IndianOil

Indian Oil Corporation Limited

[CIN – L23201MH1959GOI011388]
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July 13, 2026

Dear Member,

Subject: **Deduction of tax at source on Final Dividend for 2025-26**

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

As you may be aware that the Board of Directors of your Company has recommended a dividend of **Rs. 1.25/- per share** for the financial year 2025-26 at its meeting held on May 18, 2026. The dividend, if declared, at the AGM will be paid within 30 days of declaration. Accordingly, The Company has fixed **Friday, August 14, 2026 as the record date** for determining entitlement of members to receive dividend for the year 2025-26.

Further, in terms of the applicable provisions of the Income-tax Act, 2025 ("ITA 2025"), any dividend paid or distributed by a Company is taxable in the hands of the members. The Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident members.

1. **For resident members**, tax shall be deducted at source under Section 393(1) (Table: S. No. 7) r.w.s. 393(4) (Table: S. No. 10) of ITA 2025 [corresponding to erstwhile Section 194 of the Income-tax Act, 1961 ("ITA 1961")] as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members having invalid PAN / not having PAN / PAN not linked with Aadhar number	20% or as notified by the Government of India

However, no tax/lower tax shall be deducted on the dividend payable to resident individuals if –

i. **the total dividend amount to be received during the financial year 2026-27 does not exceed Rs.10,000/.**

ii. the member submits **duly filled and signed Form 121 [corresponding to erstwhile Form 15G/Form 15H] under Section 393(6) of ITA 2025 [corresponding to erstwhile Section 197A of ITA 1961], read with Rule 211 of the Income-tax Rules, 2026 ("IT Rules 2026") [corresponding to erstwhile Rule 29C of the Income Tax Rules, 1962 ("IT Rules 1962")] along with self-attested copy of PAN card**. Blank Form 121 **(Annexure 1)** can be downloaded from the link given at the end of this communication.

SELF-ATTESTED COPY OF PAN CARD IS MANDATORY ALONGWITH FORM 121 DECLARATION.

KINDLY NOTE THAT ONLY THOSE FORMS SHALL BE CONSIDERED WHICH ARE FOUND COMPLETE IN ALL RESPECTS AND NO FURTHER OPPORTUNITY FOR RESUBMISSION OF THE FORM(S) WILL BE PROVIDED.

TO AVOID ANY REJECTION ON ACCOUNT OF INCOMPLETE / WRONG INFORMATION, KINDLY REFER TO THE FILLED IN SAMPLE FORM 121 (ANNEXURE 2) PROVIDED AT THE LINK GIVEN AT THE END OF THIS COMMUNICATION.

iii. the member submits exemption certificate/Lower deduction certificate u/s 395(1) of ITA 2025 [corresponding to erstwhile Section 197 of ITA 1961] in respect of Section 393(1) (Table: S. No. 7) of ITA 2025 [corresponding to erstwhile Section 194 of ITA 1961], if any, issued by the Income-tax Department along with self-attested copy of PAN card.

<u>In case of resident non-individual members, no TDS shall be deducted on submission of the following documents:</u>

- **Insurance companies:** A declaration that they are beneficial owners of shares held, along with self-attested copy of relevant registration documents and PAN.

- **Business Trust:** a "business trust", as defined in section 2(21) of ITA 2025 [corresponding to clause (13A) of erstwhile section 2 of ITA 1961], by a special purpose vehicle referred to in Note 2 to Schedule V of ITA 2025 [corresponding to Explanation to clause (23FC) of erstwhile section 10 of ITA 1961].

- **Mutual Funds:** A declaration that they are governed by the provisions of Schedule VII (Table: S. No. 20 and 21) of ITA 2025 [corresponding to erstwhile section 10(23D) of ITA 1961] along with self-attested copy of relevant registration documents and PAN.

- **Alternative Investment Fund (AIF) established in India:** A declaration that their income is exempt under Schedule V (Table: S. No. 1) of ITA 2025 [corresponding to erstwhile section 10(23FBA) of ITA 1961], and they are established as Category - I or Category - II AIF under the SEBI regulations along with self-attested copy of relevant registration documents and PAN.

- **Provident Fund**, **Superannuation Fund**, **Gratuity Fund**, **Pension Fund** and **ESI Fund** whose income is exempt under section 11 of the ITA 2025 [corresponding to erstwhile section 10 of ITA 1961] and on which TDS is not required to be deducted, are required to provide self-attested valid documentary evidence (like approval granted by Income Tax Officer / Commissioner, relevant copy of registration, etc.)

- **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:** Documentary evidence that the Corporation is covered under Section 393(5) of ITA 2025 [corresponding to erstwhile Section 196 of ITA 1961] along with self-attested copy of PAN card.

Self-declaration format for resident non-individual members (Annexure 3) may be downloaded from the link provided at the end of this communication.

In addition, no tax/lower tax shall be deducted on the dividend payable to resident non-individual members if the member submits exemption certificate/lower deduction certificate u/s 395(1) of ITA 2025 [corresponding to erstwhile Section 197 of ITA 1961] in respect of Section 393(1) (Table: S. No. 7) of ITA 2025 [corresponding to erstwhile Section 194 of ITA 1961], if any, issued by the Income-tax Department along with self-attested copy of PAN card.

Further, it may be noted that as per the provisions of Section 397 of ITA 2025 [corresponding to erstwhile Section 206AA of ITA 1961], tax shall be deducted at the rate of 20% in case defective/ invalid/ inoperative PAN is submitted by the member.

2. **For non-resident members, tax is required to be withheld in accordance with the provisions of section 393(2) (Table: S. No. 17) of ITA 2025 [corresponding to erstwhile Section 195 of ITA 1961] and other applicable sections of the 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 159 of ITA 2025 [corresponding to erstwhile Section 90 of ITA 1961], non-resident members 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 members will have to provide the following:

i. Self-attested copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 217 of IT Rules 2026 [corresponding to erstwhile rule 37BC of IT Rules 1962].
ii. Copy of Tax Residency Certificate for financial year 2026-27 obtained from the revenue authorities of the country of tax residence, duly attested by the member.
iii. Copy of electronically filed Form 41 [corresponding to erstwhile Form 10F].
iv. Self-declaration by the member for the tax year 2026-27 (i.e., for the period from 01 April 2026 to 31 March 2027) certifying the following points [Self-declaration format for non-resident members **(Annexure 4)** may be downloaded from the link provided at the end of this communication]:
    a) Shareholder is and will continue to remain a tax resident of the country of their residence for the tax year 2026-27.
    b) Shareholder is eligible to claim the beneficial Tax Treaty rate for the purposes of tax withholding on dividend declared by the Company.
    c) Shareholder has no reason to believe that their claim for the benefits of the DTAA is impaired in any manner.
    d) Shareholder is the ultimate beneficial owner of shares held in the Company and dividend receivable from the Company.
    e) Shareholder does not have a taxable presence/ permanent establishment/ fixed base/ Business Connection/ Place of Effective Management, in India in accordance with the applicable Tax Treaty or dividend income is not attributable/ effectively connected to any permanent establishment or fixed base in India.
    f) The key management and commercial decisions necessary for the conduct of the entity's business as a whole are, in substance, made in the country of residence, of which the Shareholder is a tax resident, and all Board of Directors' meetings are held in such country with a functional quorum present locally.
    g) The Shareholder maintains adequate economic and operational substance in the country of residence, including a physical office, employment of suitably qualified personnel, and incurrence of significant local operational expenses commensurate with its business activities.
v. Any other documents as prescribed under the Act for lower withholding tax rates, if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 393(2) (Table S. No. 15) of ITA 2025 [corresponding to erstwhile Section 196D of ITA 1961] @ 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.

In addition, no tax/lower tax shall be deducted on the dividend payable to non-resident members if –

i. the member submits exemption certificate/lower deduction certificate u/s 395(1) of ITA 2025 [corresponding to erstwhile Section 197 of ITA 1961] in respect of Section 393(2) (Table: S.

No. 17) of ITA 2025 [corresponding to erstwhile Section 195 of ITA 1961], if any, issued by the Income-tax Department along with self-attested copy of PAN card.

ii. in case of Sovereign Wealth Fund, Pension Funds, other bodies notified under Schedule V (Table S. No. 7) of ITA 2025 [corresponding to erstwhile Section 10(23FE) of ITA 1961], if the member submits self-attested valid documentary evidence regarding the applicability of Schedule V (Table S. No. 7) of ITA 2025 and a declaration substantiating the fulfilment of conditions prescribed under Schedule V (Table S. No. 7) of ITA 2025.

Kindly note that the aforementioned documents should be uploaded with KFin Technologies Limited, the Registrar and Transfer Agent ("RTA"), at https://ris.kfintech.com/form15 on or before August 16, 2026.

Resident Non-Individual Members, including Insurance Companies, Mutual Funds and Alternative Investment Funds (AIFs) established in India, and Non-Resident Non-Individual Members, including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs), may alternatively submit the relevant forms, declarations and documents through their respective custodians registered on the NSDL platform within the aforesaid timeline.

NO COMMUNICATION/DOCUMENTS IN RESPECT OF TDS WOULD BE ACCEPTED FROM MEMBERS AFTER AUGUST 16, 2026.

3. Declaration by Recipient Shareholder for transfer of TDS credit to the beneficial shareholder under Rule 203 of IT Rules 2026 [corresponding to erstwhile Rule 37BA of IT Rules 1962]

In case dividend income is assessable in the hands of person other than member then declaration needs to be provided by member for the same as per Rule 203 of IT Rules 2026 [corresponding to erstwhile Rule 37BA of IT Rules 1962]. The declaration must consist of the following details of the beneficial shareholders: (a) Name, (b) Address, (c) PAN, (d) Residential status, (e) Category of shareholder (i.e., individual, firm, company, etc.) and (f) No. of shares. Format for declaration under Rule 203 **(Annexure 5)** may be downloaded from the link provided at the end of this communication. Declaration may be submitted before the payment of dividend by the company. Members may note that TDS credit will be applied only in a scenario where the beneficial shareholders in respect of cases where TDS rate applicable for the beneficial shareholder is in line with TDS rate considered for deduction in respect of the member. Further, the company would independently carry out relevant verification and would transfer TDS credit only in case the aforementioned conditions are satisfied.

4. Other General Information to members:

i. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend paid to members. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident members.

ii. Application of TDS rate is subject to necessary due diligence and verification of the members details as available in register of Members on the Record Date and aforesaid prescribed documents. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will deduct tax at the maximum applicable rate.

iii. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible.

iv. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member, such Member will be responsible to indemnify the Company against all claims, demands, penalties, losses etc. and also, provide the Company with all information / documents and co-operation in any appellate proceedings. No claim shall lie against the Company for such taxes deducted.

v. Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Members should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

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

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

KFin Technologies Limited
Unit: Indian Oil Corporation Ltd.
Selenium Tower B, Plot Nos. 31 & 32,
Financial District Nanakramguda,
Hyderabad – 500032.
Toll Free Number: 1800 309 4001
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