

Ref No.: LIL/SE/REG30/CS/2020-21

Date: August 12, 2020

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

**Subject: Communication to Shareholders - Intimation on Tax Deduction on Dividend**

Dear Sir/Ma'am,

Pursuant to the Finance Act, 2020, with effect from April 1, 2020, Dividend Distribution Tax has been abolished and dividend income is taxable in the hands of the shareholders.

In this regard, please find enclosed herewith an e-mail communication which has been sent to all the shareholders of the Company whose e-mail IDs are registered with the Company/Registrar and Share Transfer Agent/Depositories explaining the process on withholding tax from dividends paid to the shareholders at prescribed rates.

This communication is also being made available on the website of the Company at [www.lumaxworld.in/lumaxindustries](http://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



## LUMAX INDUSTRIES LIMITED

CIN: L74899DL1981PLC012804

Regd. Office: 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046

Website: [www.lumaxworld.in/lumaxindustries](http://www.lumaxworld.in/lumaxindustries), Tel: 011 49857832

Email: [lumaxshare@lumaxmail.com](mailto:lumaxshare@lumaxmail.com)

**Date: August 11, 2020**

**Name of the Holder:**

**Ref: Folio / DP Id & Client Id No:**

Dear Shareholder,

### Sub: Communication for deduction of Tax on Dividend for 2019-20

We are pleased to inform you that the Board of Directors at their Meeting held on June 18, 2020 recommended a Final Dividend of Rs. 6/- per Equity Share of Rs.10/- each (@60%) for the Financial Year ended March 31, 2020 and the said Dividend will be payable post approval of the shareholders at the ensuing Annual General Meeting of the Company scheduled to be held on Friday, the August 28, 2020.

As you are aware that as per the Income Tax Act, 1961 (the 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 and the Company shall be required to deduct tax at source at the time of making payment of the said Dividend, if declared by the Shareholders at the ensuing AGM.

This Communication provides the applicable TDS provisions under the Act for resident and Non-Resident shareholders categories.

The Tax Deduction at Source (TDS) rate may vary depending on the residential status of shareholder and documents submitted to the Company in accordance with the provisions of the Act. TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

**Table 1: Resident Shareholders:**

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any Resident shareholder	7.5%	<b><u>If shares are held in DEMAT mode:</u></b> Please update your Income tax PAN details, if not already done with Depositories. <b><u>If shares are held in PHYSICAL mode:</u></b> Please update your self-attested copy of Income tax PAN details, if not already done with Company. No deduction of taxes in the following cases - i. If dividend income to a resident Individual shareholder during FY 2020-21 does not exceed INR 5,000/-.

		ii. If 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.
Other Resident Individual Shareholder without PAN / having Invalid PAN	20%	-----
Shareholders submitting Form 15G/ Form 15H	NIL	Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years) - on fulfilment of prescribed conditions. (Please refer the link as mentioned below).
Order under Section 197 of the Act	Rate provided in the order	Lower / NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Documentary evidence to the effect that the provisions of Section 194 of the Act are not applicable. Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate
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 to the effect that the person is covered under Section 196 of the Act.
Mutual Funds	NIL	Documentary evidence to the effect that the person is covered under Section 196 of the Act. A Self-declaration that its income is exempt under Section 10(23D) of the Act and they are established as Category I or Category II AF under the SEBI regulations along with self-attested copy of PAN card and registration certificate should be provided.
Alternative Investment fund	NIL	Documentary evidence to the effect that the person is covered by Notification No. 51/2015 dated 25 June 2015. Self-declaration that its income is exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations along with self-attested copy of the PAN card and registration certificate should be provided.

**Please Note that:**

- i. **Registration of the valid Income Tax Permanent Account Number (PAN) with the Depositories if shares are held in DEMAT mode and with Company if shares are held in PHYSICAL mode is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.**

- ii. Shareholders 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.

**Table 2: Non-Resident Shareholders:**

Category of shareholder	Tax Deduction Rate	Exemption applicability/ Documentation requirement
Any Non-Resident Shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower.	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company.</p> <ol style="list-style-type: none"> <li>i. Self-attested copy of Income tax PAN Card, if any, allotted by the Indian authorities.</li> <li>ii. Self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident.</li> <li>iii. Self-declaration in Form 10F. (Please refer the link as mentioned below).</li> <li>iv. Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit (Please refer the link as mentioned below).</li> </ol> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above mentioned documents are not provided.</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>
Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI).	20% (plus applicable surcharge and cess)	None
Submitting Order under section 197 of the Act.	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

**Note: The Shareholders 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**

Details and / or documents as mentioned above in Table I and Table II, as applicable to the Member, need to be sent, duly completed and signed, through registered email address of the Member with PAN being mentioned in the subject of the email to reach [lumaxshare@lumaxmail.com](mailto:lumaxshare@lumaxmail.com) by August 18, 2020 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/documents on the tax determination / deduction shall be considered after August 18, 2020.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you will have the option of claiming refund of the excess tax paid at the time of filing your income tax return by consulting your tax advisor. **No claim shall lie against the Company for such taxes deducted.**

The Company will arrange to email a soft copy of the TDS certificate at the shareholders registered email ID in due course, post payment of the said Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

**In view of the prevailing lockdown due to COVID 19 pandemic, Shareholders are requested to complete necessary formalities with regard to their bank accounts attached to their demat account for enabling the Company to make timely credit of dividend in respective bank accounts.**

We request your cooperation in this regard.

Thanking you,

Yours faithfully,

**For Lumax Industries Limited**

**Pankaj Mahendru  
Company Secretary  
M. No. A28161**

*Click at the below mentioned links to download – Form No. 15G, Form No. 15 H, Form No. 10 F and Self Declaration Form.*

Form 15-G <https://www.lumaxworld.in/lumaxindustries/pdf/form-no-15-g.pdf>

Form 15 H <https://www.lumaxworld.in/lumaxindustries/pdf/form-no-15-h.pdf>

Form 10-F <https://www.lumaxworld.in/lumaxindustries/pdf/form-no-10f.pdf>

Declaration for Non-Residents

<https://www.lumaxworld.in/lumaxindustries/pdf/declaration-for-non-residents-lil.pdf>

*Disclaimer: This communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional*

*Note: This is a system generated e-mail. Please do not reply to this e-mail.*