



**ATTENTION : ALL DEPOSITORS**

At present branch is deducting the TDS at a point when the interest amount actually paid / credited exceeds Rs. 10,000/- during the financial year.

Now, to comply with section 194A of the Income Tax Act, if the interest projected (based on deposits kept by the customer) for the financial year exceeds Rs. 10,000/- then TDS will be deducted from the first interest payment/ credit. This change will be implemented w.e.f. 01.04.2015

The situation is explained with example. Interest projected Rs. 15,000/-. Interest crosses the limit of Rs. 10,000/- in quarter 3.

<b>Period</b>	<b>Interest</b>	<b>TDS earlier</b>	<b>TDS Now</b>
Quarter 1	3000/-	NIL	300/-
Quarter 2	3500/-	NIL	350/-
Quarter 3	4000/-	1050/- (10% of 3000+3500+4000)	400/-
Quarter 4	4500/-	450/-	450/-
Total TDS		1500/-	1500/-

**All depositors are requested to take a note of it.**

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