



Date: 22<sup>nd</sup> August, 2024

To, <b>The Secretary,</b> <b>BSE Limited,</b> P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, <b>The Secretary,</b> <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND
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**Sub: Communication to Shareholders: Intimation on Tax Deduction at Source (TDS)/withholding tax on Dividend for FY24.**

Dear Sir/ Madam,

This has reference to our letter dated May 30, 2024, regarding payment of Dividend for the Financial Year 2023-24 to the eligible Shareholders of Lux Industries Limited (the "Company"), if declared at the forthcoming Annual General Meeting ("AGM").

Pursuant to the provisions of Income Tax Act, 1961, ("the Act"), as amended by the Finance Act, 2020, Final Dividend for the Financial Year 2023-24 to be paid or distributed by the Company shall be taxable in the hands of the Shareholders, as prescribed therein.

In this regard, please find enclosed herewith specimen of the e-mail communication sent to the Shareholders in respect of whom the Company is liable to deduct Tax on Final Dividend. The said email communication has been sent to such Shareholders who have their e-mail address registered with the Company / Depositories elaborating the process to be followed along with the necessary Forms / Annexures, in respect of the applicability of tax deduction and formalities to be complied by the Shareholders to ensure appropriate deduction of tax on the dividend payable.

The same is also being made available on the Company's website at [www.luxinnerwear.com](http://www.luxinnerwear.com)

This is for the information of the Exchanges and the members.

Thanking You  
Yours faithfully,  
**For LUX INDUSTRIES LIMITED**

**Smita Mishra**  
**(Company Secretary & Compliance Officer)**  
**M.No: A26489**

**LUX INDUSTRIES LIMITED**



**Lux Industries Limited**

CIN: L17309WB1995PLC073053

Registered Office : 39, Kali Krishna Tagore Street, Kolkata- 700007.

Tel: (033) 40402121 Fax: (033) 40012001

Email Id : [investors@luxinnerwear.com](mailto:investors@luxinnerwear.com) Website : [www.luxinnerwear.com](http://www.luxinnerwear.com)

Date: August 22, 2024

Ref: Folio / DP Id & Client Id No: ##dpid## ##holder\_folio##

Name of the Member : ##holder##

Dear Member,

**Sub: Communication on Tax Deduction at Source on Dividend to be paid in Financial Year 2024-25**

We are pleased to inform you that the Board of Directors of Lux Industries Limited ("Lux / Company"), at their meeting held on May 30, 2024, has recommended a final dividend of Rs. 2.00 per Equity Share having nominal value of Rs. 2/- each for the financial year ended March 31, 2024, subject to the approval of Members at the 29<sup>th</sup> (Twenty-Ninth) Annual General Meeting ("AGM") of the Company scheduled to be held on Thursday, September 26, 2024.

As you are aware that pursuant to the provisions of the Income-tax Act, 1961 ("Act"), as amended by the Finance Act, 2020, dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of the Shareholders. Shareholders are hereby informed that the Company is under an obligation to deduct tax at source ("TDS") at applicable rates in accordance with the provisions of the Act.

The dividend, as recommended by the Board, and if approved at the ensuing AGM, will be paid to those Shareholders holding Equity Shares of the Company, as on the Record Date i.e. September 19, 2024. The dividend, if declared at the AGM will be paid,

subject to deduction of TDS as applicable, within 30 days of declaration, through electronic mode only to the members who have updated their bank account details. As pursuant to the SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, we request you to furnish PAN, KYC details (including Postal address with PIN, Email address, mobile number and bank account details), choice of Nomination and specimen signature in respect of Physical folios. Kindly ensure these details are updated with Registrar to avail uninterrupted service request and dividend credit in bank account as no dividend will be paid to physical shareholders by way of issuance of physical warrant with effect from 1st April 2024. And those shareholders can get their dividend electronically only after complying with PAN, KYC details updating with the RTA or the Company. You may also refer to SEBI FAQs in regards to this by accessing the link : [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) (FAQ No 38 & 39).

Please note that since this Dividend will be declared at AGM to be held on September 26, 2024, it will be taxable in your hands in FY 2024-25. Thus, all the details and declarations furnished should pertain to FY 2024-25.

#### **SECTION A: FOR ALL SHAREHOLDERS - UPDATION OF DETAILS, AS APPLICABLE**

All Shareholders are requested to ensure that the below 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 the Registrar and Transfer Agent in the Register of Members, on or before the Record Date, i.e. September 19, 2024.

Please note that in case you had already registered the following details with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories, such documents will be relied upon by the Company for the purpose of complying with the applicable TDS provisions:

- a. Valid and operative Permanent Account Number ("PAN").
- b. Residential status as per the Act i.e. Resident or Non-Resident for FY 2024-25.

- c. Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund ("AIF") Category I and II, AIF Category III, Government (Central/State Government), Corporation established by or under the Central Act, 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, etc.
- d. Email Address
- e. Residential Address with PIN Code (including country)

Further to bring to your attention-

Section 206AB of the Act has been introduced by the Finance Act, 2021, effective from July 1, 2021, whereby in case of 'specified person', TDS will be higher of the following:

- Twice the rate specified in the relevant provision of the Act; or
- Twice the rate or rates in force; or
- the rate of five per cent.

The 'specified person' means a person who has:

➤ not filed return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of Section 139 of the IT Act has expired; and

➤ subjected to tax deduction and collection at source in aggregate amounting to Rs. 50,000 or more in such immediate previous year.

The non-resident, who does not have the permanent establishment in India, is excluded from the scope of the 'specified person'.  
*(Please download the declaration format given as Annexure-4 - [Click here to download Annexure-4](#))*

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act and deduct TDS accordingly. The Company shall not rely on any declaration in relation to non-applicability of provisions of section 206AB of the Act.

Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20% u/s 206AA of the Act.

In cases where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return, tax shall be deducted at the higher of the two rates prescribed in these two sections.

#### **SECTION B: TDS PROVISIONS AND DOCUMENTS REQUIRED FOR RESPECTIVE CATEGORY OF SHAREHOLDERS**

Shareholders are requested to take note of the following TDS rates and additional information required by the Company for their respective categories.

## **(A) RESIDENT SHAREHOLDERS**

A.1 Tax deductible at source for Resident Shareholders (other than Resident Individual Shareholders receiving Dividend not exceeding Rs. 5,000 during the FY 2024-25)

<b>Particular</b>	<b>Withholding tax rate</b>	<b>Relevant Section of Income Tax Act, 1961 ("Act")</b>	<b>Documents required</b>
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 Shareholder	10%	194	N.A
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 Shareholder	20%	194 read with 206AA	N.A
Availability of lower/nil tax deduction certificate issued by Income Tax Department under Section 197 of the Act	Rate specified in Lower tax withholding certificate obtained from Income Tax Department	197	1.Copy of PAN card 2.Copy of lower tax withholding certificate obtained from Income Tax

			<p>Department (TAN to be used for this purpose).</p> <p>(Note: Application of NIL / lower withholding rate at the time of tax deduction / withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by the shareholders)</p>
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A.2 'Nil' Tax Deductible at Source on dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in the table below with the Company / RTA -

Particular	Withholding tax rate	Relevant Section of Income Tax Act, 1961 ("Act")	Documents required
The aggregate of total dividend distributed to resident individual Shareholder by the Company during FY 2024-25 does not exceed Rs. 5,000/-	NIL	194	NIL

An Individual furnishing Form 15G/	NIL	197A	<p>1. Self attested copy of PAN card  2. Signed Declaration in Form No. 15G (applicable to an individual who is less than 60 years) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling prescribed conditions.</p> <p><b>Click here to download the format of Form 15G - Annexure 1</b>  <b><u>Click here</u> to download the format of Form 15H- Annexure 2</b></p>
Shareholders to whom Section 194 of the Act does not apply such as Insurance Companies (LIC, GIC, etc.)	NIL	194	<p>1. Self-attested copy of PAN card  2. Self-declaration that it has full beneficial interest with respect to the shares owned by it along with adequate documentary evidence (e.g., registration certificate), to the effect that no tax withholding is required as per provisions of Section 194 of the Act.</p> <p>In case the shares are held in the name of insurance companies, but the beneficial owners are someone else, the same must be informed in advance with suitable declaration. Further, a list of</p>



			such beneficial owners as on the record date must also be submitted within the stipulated time.
Shareholder covered under Section 196 of the Act such as Government, RBI, Mutual Funds specified under Section 10(23D) of the Act, corporations established by or under a Central Act and exempt from Income Tax.	NIL	196	<p>1. Self-attested copy of PAN card</p> <p>2. Self-declaration by Mutual Fund that they are specified in Section 10(23D) of the Act and their income is exempt under Section 10(23D) of the Act along with registration certificate and therefore no TDS is required under Section 196(iv) of the Act.</p> <p>In case the shares are held in the name of the Mutual Fund but the beneficial owners are someone else, the same must be informed in advance with suitable declaration. Further, a list of such beneficial owners as on the record date must also be submitted within the stipulated time.</p> <p>3. Self-declaration by Government, Corporations that they are covered under Section 196 of the Act and hence, no tax deduction is required from the</p>

			Dividend, along with registration certificate and adequate documentary evidence, substantiating applicability of Section 196 of the Act.
Category I and II Alternative Investment Fund ("AIF")	NIL	197A(1F) read with Notification No. 51/2015	<p>1. Self-attested copy of PAN card</p> <p>2. Self-declaration that Investment Fund is a fund as defined in clause (a) of the Explanation 1 of Section 115UB of the Act; and its dividend income is exempt under Section 10(23FBA) of the Act and it is governed by SEBI regulations as applicable to Category I or Category II AIFs and hence, no TDS is required to be deducted as per Section 197A(1F) of the Act read with CBDT Notification No.51/2015 dated June 25, 2015 and hence, no tax deduction is required from the Dividend</p> <p>3. Copy of registration certificate issued by SEBI</p>
Securitisation Trust	NIL	197A (1F)	<p>1. Self-attested copy of PAN card</p> <p>2. Self-declaration that it is "Securitisation trust" as defined in Section 10(23DA) and as per explanation</p>

			to Section 115TCA of the Act, dividend income is exempt in the hands of the trust under Section 10(23DA) and no TDS is required to be deducted as per Section 197A(1F) of the Act read with as per CBDT Notification No. 46/2016 dated June 17, 2016. 3. Copy of registration certificate issued, if any.
National Pension Scheme Trust (NPS)	NIL	197A(1E)	1. Self-attested copy of PAN card 2. Self-declaration that it qualify as NPS Trust for the purpose of Section 197A(1E) of the Act and its income is eligible for exemption under Section 10(44) of the Act and hence, no tax deduction is required from the Dividend. 3. Copy of registration certificate issued, if any.
Any other entity exempt from withholding tax under the provisions of Section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT dated May 29, 2017)	NIL	197A/Circular No. 18/2017	1. Self-attested copy of PAN card 2. Self-declaration along with adequate documentary evidence, substantiating the nature of the entity.

			3. Copy of the lower tax withholding certificate obtained from Income Tax Department (except those covered by Circular 18/2017)
Recognized Provident Fund, approved Pension fund/approved Superannuation Fund, approved Gratuity Fund (Circular No.18/2017 dated May 29, 2017)	NIL	Circular No. 18/2017	1. Self-attested copy of PAN card 2. Self-declaration that it is a Recognised Provident Fund/approved Pension Fund/approved Superannuation Fund/approved Gratuity Fund under the Act and its income is unconditionally exempt under Section 10(25) of Act and is statutorily not required to file return of income under Section 139 of the Act and as per CBDT Circular No.18/2017 dated May 29, 2017, no tax deduction is required from the Dividend 3. Copy of registration/ notification/ order

## B NON-RESIDENT SHAREHOLDERS:

Tax deductible at source for non-resident Shareholders

Particular	Withholding tax rate	Relevant Section of Income Tax Act, 1961 ("Act")	Documents required
Foreign Institutional Investors ("FIIs") / Foreign Portfolio Investors ("FPIs")	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	196D/ 90	As per Section 90 of the Act, non-resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the Shareholder, if they are more beneficial to them.
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	195/90	To avail beneficial rate of tax treaty following documents would be required:  1. Copy of PAN card

In absence of PAN, specified information/ documents as per Rule 37BC of Income Tax Rules, 1962 ('Rules') to be provided. Non-furnishing of the prescribed information/ documents as per Rule 37BC of the Rules, withholding tax of 20% (plus applicable surcharge and cess) may be applicable.

2. Copy of Tax Residency certificate ('TRC') issued by revenue authority of country of residence of Shareholder for FY 2024-25 (covering the period from April 1, 2024 to March 31, 2025)

3. Electronically uploaded Form 10F on e-filing portal (**Format given as Annexure-3**).

4. Self-declaration from Non-resident, primarily covering the following:

i. Non-resident is resident of

treaty country and eligible to claim the benefit of respective tax treaty;

ii. Non-resident receiving the dividend income is the beneficial owner of such income;

iii. Dividend income is not attributable/effectively connected to any Permanent Establishment ("PE") or Fixed Base in India;

iv. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ("MLI");

v. Non-resident does not have a place of effective management in India, etc. and more particularly stated in draft declaration

format **(Please download the Link given as Annexure-4 - [Click here to download Annexure-4](#)**

(Note: 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)

Alternative Investment Fund - Category III located in International Financial Services Centre

10% (plus applicable surcharge and cess)

115AD/  
196D(1A)

1. Copy of PAN card (if available)

2. Self-declaration that its Category III AIF located in International Financial Services Centre ("IFSC") of



			which all the units are held by non-residents other than unit held by a sponsor or manager [i.e. specified fund defined under clause (c) of the Explanation to Section 10(4D)] of the Act along with adequate documentary evidence substantiating the nature of the entity
Non-Resident Shareholders who are tax residents of 'Notified Jurisdictional Area' as defined under Section 94A(1) of the Act	30% or rate specified in the relevant provision of the Act or at the rates in force, whichever is higher (plus applicable surcharge and cess)	94A	Where any Shareholder is a tax resident of any country or territory notified as a 'Notified Jurisdictional Area' under Section 94A(1) of the Act, tax will be deducted at source @ 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such Shareholder in accordance with Section 94A(5) of the Act
Sovereign Wealth Fund, Pension Fund, Other bodies notified u/s 10(23FE) of the Act	Nil	10(23FE)	Document evidencing the applicability of section

			<p>10(23FE) of the Act / notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India</p> <p>Self-declaration that the conditions specified in section 10(23FE) of the Act have been complied with.</p>
<p>Availability of Lower/NIL tax deduction certificate issued by Income Tax Department under Sections 195 or 197 of the Act</p>	<p>Rate specified in Lower tax withholding certificate obtained from Income Tax Department</p>	<p>195 or 197</p>	<p>Copy of lower tax withholding certificate obtained from Income Tax Department (TAN to be used for this purpose – <b>CALL01355E</b>)</p> <p>(Note: Application of NIL / lower withholding rate at the time of tax deduction / withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by the shareholders)</p>

<p>Declaration regarding opting out of Section 115BAC of the Act</p>	<p>Not applicable</p>	<p>115BAC</p>	<p>The Company is required to declare in the quarterly TDS Return in Form 27Q whether the shareholder is opting the old regime or new regime prescribed under section 115BAC of the Act while filing the return of income in India. In view of the same, the non-resident shareholders are required to give a declaration mentioning their Name, a self-attested copy of PAN, status of PAN and whether section 115BAC of the Income Tax Act, 1961 is opted or not. <b>Note: Where no declaration is received, it will be assumed that the non – resident shareholder is opting out of section 115BAC.</b></p>
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It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Please note that the Company, in its sole discretion, reserves the right to call for any further information and/or to apply domestic law / DTAA for TDS. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will deduct tax at the rates applicable as per the Act.

The formats of the documents can be downloaded from the website of the Company viz.: [www.luxinnerwear.com](http://www.luxinnerwear.com)  
The required documents have to be uploaded on the portal <https://ris.kfintech.com/form15/> of KFin Technologies Limited, Registrar and Share Transfer Agent of the Company or email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), on or before September 19, 2024.

Please note that the Company will not be able to consider the documents/communication on the tax determination /deduction uploaded on portal or mailed after September 19, 2024.

Notes:

- Application of TDS rates are subject to due diligence and verification of the Shareholder details as available in register of members on the record date and any other additional documents that may be submitted on or before September 19, 2024.
- All documents to be submitted are required to be self-attested (the documents should be signed by Shareholder/authorised signatory stating the document to be "certified true copy of the original"). Benefits depend upon availability of the documents within the time specified and verification of the same by the Company.
- Members may note that in case the tax on said dividend is deducted at a higher rate in absence of timely receipt, or insufficiency/incomplete/incorrectness of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
- In case of non-resident Shareholder, in the event of mismatch in the category of Shareholder as per the register of members and as per fourth letter of PAN, the Company would consider category to which higher surcharge rate applicable.

- 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.
- Shareholder(s) holding shares under multiple accounts under 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 different accounts.
- In case, the dividend income is assessable to tax in the hands of a person other than the registered Shareholder, as per Rule 37BA, the TDS shall be deducted in the name of such other person if the registered Shareholder provides a declaration as prescribed in this regard. The registered Shareholder is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person.
- The above communication on TDS sets out the provisions of the law in a summary 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.
- In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their respective bank account details in their respective Demat accounts are updated, to enable the Company to make timely credit of dividend in their respective bank accounts.
- Further, Shareholders are requested to update their records such as tax residential status, permanent account number, registered email addresses, mobile numbers and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to KFin. Company is obligated to deduct tax at source ('TDS') based on the records available with RTA and no request will be entertained for revision of TDS return.

- For those whose PAN is found to be valid, the Company will arrange to email a soft copy of the TDS certificate to the registered email IDs of the respective Shareholders in due course. The TDS amount will also be reflected in Form 26AS of the Shareholder, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

Please reach out at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), for any queries.

Click here to download:

[Click here](#) Form 15G

[Click here](#) Form 15H

[Click here](#) Form 10F

Thanking You,  
For **Lux Industries Limited**

**Sd/-**  
**Smita Mishra**  
**Company Secretary and Compliance Officer**  
**M.No. - ACS 26489**

**Disclaimer:**

**This Communication shall not be treated as an advice from Lux Industries Limited. Shareholders should obtain tax related advice from a tax professional.**