

LIL:SE:AGM:2021-22

Date: August 07, 2021

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| BSE Limited Listing & Compliance Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 | The National Stock Exchange of India Limited Listing & Compliance Department Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 |
| Security Code: 517206 | Symbol: LUMAXIND |

Subject: Notice of 40th Annual General Meeting ('AGM') of Lumax Industries Limited

Dear Sir/Ma'am,


Please find enclosed herewith the Notice of the **40th Annual General Meeting ('AGM')** of Lumax Industries Limited scheduled to be held on **Tuesday, August 31, 2021 at 10:30 A.M. (IST)** via two-way Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"). The said Notice also forms part of the 40th Annual Report of the Company for the Financial Year 2020-21.

The Notice of the AGM is also available on the website of the Company at www.lumaxworld.in/lumaxindustries.

This is for your information and records.

Thanking you

Yours Faithfully,

For **LUMAX INDUSTRIES LIMITED**
PANKAJ MAHENDRU
COMPANY SECRETARY
M.NO. A-28161

Encl: As Stated above

NOTICE

Notice is hereby given that the Fortieth (40th) Annual General Meeting (“AGM”) of the Members of Lumax Industries Limited (“Company”) will be held as per below mentioned schedule:

Day : Tuesday
Date : 31 August 2021
Time : 10:30 a.m. (IST)

via two-way Video Conferencing (“VC”) or other audio-visual means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2021, the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March, 2021 and the Report of Auditors thereon.
2. To declare a dividend of ₹ 7 per equity share as recommended by the Board of Directors for the Financial Year ended 31 March, 2021.
3. To appoint a Director in place of Mr. Tadayoshi Aoki (DIN: 08053387), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), or re-enactment thereof, for the time being in force), the consent of members of the Company be and is hereby accorded to the ratification of the remuneration of ₹ 1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) excluding taxes and reimbursement of out-of-pocket expenses at actuals payable to M/s Jitender Navneet & Co., Cost Accountants (Firm Registration No. 000119), appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the FY 2021-22.

Resolved further that the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving

effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution”.

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“Resolved that Mr. Vikrampati Singhania (DIN: 00040659), who was appointed as an Additional Director and holds office upto the date of this Annual General Meeting of the Company, and is eligible for appointment and in respect of whom the Company has received a Notice in writing from a member under the provision of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director.

Resolved further that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and on the recommendation of Nomination and Remuneration Committee, Mr. Vikrampati Singhania (DIN: 00040659) be and is hereby appointed as a Non Executive Independent Director of the Company to hold office for Five (5) consecutive years with effect from 11 February, 2021 and the period of office of Mr. Vikrampati Singhania shall not be liable to be determined by retirement by rotation.

Resolved further that the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution”.

By Order of the Board
 For **Lumax Industries Limited**

Pankaj Mahendru
 Company Secretary
 M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:

2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046

Website: <https://www.lumaxworld.in/lumaxindustries>

Email id: lumaxshare@lumaxmail.com

CIN: L74899DL1981PLC012804

Notes for AGM Notice:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated 8 April 2020 and 13 April 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated 5 May 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated 13 January 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
 2. Company has appointed National Securities Depository Limited (NSDL), to provide Video Conferencing facility/ Other Audio Visual Means (VC/OAVM) for conducting the AGM.
 3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR**
- APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
 5. Institutional Investors, who are Members of the Company, are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Corporate Members intending **to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to** KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company, by e-mail at einward_ris@kfintech.com with a copy marked to the Company at lumaxshare@lumaxmail.com.
 6. The attendance of the Members (members logins) attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (“the Act”).
 7. An Explanatory Statement pursuant to Section 102 (1) of the Act, in respect of Special business to be transacted at the AGM is furnished hereunder. The relevant details of the Directors seeking appointment/re- appointment at the AGM as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Listing Regulations) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed as **Annexure - I**.
 8. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.

Notes for AGM Notice: (Contd.)

Only those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

9. In line with the MCA Circulars and SEBI Circulars the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. Further, the Notice of the AGM has been uploaded on the website of the Company at www.lumaxworld.in/lumaxindustries.

The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of beneficiaries received from the Depositories/RTA as on **Friday, 30 July 2021**.
11. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 24 August 2021 to Tuesday, 31 August 2021** (both days inclusive) for annual closing and determining the entitlement of shareholders to the Final Dividend for the FY 2020-21, as may be approved by the members at the AGM.
12. **Dividend Entitlement:** Dividend on Equity Shares, as recommended by the Board of Directors, if approved at the AGM, will be payable to those Members whose names appear in the Register of Members of the Company, in the case of beneficial owners as at the close of **Monday, 23 August 2021 (the cut-off Date)** as per the beneficial ownership data to be furnished by NSDL/CDSL/RTA for the purpose and in respect of shares held in physical form after giving effect to all valid shares transfers/transmission(s), which are lodged with the Company / RTA before the cut-off date.

The Board of Directors had recommended a dividend of ₹ 7 per equity share of the face value of ₹ 10 each (@70%), payable to those Shareholders whose names appear in the Register of Members as on the Cut-off Date (subject to the approval of the same by the Shareholders in the AGM).

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1 April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates as per Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by **Monday, 16 August 2021**.

The note for '**Communication on Tax Deduction on Dividend**' is annexed with this notice.

Dividend amount for Members holding shares in Electronic Form and to those Members holding in Physical Form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM, subject to deduction of income-tax at source ('TDS'). For others, Dividend Demand Drafts (DD's) will be posted at the earliest depending upon the resumption of the Postal Services. In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend DD, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Members, they are requested to intimate the same to their respective Depository Participants for their further action.

Further, in order to receive dividend(s) in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate, by sending the below mentioned documents to the RTA of Company viz Kind Attn: Mr. Rajeev Kumar, Kfin Technologies Private Limited (formerly Karvy Fintech Private Limited), Unit: Lumax Industries Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032

- a. a signed request letter mentioning name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
- i) Name and Branch of Bank and Bank Account type;

Notes for AGM Notice: (Contd.)

- ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
- iii) 11 digit IFSC Code;
- b. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c. self-attested scanned copy of the PAN Card; and
- d. self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest possible.

13. **Transfer of Unclaimed/Unpaid dividend amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act (Section 205A of the erstwhile Companies Act, 1956) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the amount of dividend which remains unclaimed or unpaid for a period of 7 (Seven) years from the date of transfer of the amount to Unpaid dividend account, shall be transferred to the Investor Education & Protection Fund set up by Government of India.

Accordingly, the amount lying in the Unpaid Dividend Account for the FY 2012-13 has been transferred to the IEPF on 25 September 2020. The unpaid dividend amount for the FY 2013-14 is due for transfer to the IEPF by 20 September 2021. Members who have not yet encashed their dividend for the year 2013-14 and onwards are therefore, requested in their own interest to make their claims to the Company immediately for outstanding dividends.

The Members are also requested to note that all shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to the IEPF account in compliance with Section 124 of the Act and the applicable IEPF Rules. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline as mentioned above.

In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. Members are requested to contact with the Registrar and Share Transfer Agent of the Company, M/s Kfin Technologies Private Limited (KFintech) for aforesaid purpose.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application in Form no. IEPF-5 to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

- 14. Members are requested to support Green Initiative by choosing to receive the Company's communication through e-mail and are requested to update their email addresses with their depository participants / KFintech.
- 15. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent i.e. M/s Kfin Technologies Private Limited (KFintech) immediately, if there is any change in their registered address. Members holding shares in Demat Mode should inform the change of address to their respective Depository Participants.
- 16. The Securities and Exchange Board of India vide gazette notification dated 8 June 2018 and its press release on 3 December 2018 amended Regulation 40 of the Listing Regulations and has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f., 1 April 2019. Further SEBI vide its press release dated 27 March 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of 1 April 2019. Further, with Circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7 September 2020 cut-off date for re-lodgement of transfer deeds has been fixed as 31 March 2021.

In view of above, the Members holding shares in physical form are requested to consider the same and convert their holding into dematerialized form to eliminate all risk associated with the physical shares. Members can contact the Company or RTA for any further assistance in this regard.
- 17. As per the provisions of Section 89 read with Section 90 of the Act the combined effect of both the Sections is that every person who is holding a beneficial interest in the shares of the Company shall submit his/her declaration to the Company in the prescribed form and thereafter the Company shall intimate to the Registrar in the prescribed form along with such declaration.

Notes for AGM Notice: (Contd.)

Every member(s) of the Company is requested to provide the declaration(s) regarding their beneficial interest, if any in the shares of the Company under the aforesaid provisions of the Act. The shareholders are further advised to refer Companies (Significant Beneficial Owners) Amendment Rules, 2019 before making declaration in respect of Beneficial Owner and Significant Beneficial Owner.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/KFintech. Members are requested to refer to the important instructions given in **Annexure – II** of this Notice.

Electronic copy of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at www.lumaxworld.in/lumaxindustries.

During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

20. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address lumaxshare@lumaxmail.com at least 7 days in advance before the start of the AGM i.e. **by Tuesday, 24 August 2021 by 5:00 P.M. IST**. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the AGM, depending upon the availability of time. Only those Members who have pre-registered themselves

as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

21. **Voting through electronic means:** In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations read with SEBI Circular dated 9/12/20, the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to Members holding shares as on **Monday, 23 August 2021**, being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of Members, entitled to participate in the remote e-voting process, through the e-voting platform provided by National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> or to vote at the AGM.
22. The **e-voting period** shall be from **Saturday, 28 August 2021 (09:00 A.M.) to Monday, 30 August 2021 (05:00 P.M.)** During this period Members holding shares either in physical or dematerialized form, as on cut-off date i.e. **Monday, 23 August 2021** may cast votes electronically. A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting.
The remote e-voting module will be disabled by NSDL for voting thereafter. A shareholder shall not be allowed to vote again on any resolution on which vote has already been cast.
23. During the AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote(s) through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, who have cast their votes, the e-Voting will be closed with the formal announcement of closure of the AGM.
24. The recorded transcript of the AGM shall also be made available on the website of the Company www.lumaxworld.in/lumaxindustries in the Investor Section, as soon as possible after the Meeting is over.

Notes for AGM Notice: (Contd.)

25. The Board has appointed Mr. Maneesh Gupta, Practicing Company Secretary, New Delhi as the scrutinizer to scrutinise the e-voting during the AGM and remote e-voting process in a fair and transparent manner.

26. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unlock the votes cast through remote e-voting, and shall submit a consolidated Scrutinizer's report, of the total votes cast in favour or against, invalid votes, if any, to the Chairman of the Company or any authorized person who shall countersign the same, within 48 hours of the conclusion of the meeting.

The Scrutinizer shall submit his report to the Chairman/ Authorised Person who shall declare the result of the voting. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.lumaxworld.in/lumaxindustries and National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> and shall also be communicated to the Stock Exchanges.

27. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. 31 August 2021.

28. Notice of this AGM, Audited Financial Statements for FY 2020-21 together with Directors' Report and Auditors' Report are also available on the website of the Company www.lumaxworld.in/lumaxindustries. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

29. Instructions for attending the AGM through VC/OAVM and remote e-voting are given below:

A. Instructions for Members attending the AGM through VC/OAVM are as under:

- Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members

can also use the OTP based login for logging into the e-Voting system of NSDL.

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

B. The instructions for remote e-voting and Joining Annual General Meeting are as under:

The remote e-voting period shall be from Saturday, 28 August 2021 (09:00 A.M.) to Monday, 30 August 2021 (05:00 P.M.), The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, 23 August 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 23 August 2021.

How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Notes for AGM Notice: (Contd.)

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 50px; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Notes for AGM Notice: (Contd.)

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at aforementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

Notes for AGM Notice: (Contd.)

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password? (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to guptamaneeshcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to lumaxshare@lumaxmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to lumaxshare@lumaxmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

Notes for AGM Notice: (Contd.)

4. In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the

day of the AGM shall be the same person mentioned for Remote e-voting.

- Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number :+91-22-24994360.
- Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in, pallavid@nsdl.co.in or at telephone number +91 22 2499 4545.

By Order of the Board
For **Lumax Industries Limited**

Pankaj Mahendru
Company Secretary
M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:

2nd Floor, Harbans Bhawan-II, Commercial Complex,
Nangal Raya, New Delhi– 110046
Website: <https://www.lumaxworld.in/lumaxindustries>
Email id: lumaxshare@lumaxmail.com
CIN: L74899DL1981PLC012804

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS (PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013)

Item No. 4

The Board on the recommendation of the Audit Committee, in its Meeting held on 11 June 2021 have approved the appointment of M/s Jitender Navneet & Co., Cost Accountants (Firm Regn. No. 000119) as the Cost Auditor of the Company for audit of cost accounting records of the Company for the FY 2021-22 and fixed their fee at ₹ 1,75,000/- excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with the audit.

M/s. Jitender Navneet & Co., Cost Accountants (Firm Regn. No.000119) have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the Members is sought to the remuneration payable to the Cost Auditors for conducting the

audit of the cost records of the Company for the Financial Year ending 31 March 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at Item No.4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for approval of the Members as an Ordinary Resolution.

Item No. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Vikrampati Singhania (DIN: 00040659) as an Additional Director of the Company in the category of Non Executive Independent Director, not liable to retire by rotation, for a term of five (5) years i.e. from 11 February 2021 to 10 February 2026, subject to approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Article 120 of the Articles of Association of the Company, Mr. Vikrampati Singhania shall

hold office up to the date of this AGM and is eligible to be appointed as Director.

The Company has received declarations from Mr. Vikrampati Singhania to the effect that he meets the criteria of independence as provided in Section 149(6) read with Schedule IV of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Vikrampati Singhania fulfils the conditions specified in the Act, Rules and Listing Regulations for appointment as Independent Director and he is independent of the management of the Company. Mr. Vikrampati Singhania is not debarred from holding the office of Director pursuant to any SEBI Order. The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Brief profile: Mr. Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organization. JK Organization is an over 125 years old business house with leadership across multiple sectors. The Group is present in 100 countries apart from all India presence with annual sales revenue of over USD 4.15 Billion. The Group manufactures and markets a wide range of products from Paper, Automobile Tyres, Cement, Auto Components, Textiles, Agri Products, etc.

Mr. Singhania did his Master's Degree in Commerce from Kanpur University and his MBA from Fuqua School of Business, Duke University, USA.

He has Association with Professional Bodies:

- Member of Fuqua Indian Advisory Board of Duke University, USA
- Member of Managing Committee, The Associated Chambers of Commerce & Industry of India (ASSOCHAM).
- Member of Executive Committee of Automotive Component Manufacturers Association of India (ACMA).

The requirements as stipulated under Regulation 36(3) of Listing Regulations and Secretarial Standards-2 are mentioned in the Annexure 1 to this explanatory statement.

Except Mr. Vikrampati Singhania, None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution as set out at Item No. 5 of the Notice.

Your Directors recommend the resolution set forth in Item No.5 for approval of the Members as a Special Resolution.

By Order of the Board
For **Lumax Industries Limited**

Pankaj Mahendru
Company Secretary
M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:

2nd Floor, Harbans Bhawan-II, Commercial Complex,
Nangal Raya, New Delhi- 110046

Website: <https://www.lumaxworld.in/lumaxindustries>

Email id: lumaxshare@lumaxmail.com

CIN: L74899DL1981PLC012804

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AND FIXATION OF REMUNERATION IS FURNISHED BELOW:

| Names of Directors/DIN | Date of Birth/ Details of Shareholding | Qualifications/Nature of Expertise | Relationship with Directors Inter-se | Name of Listed Companies in which Directorship held other than Lumax Industries Limited | Chairmanship/ Membership in Committees of Other Public Companies |
|---|---|---|---|--|---|
| Mr. Tadayoshi Aoki DIN: 08053387 | July 27, 1966 | He has done Mechanical Engineering from Tokyo Denki, University, Japan. He is having rich experience of more than 30 Years in the field of Car Electronics, Engineering, Sales of car electronic parts and Sales Planning Division. | Related to Mr. Toru Tanabe and Mr. Kenjiro Nakazono as Nominee Directors of Stanley Electric Co., Limited | Not Applicable | - |
| Mr. Vikrampati Singhania DIN: 00040659 | October 08, 1965 | Mr. Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organization. He is currently Managing Director of JK Fenner (India) & JK Agri Genetics having an experience of over 27 years in industry. Mr. Singhania did his Master's Degree in Commerce from Kanpur University and his MBA from Fuqua School of Business, Duke University, USA. He has Association with Professional Bodies: <ul style="list-style-type: none"> • Member of Fuqua Indian Advisory Board of Duke University, USA • Member of Managing Committee, The Associated Chambers of Commerce & Industry of India (ASSOCHAM). • Member of Executive Committee of Automotive Component Manufacturers Association of India (ACMA). | Not Related with any Director/ Manager/KMP of the company | 1 | 1 |

Notes:

- Both the Directors do not hold any Equity Share(s) in the Company.
- The Directorships and Chairmanships/Memberships of Section 8 Companies is not included in above table
- For other details such as the number of meetings of the Board attended during the year, remuneration drawn in respect of above Directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

IMPORTANT AND URGENT

ANNEXURE II

INFORMATION FOR THE SHAREHOLDERS

Mandatory Updation of PAN and Bank Account details (Only for Physical Shareholding)

Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April 2018, has mandated Listed Entities to seek the subject details from the Shareholders holding shares in physical form with an objective to streamline the processes relating to maintenance of records, transfer of securities and seamless payment of dividend/interest/redemption amounts to the Shareholders.

Therefore, we request your good self to provide the following details for our records, which shall be linked to your respective folios:

1. Enclosed Format duly filled and signed by all the Shareholders.
2. Self-attested copy of PAN Card of all the Shareholders.
3. Original Cancelled Cheque leaf with Name (if the name is not printed, self-attested copy of Passbook duly attested by the Bank first page).
4. Self-attested copy of Address Proof of the Shareholder.

If the Shareholder is a resident of Sikkim, the Shareholder is required to submit a valid Identity proof issued by Government.

Mandatory Dematerialization of Shares

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018 read with BSE Circular No. LIST/COMP/15/2018-19 dated 5 July 2018 issued to all Listed Companies, SEBI has directed for Dematerialization of Shares held in physical form. In order to Dematerialize your share, please open a Demat Account with any of Depository Participants (DP) and submit your physical share certificate to DP along with necessary documents in this regard.

Updation of Email ID

To support "Green Initiative" and to further strengthen the communication and for providing the documents through electronic mode, the Shareholders are requested to get their Email Id's registered with the Company.

Registration of Mobile No. and Merging of Multiple Folios

Shareholders are requested to register their Mobile No. for direct and speedy communication and those Shareholders who are having Multiple Folios are requested to get the same merged in One Folio which will help in ease of communication.

FORMAT FOR FURNISHING PAN AND BANK DETAILS

To
 Kfin Technologies Private Limited
 Karvy Selenium Tower B, Plot 31-32,
 Gachibowli, Financial District, Nanakramguda,
 Hyderabad - 500 032

Dear Sir/Ma'am,

Unit: LUMAX INDUSTRIES LIMITED

I/ We furnish below our folio details along with PAN and Bank mandate details for updation and confirmation of doing the needful. I/we are enclosing the self-attested copies of PAN cards of all the holders, original Cancelled Cheque leaf, Bank Passbook and Address Proof viz., Aadhaar Card as required for updation of the details:

| | |
|---|--|
| Folio No. | |
| Address of the 1 st named Shareholder as per the share certificate | |
| Mobile No. | |
| Email ID | |

Bank Account Details (for electronic credit of unpaid dividends and all future dividends):

| | | | | | | | | | |
|---|--------|--|--|---------|--|--|-------------|--|--|
| Name of the Bank | | | | | | | | | |
| Name of the Branch | | | | | | | | | |
| Account Number (as appearing in your cheque book) | | | | | | | | | |
| Account Type (Saving/ Current/ Cash Credit) | Saving | | | Current | | | Cash Credit | | |
| | | | | | | | | | |
| 9 Digit MICR Number (as appearing on the cheque issued by the bank) | | | | | | | | | |
| 11 Digit IFSC Code | | | | | | | | | |

| | PAN No. | Name | Signature |
|------------------|---------|------|-----------|
| First Holder : | | | |
| Joint Holder 1 : | | | |
| Joint Holder 2 : | | | |

Place:

Date:

Note: The above details will not be updated if the supporting documents are not attached and not duly signed by all the Shareholders.

(Refer Note 12 of the Notice of 40th AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that Dividend paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

- Members having valid Permanent Account Number ("PAN"): 10% or as notified by the Government of India if he is not a specified person to be checked by Company based on Valid PAN provided by the member.
- Members not having PAN / valid PAN: 20% or as notified by the Government of India
- Further the Finance Act, 2021 inserted section 206AB in the Income-tax Act 1961 (hereinafter referred to as "the Act") which takes effect from 1st day of July, 2021.
- This section mandate tax deduction at higher rate in case of certain non-filers (specified persons) with respect to tax deductions twice the prescribed rate or 5%, whichever is higher. Specified person means a person who satisfies both the following conditions:-
 - (i) He has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted ie AY 2019-20 and AY 2020-21. Two previous years to be counted are required to be those, whose return filing date under sub-section (1) of section 139 has expired.
 - (ii) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2021-22 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate (TRC) for financial year 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F to be dated after the date of TRC
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.