



State Bank of India

(Constituted under the State Bank of India Act, 1955)

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Phone No.: 022-2274-1483 / 0849 / 2403 / 1474 / 0483

Date: 06.05.2025

Dear Shareholder,

Subject: Intimation on dividend declaration for the F.Y. 2024-25 and deduction of tax at source

With great pleasure we wish to inform you that the Central Board of the Bank at its Meeting held on 03.05.2025 has declared dividend of Rs.15.90/- per equity share of face value of Re. 1/- each for the Financial Year 2024-25. **The Record Date for payment of dividend has been fixed as 16.05.2025 and the date of dividend payment will be 30.05.2025.**

2. Further, pursuant to Regulation 10 of SBI General Regulations, 1955, we inform that the Register of Shareholders of the Bank will remain closed from 17.05.2025 to 19.05.2025 (both days inclusive) for the purpose of taking record of the shareholders and payment of dividend for the FY 2024-25.

3. In terms of Section 194 of the Income Tax Act, 1961, ('the Act') read with the Finance Act, 2020, dividend declared, paid and distributed by the Bank after 01.04.2020 shall be taxable in the hands of the shareholders. The Bank shall therefore be required to deduct tax at source (TDS) at the time of payment of dividend in accordance with the relevant provisions of the Act.

4. As per the latest information available with the Depositories (NSDL / CDSL) or with the Registrar and Transfer Agent (RTA) (M/s. KFin Technologies Limited), you will be classified either as a Resident Shareholder or a Non-Resident Shareholder and also sub-classified as Individual / Company / Firm / HUF / AOP / Trust / other entity based on the Permanent Account Number (PAN). If you remain as a shareholder on the record date, the dividend receivable by you would be taxable and subject to TDS as per the provisions of the Act.

5. Shareholders holding shares in physical form are requested to update their PAN, Choice of Nomination, Contact Details, Bank Account Details and updated Specimen Signature in the prescribed forms (available on the bank's website <https://sbi.co.in> under the link 'Investor Relations') to avail uninterrupted service requests as well as dividend credit in bank account, as no dividend will be paid by way of issuance of physical warrants as per SEBI guidelines.

6. However, if shares are held in dematerialized form, then kindly update your records such as PAN, Choice of Nomination, Contact Details, Bank Account Details through your depository participants, well before the Record date of dividend payment.

7. For Resident Shareholders-

TDS will be applicable under Section 194 of the Act @ 10% if the amount of dividend paid exceeds Rs. 10,000/-, in case a valid PAN has been furnished by the concerned resident shareholders to their respective Depository Participants (in case shares are held in dematerialised form) or to the RTA of the Bank (in case shares are held in physical form). In the absence of a valid PAN, the applicable rate of TDS will be 20%.

Members are required to link Aadhaar number with PAN as required under Section 139AA (2) read with rule 114AAA, before the Record Date. If any PAN is found to have not been linked with Aadhaar within the stipulated timelines, then such PAN shall be deemed inoperative, and TDS will be deducted at a higher rate under Section 206AA of the Act. The Bank reserves its right to recover any demand raised subsequently on the Bank by the Income-tax Department for not informing or providing wrong information to the Bank on the applicability of Section 206AA of the Act.

Under Section 206AA of the Act-

TDS will be applicable at the higher of the following:

- At rates that are specified in the relevant provision of the Act,
- At the rate that is at force.
- At the rate of 20%.

8. Further, no TDS will be applicable for dividend payable to-

a) Resident Individual Shareholders, if:

- i. the total dividend to be paid to the Individual shareholder by the Bank during F.Y. 2025-26 i.e. April 01, 2025 to March 31, 2026 does not exceed Rs.10,000/-,
(Please note that this includes the future dividends, if any, which may be declared by the Central Board of your Bank for the financial year 2025-26).
- ii. their income is below the taxable limit and a declaration is received from the concerned shareholders in Form 15G (for persons up to age of 60 years) or in Form 15H (for persons above the age of 60 years) along with self-attested copy of PAN card.

b) Resident Shareholders other than Individuals, if:

Sufficient documentary evidence thereof, to the satisfaction of the Bank is submitted as mentioned below:

- i. **Insurance companies:** A declaration that they are beneficial owners of shares held and along with copy of registration documents (self-attested);
- ii. **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self-attested);
- iii. **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under Section 10 (23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.
- iv. **New Pension System Trust:** A declaration that they are governed by the provisions of Section 10 (44) [sub-section 1E to section 197A] of the Act along with copy of registration documents (self-attested);
- v. **Corporation established by or under a Central Act** which is, under any law for the time being in force, exempt from income- tax on its income. Documentary evidence that the person is covered under Section 196 of the Act.

9. For Non-Resident Shareholders-

a) For Foreign Portfolio Investors and Foreign Institutional Investors and other non-resident shareholders

TDS will be applicable @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ('DTAA') between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e., to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

- i. Self-attested copy of PAN card, allotted by the Indian Income Tax Authorities;
- ii. Self-attested copy of Tax Residency Certificate ('TRC') obtained from the tax authorities of the country of which the shareholder is resident [TRC valid for Financial Year 2025-26];
- iii. Self-declaration in Form 10F, filed acknowledgement copy online on Income Tax Portal;
- iv. Self-declaration by the non-resident shareholder as to:
 - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
 - No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;
 - Shareholder being the beneficial owner of the dividend income.

b) Requirement of furnishing details in Form 15CA/15CB

As per Section 195, every person making a payment to Non-Residents (not being a Company), including a Foreign Company shall deduct TDS if such sum is chargeable to Income Tax and the details are required to be furnished in Form 15CA. Form 15CA has been classified into 4 parts.

PART A: Where the remittance or the aggregate of such remittance does not exceed 5 lakh rupees during the F.Y.

PART B: Where remittance or the aggregate of such remittances exceed 5 lakh rupees during the FY and an order / certificate u/s 195(2) / 195(3) /197 of the Act has been obtained from the Assessing Officer.

PART C: Where the remittance or the aggregate of such remittance exceed 5 lakh rupees during the FY and a certificate in Form No 15CB from an accountant has been obtained.

PART D: Where the remittance is not chargeable to tax under the Income Tax Act, 1961.

10. Shareholders willing to obtain certificate under Sec 197 of the Act

Shareholders who wish to obtain certificate for lower/ NIL TDS deduction under section 197 of the Act on dividend receipt are requested to apply for the same by stating the Bank's TAN No. as MUMS99307F

11. Shareholders having multiple accounts under different status / category-

Shareholders holding shares in multiple accounts under different status / category under a single PAN, 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.

Apart from the above, since the TDS rates are different for resident and non-resident shareholders, you are requested to confirm your residential status as per the provisions of the Income Tax Act, 1961, by sending email at einward.ris@kfintech.com

You may submit filled Form 15G / 15H / Tax Exemption Forms on RTA's portal through the link [Tax Exemption Forms Registration](#) .

The consideration of the aforesaid documents, including application of beneficial Tax Treaty Rate, where applicable, will depend on the adequacy and completeness of such documents submitted by the shareholders and review of the same to the satisfaction of the Bank. **Documents received after 20.05.2025 and / or incomplete documents will not be considered.**

In the event of the benefit of lower tax on dividend cannot be provided by the Bank in the absence of, or due to late receipt of, the aforesaid documents, shareholders will still have an option to claim appropriate refund, if eligible, at the time of filing their income tax returns. However, no claim shall lie against the Bank for taxes once deducted.

Transferring credit to the beneficial owner

In cases where the shareholder is merely a custodian of the shares and, accordingly, not the beneficial owner of the dividend payable in respect thereof, i.e the dividend is assessable in the hands of another person, then, in order to transfer the credit of TDS to the beneficial owner of dividend income, i.e in whose hands the dividend is assessable the shareholder may provide a declaration prescribed by Rule 37BA of the Income-Tax Rules, 1962. The aforesaid declaration shall contain (i) name, address, PAN and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

The above declaration must be provided on or before 20.05.2025 to enable the Bank to determine and apply appropriate TDS. Please note that no application under Rule 37BA would be considered in the absence of aforesaid details and if provided with delay.

12. Information on tax deducted-

- Shareholders can check Form 26AS from their e-filing account at <https://www.incometax.gov.in>
- Shareholders can also use the "View Your Tax Credit" facility available at <https://www.incometax.gov.in> Please note, the credit in Form 26AS/ AIS/ TIS would be reflected after the TDS Return is filed on a quarterly basis by the Bank, and the same is processed by the Income Tax Department.
- If the requisite documents and details are not provided by the shareholders within the specified time, TDS would be regulated as per the provisions of the Act. In such a case, if TDS is deducted at a rate which is considered higher than the applicable rate of tax in a particular case, refund of such excess TDS may be claimed by the shareholder as provided under law. However, no claim shall lie against the Bank for such deduction of TDS. If PAN is not updated or incorrect PAN is furnished/recorded, claim of refund of TDS deducted will not be feasible.
- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Bank and also, provide the Bank with all information / documents and co-operation in appellate proceedings, if any, preferred by the Bank.

- In line with the Securities and Exchange Board of India ("SEBI") guidelines, the shareholders are required to update their bank account details to enable usage of the electronic mode of remittance for payment of dividend.

Accordingly, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in demat form. In case your shareholding is in physical form, please update your KYC including bank account details, by submitting the requisite forms as prescribed by SEBI.

This communication should not be treated as tax advice from the Bank.

For any query pertaining to above dividend payment, please mail to einward.ris@kfintech.com Please send your correspondence to our RTA at the following address:

KFin Technologies Limited (Unit-State Bank of India)
Selenium Tower B, Plot Nos. 31 & 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad – 500032
Telephone : 18003094001

Thank you for your kind co-operation and support.

For State Bank of India

Manoj Kumar Sinha
General Manager (Shares & Bonds)

Enclosures:

- [Form 15H](#)
- [Form 15G](#)
- [Form 10F](#)
- [Self declaration by Non-Residents](#)
- [Self declaration for Resident Shareholders other than Individuals](#)
- [Self declaration for DTAA applicability](#)
- [Declaration under Rule 37BA](#)

For urgent attention of our Shareholders –

- *SEBI has mandated that transfer/sale of securities held in physical form shall not be processed unless the same are held in the dematerialized form with a depository. This implies that shareholders will not be able to transfer/sell the shares held in physical form. Such shareholders are requested to dematerialize their shares at the earliest to avoid risk as well as reap the multiple benefits of dematerialization.*
- *Please note that unclaimed dividend for the period up to FY 2016-17 has been transferred to Investor Education and Protection Fund (IEPF). Please file claim for the same on their portal: <https://www.iepf.gov.in/IEPF/refund.html>. Further, Bank has not declared any dividend from FY 2017-18 to FY 2019-20. For claiming unpaid dividend for the period FY 2020-21 to 2023-24, please send a mail request to Bank's RTA M/s. KFin Technologies Limited at einward.ris@kfintech.com*
- *In case wherever Letter of Confirmation (LOC) has been issued to Shareholders pursuant to processing of their service request, the same is required to be deposited with your Depository Participant (DP) within 120 days from the date of issuance to avoid transfer of shares to Unclaimed Suspense A/c. as per SEBI guidelines.*
- *Shareholders whose shares are held in abeyance (Right Issue-2008) on account of non-furnishing KYC documents, legal dispute, suit etc. are also requested to claim the same by submitting requisite documents/court decision.*
