied.

PAYMENT OF DIVIDEND

The dividend on Ordinary Shares for the respective financial year, once approved by the shareholders of the Company at the respective meeting, will be paid after deducting the tax at source as mentioned in the earlier paragraphs. The following provisions under the Act will also be considered to determine the applicable TDS rate:

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

The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 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%

The non-resident who does not have the permanent establishment and resident who is not required to file a return under section 139 of the Act are excluded from the scope of a specified person.

However, as directed by the Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, the Company will be using functionality of the Income-tax department for determination of specified person for the purpose of Section 206AB of the Act.

B. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar

As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar and does not fall under the exempt Category, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act. The Company will be using functionality of the Income-tax department for the above purpose. Provisions will be effective from July 1, 2023. Shareholders may visit <https://www.incometax.go.in/iec/foportal/> for FAQ issued by Government on PAN Aadhar linking.

C. Declaration under Rule 37BA

In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

General Information:

- i. Duly completed and signed documents should be provided to the Company/ RTA. Incomplete and/ or unsigned forms and declarations will not be considered by the Company. Further, in case, where copy of documents (such as PAN card, Registration certificate, etc.) is provided, the copy should be self-attested by the Shareholder or its authorized signatory. For all documents being uploaded by the Member, the Member undertakes to produce the original document(s) on the request of the Company.
- ii. The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. should be sent to the Company/ RTA so that the same shall reach on or before respective date declared by the company to enable the Company to determine the applicable TDS rate. Any communication in relation to tax rate determination/ deduction received post aforesaid date shall not be considered. It is advisable to send the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.

- iii. Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form, as on the Record Date and other documents available with the Company/ RTA. Shareholders holding shares under multiple accounts under different residential status/ category and single PAN, may note that, higher of the tax rate as applicable to different residential status/category will be considered for their entire shareholding under different accounts.
- iv. In case of any discrepancy in documents submitted by the shareholder, the company will deduct tax at higher rate as applicable, without any further communication in this regard.
- v. In case withholding tax is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. No claim shall lie against Company for any taxes deducted by the Company.
 - vi. The certificate in respect of tax deducted at source shall be provided in due course. You will also be able to view the credit of TDS in Form 26AS at respective time, which can be downloaded from designated website of income tax department.
 - vii. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any tax proceedings.
 - viii. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
 - ix. In case of any query in the matter please reach out at investor@orientbell.com.

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the shareholders are advised to consult their own tax consultants with respect to specific tax implications arising out of receipt of dividend.