



INDIAN OIL CORPORATION LIMITED

(CIN - L23201MH1959GOI011388)

Regd. Office: 'IndianOil Bhavan', G-9, Ali Yavar Jung Marg, Bandra (E), Mumbai - 400051
Tel: 022-26447616 ; Emil Id: investors@indianoil.in Website: www.iocl.com

18th March 2021

Dear Shareholder,

Subject: IOCL 2nd Interim Dividend - Deduction of tax at source from non-resident shareholders

We hope that you and your family are doing well and are safe and healthy.

We wish to inform you that the Board of Directors of IndianOil at its meeting held on 16th March 2021 has declared a second interim dividend (hereinafter referred as 'interim dividend') of 30 % i.e. Rs. 3 /-per share of Face Value of Rs. 10/- each for the financial year 2020-21.

The interim dividend will be paid to those shareholders who hold equity shares, of the Company as on the closure of record date i.e. Wednesday, 24th March 2021.

As you may be aware, in terms of the provisions of the Income-tax Act, 1961 ("the Act") as amended by the Finance Act, 2020, any dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of the shareholders.

THOUGH THE PAYMENT OF INTERIM DIVIDEND WOULD BE MADE IN APRIL 2021 i.e. IN THE FINANCIAL YEAR 2021-22, THE TDS UNDER SECTION 195 WOULD BE DEDUCTIBLE IN THE FINANCIAL YEAR 2020-21 AND ACCORDINGLY, APPLICABLE TDS UNDER SECTION 195 WOULD BE DEDUCTED WHILE MAKING PAYMENT OF 2ND INTERIM DIVIDEND FOR THE FINANCIAL YEAR 2020-21.

IndianOil shall therefore be required to deduct tax at source from the interim dividend payable to non-resident, as per the following:

Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- i. Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident;

- iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- v. Self-declaration of beneficial ownership by the non-resident shareholder.

The documents referred to in point nos. (iii) to (v) can be downloaded from the link given at the end of this communication or from IndianOil's website viz. www.iocl.com.

IndianOil is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review of the documents submitted by Non- Resident shareholder.

Non-resident shareholders who had furnished above mentioned documents and the same were accepted as valid by IndianOil at the time of 1st interim dividend for the financial year 2020-21, need not furnish any further documents to claim benefit of lower withholding tax.

Notwithstanding the above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the Income Tax Act, 1961. Such TDS rate shall not be reduced on account of the application of the Lower DTAA rate, if any.

Accordingly, we request you to provide the above details and documents **by 23rd March 2021**, to enable us to determine the appropriate TDS / withholding tax rate.

The interim dividend would be paid after deducting tax at source as mentioned under:

-
- Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted.
- Lower / NIL TDS on submission of self-attested copy of the certificate issued under section 197 of the Income Tax Act, 1961.

Kindly note that the aforementioned documents should be uploaded with KFin Technologies Private Limited, the Registrar and Transfer Agent ("RTA") at <https://ris.kfintech.com/form15> or emailed to inward.ris@kfintech.com.

NO COMMUNICATION ON THE TAX DETERMINATION / DEDUCTION SHALL BE ENTERTAINED AFTER 23rd MARCH 2021.

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

While on the subject, for updation of your personal details including PAN, bank account, email id, mobile number you are requested to contact: :

- in case shareholding in electronic form - with your Depository Participant.
- in case shareholding in physical form - with the RTA viz. KFin Technologies Private Limited

For any clarification, you may contact the RTA as per details given below:

KFin Technologies Private Limited
Unit: Indian Oil Corporation Ltd.
Selenium Tower B, Plot Nos. 31 & 32,
Financial District Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032.
Phone: 1800 3454 001
Email: einward.ris@kfintech.com

We seek your co-operation in the matter.

Your sincerely,

For **Indian Oil Corporation Ltd.**

Sd/-
(Kamal Kumar Gwalani)
Company Secretary

[Click here to download](#) – 10F
[Click here to download](#) – self declaration

Disclaimer: The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.