



BHARAT PETROLEUM CORPORATION LIMITED
Corporate Identification Number (CIN): L23220MH1952GOI008931
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1st February, 2021

Dear Shareholder,

Sub: Communication on Tax Deduction at Source (TDS) on Dividend

We wish to inform you that the Board of Directors of your Company will consider a proposal for declaration of interim dividend for the financial year 2020-21 at the Board meeting scheduled for Monday, 8th February 2021. The interim dividend, if declared by the Board, will be paid to those who are shareholders of the Company as on the Record Date to be fixed for the purpose at the aforesaid Board meeting.

As per the Finance Act 2020, any dividend paid and distributed by a company will be taxable in the hands of shareholders with effect from 1st April 2020. Therefore, the Company will be required to deduct taxes at source at the rates applicable to each category of shareholder. Accordingly, if you are a shareholder as on Record date, the dividend receivable by you would be taxable under the Income Tax Act, 1961 (Act) as explained below:-

I. Resident shareholders:

- **TDS would not apply in case of individuals having valid Permanent Account Number (PAN) if the aggregate dividend distributed to them during the FY 2020-21 does not exceed Rs. 5,000.**
- Tax at source will not be deducted in cases where a shareholder provides
 - Form 15G (applicable only to resident individuals)
 - Form 15H (applicable to resident individual above the age of 60 years)provided that the eligibility conditions are being met.
All the fields in Form 15G/15H are required to be filled mandatorily.
- Tax will be deducted at source ("TDS") under Section 194 of the Act @ 7.5% on the amount of dividend payable unless exempted under any of the provisions of the Act.
- If PAN is not submitted or invalid PAN is submitted, TDS would be deducted @ 20% as per Section 206AA of the Act.

- 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.

We request you to kindly verify the correctness of the records such as Bank Account details, PAN, Address etc. and update the same with your Depository Participant (if you hold shares in dematerialized mode) or with the Registrar and Share Transfer Agent, M/s Data Software Research Co. Pvt. Ltd (DSRC) (if you hold shares in physical mode), at the earliest. **In case you propose to avail the benefit of exemption, lower deduction from withholding tax or for the purpose of claiming benefit from tax deduction at source, you should submit the following documents as prescribed under the Act, within 15 days of the date of this letter i.e., by 16th February, 2021, by uploading at the portal of the RTA, M/s DSRC at <http://182.76.145.116:280/Pages/submissionForm.aspx>. In case, you have difficulty in uploading the details, the same may be sent to bpcl@dsrc-cid.in. No communication on the tax determination / deduction shall be entertained after 16th February 2021.**

Category	Documents required	Remarks
Individual	Duly signed Form 15G or 15H (as may be applicable) along with the self-attested copy of the PAN card.	If tax exemption is to be claimed
Insurance Company	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate.	If tax exemption is to be claimed
Mutual Funds	Self-declaration that they are specified in Section 10(23D) of the Act, along with self-attested copy of PAN card and registration certificate.	If tax exemption is to be claimed
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	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card	If tax exemption is to be claimed
Alternative Investment Fund (AIF) established/incorporated in India	Self-declaration that its income is exempt under Section 10(23FBA) of the Act and that they are governed under SEBI Regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate	If tax exemption is to be claimed
General	Self-attested copy of withholding tax certificate for lower deduction u/s 197	If lower rate of tax is to be claimed

II Non-Resident shareholders:

- Tax is required to be deducted at source 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 deducted at source @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.

We request you to kindly verify the correctness of the records i.e. Bank Account details, PAN, address etc. and update the same with your Depository participant (if you hold shares in dematerialized mode) or with the Registrar and Share Transfer Agent (if you hold shares in physical mode), at the earliest. **In case you propose to avail the benefit of Double Taxation Avoidance Agreement (DTAA) between India and the Country of your residence, you should submit the following documents as prescribed under the Act, within 15 days of the date of this letter i.e., by 16th February, 2021, by uploading at the portal of the RTA, M/s DSRC at <http://182.76.145.116:280/Pages/submissionForm.aspx>. In case, you have difficulty in uploading the details, the same may be sent to bpcl@dsrc-cid.in. No communication on the tax determination / deduction shall be entertained after 16th February 2021.**

Category of Non Resident shareholder	Documents
Individual	<ul style="list-style-type: none"> • Self-attested copy of PAN Card, if any, allotted by the Indian income tax authorities; • Self attested copy of Tax Residency Certificate issued by the Country in which the shareholder is a resident • Form 10F • Self declaration of not having Permanent Establishment in India in accordance with the applicable Tax Treaty • Self-attested copy of Lower/ Nil withholding tax certificate provided under Section 197 of the Act, if any.
Partnerships, Trusts	<ul style="list-style-type: none"> • Self-attested copy of PAN Card, if any, allotted by the Indian income tax authorities; • Self attested copy of Tax Residency Certificate issued by the Country in which the shareholder is a resident • Form 10F • List of partners / beneficiaries, their respective shares in the income of the partnership / trust and their respective residential status (if not forming part of TRC) • Self declaration of not having Permanent Establishment in India in accordance with the applicable Tax Treaty • Self-attested copy of Lower/ Nil withholding tax certificate provided under Section 197 of the Act, if any.

Category of Non Resident shareholder	Documents
Companies	<ul style="list-style-type: none"> • Self-attested copy of PAN Card, if any, allotted by the Indian income tax authorities; • Self attested copy of Tax Residency Certificate issued by the Country in which the shareholder is a resident • Form 10F • Proof of satisfaction of LoB wherever required as per treaty (for e.g. in case the foreign company is registered on the stock exchange of the other country -the listing certificate of the company) • Self declaration of not having Permanent Establishment in India in accordance with the applicable Tax Treaty • Self-attested copy of Lower/Nil withholding tax certificate provided under Section 197 of the Act, if any.

The Company 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 by the Company of the documents submitted by non-resident shareholders.

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 Act. Such TDS rate shall not be reduced on account of the application of the lower DTAA rate, if any.

In order to download the Blank Forms 15H, 15G, 10F and self-declaration, you can click at <http://182.76.145.116:280/Pages/ClientDownloads.aspx>

In case tax on 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 deducted 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.

All the documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes only if they are in accordance with the provisions of the Income Tax Act, 1961.

Please reach out to us at bpcl@dsrc-cid.in for any queries.

- **Updating of Bank Account:**

Shareholders holding shares in dematerialized form are requested to update the bank account details with their relevant depositories through their Depository participants to enable the company for making timely credit of dividend in their respective bank accounts.

Similarly, Shareholders holding shares in physical form are requested to update the same by writing to the RTA of the Company, M/s DSRC at bpcl@dsrc-cid.in with details of folio number and attaching a self-attested copy of PAN card.

Disclaimer: *This Communication shall not be treated as an advice from the Company. For the tax related matters, shareholders should obtain the tax advice from a tax professional.*

We seek your co-operation in the matter.

Warm regards,

Sd/-

V. Kala

Company Secretary

Bharat Petroleum Corporation Limited