EFFWA INFRA & RESEARCH LIMITED

(CIN: L90001MH2014PLC251793)
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September 8, 2026

Dear Shareholder,

Sub.: <u>Communication in respect of Deduction of Tax at Source on Final Dividend</u>

We are pleased to inform you that the Board of Directors of Effwa Infra & Research Limited ("**the Company**"), at its Meeting held on May 12, 2026, has recommended a Final Dividend of 10% (Ten per cent) on the Equity Share Capital of the Company, i.e., Rs. 1 (Rupee One Only) per Equity Share of Face Value of Rs.10/- (Rupees Ten Only) for the Financial Year ended 31st March, 2026, subject to approval of the Shareholders at the ensuing 13th Annual General Meeting ("**AGM**") of the Company, to be held on **Wednesday, 30th September, 2026 at 4.00 p.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

The Register of Members and Share Transfer Books of the Company will remain closed **from Wednesday, 23rd September, 2026 to Wednesday, 30th September, 2026 (both days inclusive)** for annual closing and determining the entitlement of the Shareholders to the Final Dividend, if declared by the Shareholders, for the Financial Year 2025-26. The Final Dividend, if declared at the AGM, will be paid to the Shareholders whose names appear in the Register of Members of the Company as on **Wednesday, 23rd September, 2026** in respect of shares held in physical form and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

As you are aware, as per the provisions of the Income Tax Act, 2025 ('Act'), dividend paid or distributed by a company shall be taxable at the hands of shareholders. As such, the Company shall therefore be required to deduct tax at source ("TDS") (if applicable), at the time of making the payment of the Dividend, if approved at the aforesaid AGM.

(A)<u>For Resident Shareholders (Individuals):</u>

For Resident Shareholders, TDS shall be deducted under Section 393(1) of the Income Tax Act, 2025 at rate in force (at present 10%) on the amount of Final Dividend declared by the Company for the Financial Year 2025-26 (payment to be made during the Financial Year 2025-26), provided valid Permanent Account Number (PAN) is registered by the Shareholder.

In case, shareholders do not have PAN/ invalid PAN/PAN is not linked with Aadhar/not registered their valid PAN details in their account, TDS at a higher rate of 20% shall be applicable as per section 397(2) of the Act.

No tax shall be deducted on the dividend payable to resident individuals if:

1. Total dividend amount to be received by them during the Financial Year (FY) 2026-27 does not exceed Rs.10,000/-; or
2. The shareholder provides Form 121 provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form, if it does not fulfil the prescribed requirement under the Act.

3. Exemption certificate is issued by the Income-tax Department, if any.

Note: Recording of the PAN for the registered Folio/DP ID-Client ID is mandatory. In the absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 397(2) of the I.T. Act, 2025.

(B) For Resident Shareholders (Non- Individuals):

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide details and documents as per the format.

I. For Mutual Fund Shareholders:

Self-declaration that it is registered with SEBI and is qualifying for exemption under Schedule VII [Table: Sl. No. 20 or 21] to section 11 of the Act, along with self-attested copy of PAN card and certificate of registration with SEBI.

II. For Insurance Companies:

Self-declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary (equity) shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/LIC/GIC.

III. For Alternative Investment Fund (AIF) established in India:

Self-declaration that its income is exempt under Schedule V to section 11 of the Act, and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.

IV. New Pension System (NPS) Trust [Section 393(9) of the IT Act 2025]: Self-declaration that it qualifies as NPS trust and income is eligible for exemption Schedule VII (Table: Sl. No. 41) of IT Act 2025 and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.

V. Other Non-Individual Shareholders:

Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

In case shareholders provide certificate under section 395(1) of the Act for lower/NIL withholding of taxes, rate specified in the said certificate shall be considered on submission of self-attested copy of certificate to the Company.

(C) For Other Non-Resident Shareholders:

a. As per Domestic Tax Law

Taxes are required to be withheld in accordance with the provisions of Section 393(2) of the IT Act 2025 as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 395 of the I.T. Act, 2025 for Tax Year 2026-27, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

For Dividend paid to 'specified fund' referred to in Schedule VI [Note 1(g)] of IT Act 2025, Tax will be deducted @10%. Self-declaration that the Fund falls within the Schedule VI [Note 1(g)] of IT Act 2025 along with copy of self-attested PAN and necessary certificate issued in this regard.

b. As per Double Tax Avoidance Agreement (DTAA)

As per Section 159 of the IT Act 2025, the non-resident shareholder has the option to be governed by the provisions of the DTAA between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail DTAA benefit, the non-resident shareholders are required to submit the following:

i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities.
ii. Self-attested copy of Tax Residency Certificate (TRC) (financial year April 1, 2026 to March 31, 2027) obtained from the tax authorities of the country of which the shareholder is a resident.
iii. Shareholders who have PAN and propose to claim treaty benefit need to mandatorily file the Form 41 online at the link https://eportal.incometax.gov.in/ to avail the benefit of DTAA (for the financial year April 1, 2026 to March 31, 2027).
iv. Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement for the financial year April 1, 2026 to March 31, 2027. Declaration for eligibility to claim benefit under Double Taxation Agreement is available on the website of the Company at in "Announcement section".
v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.
vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement.

It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA. Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

Accordingly, to enable us to determine the appropriate withholding tax rate applicable, we request you to provide these details and documents as mentioned, above, on or before Tuesday, September 22, 2026. Any documents submitted after the above-mentioned date, shall be considered at sole discretion of the Company.

PAYMENT OF DIVIDEND

The dividend on Equity Shares for FY 2025-26, once approved by the shareholders of the Company at the ensuing 13th AGM, will be paid after deducting the tax at source as mentioned in the earlier paragraphs. The payment will be made in electronic mode only

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-linkage of PAN with Aadhaar

As per Section 262 of the I.T. Act, 2025, 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 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 397 of the IT Act 2025. Shareholders may visit https://www.incometax.gov.in/iec/foportal/ for FAQs issued by Government on PAN Aadhar linking.

B. Declaration under Rule 203 of the I.T. Rules, 2026:

In terms of Rule 203 of the I.T. Rules, 2026, 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. The aforesaid declaration shall contain (i) name, address, PAN, and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

C. For shareholders having multiple accounts under different status / category

Shareholders holding Ordinary shares under multiple accounts under different status / category and single PAN or without 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 different accounts.

SUBMISSION OF TAX RELATED DOCUMENTS

Members who will be exempted from tax or taxed at prescribed rate, are requested to forward the forms and documents i.e. PAN/ 121 /41/Self Declaration Form and other annexures and relevant prescribed documents to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited ("Bigshare" or "RTA") Bigshare's website (at www.bigshareonline.com) and send physical copies of the duly filled forms/documents to Bigshare's Registered Office at Office No. S6-2, 6th Floor, Pinnacle Business Park, Next To Ahura Centre Mahakali Caves Road, Andheri East Mumbai 400093 Maharashtra India or e-mail them to tds@bigshareonline.com for updating against their Folios / Client/DP Ids. The aforesaid declarations and documents need to be submitted by the Shareholders so as to reach on or before Tuesday, 22nd September, 2026 by 11.59 p.m. (IST) to Bigshare.

Any communication on the tax determination/deduction received post Tuesday, 22nd September, 2026 shall not be considered. Documents sent to any other email ids may lead to non-submission of documents and attract TDS as per the provisions of the Act.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in the 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.
The tax credit can also be viewed in Form by logging in with your credentials (with valid PAN) at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the e-filing website of the Income Tax department of India https://eportal.incometax.gov.in/iec/foservices/#/login

In case of any queries / difficulties in submission of these forms, Shareholders may write to Bigshare at investor@bigshareonline.com, or to the company at investor@effwa.co.in

UPDATION OF BANK ACCOUNT DETAILS FOR DIRECT CREDIT OF DIVIDEND:

In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated and KYC compliant to enable the Company to make timely credit of dividend in their bank accounts.

Pursuant to SEBI Master Circular dated 6th February 2026 issued to the RTA read with other related SEBI Circulars and Regulation 12 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, SEBI has mandated that dividend to the shareholders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Choice of Nomination(optional), Contact Details (Postal Address with PIN and Mobile Number) Bank Account Details and Specimen Signature for their corresponding physical folios to the Company or the RTA. For shareholders holding shares in dematerialized form, bank details may be updated with their depository participant.

Disclaimer: *This communication shall not be treated as an advice from the Company or its affiliates or Bigshare Services Private Limited. Shareholders should obtain the tax advice related to their tax matters from a tax professional.*

We request for your kind co-operation in this regard.

For EFFWA INFRA & RESEARCH LIMITED

Sd/-
VARSHA S. KAMAL
CHAIRPERSON & MANAGING DIRECTOR
DIN: 00270314