



Andhra Bank Retired Employees Association (ABREA)
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A.Rajendra Prasad, President

NSN Reddy, General Secretary

6th August 2021

To
The Chief General Manager
Dept of Information Technology
Union Bank of India, Union Bank Bhavan
Central Office, Mumbai – 400021

Dear Sir,

Reg: Senior Citizen Savings Scheme (SCSS) – TDS issues.

You are aware that Banks are acting as agents of Government Schemes and customers of the Bank including former employees of the Bank have been availing these services from identified bank branches since long. As per the extant guidelines, the interest income on SCSS is subjected to TDS @ 10% where PAN is available and it is 20% for other cases, where PAN not submitted.

We have been receiving complaints from our members that system is levying TDS @ 20% instead 10% on SCSS deposit interest income despite submission of PAN and other details to the branch.

On enquiry, it is observed that the PAN numbers were not updated correctly at the time of migration of data from e-andhrabank to Union Bank of India. Thus, the system is treating these accounts as "Non PAN accounts" and levying TDS @ 20% as against 10% which is a cause of serious concern to the SCSS depositors.

When the customers are approaching for refund of excess TDS deducted, branches are expressing their inability to address the issue. Further, the absence of proper information or escalation matrix at the branches, the SCSS depositors are compelled to move from pillar to post to resolve TDS related problems.

Since the subject matter pertains to "Data Migration", we request your good offices to direct the concerned departments to update PAN details at back end to enable the system to levy TDS as per extant guidelines. Further, we request you to issue suitable guidelines to the branches to address TDS related issues, which will definitely help the senior citizens to a great extent.

Thanks and Regards,

Yours faithfully,

(N S N Reddy)
General Secretary

Copy to General Manager, Govt Business Dept., Central Office
Copy to General Manager, Customer Service, Central Office