



Utkarsh Small Finance Bank

TDS on Cash Withdrawals under Section 194N

As per the Income-tax regulations, banks are required to deduct tax from the aggregate cash withdrawals exceeding ₹ 20 Lakhs / ₹ 1 crore during a financial year, from one or more accounts, maintained by a customer as per below categories:

1. If you have not filed your Income tax returns for last three consecutive years.

- TDS @ 2% will apply on the cumulative cash withdrawn from all your accounts maintained with Utkarsh Small Finance Bank Limited (USFBL) in a financial year exceeding ₹20 lacs and up to ₹1 Crore.
- TDS @ 5% will apply on the cumulative cash withdrawn from all your accounts maintained with USFBL in a financial year, above ₹1 Crore

2. If you have filed your income tax return for at least one year in last 3 consecutive year

- TDS @ 2% will apply on the cumulative cash withdrawn from all your accounts maintained with USFBL in a financial year, above ₹1 Crore.

3. If you have not submitted your PAN with Bank

- TDS @ 20% will apply on the cumulative cash withdrawn from all your accounts maintained with USFBL in a financial year exceeding ₹20 lacs.

List of persons and entities who are exempt from TDS on cash withdrawal:

- (i) The Government;
- (ii) Any banking company or co-operative society engaged in carrying on the business of banking or a post office;
- (iii) Any business correspondent of a banking company or co-operative society engaged in carrying on the business of banking;
- (iv) Any white label automated teller machine operator of a banking company or co-operative society engaged in carrying on the business of banking, in accordance with the authorization issued by the Reserve Bank of India;
- (v) Such other person(s) as the Central Government may notify.

For any further assistance or guidance, please contact your nearest Utkarsh Small Finance Bank Limited Branch.