



To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai - 400051

June 3, 2021

Scrip Code: JYOTHYLAB

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400023

Scrip Code: 532926

Dear Sir,

Sub: Communication sent to shareholders of the Company - Tax Deduction at Source (TDS) on Dividend pay-out for F.Y. 2020-21

In accordance with the provisions of the Income Tax Act, 1961 (the Act) as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall, therefore, be required to regulate deduction of tax at source (TDS) at the time of payment of dividend in accordance with the provisions of the Act and at the applicable rates. A communication in this regard is being sent to those shareholders whose E-mail addresses are registered with the Company/ Registrar and Share Transfer Agent (RTA) and for shareholders who have not registered their email id(s) with the Company/ RTA, at their latest registered address available with the Company.

Accordingly, pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of communication being sent to shareholder(s) of the Company on the captioned subject.

Further, the aforesaid information is also available on the website of the Company at www.jyothy.com.

Kindly take the above on your record and disseminate the same for information of investors.

Thanking you,
Yours faithfully,

For Jyothy Labs Limited
(Formerly known as Jyothy Laboratories Limited)



Shreyas Trivedi
Head- Legal & Company Secretary
Encl.: As above

Jyothy Labs Limited
(Formerly known as Jyothy Laboratories Limited)
CIN: L24240MH1992PLC128651
'Ujala House', Ramkrishna Mandir Road,
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info@jyothy.com | www.jyothy.com



JYOTHY LABS LIMITED
(Formerly known as Jyothy Laboratories Limited)

CIN: L24240MH1992PLC128651

Regd. Office: 'UJALA HOUSE', Ram Krishna Mandir Road, Kondivita, Andheri (East),
Mumbai- 400059

Tel.: 022-66892800 **Fax:** 022-66892805

Email: secretarial@jyothy.com **Website:** www.jyothy.com

Subject: Jyothy Labs Limited - Tax Deduction at Source (TDS) on Dividend pay-out for FY 2020-21

Dear Shareholder(s),

We are pleased to inform you that the Board of Directors at their Meeting held on May 18, 2021 has recommended a Final Dividend of Rs. 4/- per equity share i.e. 400 % for the Financial Year 2020-21 and the said Final Dividend will be payable post approval of the shareholders at the ensuing Annual General Meeting of the Company to be held on July 30, 2021. The dividend will be payable to those shareholders whose names appear in the Register of Members of the company or in the records of the Depositories as beneficial owners of the shares as at the close of business hours on July 22, 2021. The dividend shall be paid to eligible shareholders on or after August 4, 2021.

In accordance with the provisions of the Income Tax Act, 1961 (the Act) as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall, therefore, be required to regulate deduction of tax at source (TDS) at the time of payment of dividend in accordance with the provisions of the Act and at the applicable rates.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act.

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

Resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode).

		<p>No deduction of taxes in the following cases –</p> <ul style="list-style-type: none"> <input type="checkbox"/> If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed INR 5,000/-, <input type="checkbox"/> 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.
Submitting Form 15G/ Form 15H	NIL	<p>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) - provided that all the prescribed eligibility conditions are met.</p> <p>Link for downloading format of Form 15G*</p> <p>Link for downloading format of Form 15H**</p>

* Link for downloading format of Form 15G:

<https://www.jyothylabs.com/wp-content/uploads/2021/05/Form-15-G.pdf>

** Link for downloading format of Form 15H:

<https://www.jyothylabs.com/wp-content/uploads/2021/05/Form-15-H.pdf>

NIL /lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration as listed below:

Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities along with the self-declaration.
Insurance Companies: Public & Other Insurance Companies	NIL/lower tax	Self-declaration and documentary evidence that the provisions of section 194 of the Act are not applicable.
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income.	NIL/lower tax	Self-declaration and documentary evidence that the person is covered under section 196 of the Act.
Mutual Funds	NIL/lower tax	Self-declaration and Documentary evidence that the person is

		covered under section 196 of the Act and a self- declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested)
Alternative Investment fund	NIL/lower tax	Self-declaration and documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 and a 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. Copy of registration documents (self-attested) should be provided
New Pension System Trust	NIL/lower tax	Self-declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
Other resident shareholder without PAN/Invalid PAN/non-linking of Aadhar/applicability of section 206AB	20%	Update the PAN if not already done with depositories (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agents viz. Link Intime India Private Limited Private Limited (in case of shares held in physical mode).

Link for downloading format of self-declaration (Resident):

<https://www.jyothylabs.com/wp-content/uploads/2021/05/Resident-declaration-New.pdf>

Please Note that:

- a) Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.
- b) 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.
- c) Shareholders who are required to link Aadhar number with PAN as required under section 139AA(2) read with Rule 114AAA, should compulsorily link the same by 30 June 2021. If, as required under the law, any PAN is found to have not been linked with Aadhar by 30 June 2021 then such PAN will be deemed invalid and TDS would be deducted at higher rates u/s206AA of the Act. The Government has not prescribed the mechanism to verify the said Aadhar linking with PAN, hence in order to comply with the provisions of the Act, Company will proceed on assumption that all shareholders are in compliance with the aforesaid

provisions of the IT Act. However, we request you to inform us well in advance, if you have not linked your Aadhar with PAN as provided in section 139AA(2) read with Rule 114AAA. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

- d) Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from 1 July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

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

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the I-T Act has expired; and
- The aggregate of TDS and TCS in his case is ₹50,000 or more in each of these two previous years.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

While your Company is awaiting the guidelines from the Government prescribing the mechanism to determine who fulfils the conditions of being a 'specified person'. Therefore, in order to comply with the provisions of the Act, and unless any mechanism is prescribed by the authorities in this regard, Company will proceed on the assumption that all shareholders are in compliance with the provisions of section 206AB of the IT Act. However, we request you to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the IT Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Non-resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption required	Applicability/ Documents
Any non-resident shareholder, Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI)	20% / Tax Treaty rate whichever is lower (increased by surcharge and cess	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	

	wherever applicable)	<ul style="list-style-type: none"> <input type="checkbox"/> Copy of the PAN Card, if any, allotted by the Indian authorities. <input type="checkbox"/> Self-attested copy of Tax Residency Certificate (TRC) evidencing and certifying shareholder's tax residency status during the Financial Year and obtained from the tax authorities of the country of which the shareholder is resident <input type="checkbox"/> Self-declaration in Form 10F (format refer link provided at the end of the table)@. <input type="checkbox"/> Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit and do not / will not have place of effective management in India. (format refer link provided at the end of the table)\$. <input type="checkbox"/> In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA). <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>
Submitting Order under section 195(3) /197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

@ Link for downloading format of 10F:

<https://www.jyothylabs.com/wp-content/uploads/2021/05/Form-No.-10-F.pdf>

\$Link for downloading format of self-declaration (Non-resident):

<https://www.jyothylabs.com/wp-content/uploads/2021/05/NR-tax-declaration-New.pdf>

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

Kindly note that the documents as mentioned above are required to be submitted to the Registrar at email ID jyothyabsdivtax@linkintime.co.in or update the same by visiting the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> **on or before June 30, 2021** in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication/documents on the tax determination / deduction shall be considered post June 30, 2021.

If the requisite documents and details are not provided by the shareholders within the specified time, TDS would be regulated as per the provisions of the Act. In such a case, if TDS is deducted at a rate which is considered higher than the applicable rate of tax in a particular case, refund of such excess TDS may be claimed by the shareholder as provided under law. **No claim shall, however, lie against the Company** for such deduction of TDS.

TDS certificate will be sent to you post completion of activities. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format) with Company in the manner prescribed by the Rules. No declaration will be accepted after two months of payout.

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>.

Further, shareholders who have not registered their email address are requested to register the same with our RTA (in case of physical shareholders) and with respective Depository Participants (in case of DEMAT shareholders). Shareholders are further 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 account especially in view of prevailing COVID 19 situation.

We request your cooperation in this regard.

Thanking you,
Yours faithfully,

**For Jyothy Labs Limited
(Formerly known as Jyothy Laboratories Limited)**

**Sd/-
Shreyas Trivedi
Head – Legal & Company Secretary**

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. 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.