



ENDURANCE TECHNOLOGIES LIMITED

CIN: L34102MH1999PLC123296

Registered Office: E-92, MIDC Industrial Area, Waluj, Aurangabad – 431 136,
Maharashtra

Website: www.endurancegroup.com; **E-mail:** investors@endurance.co.in

Date: 5th July, 2023

Dear Shareholder(s),

Subject: Endurance Technologies Limited - Communication for deduction of tax at source from Dividend for FY 2022-23

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

We are pleased to inform you that the Board of Directors of the Company at its meeting held on 17th May, 2023 has recommended dividend of Rs. 7 per Equity Share of the face value of Rs. 10 each (70%) for financial year ended 31st March, 2023, subject to the approval of shareholders at the ensuing Twenty Fourth Annual General Meeting to be held on Wednesday, 23rd August, 2023.

Pursuant to the Income-tax Act, 1961 ("Act"), dividend income is taxable in the hands of the shareholders. Therefore, the Company is required to deduct tax at source (TDS) at the rate applicable on the amount distributed to shareholders. The rate of TDS would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company. Effective 1st July 2021, Finance Act 2021 has inserted Section 206AB to the Act and according to the new provision higher rate of tax (twice the specified rate) would be applicable on payment made to a 'Specified Person' defined under the provisions of the said section.

This communication provides the applicable TDS provisions under the Act for Resident and Non-Resident Shareholder categories. We request all the shareholders to take note of the applicable TDS rates and provide the relevant documents to the Company for their respective categories, as applicable.

Section A: For all shareholders – Updating of details, as applicable

All shareholders are requested to ensure that the below information and details are completed and / or updated, as applicable, in their respective demat account(s) maintained with the Depository participant(s); or in case of shares held in physical form, with Link Intime India Private Limited, Registrar and Transfer Agent of the Company ("RTA"), on or before commencement of book closure period i.e. Friday, 11th August, 2023.

Kindly note that the following information and details, if already registered with the RTA or Depositories viz. National Securities Depository Limited or Central Depository Services (India) Limited, as the case may be, will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- i) Valid Permanent Account Number (PAN)*.
- ii) Residential status as per the Act i.e. Resident or Non-Resident, for FY 2023-24.
- iii) Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/State Government), Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII): Foreign Company, FPI / FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, Overseas Corporate Bodies, etc.
- iv) Email Address.
- v) Residential Address (including country).

*As per Section 139AA of the Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply 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.

Section B: TDS provisions and documents required, as applicable for relevant category of shareholder(s)

Shareholders are requested to take note of the TDS rates and document(s), if any, and required to be submitted to the Company/RTA by Friday, 11th August, 2023 for their respective category, in order to comply with the applicable TDS provisions.

I. For Resident shareholders

Tax would be deducted at source under Section 194 of the Act, at a rate of 10% on the amount of dividend where shareholders have registered their valid PAN with their respective Depositories (for shares held in demat form) or the RTA or with the Company (for physical shares), as the case may be, and TDS would be deducted at the rate of 20% for cases wherein:

- a) the shareholders do not have PAN or have not registered their valid PAN as mentioned above; or
- b) the shareholders have not linked their Aadhaar with their PAN within prescribed timeline rendering the PAN as invalid; or
- c) the shareholders classified as specified person in the income tax portal [Section 206AB – Refer Section C below].

A. Resident Individual Shareholders

No tax shall be deducted in the case of a resident individual shareholder, if:

- i) the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed Rs. 5,000; or

- ii) the shareholder provides the duly signed Form 15G (for individuals below age of 60 years, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), subject to meeting all the prescribed eligibility conditions. Please note that all fields are mandatory. The formats of Form 15G and Form 15H are available on the website of the Company at link <https://www.endurancegroup.com/investor-relation/shareholders-form/>. The said form(s) may be provided by the shareholder, by way of email at endurancedivtax@linkintime.co.in or upload on its website at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

B. Other Resident Non-Individual Shareholders

Please refer to the table below for the rate of TDS and documents to be provided:

Category of Shareholder	Tax deduction rate	Documents to be provided
Shareholders whose PAN is registered with Depositories or the RTA or the Company and not covered by the provision of Section 206AB of the Act	10%	<u>For shares held in demat form: Register the PAN and the residential status as per the Act with the Depositories, if not registered;</u> <u>For shares held in physical mode: Register the PAN and the residential status as per the Act with RTA or the Company, if not registered.</u>
Shareholders who submit an Order under Section 197 of the Act	At the Rate provided in the Order	Lower / Nil withholding tax certificate to be obtained from tax authority.
Shareholders [e.g. LIC, GIC, Other Insurers, Business Trust as defined in Section 2(13A) of the Act] to whom provisions of Section 194 of the Act are not applicable	Nil	a) Self-declaration that it has full beneficial interest with respect to the shares owned by it; b) Self-attested copy of registration certificate; and c) Self-attested copy of PAN Card.
Alternative Investment Fund	Nil	a) Self-declaration stating that the shareholder is <input type="checkbox"/> Category I or Category II Alternative Investment Fund and is regulated by the Securities and Exchange Board of India; <input type="checkbox"/> covered by notification no. 51/2015 dated 25 th June 2015 issued by CBDT; and <input type="checkbox"/> has full beneficial interest with respect to the shares owned by it. b) Self-attested copy of registration certificate; and c) Self-attested copy of PAN Card.

Category of Shareholder	Tax deduction rate	Documents to be provided
Shareholders covered under Section 196 of the Act (e.g. Mutual Funds, Government, etc.)	Nil	a) Self-declaration stating that the shareholder is <ul style="list-style-type: none"> - a Mutual Fund as specified in Section 10(23D) of the Act / a Corporation established by or under a Central Act whose income is exempt from Income-tax; - covered by Section 196 of Act; and - has full beneficial interest with respect to the shares owned by it. b) Self-attested copy of registration certificate; and c) Self-attested copy of PAN Card.
Shareholders whose income is unconditionally exempt under Section 10 of the Act and covered by the CBDT circular no. 18/2017 dated 29 th May, 2017	Nil	a) Self-declaration stating that the shareholder is <ul style="list-style-type: none"> - unconditionally exempt under Section 10 of the Act and statutorily not required - required to file its return of income as per Section 139 of the Act; - covered by the circular no. 18/2017 dated 29th May 2017; and - has full beneficial interest with respect to the shares owned by it. b) Self-attested copy of registration certificate; and c) Self-attested copy of PAN Card.

II. For non-resident shareholders

Tax would be deducted at source as per the provisions of Section 195 or Section 196D of the Act. Please refer the below table for the rate of TDS and documents to be submitted:

Particulars	Tax deduction Rate	Documents to be provided
Non-Resident Shareholders [Including Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI)]	20% plus applicable surcharge and cess OR Tax Treaty Rate# (whichever is lower)	Documents required to claim treaty benefits: a) Self-attested copy of the PAN Card allotted by the Indian Income-tax authorities. In case, PAN is not available, self-declaration containing specified information (i.e. contact number, email, etc.) (draft format attached herewith). b) Self-attested copy of Tax Residency Certificate (TRC)* obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 2023-24.

Particulars	Tax deduction Rate	Documents to be provided
		c) Self-declaration in Form 10F (attached herewith). d) Self-declaration of having no Permanent Establishment in India and Beneficial ownership . The format of declaration is available on the website of the Company at link https://www.endurancegroup.com/investor-relation/shareholders-form/ .
Non-Resident Shareholders who submit the Order under Section 197 of the Income-tax Act, 1961	Rate as prescribed in the order	Lower / Nil withholding tax certificate obtained from the tax authority.

- □As per the provisions of the Act, non-resident shareholders have an option to be governed by the provisions of the Double Tax Avoidance Agreement / Treaty (DTAA) read with applicable Multilateral Instrument (MLI) between India and the country of tax residence of the shareholder, if they are more beneficial to them.
- □In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.

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 the Non-Resident shareholder concerned. The Company in its sole discretion reserves the right to call for any further information, if so required.

Section C: Deduction of Tax at Higher Rate

1. Under Section 206AA of the Act where the PAN is either not available or is invalid, tax shall be deducted at the rate specified in the relevant provision of the said Act or at the rates for the time being in force or 20%, whichever is higher.
2. Under Section 206AB in the Act, whereby tax is required to be deducted at the higher of following in case of payments to the specified person:
 - twice the rate specified in the relevant provision of the Act; or
 - twice the rate or rates in force; or
 - at the rate of 5%.

A non-resident who does not have 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 21st June, 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.

Section D: Other points for consideration

1. In terms of Rule 37BA of Income Tax Rules, 1962 ("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 file declaration with the Company in manner prescribed by Rules. The Company will not accept any request after 11th August, 2023.
2. Shareholders holding shares under multiple accounts having different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in multiple accounts.
3. 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.
4. For all self-attested documents, shareholders must mention on the document "certified true copy of the original". For all documents being submitted by the shareholder, the shareholder undertakes to send such original document(s) on the request by the Company.

Kindly note that in order to enable the Company to determine and deduct appropriate TDS, scanned copy of the duly signed documents as mentioned above are required to be emailed to its RTA, at endurancedivtax@linkintime.co.in **on or before 11th August, 2023**. No communication on the tax determination/ deduction shall be entertained thereafter.

You may kindly note that in case the tax on the dividend is deducted at a higher rate in 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.

Kindly note that no claim shall lie against the Company for such taxes deducted.

The Company shall arrange to email a soft copy of the TDS certificate at the shareholder's registered email ID post payment of the dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal>

SUBMISSION OF TAX RELATED DOCUMENTS:

o Resident Shareholder:

The aforesaid documents such as Form 15G/15H, documents under Sections 196, 197A of the Act, etc. as may be applicable can be uploaded on the link <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

Resident shareholders can also send scanned copies of the documents mentioned above by email, mentioning the name of the Company i.e. Endurance Technologies Limited, in the subject line at the email id: endurancedivtax@linkintime.co.in

o **Non-Resident shareholder:**

Non-Resident shareholders are requested to send scanned copies of the documents mentioned above at the email id: endurancedivtax@linkintime.co.in

These documents should reach us on or before Friday, 11th August, 2023 in order to enable the Company to determine and deduct appropriate TDS. No communication on the tax determination / deduction shall be entertained after the said date.

In case you require any other information/clarification with regard to the above, kindly write to us at dividendtax@endurance.co.in or our RTA endurancedivtax@linkintime.co.in

To view / download Form 15G Annexure 1 [click here](#)

To view / download Form 15H Annexure 2 [click here](#)

To view / download Form 10F Annexure 3 [click here](#)

To view / download NR tax declaration Non-resident Annexure 4 [click here](#)

To view / download Shareholder contact detail Annexure 5 [click here](#)

Thanking you,

Yours faithfully,

For **Endurance Technologies Limited**

Sd/-

Sunil N. Lalai

Company Secretary and Executive Vice President - Legal

Disclaimer: This communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

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