

Dispensation in compliance of Section 194A of Income Tax Act 1961 with regard to bank level aggregation of interest for the purposed of following monetary threshold limit.

Bank of Baroda
To registrar@lkouniv.ac.in

DR-1556
05-11-19

कुल सचिव का कार्यालय
आक प्राप्ति
संख्या 10818
तिथि 04/11/19
लखनऊ विश्वविद्यालय
संखनऊ-226007

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1/C(G.A.)
5-11-19

DR 1556
R.D.
R.M.H.



Dear Customers,

Thank You for Banking with us.

We would like to update you about amalgamation of Bank of Baroda, Vijaya Bank and Dena Bank w.e.f. 01-04-2019.

In view of the Amalgamation, we would like to inform you that, as per provisions of Section 194A of the Income Tax Act, 1961, Bank of Baroda is required to deduct TDS @ 10% * on payment/credit of interest other than interest on securities if the total interest to a particular customer exceeds or is likely to exceed INR 40,000 during a financial year (April to March).

We are currently undergoing merger integration with erstwhile Vijaya Bank and erstwhile Dena Bank and are operating on multiple Core Banking Systems. We expect to complete the merger integration of Core Banking Systems in 2020, however, in the meantime pending merger integration, TDS may not be deducted in certain instances where TDS was deductible. Please refer to the illustrations given below in table for more clarification.

Accordingly, we request all common customers (i.e. customers banking with at least two of the three banks i.e. Bank of Baroda, erstwhile Vijaya Bank, erstwhile Dena bank) who are likely to earn interest income greater than INR 40,000 from term deposits, to take into account the shortfall in TDS deduction while making Advance Tax & Self-Assessment Tax payments and filing income tax returns. It is so required since, any delays/shortage in payment of applicable taxes shall attract interest as per the provisions of Income Tax Act, 1961. All such common customers are requested to take note of the above and ensure compliance thereof to avoid any inconvenience later on.

Illustrations:

Bank	Total Interest Income	TDS deductible	TDS deducted	TDS shortfall
Bank 1	50,000	Yes	Yes - INR 5,000	No
Bank 2	20,000	Yes	No	Yes - INR 2,000
Total	70,000	Since interest income > 40,000 TDS deductible @10% was 7,000		

Bank	Total Interest Income	TDS deductible	TDS deducted	TDS shortfall
Bank 1	30,000	Yes	No	Yes - INR 3,000
Bank 2	20,000	Yes	No	Yes - INR 2,000
Total	50,000	Since interest income > 40,000 TDS deductible @10% was 5,000		

For any assistance, please feel free to visit local Bank of Baroda Branch.
Assuring you of our best services at all times.

*If PAN is not updated in the account then TDS deduction @ 20% as per section 206AA of the Income Tax Act will apply.
Regards
Bank Of Baroda

