



IndianOil

## Indian Oil Corporation Limited

[CIN – L23201MH1959GOI011388]

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Tel: 022-26447327, Email Id: investors@indianoil.in, Website: www.iocl.com

March 6, 2026

Dear Member,

Subject: **Deduction of tax at source on 2<sup>nd</sup> Interim Dividend for 2025-26**

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

The Board of Directors at its meeting held on March 6, 2026, has declared 2<sup>nd</sup> Interim dividend of **Rs 2/- per share** for the financial year 2025-26. The Board has fixed **Thursday, March 12, 2026 as the record date** for determining entitlement of members to receive 2<sup>nd</sup> Interim dividend for the year 2025-26.

Further, in terms of the applicable provisions of the Income-tax Act, 1961 ("the Act") as amended by the Finance Act, 2020, 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 194 of the Act 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 2025-26 does not exceed Rs.10,000/.**

**FINAL DIVIDEND FOR 2024-25 & 1ST INTERIM DIVIDEND 2025-26 WHICH WERE PAID IN SEPTEMBER 2025 & DECEMBER 2025 RESPECTIVELY, WILL ALSO BE CONSIDERED FOR CALCULATING THRESHOLD EXEMPTION LIMIT OF RS. 10,000 WHILE MAKING PAYMENT OF 2ND INTERIM DIVIDEND. IN THE EVENT OF NON-DEDUCTION/SHORT DEDUCTION OF TDS FROM EARLIER TWO DIVIDENDS PAID, THE ELIGIBLE TDS WOULD BE DEDUCTED FROM THE CURRENT INTERIM DIVIDEND.**

- ii. the member submits **duly filled and signed Form 15G along with self-attested copy of PAN card** (applicable to resident individual below the age of 60 years) / **duly filled and signed Form 15H along with self-attested copy of PAN card** (applicable to resident individual who is of the age of 60 years or more at any time during FY 2025-26), provided that all the required eligibility conditions are met. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication.

**IF THE TOTAL DIVIDEND (i.e., FINAL DIVIDEND 2024-25 + 1ST INTERIM DIVIDEND 2025-26+ 2ND INTERIM DIVIDEND 2025-26) RECEIVED/RECEIVABLE DURING THE FINANCIAL YEAR 2025-26 EXCEEDS THE THRESHOLD EXEMPTION LIMIT OF RS. 10,000. MEMBERS NEED TO MENTION TOTAL DIVIDEND AMOUNT RECEIVED/RECEIVABLE (i.e., FINAL DIVIDEND 2024-25 + 1ST INTERIM DIVIDEND 2025-26+ 2ND INTERIM DIVIDEND 2025-26) IN THE FORM 15G/H DECLARATION FOR NON-DEDUCTION OF TDS FROM 2ND INTERIM DIVIDEND.**

**MEMBERS WHO HAVE ALREADY SUBMITTED FORM 15G/15H FOR F.Y. 2025-26 ARE ADVISED TO REVIEW THE EARLIER DECLARATION AND SUBMIT FRESH FORM 15G/15H OF TOTAL AMOUNT OF DIVIDEND RECEIVED/RECEIVABLE IN 2025-26 IF THE DIVIDEND TO BE RECEIVED DURING THE YEAR 2025-26 (i.e., FINAL DIVIDEND 2024-25 + 1<sup>ST</sup> INTERIM DIVIDEND 2025-26+ 2<sup>ND</sup> INTERIM DIVIDEND 2025-26) EXCEEDS AMOUNT ALREADY DECLARED IN FORM 15G/15H.**

**SELF-ATTESTED COPY OF PAN CARD IS MANDATORY ALONGWITH 15H/15G DECLARATION.**

**KINDLY NOTE THAT ONLY THOSE 15G / 15H 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 15G / 15H PROVIDED AT THE LINK GIVEN AT THE END OF THIS COMMUNICATION.**

- iii. the member submits exemption certificate/Lower deduction certificate u/s 197 in respect of section 194, if any, issued by the Income-tax Department along with self-attested copy of PAN card.

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

- **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 clause (13A) of section 2 of the Act, by a special purpose vehicle referred to in the Explanation to clause (23FC) of section 10 of the Act.
- **Mutual Funds:** A declaration that they are governed by the provisions of section 10(23D) of the Act 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 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 relevant registration documents and PAN.
- **Provident Fund, Superannuation Fund, Gratuity Fund, Pension Fund and ESI Fund** whose income is exempt under section 10 of the Act 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 196 of the Act along with self-attested copy of PAN card.

**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 197 in respect of section 194, 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 206AA of the Act, 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 195 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 90 of the Act, 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. 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.
- ii. Copy of Tax Residency Certificate for financial year 2025-26 obtained from the revenue authorities of the country of tax residence, duly attested by the member.
- iii. E filing of form 10F is now mandatory. Accordingly, non-resident shareholders must share e-filed form 10F for processing.
- iv. Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty (format provided at the link given at the end of the Communication).
- v. Self-declaration of beneficial ownership by the non-resident member (format provided at the link given at the end of the Communication).
- vi. 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 196D of the 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.**

**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 197 in respect of section 195, 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 section 10(23FE) of the Act, if the member submits self-attested valid documentary evidence regarding the applicability of Section 10(23FE) of the Act and a declaration substantiating the fulfilment of conditions prescribed under Section 10(23FE) of the Act.

**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 March 12, 2026.**

**NO COMMUNICATION/DOCUMENTS IN RESPECT OF TDS WOULD BE ACCEPTED FROM MEMBERS AFTER MARCH 12, 2026.**

**3. Declaration by Recipient Shareholder for transfer of TDS credit to the beneficial shareholder under Rule 37BA (2) of the Income Tax 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 37BA of the Income Tax Rules, 1962. Member needs to confirm the (a) Residential status & (b) validity of PAN in respect of the beneficial shareholders as a part of the declaration. 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](mailto: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**