

Neuland Laboratories Limited
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Plot No.573A-III, Road No.82, Jubilee Hills,
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Dear Shareholder(s),

Subject: Deduction of tax at source on Dividend

We wish to inform you that the Board of Directors of your Company have at their meeting held on May 12, 2026 recommended a final dividend of Rs. 34/- per equity share having nominal value of Rs.10/- each for the financial year 2025-26. The final dividend as recommended by the Board of Directors, if approved by the shareholders at the ensuing 42nd Annual General Meeting ('AGM') of the Company to be held on Tuesday, 4th August 2026, will be paid on and from August 11, 2026, to those shareholders whose names shall appear on the Company's Register of Members on July 24, 2026.

As you may be aware that 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 said Dividend if declared at the above AGM.

TDS rate may vary depending on the residential status of the shareholder and the documents submitted to and accepted by the Company under the provisions of the Act.

As per section 262 of the Income Tax Act, every person who is eligible to obtain Aadhaar number shall quote such number in the application form for allotment of Permanent Account Number if a person fails to intimate his Aadhaar number as per clause (a), the Permanent Account Number allotted to that person shall be made inoperative in such manner as may be prescribed. The tax shall be deducted at higher rates as prescribed under the Act in this case. The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking validity of PANs / inoperative PANs.

The TDS for various categories of shareholders along with required documents are provided below:

SECTION A: RESIDENT SHAREHOLDERS

Category of shareholders	Tax Deduction Rate	Exemption applicability/Documentation requirement
Any resident shareholder	10%	<p>Update valid PAN if not already done with depositories (in case of shares held in Demat mode) and with KFin Technologies, Company's Registrar and Share Transfer Agent ("RTA"), on or before Friday, July 31, 2026 (in case of shares held in physical mode).</p> <p>No deduction of taxes in the following cases –</p> <ul style="list-style-type: none">• If Dividend income to a resident Individual shareholder during Tax Year (TY) 2026-27 does not exceed INR 10,000/-,• If the shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.

Resident individuals submitting Form No. 121	NIL	Shareholders providing Form No. 121 on fulfilment of prescribed conditions. Note - All fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law.
Insurance Companies: Public & Other Insurance Companies	NIL	Documentary evidence that the provisions of Section 393(1) of the Act are not applicable.
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income- tax on its income.	NIL	Documentary evidence that the person is covered under Section 393(5) of the Act
Mutual Funds	NIL	Documentary evidence that the person is covered under Section 393(5) of the Act
Business Trust	NIL	Documentary evidence that the provisions of Section 393(1) of the Act are not applicable.
Category I and II Alternative Investment Fund	NIL	No TDS is required to be deducted as per Section 197A(1F) of the Act, subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
Recognized Provident Fund	NIL	No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of a valid Order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.
New Pension System Trust	NIL	Documentary evidence that the person is covered under schedule VII of the Act
Approved Superannuation Fund / Approved Gratuity Fund	NIL	No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B & C of Fourth Schedule to the Act needs to be submitted.
Government (Central/State)	NIL	No TDS is required to be deducted as per Section 196(i) of the Act.
Any other entity entitled to exemption from TDS	NIL	Valid self-attested documentary evidence (e.g., relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption needs to be submitted.
Other Resident shareholders without registration of PAN or having Invalid PAN or an inoperative PAN (PAN & Aadhaar not linked)	20%	Update valid PAN if not already done with depositories (in case of shares held in Demat mode) and with KFin Technologies, Company's Registrar and Share Transfer Agent ("RTA"), on or before Friday, July 31, 2026 (in case of shares held in physical mode).

SECTION B: FOR NON - RESIDENT SHAREHOLDERS:

Category of shareholders	Tax Deduction Rate	Exemption applicability/Documentation requirement
Section – 207 Any Non-resident shareholder, Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI)	20% / Tax Treaty rate whichever is lower (increased by surcharge and cess wherever applicable)	<p>Non-resident shareholders may opt for a tax rate under the Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of the following documents to the company:</p> <ul style="list-style-type: none"> • Self-attested copy of Tax Residency Certificate (TRC) (of TY 2026-27 or calendar year 2026), valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident • Self-declaration in Form No. 41 executed in electronic mode from Income tax portal. • Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit (of TY 2026-27 or calendar year 2026). <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided. Further, please provide a copy of the PAN Card, if registered with the Indian tax authorities.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.</p>
Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 176) of the Act	30%	NA
Sovereign Wealth Funds and Pension funds notified by Central Government under Schedule V of the Act	NIL	<ul style="list-style-type: none"> • Copy of the notification issued by CBDT substantiating the applicability of Schedule V of the Act issued by the Government of India. • Self-Declaration that the conditions specified in Schedule V have been complied with.

Notes:

1. Recording of the valid Permanent Account Number (PAN) for the registered Folio /DP Id /Client Id is mandatory. In absence of a valid PAN, the tax will be deducted at a higher rate of 20% as per Section 397(2) of the Act.
2. All the above referred tax rates will be enhanced by surcharge and cess, wherever applicable.



3. Shareholders are requested to take note of the TDS rates and document(s), if any, required to be submitted to the Company/RTA by Friday, July 31, 2026 for their respective category, in order to comply with the applicable TDS provisions.
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 shareholders, the shareholder undertakes to send the original document(s) on the request by the Company.
5. Shareholders holding shares under multiple accounts under different status/categories 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 different accounts.
6. Resident Individual Shareholders can alternatively submit Form No. 121 (Declaration for receipt of dividend without deduction of Tax) through their Depository Participants i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). NSDL and CDSL have been enabled to accept Form No. 121 electronically. Accordingly, shareholders holding shares in dematerialized form may submit Form No. 121 directly through their respective Depository Participant (DP) on or before July 31, 2026.
7. Transferring credit to the Beneficial owner - As per Rule 203 of the Income-tax Rules 2026, in the case where the dividend is received in the hands of one person but is assessable in the hands of other person, the tax may be deducted in the name of such other person if the first-mentioned person provides a declaration as prescribed in this regard. 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. We request you to provide any such details on or before Friday, July 31, 2026. No request in this regard would be accepted by the Company/RTA after the said date.
8. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
9. 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.
10. Kindly note that the aforementioned documents shall be emailed to einward.ris@kfintech.com and ir@neulandlabs.com.
11. In order to download the blank forms 121, 41, self-declarations and other documents you can click at <https://www.neulandlabs.com/en/investors/investor-services/tds-related-information-dividend>
12. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered post 11.59 pm (IST) July 31, 2026.

FOR ALL SHAREHOLDERS –



1. UPDATION 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 KFin Technologies, Company's Registrar and Share Transfer Agent ("RTA"), on or before Friday, July 31, 2026.

Please note that the following information & details, if already registered with the RTA and Depositories, 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 the Financial Year 2026-27.
- 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

2. UPDATION OF BANK ACCOUNT DETAILS:

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

Shareholders holding physical securities are requested to note that SEBI, vide its Master Circular no. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024 read with Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10th June 2024 issued to the Registrar & Transfer Agents, as amended, and SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, as amended, has mandated that effective April 1, 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 (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.

3. 100 DAYS CAMPAIGN - "SAKSHAM NIVESHAK"

The Company has launched a Second 100 Days Campaign - "Saksham Niveshak" starting from April 1, 2026 to July 9, 2026 pursuant to the Investors Education and Protection Fund Authority (IEPFA), letter dated March 27, 2026, under which the Company continues to assist shareholders in claiming their unpaid/unclaimed dividends.

The campaign focuses on shareholders whose dividends has remain unclaimed, with an emphasis on KYC updation and related compliance requirements. Shareholders who have unclaimed dividend or have not updated their KYC or any issues related to unclaimed dividends and shares may write to the Company's Registrar and Transfer Agent (RTA) viz. KFin Technologies Limited at their office at Selenium Building, Tower-B,



Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032, or Email: einward.ris@kfintech.com, RTA Website: <https://ris.kfintech.com>

4. SPECIAL WINDOW, FOR RE-LODGE MENT OF TRANSFER DEEDS OF PHYSICAL SHARES

Pursuant to SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026 the Company has opened special window for transfer and dematerialization (“demat”) of physical securities which were sold/purchased prior to April 01, 2019. The special window shall be open for a period of one year from February 05, 2026 to February 04, 2027. The transfer requests, which were submitted earlier and were rejected/returned/not attended to, due to deficiency in the documents/process/or otherwise, are required to be re-lodged during the period from February 05, 2026 to February 04, 2027 with our Registrar and Transfer Agent (RTA) viz. KFin Technologies Limited at their office at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032, or Email: einward.ris@kfintech.com, RTA Website: <https://ris.kfintech.com>

All securities transferred under this special window shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred/lien-marked/pledged during the said lock-in period. The transferee shall be mandatorily required to submit all the documents, as prescribed under the aforesaid SEBI circular. Cases involving disputes between transferor and transferee and securities that have been transferred to Investor Education and Protection Fund (IEPF) will not be considered under this special window.

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. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

No claim shall lie against the Company for such taxes deducted.

This is for your information and records.

Thanking you,

Yours Sincerely,

For **Neuland Laboratories Limited**

Sd/-

Sarada Bhamidipati
Company Secretary