

TAX POLICY

EIH LIMITED and its Group / Associated Companies believes that contribution of tax is a social obligation and determining factor to the growth of the nation. Accordingly as a responsible tax payer, tax transparency and compliances are key factors in the tax policy adopted.

The Group uphold highest standards of integrity, accountability, and transparency in managing its business responsibly, by fulfilling its tax obligations, the Group diligently and actively contribute to overall growth of the society. Information related to tax expense are disclosed in public domain.

TAX POLICY- APPLICABILITY

This Tax Policy applies to EIH Limited, its Group / Associated Companies, subsidiaries and business units. All stakeholders within the scope of this policy are expected to understand and comply with its provisions. Any deviations from this policy must be approved by the designated authority and documented appropriately.

TAX POLICY – GLOBAL TAX & TRANSFER PRICING

1. EIH Limited or its subsidiaries having global footprint by way of subsidiaries, JV, or branch offices would comply with all local taxes applicable in the respective jurisdiction.
2. It would not enter into any transaction or agreement which would lead to aggressive tax planning covering profit shifting or treaty shopping. The arrangements with such associated enterprises and/or investment partners and should be transparent and subject to clearance from regulatory authorities of respective jurisdiction, and should be based on accepted arms-length principles.
3. Necessary disclosures should be made with the respective tax jurisdictions on the intercompany transactions as prescribed under law and under CbCR (Country by Country Reporting)
4. Employee taxes on the personnel seconded or deputed should be complied as per the tax residency and the local laws

TAX POLICY – CORPORATE TAX

1. EIH Limited and its associates / subsidiary companies should not enter into any aggressive tax planning strategies or tax claims, which do not contribute, to the long-term interest of the company.
2. Any tax claims or deductions claimed based on legal jurisprudence should be adequately informed to the tax authorities. In the event such interpretation are not accepted, the company should evaluate the same on merits and

disclose the same as contingent or adequately provide for the same. Necessary opinion would be taken from a legal counsel wherever required.

3. The company should adequately measure its estimated profits and pay taxes in advance with the exchequer without resorting into any aggressive tax planning/ claims, which are not adequately covered by the Apex Court.
4. Company should adequately quantify the tax impact on claims/ disallowances, which are pending before appeal (by either of the parties) and duly disclose the value in contingency or provide for the same. The tax amount (including interest) arising on any such claim/ disallowances which are reversed by the Apex Court or by amendment of law should be immediately paid to the exchequer
5. Any penalty, interest or fine should be promptly paid if it arises out of any default of the company. Accordingly all taxes withheld from employees, directors, vendors or shareholders should be promptly deposited and necessary returns should be complied.
6. No treaty shopping or profit shifting arrangements cross border arrangements should be entered into by the company.
7. The company should not enter in to an Impermissible Avoidance Arrangement which has the main objective of tax benefit – lacking commercial substance.

TAX POLICY – INDIRECT TAXES INDIA

1. The company should not enter in to any transaction/ arrangement which has the main objective of passing on lower output tax rates or increasing input credit, without conferring to the law.
2. Company should adequately quantify the tax impact on denial of tax credits or any additional taxes claimed during audits or investigations which might be challenged before appellate authorities. Necessary evaluations and opinions of the Counsel may be considered to disclose the same under contingency or provide for the same. The tax amount (including interest) arising on any such claim/ disallowances which are reversed by the Court or by amendment of law should be immediately paid to the exchequer
3. Any penalty, interest or fine should be promptly paid if it arises out of any default of the company.

TAX POLICY – COMPLIANCES AND CONTROL

1. The Company should adhere to all tax compliances - filing of statements and returns, meet all tax payment deadlines as per the relevant tax provisions and rules

2. The Company should adequately disclose and follow the tax accounting and reporting under taxation and other laws
3. The Company must set process for management of tax claims, tax litigation, compliances of statutory timelines and notices
4. The company should set up process to periodically review the risks of various tax positions and appraise the management. Based on such risk analysis necessary actions should be taken to create adequate tax provisions.

TAX POLICY – RELATIONSHIP WITH GOVERNMENT AGENCIES

1. The Company should maintain a professional and transparent relationship with tax authorities; ensure steps to co-operate and submit necessary responses in a timely manner.
2. The Company should (along with professional and trade bodies) make representations to the Government on various issues that causes difficulties in the industry and give suggestions which would smoothen the tax administration and tax collection process

TAX POLICY- REVIEW AND AMENDMENT

This Tax Policy is periodically reviewed by the Audit Committee and recommended to the Board for its approval to ensure its effectiveness in light of evolving tax laws, regulations, and business practices. The Chief Financial Officer (CFO) briefs the Audit committee of the Board on all tax related matters and the Chairman of the Audit Committee updates the Board of Directors. The Audit Committee of the Board is responsible for the review and recommend changes in the Tax policy, which are incorporated after due evaluation. The CFO of the company is responsible for the implementation of the Tax policy. Compliance with the Policy will be regularly monitored by the Divisions / Departmental Heads and reviewed by the Head of Taxation.