14th August, 2026

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Symbol: 532934

The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
Symbol: PPAP

Subject: Email communication to shareholders regarding taxation provisions relating to dividend

Dear Sir,

The Board of Directors at its meeting held on 11th May, 2026 recommended a final dividend of Rs. 1.5 (15%) per equity share of the face value of Rs. 10/- each, for FY 2025-26, subject to the approval of shareholders at the ensuing 31st Annual General Meeting and shall be paid after deduction of tax at the applicable rates.

Pursuant to provisions of the Income Tax Act, 2025 dividend paid or distributed by a company shall be taxable in the hands of the shareholders.

In view thereof, enclosed is the email communication which has been sent to all the shareholders having their email ID's registered with the Company/ Depositories elaborating the process to be followed.

This communication is also available on the website of the Company at www.ppapco.in.

This is for your information and record.

Thanking you,

Yours faithfully,
For **PPAP Automotive Limited**

PANKHURI AGARWAL

Digitally signed by PANKHURI AGARWAL
DN: c=IN, o=Personal, title=9927, pseudonym=wjyp69bo1vn7x2dfthm8rkqic3z045la, 2.5.4.20=1604d297fe249f5c48b13a49ffd67cf54200826ffaccb064656016608cc8c030, postalCode=201017, st=Uttar Pradesh, serialNumber=3c5cb42087c3255c3ff07a4e4fc771f8f08c0796ee464df8b34d770d694aa473, cn=PANKHURI AGARWAL
Date: 2026.08.14 17:47:08 +05'30'

Pankhuri Agarwal
Company Secretary & Compliance Officer

PPAP AUTOMOTIVE LIMITED
CIN- L74899DL1995PLC073281
Regd. Off: 54, Okhla Industrial Estate, Phase-III, New Delhi-110020
Tel: +91-11-65260001
E-mail ID: investorservice@ppapco.com, Website: www.ppapco.in

THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Name:

DPID/Client ID/Folio no.

Dear Shareholder,

Subject: Communication in respect to Deduction of Tax at Source on Final Dividend for Financial Year 2025-26

Trust you and your family are safe and in good health!

We are pleased to inform you that the Board of Directors of the Company, at its meeting held on 11th May, 2026 have recommended a final dividend of Rs. 1.5/- per Equity Share of the face value of Rs. 10/- each (i.e. 15%) for the Financial Year 2025-26, subject to the approval of shareholders at the ensuing 31st Annual General Meeting ("AGM") of the Company. The dividend will be paid / dispatched within 30 days from the date of the ensuing AGM of the Company.

As you are aware, as per the Income Tax Act, 2025 (the Act), dividends paid or distributed by a company shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend, if approved, at the ensuing AGM of the Company.

In view of the above, the Company shall be deducting/ withholding tax as per applicable TDS rates on dividend to be paid to Shareholders.

The withholding tax rate 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. However, no tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid during the Financial Year ('FY') 2026-27, does not exceed Rs. 10,000/-.

Shareholders are requested to take note of the TDS rates and submit required document(s), if any, to the Company by Saturday, 12th September, 2026 for their respective category, in order to comply with the applicable TDS provisions.

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

A. RESIDENT SHAREHOLDERS:

A.1 Tax deductible at source for Resident Shareholders

No tax will be deducted on payment of dividend to the resident individual shareholder if the total dividend, paid during Financial year ('FY') 2026-27 does not exceed INR 10,000/-.

The shareholders are advised to update their PAN with the Depository Participant, if shares are held in dematerialized form, or with the Registrar and Share Transfer Agent of the Company, if shares are held in Physical form. The address of Registrar and Share Transfer Agent (RTA) of the Company is as under:

MUFG Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058
Email: Investor.helpdesk@in.mpms.mufg.com

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

As per Section 262 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 with 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(2) of the Act.

A.2 Tax deductible at source for ***<u>RESIDENT SHAREHOLDER (OTHER THAN RESIDENT INDIVIDUAL SHAREHOLDER RECEIVING DIVIDEND NOT EXCEEDING INR 10,000/- DURING FY 2026-27)</u>***

S No.	Particulars	WHT rate	Declaration(s)/ Documents
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 shareholders	20%	Please note that where the shareholder being resident individual eligible for obtaining Aadhaar Number have not linked the Aadhar Number allotted with its PAN, such PAN would be treated as inoperative for the provisions of deduction of TDS and a higher TDS rate of 20% will be considered while distributing dividend

3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 395(1) of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	• Copy of PAN card; and • Copy of lower tax withholding certificate obtained from Income Tax Department

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:*

S No.	Particulars	Declaration / documents required
1	Resident Individual furnishing Form 121	• Copy of PAN card • Declaration in Form No. 121. Please refer ***Annexure A*** for format of Form 121.
2	Shareholders covered u/s 393(4) [Table: Sl No. 10] such as LIC, GIC, etc.	• Copy of PAN card • Self-declaration *(Refer **Annexure B** enclosed separately with this communication)*, along with adequate documentary evidence (e.g., registration certificate), to the effect that no tax withholding is required.
3	Persons Covered under Section 393(5) of the Act (e.g. Govt., RBI, Corporations established by Central Act and exempt from income tax)	• Self-attested copy of PAN, wherever applicable; • Self- declaration in the format prescribed in ***Annexure C*** for mutual funds and ***Annexure D*** for others; and • Registration/ exemption certificate substantiating applicability of section 393(5) of the Act.
4	Category I and II Alternative Investment Fund (AIF)	• Copy of PAN card • Self-declaration in the format prescribed in ***Annexure B*** stating that AIF's income is exempt under Schedule V (Table: Sl. No. 1) of the Act and they are governed by SEBI regulations as applicable to Category I or Category II AIFs, • Copy of registration certificate.
5	Any other entity exempt from withholding tax under the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	• A self- declaration in the format as prescribed in ***Annexure D*** (except for individual Sikkimese resident) • Submit declaration in ***Annexure E*** in case of individual Sikkimese resident • Adequate documentary evidence, substantiating the type of the entity.

B. NON-RESIDENT SHAREHOLDERS:

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

<table>
<tr><th>S No.</th><th>Category</th><th>Withholding Tax rate</th><th>Declaration / documents required</th></tr>
<tr><td>1</td><td>Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)</td><td>20% (plus applicable surcharge and cess)

OR

Tax treaty rate**

(whichever is beneficial)</td><td>Shareholders may also apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements (‘DTAA’), if the following documents are submitted:

• Copy of Indian Tax Identification number (‘PAN’). In case PAN not available, details specified in Annexure F to be provided;
• Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for Financial Year (‘FY’) 2026-27 (covering the period from 01 April 2026 to 31 March 2027);
• Form 41 filed electronically over the Income tax portal
• Self-declaration for FY 2026-27 (covering the period from 01 April 2026 to 31 March 2027) in the format as specified in Annexure G on shareholder’s letterhead, primarily (not exclusive list) covering the following:

(a) Non-resident is eligible to claim the benefit of respective tax treaty

(b) Non-resident receiving the dividend income is the beneficial owner of such income

(c) Dividend income is not attributable/ effectively connected to any Permanent Establishment (PE) or Fixed Base in India.</td></tr>
<tr><td>2</td><td>Alternative Investment Fund – Category III or Retail Scheme/ Exchange Traded Fund located in International Financial Services Centre</td><td>10% (plus applicable surcharge and cess)</td><td>• Copy of PAN card (if available)
• Self-declaration (Refer Annexure H, enclosed separately with this communication) along with adequate documentary evidence substantiating the nature of the entity</td></tr>
</table>

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)**	Shareholders may apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements (‘DTAA’), if the following documents are submitted: • Copy of Indian Tax Identification number (‘PAN’). In case PAN not available, details specified in ***Annexure F*** to be provided; • Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for Financial Year (‘FY’) 2026-27 (covering the period from 01 April 2026 to 31 March 2027); • Form 41 filed electronically over the Income tax portal**.** • Self-declaration for FY 2026-27 (covering the period from 01 April 2026 to 31 March 2027) in the format as specified in ***Annexure G*** on shareholder’s letterhead, primarily (not exclusive list) covering the following: (a) Non-resident is eligible to claim the benefit of respective tax treaty (b) Non-resident receiving the dividend income is the beneficial owner of such income (c) Dividend income is not attributable/ effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
4	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 176(1) of the Act	30%	NA
5	Sovereign Wealth funds and Pension funds notified by Central Government under Schedule V (Table: Sl. No. 7) of the Act	NIL	• Copy of the notification issued by CBDT substantiating the applicability of Schedule V (Table: Sl. No. 7) of the Act issued by the Government of India. • Self-Declaration [Refer ***Annexure I*** (applicable for Sovereign Wealth funds)/ **Annexure J** (applicable for Pension funds) enclosed separately with this communication] that the conditions specified in Schedule V (Table: Sl. No. 7) have been complied with

6	Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under Schedule V (Table: Sl. No. 7) of the Act	NIL	• Self-Declaration *(Refer* **Annexure K** *enclosed separately with this communication)*- substantiating the fulfillment of conditions prescribed under Schedule V (Table: Sl. No. 7) of the Act
7	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 395(1) or 395(2) of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	• Copy of the lower tax withholding certificate obtained from Income Tax Department

^ 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 beneficial Tax Treaty rates will not automatically apply at the time of tax deduction/ withholding on dividend amounts. 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.*

The above referred documents duly completed and signed are required to be uploaded at https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html on or before Saturday, 12th September, 2026 to enable the Company to determine the appropriate TDS rate applicable by quoting your Folio number / Demat Account No. (DP and Client ID both).

No communication on the tax determination/ deduction shall be entertained in respect of the dividend declared after the above time limit.

Please note that the Company will not accept any declaration/ document at this/ any other email address. Kindly use the link as provided above to upload declaration/ documents

All queries in this respect shall be sent to RTA at Investor.helpdesk@in.mpms.mufg.com or Company at investorservice@ppapco.com.

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate. In case, the joint owners wish to get the credit of TDS on their name separately please provide declaration under Rule 203 of Income Tax Rules, 2026. ***(Please download the Link given as Annexure L, at the end of this communication)***

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per Income Tax Act, 2025 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

UPDATION OF BANK ACCOUNT DETAILS:

In case your Bank details are not updated with records of Depository Participant, if shares are held in demat form, or with the Registrar and Share Transfer Agent of the Company, if shares are held in Physical form, you are requested to kindly get the same updated, to enable the Company to make timely credit of dividend in your bank accounts. We seek your cooperation in this regard.

PAYMENT OF DIVIDEND IN ELECTRONIC MODE:

Shareholders holding shares in physical folios are requested to note that SEBI vide its Master Circular no. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024 issued to the Registrar & Transfer Agents and SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, as amended, has mandated that effective 1st April 2024, dividend to the security holders 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, 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.

Further, your kind attention is drawn to the SEBI Circulars issued time to time on the norms/procedural requirements for processing service requests of investors specified by the SEBI to mandatorily update the PAN, KYC (including contact details viz. Email address / Mobile no.), Nomination details, Bank Account details and Specimen Signature of all shareholders holding shares in physical form and compulsory linking of PAN with Aadhar number by all Shareholders. Therefore, Shareholders who have yet not updated the above said information / KYC details are requested to submit the same duly completed in all respect to our RTA at the following address:

MUFG Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058
Email: Investor.helpdesk@in.mpms.mufg.com

Additional Notes:

1. Shareholders can check the credit of TDS in Form 168 by login to e-filing portal of Income Tax.

2. The aforesaid documents such as Form 121, documents under section 393(5), 393(6), FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded at https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html on or before Saturday, 12th September, 2026 to enable the Company to determine the appropriate withholding tax rate applicable. 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. Any communication in relation to tax rate determination/deduction received post Saturday, 12th September, 2026 shall not be considered.

3. 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.

4. 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 provide the Company with all information / documents and co-operation in any tax proceedings.

5. In case of any discrepancy in documents submitted by the shareholder, the company will deduct tax at the highest rate applicable, without any further communication in this regard.

6. In terms of Rule 203 of Income Tax 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 deductee should file declaration with Company in manner prescribed by Rules. ***(Please download the Link given as Annexure L, at the end of this communication)***

Link of Annexures as mentioned above

To view/download Annexure-A Click here
To view/download Annexure-B Click here
To view/download Annexure-C Click here
To view/download Annexure-D Click here
To view/download Annexure-E Click here
To view/download Annexure-F Click here
To view/download Annexure-G Click here
To view/download Annexure-H Click here
To view/download Annexure-I Click here
To view/download Annexure-J Click here
To view/download Annexure-K Click here
To view/download Annexure-L Click here

Thanking You,

Yours faithfully,
For PPAP Automotive Limited

Sd/-
Pankhuri Agarwal
Company Secretary & Compliance Officer

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 consultant with respect to specific tax implications arising out of receipt of dividend.