



बैंक ऑफ महाराष्ट्र  
Bank of Maharashtra  
भारत सरकार का उद्यम  
एक परिवार एक बैंक



**Head Office:** "Lokmangal", 1501, Shivajinagar, Pune-411005  
**Tel.:** 020 25511360 **Email:** [investor\\_services@mahabank.co.in](mailto:investor_services@mahabank.co.in)  
**Website:** [www.bankofmaharashtra.in](http://www.bankofmaharashtra.in)

## Shareholder Communication

### Sub: Tax Deduction at Source (TDS) compliance on Dividend on equity shares of Bank of Maharashtra for FY 2022-23

Dear Shareholder(s),

We hope this communicate finds you safe and in good health. We are pleased to inform you that the Board of Directors of the Bank at their Meeting held on 24<sup>th</sup> April, 2023, have recommended a dividend of Rs.1.30/- (Rupee One and Thirty Paise Only) per equity share of face value of Rs. 10/- each for the financial year 2022-23, subject to approval of the shareholders at the 20<sup>th</sup> Annual General Meeting ("AGM") of the Bank to be held on Friday, 9<sup>th</sup> June, 2023.

**The Record date** for the purpose of dividend would be **Tuesday, 23<sup>rd</sup> May, 2023**. The dividend would be paid to the eligible shareholders within a period of 30 days from the date of AGM, electronically, through various online modes to those members who have updated their bank account details or through any other permissible mode.

As you are aware that as per the Income Tax Act, 1961 ("the Act"), as amended by the Finance Act, 2020, dividends paid or distributed by a Company after April 1, 2020, shall be taxable in the hands of the shareholders. The Bank shall therefore be required to deduct/ withhold tax at source at the time of making payment of the said dividend. The tax deduction/ withholding tax rate may vary depending on the residential status of the shareholder and the documents submitted to the Registrar & Share Transfer Agent of the Bank ("RTA")/ Bank in accordance with the provisions of the Act. Accordingly, dividend will be paid after deducting the tax at source/ withholding tax including surcharge and cess, as applicable.

All the shareholders are requested to ensure that their details with reference to valid Permanent Account Number ("PAN"), residential status as per the Act i.e. Resident or Non-Resident, category of their account as per PAN, email/ postal address including Bank Account details, etc., as applicable, are complete and updated in their account maintained with Depository Participant (in case of shares are held in dematerialised form) or with RTA (in case of shares are held in physical form).

In this regard, kindly note the following:

#### **A. For Resident Shareholders:**

Tax will be deducted at source ("TDS") under Section 194 of the Act @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend paid to them by the Bank during FY 2023-24 does not exceed Rs. 5,000. Tax deduction will be subject to the below requirements:

Where, the PAN is available and such PAN is valid/ operative as per the provisions of the Act:

In accordance with Section 194 of the Act, for resident shareholders, TDS shall be applied from the dividend amount @ 10% except for the shareholders who have not registered their valid PAN, or for the individual shareholders whose PAN is considered inoperative, if the Aadhaar is not linked with their PAN, or who have not filed their income tax returns for the year immediately before the year in which tax is required to be deducted and aggregate TDS exceeds Rs. 50,000, in the said previous years, (effective from July 1, 2021) to be verified by the Bank from the Government enabled online facility. However, if the PAN is not valid/ operative, TDS will be deducted at the highest rate.

The above TDS will be applied by the Bank unless exempt under the provisions of the Act and subject to furnishing of the following self-certified documents:

**1. Form 15G/ 15H in case of eligible Resident Individual Shareholders:**

No TDS shall be applied in case of a resident individual shareholder, if the shareholder provides duly signed Form 15G (applicable to an individual below the age of 60 years) or Form 15H (applicable to an individual of the age of 60 years and above), provided that all the prescribed eligibility conditions are met.

Form 15G and Form 15H are enclosed as **Annexure 1** and **Annexure 2**.

**2. Insurance Companies:**

Documentary evidence (PAN and registration certificate alongwith the self-declaration in the format annexed below) that the provisions of Section 194 of the Act are not applicable to them (self-attested by the competent authority with affixed stamp).

**3. Mutual Funds:**

Self-declaration that it is registered with SEBI and is notified under Section 10 (23D) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.

**4. Alternative Investment Fund (AIF) established in India:**

Self-declaration that its income is exempt under Section 10 (23FBA) of the Act and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.

**5. Entities exempt under Section 10 of the Act:**

In case of resident non-individual shareholders, if the income is exempt under the Act, the authorized signatory shall submit the Self declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS.

**6. Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income tax documentary evidence that the Corporation is covered under Section 196 of the Act.**

**7. Beneficial Ownership:**

In case of equity share(s) held in the Bank as a beneficiary; and are not subject to TDS under Section 196 of the Act, the person shall submit self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN Card.

**8. Benefit under Rule 37BA:**

In case where shares are held by intermediaries/ stock brokers and TDS is to be applied by the Bank in the PAN of the beneficial shareholders then intermediaries/ stock brokers will have to provide a Self declaration that the shareholders are the beneficial owners and hence TDS to be credited to beneficiary PAN.

## **B. For Non-resident Shareholders (including FPI and FII shareholders):**

For non-resident shareholders, the rate of withholding tax is 20% (plus applicable surcharge and cess) as per Indian Income- tax Act, 1961. However, where a non-resident shareholder is eligible to claim the tax treaty benefit, and the tax rate provided in the respective tax treaty is beneficial to the shareholder, then the rate as per the tax treaty would be applied. In order to avail tax treaty benefits, non-resident shareholders would be required to submit **ALL the below** documents:

- Tax Residency Certificate for FY 2023-24, the year in which the dividend is received (to be obtained from the Revenue / Tax authorities of the country of which the shareholder is resident)
- Electronically Filed Form 10F on Income Tax Portal as per Notification No. 03/2022 dated 16th July 2022 issued by the Income Tax Department (**Duly filed copy of Form 10F to be provided**)
- Copy of PAN Card attested
- Self-declaration of beneficial ownership and not having a PE in India (For Foreign companies: **Annexure - 3** ; For individual non-residents: **Annexure - 4**)

Please note that Bank is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on the dividend amount. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non- resident shareholder.

If the documents are not provided or are insufficient to apply the beneficial DTAA rates, then tax will be deducted at 20% including surcharge and cess @ 4%.

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.

Accordingly, in order to enable us to determine the appropriate TDS/ withholding tax rate applicable, the aforementioned documents are required to be uploaded online by clicking on the below given link, or through e-mail with signed scan copies to [mparase@mcsregistrars.com](mailto:mparase@mcsregistrars.com) on or before **Tuesday, 30<sup>th</sup> May, 2023**.

No communication on the tax determination/ deduction shall be entertained post working hours on **Tuesday, 30<sup>th</sup> May, 2023**. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Bank for such taxes deducted. Shareholders, whose valid PAN is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometaxindia.gov.in>

You may please write to following email Id in case any clarification is required: [mparase@mcsregistrars.com](mailto:mparase@mcsregistrars.com)

Thanking you,

For **Bank of Maharashtra**

**Sd/-**

**(Nehal Rawat)**

**Company Secretary & Compliance Officer**