NTPC Limited

CIN: L40101DL1975GOI007966

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Dear Shareholder,

Subject: Intimation / Communication in respect of Deduction of tax at source on First Interim Dividend for Financial Year 2026-27.

The Board of Directors will meet on Saturday, October 31, 2026, to consider the declaration of the First Interim Dividend for FY 2026–27. If approved, the dividend will be paid within 30 days from the date of Board's approval to shareholders based on the details of beneficial ownership furnished by the Depositories and in respect of shares held in Physical form to those Members whose names will appear on the Register of Members of the Company as on the close of business hours on Friday, 6th November 2026.

In accordance with the provisions of the Income Tax Act, 2025 ('the IT Act') as amended by the Finance Act, 2026, with effect from 1st April 2026, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall, therefore, be required to deduct Tax at Source ('TDS') at the applicable rates on dividend payable to its shareholders. TDS rate would vary depending on the residential status of the shareholder and the documents submitted and duly accepted by the Company. Accordingly, the above-referred Final Dividend (if approved) will be paid after deducting TDS as follows:

For Resident Shareholders		
Particulars	**Applicable rate**	**Documents required (if any)**
With Valid PAN	10%	Shareholders can submit the PAN / Email ID / Mobile Number before **6th November 2026** so that TDS will be deducted at 10% (where applicable). Update/Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's RTA (Registrar and Transfer Agent)– M/s Beetal Financial & Computer Services Pvt Ltd. (in case of shares held in physical mode).

		Note 1 - As per section 393(4) (Table: Sl. No. 10 (f) (II)) of the Income-tax Act 2025, no deduction of tax would be made if the dividend income paid to a resident individual shareholder during the tax year 2026-27 does not exceed Rs. 10,000/- **Note 2 - Shareholders are requested to ensure the Aadhaar number is linked with PAN, as per the timelines prescribed. In case of failure to link Aadhaar with PAN within the prescribed timelines, PAN shall be considered inoperative, and in such scenario, tax shall be deducted at higher rate of 20%.**
Without PAN/ Invalid PAN/Inoperative PAN	20%	Not Applicable
Submitting Form 121	NIL	Duly verified Form 121(corresponding to Form 15G/H) is to be furnished along with a self-attested copy of the PAN card. (This form can be submitted subject to eligibility conditions specified in **Note 2**) The Forms can be downloaded from the link given at the end of this Communication. Refer **Annexure A** for the format of Form 121.
Submitting Certificate/Order under Section 395(1) of the Act	The rate provided in the Order	If a lower/NIL withholding tax certificate obtained from the tax authority is submitted, tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for tax year 2026-27 and should cover the dividend income.
An Insurance Company as specified under Section 393(4) (Table: Sl. No. 10 (a) and (b) of the Act.	NIL	• A self-declaration in the format prescribed in **Annexure B** that the person is covered under the provisions of section 393(4) (Table: Sl. No. 10 (a) and (b)) of the Act, along with a self-attested copy of the PAN card.

		• Registration/exemption certificate issued by the IRDAI substantiating the applicability of section 393(4) (Table: Sl. No. 10 (a) and (b)) of the Act.
Mutual Fund specified under Schedule VII (Table: Sl. No. 20 & 21) read with Section 11(3) of the Act.	NIL	A self-declaration in the format attached at **Annexure B** that the person is covered under the provisions of section 393(5) of the Act, along with a self-attested copy of the PAN card. Registration/exemption certificate substantiating applicability of section 393(5) (d)/ 11(3) of the Income Tax Act.
Alternative Investment Fund (AIF) established in India	NIL 10%	Self-declaration in **Annexure B** that the person is covered by Notification No. 51/2015 dated 25th June 2015 and established as Category I or Category II AIF under the SEBI regulations, along with a self-attested copy of PAN card and registration certificate issued by SEBI. This rate will be applicable for Category III AIF.
Persons Covered under Section 393(5) of the IT Act (e.g. Govt., RBI, Corporations established by Central Act and exempt from income tax)	NIL	A self-declaration in the format prescribed in **Annexure B** that the person is covered under the provisions of section 393(5) of the Act along with a self-attested copy of the PAN card. Registration/ exemption certificate substantiating applicability of section 393(5) of the Act.
Any other entity is exempt from withholding tax under the provisions of section 393(6) Table Sl. No. 1 (g) (corresponding to section 197A) of the IT Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	NIL	A self-declaration in the format prescribed in **Annexure B** that the person is covered under the provisions of section 393(6) Table Sl. No. 1 (g) (corresponding to section 197A) of the Act (except for an individual Sikkimese resident). Submit declaration in **Annexure C** in case of individual Sikkimese resident. Adequate documentary evidence, substantiating the type of the entity.
"No deduction shall be made in the case of a shareholder, being an individual, where the amount of such dividend or, as the case may be, the aggregate of the amounts of such dividend		

distributed or paid or likely to be distributed or paid during the Tax year by the company to the shareholder, does not exceed Rs. 10,000/- (Ten thousand rupees)". In view of the foregoing provisions, the payer is obligated to withhold tax in all instances where the aggregate amount of dividend payable during the relevant Tax year exceeds ₹10,000. Consequently, tax shall be withheld at the rate of 10% on the First Interim dividend for the Tax year 2026–27, taking into account a cumulative threshold limit of ₹8,000/-.		
Non-Resident Shareholders:		
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories. Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route. The declaration format as prescribed in **Annexure D** Shareholders may also apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements ('DTAA'), by submitting following documents: -Copy of Indian Tax Identification number (that is PAN). In case PAN is not available, details specified in **Annexure E** need to be provided. -Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for TY 2026-27 (covering the period from 1st April 2026 to 31st March 2027); -Electronically filed Form 41 (corresponding to Form 10F) on Income Tax Portal as per Notification No. 03/2022 dated 16th July 2022 by Income Tax Department as specified in **Annexure F**; -Self-declaration for FY 2026-27 (covering the period from 1st April 2026 to 31st March 2027) as per **Annexure G** from Non-resident on shareholder's letterhead, primarily (not exclusive list) covering the following: a. Non-resident is eligible to claim the benefit of the respective tax treaty

		b. Non-residents receiving the dividend income is the beneficial owner of such income. c. Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
Other non-resident shareholders (except those who are tax residents of the Notified jurisdictional Area)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	Update/Verify the PAN, legal entity status and the residential status as per the Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – M/s. Beetal Financial & Computer Services Pvt Ltd. (in case of shares held in physical mode) details specified in **Annexure E** to be provided, along with **Annexure F** **&** **Annexure G** to be attached.
	a) Lower rate prescribed under the tax treaty which applies to the non-resident shareholder (other than investments made under FPI route)	Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for TY 2026-27 (covering the period from 1st April 2026 to 31st March 2027); - Self-attested copy of Indian Tax Identification number (PAN), if any. - Self-Attested copy of the Tax Residency Certificate (TRC) valid as on the record date obtained from the tax authorities of the country of which the shareholder is a resident. - Electronically filed Form 41 (corresponding to Form 10F) on Income Tax Portal as per Notification No. 03/2022 dated 16th July 2022 issued by the Income Tax Department. The declaration format is prescribed in **Annexure F**. - Self-declaration for TY 2026-27 (covering the period from 1st April 2026 to 31st March 2027) as per **Annexure G** from non-resident, primarily covering the following: i. Non-resident is eligible to claim the benefit of the respective tax treaty;

		ii. Non-resident receiving the dividend income is the beneficial owner of such income; iii. Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India. iv. Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'). v. Non-resident does not have a place of effective management in India. Application of the beneficial rate of tax treaty for TDS is at the discretion of the company and shall depend upon the completeness of the documentation and review of the same by the Company.
Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 176 of Income Tax Act 2025 (corresponding to Section 94A(1) of the IT Act)	30%	Not Applicable
Sovereign Wealth funds and Pension funds notified by Central Government under Sl. No.7 of Schedule V of Section 11 of Income Tax Act 2025(corresponding to Section 10(23FE) of Income Tax Act 1961)	NIL	-Document evidencing the applicability of Sl. No.7 of Schedule V of Section 11 of Income Tax Act 2025(corresponding to Section 10(23FE) of Income Tax Act 1961). -Self-declaration in the format as prescribed in **Annexure H** that the conditions specified in Sl. No.7 of Schedule V of Section 11 of Income Tax Act 2025 have been complied with.
Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under Sl. No.7 of Schedule V of Section 11 of Income Tax Act 2025(corresponding to Section 10(23FE) of Income Tax Act 1961)	NIL	Self-declaration in the format as prescribed in **Annexure H** that the conditions prescribed under Sl. No.7 of Schedule V of Section 11 of Income Tax Act 2025(corresponding to Section 10(23FE) of Income Tax Act 1961) have been complied with.
Submitting Order under section 395 of Income Tax Act 2025 (corresponding to	Rate provided in the Order	If a lower/ NIL withholding tax certificate obtained from the tax authority is submitted, tax will be withheld at the

Section 197 of Income Tax Act 1961) (i.e. lower or NIL withholding tax certificate)		rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the TY 2026-27 and should cover the dividend income.

^In case the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to the English language, and thereafter duly notarized and apostilled copy of the TRC would have to be provided.

** The beneficial Tax Treaty rates will not automatically apply at the time of tax deduction/ withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of documents submitted by non-resident shareholders. In case documents are found to be incomplete, the Company reserves the right not to consider the tax rate prescribed under the tax treaty.

Notes:

1. If dividend income is taxable in the hands of any person other than the recipient of the dividend (e.g.: Clearing member/corporations), then requisite details by way of a declaration in **Annexure I** need to be submitted.

2. Tax at source will not be deducted where a member furnishes Form 121, as applicable under the Income-tax Act, 2025, subject to fulfilment of the prescribed conditions, namely:

   (a) **Resident Individual below the age of 60 years** – provided the aggregate of the specified income for the relevant tax year does not exceed the maximum amount not chargeable to tax and the prescribed conditions under the Income-tax Act, 2025 are fulfilled.

   (b) **Resident Individual aged 60 years or above** – provided the tax on the estimated total income for the relevant tax year is nil and the prescribed conditions under the Income-tax Act, 2025 are fulfilled.

   Please refer to **Annexure-A** for Blank Form 121.

3. Shareholders may note that all documents to be submitted are required to be self-attested (the documents should be signed by the shareholder/authorised signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or valid information/documents not being provided, tax at the maximum applicable rate will be deducted.

4. In case of any discrepancy in documents submitted by the shareholder, the Company will deduct tax at a higher rate as applicable, without any further communication in this regard.

5. Recording of valid PAN in the records of the Company/ RTA is mandatory. In the absence of a valid PAN, tax will be deducted at a higher rate of: (as per Section 397(2) of Income tax act 2025) (Corresponding to Section 206AA of the IT Act 1961)

- at the rate specified in the relevant provisions of the Act; or
- at rates in force; or
- at the rate of 20%

6. Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the DP (Depository Participant) in case shares are held in dematerialized form; or RTA in case shares are held in physical form, as on Record Date and other documents available with the Company/ RTA. Shareholders holding shares under multiple accounts under different residential status/ category and a single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.

7. Further, if PAN is not as per the database of the Income-tax Portal, it would be considered an invalid PAN and tax will be deducted accordingly.

8. In the event of a mismatch in category of shareholder (individual, company, trust, partnership, local authority, Government, Association of Persons etc.) as per register of members and as per fourth letter of PAN (10-digit alpha-numeric number), the Company would consider fourth letter of PAN for determining the category of shareholders and the applicable tax rate/ surcharge/ education cess.

9. Shareholders may note that in case the tax on said dividend is deducted at a higher rate in the absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per the IT Act and claim an appropriate refund, if eligible.

10. The Company shall arrange to email a soft copy of TDS certificate to you at your registered email address. Shareholders will also be able to see the credit of TDS in Form 168 (erstwhile Form 26AS)/AIS, which can be downloaded from their e-filing account at https://www.incometax.gov.in.

11. In an event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.

The aforesaid documents, as applicable, are required to be emailed to tdsdiv@ntpc.co.in and dividend.ntpc@figmentglobal.com on or before **Friday, 6th November 2026 17:00 Hours (IST)** to enable the Company to determine the appropriate TDS rates (if First Interim Dividend is declared). It is advisable to send the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates. No claim shall lie against the Company for taxes deducted.

Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - **Beetal Financial & Computer Services Pvt. Ltd. at 3rd Floor, Beetal House, 99, Madangir, Delhi-110062**:

a) A signed request letter by the first holder, mentioning the name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
   i. Name of Bank and Bank Branch;
   ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and
   iii. 11-digit IFSC Code;
   iv. 9-digit MICR Code.

b) Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c) Self-attested copy of the PAN Card; and

d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in demat form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Any instruction pertaining to the remittance of dividends would not be entertained other than the particulars that are mapped with the DPs.

Thanking you,

For NTPC Limited

s/d
(Ritu Arora)
Company Secretary

Disclaimer: The above information does not constitute tax or legal advice. In view of the individual nature of the tax implications, each investor is advised to consult his or her own tax advisors with respect to the specific tax implications.