

***Terms & Conditions for  
Term Deposit Account  
Products***

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# Term Deposit Accounts

By signing the AOF, customer hereby agrees to be governed by the Terms & Conditions as mentioned below and amendments made from time to time and communicated through various means available to the bank.

## 1. Definitions & Applicability of terms

- Account opening form (AOF) - refers to the relationship opening form for Current Account in IndusInd Bank
- Customer – refers to any person/ entity holding an account with IndusInd Bank
- Quarter – refers to the financial quarter i.e. months from April-May-June; July-Aug-Sep; Oct-Nov-Dec; Jan-Feb-Mar
- Half Yearly – refers to financial half yearly and includes the months of Apr-Sep (first half) and Oct-Mar (second half)
- Services - refers to services provided by the IndusInd Bank to the customers of IndusInd current account
- Website – refers to the IndusInd Bank’s official bank website hosted in the internet – [www.indusind.com](http://www.indusind.com)
- Government of India (GOI) – refers to the Government of India
- Reserve Bank of India (RBI) – refers to the overall regulatory body for banking in India, named as, Reserve Bank of India
- HUF – refers to ‘Hindu Undivided family’
- KYC – refers to the bank policy document on ‘Know Your Customer’
- TD – Term Deposit

Words denoting a particular gender include the other gender as well.

These terms and conditions form the contract between the customer and the bank and are subject to change from time to time as per the laws of the statutory/ regulatory bodies under the jurisdiction of Republic of India. These below mentioned are applicable to all products and services of Term deposit accounts only.

## 2. Value date

Value date is the date from which the TD is effective. Customer shall note that the bank in general will give the day on which the customer has placed the TD request as the value date provided that is a working day and is during normal working hours of the bank. In case of extended banking hours or on holiday, the value date shall be the next working day.

Customer shall note that in case of initial deposit by cheque, the bank will consider the actual date of cheque realization as the value date. Customer shall ensure that the TD request form is completely and accurately filled and the bank shall not be held liable for any delay in booking of TD request due to any error/ omission by the customer.

In case of auto-renewal, the renewed TD shall have the value date same as the date of maturity of the last TD. If the customer requests for a change in the term/ amount etc of the renewed TD, which requires the existing renewed TD to be cancelled and fresh TD to be booked, and the request is made 14 days after the closure of the last TD; the fresh TD will be booked with a value date as the day the customer has placed the request or the actual realization date (if cheque deposit is made) whichever is later.

## 3. Period of deposit

The bank offers 7 days – 120 month deposit tenor. The customer needs to indicate the deposit tenor while requesting for a new TD. The bank shall not be liable for any variation in the TD tenor due to erroneous entry by the customer

## 4. Sweep In/Out

The bank provides sweep in/ out deposit facility to its account holders. As per this facility, balance over the specified amount maintained in the transaction account, will be automatically transferred to Term Deposit for a predetermined period, as per customer’s instruction. The specified amount will be as per bank’s discretion.

In case of insufficient balance in the CA/SB account at any point in time, required amount will be transferred to these accounts by breaking deposits for the benefit of the customer. The system will break the last amount that was sweep out to the deposit account and will follow the LIFO (last in first out) method while breaking the deposit.

The customer shall also note that only the principal amount in the deposit account will be available for breaking in case of insufficiency of funds in the savings/ current account. The bank shall not be liable for any consequences arising out of any transaction on the savings/ current account which is failed/ dishonoured by the bank due to insufficiency of funds in the savings/ current account even after the entire principal amount in the deposit is broken and put back into the savings/ current account.

The interest applicable on the sweep in/ out deposit will be as per the interest applicable for Term deposits.

The customer shall ensure that the sweep in/ out deposit account has same name & title and same operating mandate as that of the linked savings/ current account.

Customers should note that the sweep-in and sweep-out of funds is performed by the bank on best effort basis and these services may get hampered / delayed during end of period system processing, system maintenance, etc. Where ever customer notices these issues, customers should inform the branch / contact centre for rectification at the earliest. Sweep-in and Sweep-out product features require certain conditions viz; multiples, etc and customers should get complete information of the product prior to applying for these products.

## **5. Maturity withdrawal**

Customers need to indicate the maturity instruction during the booking of new TD. The bank will process TD renewal as per the instruction provided by the customer either during the booking of TD or after that. In case the customer has not mentioned any maturity instruction, the bank may renew the TD for the same period as the original term deposit with the interest rate as on the date of renewal.

## **6. Premature withdrawal**

Customer may request the bank for premature closure or partial withdrawal of an existing TD. All the account holders will need to sign & authorize the premature withdrawal request irrespective of the mode of operation for the account.

The bank shall not allow premature closure of TD where the TD is lien marked. The customer shall take necessary steps to close the Lien against that TD before he places the request for premature withdrawal.

Customer shall note the following in case of premature withdrawal:

- The withdrawn amount shall earn interest as per the interest rate applicable for the modified duration as per the interest rate prevailing at the time of booking
- Premature withdrawal attracts penalty charges which are indicated on the bank website or can be obtained from the bank branch/ customer contact centre.

Any waiver on penalty/ charges/ fees will solely be at the discretion of the bank.

## **7. Mode of payment of proceeds**

The payment of the maturity of the proceeds will usually be made by credit to the account of the deposit holder or by DD/ PO at the option of the term deposit holder(s). However, the proceeds will be paid in cash if the customer so desires to the extent permissible by the extant Income Tax provisions/ RBI regulations.

## **8. Renewal**

TD renewal process happens automatically provided the customer has indicated the maturity instruction clearly during or after the booking of the TD. In case the customer had not indicated the maturity instruction, the bank may renew the closed TD for an additional one year with the prevailing interest rate.

Customer shall be responsible for informing the bank in case they have become eligible for interest rate applicable for senior citizen. The bank will apply senior citizen benefit to the renewed TD only after receiving such a request from the customer along with necessary supporting documents.

On maturity of a TD, which is lien marked, the maturity amount will not be available to the customer till the customer settles the pending dues and closes the lien. The customer shall be responsible to close the lien before claiming the maturity amount

## **9. Payment of Interest**

Interest to be paid on deposit account is clearly available to customers across all major sources of information - bank's website, branches, etc. The interest is dependent on time period of deposit and will vary from time to time as per external regulations and also bank's internal policies. Any change in deposit rates will be communicated through bank website.

The bank may offer preferential deposit rates for senior citizens, bank staff and any other exclusive associations as per the regulations of the Reserve Bank of India. Deposit account is eligible to earn interest only if the tenor of the deposit is at-least 7 days.

Deposit accounts earn interest for every complete day of money placed with the bank. The interest amount is paid to customer as per the options provided by the bank and accepted by customer viz; monthly, quarterly, half yearly, annually or at maturity. The bank may consider a year with 365 days or 366 days for calculation of interest as the case may be.

IndusInd Bank proactively communicates the need to update bank records as far as contact and address details are concerned. The bank at its discretion tries to contact customer once a deposit matures. However, if a Deposit matures and proceeds are unpaid to customer, the amount left unclaimed with the bank will attract savings bank rate of interest (as specified by the Reserve Bank of India). Bank will also follow the regulations if changed from time to time.

Customer has the option to provide instructions such that the maturity proceeds are credited directly to customer's existing operative liability account with IndusInd. IndusInd Bank also provides options to transfer maturity proceeds to customer's account held with other banks in India. In such cases, the bank acts as per the written instructions provided by customer and if any mistake occur, in providing account credentials / misuse of funds, etc IndusInd Bank will not be held liable.

In case the maturity date falls on a holiday or non working day, Interest for that holiday will be paid considering the original principal amount.

## **10. Special Interest rates**

The bank may offer preferential deposit rates for senior citizens, bank staff and any other exclusive associations as per the regulations of the Reserve Bank of India.

Customer should qualify as senior citizen or required employment status to avail the special rate as on the date of placing the deposit with the bank. If the requirement is not fulfilled throughout the period of deposit, customer will be only eligible for regular rates and not special rates.

## **11. Grouping of accounts**

As per bank's internal policies, IndusInd bank's makes best effort to identify an individual / entity through a single identification number. Customers should note that all the accounts of a customer within the bank will be linked. In case of charge recovery, if the primary account does not have sufficient balance, associated charges would be recovered from the other linked accounts of the customer.

Customer will have liberty to close any of the accounts after ensuring that there are no over dues for that account. Each of the accounts will be governed by their own requirements regarding maintenance of required balances, charges, etc.

## **12. Nomination**

Nomination facility is available for all deposit accounts including Sole Proprietorship account. Nomination cannot be obtained for accounts held in representative capacity as the holder of any office.

Customer is advised to provide nomination details while opening of an account especially for sole individual accounts. In case of sole individual accounts where customer refuses to provide any nomination details, the same should be noted exclusively in the AOF and countersigned by the customer.

Nomination can be done in favour of only one individual. If the nominee is minor, then another major individual should be appointed to receive the amount in case of claim during the minority of the nominee.

In case of minor account, the person lawfully entitled to act on behalf of minor should make nomination. Nomination facility is not given to minor accounts operated by minors.

Customer can include nomination or can change/modify existing nomination details in the account during his/her lifetime. In case of joint accounts, authorization from all the account holders is necessary for any alteration to nomination details. A witness is required when making nomination or modifying/ changing nomination details and the witness signature is mandatory in the nomination form

Customer should ensure that he receives the acknowledgement for all such transactions for new nomination or change/ modification to existing nominee details.

Nominee has the right to receive the applicable payment from the bank only on the death of the account holder in sole individual account or all account holders in case of joint account.

## **13. Tax deduction at source**

As per Income Tax laws, interest income beyond a threshold limit (currently set at Rs/- 10000, per annum) will be subjected to tax deduction at source as per the applicable rates. Account holders will need to submit 15G/ 15H forms to claim any exemption from TDS deduction for interest income.

RBI has made PAN mandatory for claiming any TDS exemption. The bank shall not accept any 15G/ 15H form (as applicable) from any customer who has not provided PAN details.

The customer is responsible for providing the 15G/ 15H form on time. The bank shall not entertain any request from the customer for reversal of TDS deducted prior to the submission of the form.

The TDS exemption is available only to eligible customers who are resident Indians. The 15H form is to be used by senior citizens only. Form 15G can be accepted only from individuals, HUF and trusts where total amount of interest does not exceed/ likely not to exceed maximum amount not chargeable to Income Tax during the financial year.

The bank shall not be liable for delay/ failure in applying the TDS exemption if there are any omissions/ errors/ in the form or delay by the customer.

## **14. TDS exemption**

RBI has made PAN mandatory for claiming any TDS exemption. The bank shall not accept any 15G/ 15H form (as applicable) from any customer who has not provided PAN details.

The customer is responsible for providing the 15G/ 15H form on time. The bank shall not entertain any request from the customer for reversal of TDS deducted prior to the submission of the form.

The customer shall be responsible for intimating the bank in advance regarding the account from which the bank should deduct the TDS. The bank shall deduct the TDS from the existing open deals (TD) in case the customer has not mentioned any details on the account to be deducted for TDS.

The TDS exemption is available only to eligible customers who are resident Indians. The 15H form is to be used by senior citizens only. Form 15G can be accepted only from individuals, HUF and trusts where total amount of interest does not exceed/ likely not to exceed maximum amount not chargeable to Income Tax during the financial year.

The bank shall not be liable for delay/ failure in applying the TDS exemption if there are any omissions/ errors/ in the form or delay by the customer

### **15. Deposit Confirmation**

The bank will send the deposit confirmation to the customer correspondence address as available in the bank records. The bank shall not be held liable for delay/ non-receipt of deposit advice because of non intimation of change in address by the customer.

The bank shall not be held liable for any delay in receipt of advice due to reasons attributable to the postal / courier service. The customer can get a duplicate advice by visiting the branch anytime

### **16. Settlement for deceased**

In the unfortunate event of death of individual account holder, joint account holder and sole proprietor, the proceeds of the account are transferred to nominee of the account. Where nominee is not assigned for an account, the bank processes these payments to legal heir / court nominated person.

It should be noted that nomination facility does not take away the rights of legal heirs. The nominee would be receiving the stock from the bank as a trustee of the legal heirs.

In-case of joint account (Either or survivor, Anyone or survivors, Former or survivor, Latter or survivor) if one of the account holder dies, the other account holder will have unimpeded access to the account balance for withdrawal subject to no order from a competent court restraining the bank from making payment. Nominee (or legal heir) can, after providing all required documentary evidence as per bank's internal policies, request for premature termination of the term deposit. The bank's policy on "Settlement of claims for deceased depositors in deposit accounts" will be followed for all purposes.

All necessary documentation as required by the bank to validate the situation and identification of nominee are required to the satisfaction of the bank. Bank will take all necessary measure to ensure that the process for settlement is done at the earliest without compromising on the regulations

In-case of death of individual, if the proceeds have already been transferred to customer's operational account, an interest equivalent to that of savings account as applicable on the date of payment will be paid to the claimant. This interest will be paid from the date of death of depositor or from 1st may 1983 which ever is later.

### **17. Payment of interest on frozen accounts**

In case where a customer's deposit account is frozen as per the orders from enforcement authorities/ court of law, the following procedure is followed:

- A request letter may be obtained from customer on maturity and that should indicate the term for which the deposit is to be renewed. Bank may choose to renew for the term equal to the original term if customer refuses to exercise his option.
- Information regarding maturity with details of the deposit will be shared with the concerned government department and an advice will be sent to customer.

### **18. Addition / deletion of names**

The bank may, at the request of all the joint account holders, allow the addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. However, in no case should the amount or duration of the original deposit undergo a change in any manner.

The bank may, at its discretion, and at the request of all the joint account holders of a deposit receipt, allow the splitting up of the joint deposit, in the name of each of the joint account holders only, provided that the period and the aggregate amount of the deposit do not undergo any change.

## **19. Loan against TD**

IndusInd bank offers its customers, loan facility against existing term deposits. The interest rates for such loans and other charges related are available on bank's website and updated from time to time.

IndusInd bank considers a margin for providing loan on the TD. This margin varies from customer to customer based on the relationship and other factors. On sanction of the loan, the underlying term deposit will be lien marked indicating that the deposit is security for the loan.

Any such loan facilities against deposits consider existing TD as security and if such term deposit against which loan was granted is withdrawn before completion of the prescribed minimum maturity period, such an advance will not be considered as loan against deposit. Customers should also note that interest rates for loan against TD and other loans differ.

Usage of funds in any of the foreign currency accounts are bound by the regulations of the Foreign Exchange Management Act (FEMA), Reserve Bank of India (RBI) and Directorate General of Foreign Trade. These may change from time to time and customer should ensure complete compliance to the terms.

## **20. Transfer of Deposit**

The customer can request for transfer of the deposit account from the branch of issuance to another within the bank. The request for transfer shall be signed by all the account holders. The bank shall not entertain any request for transfer to any other bank

## **21. Extended banking hours**

IndusInd Bank branches remain closed for customer walk-in transactions on the days specified in the holiday list and Sunday's in general. The branch opening timings during which customer can avail services are specified in the respective section.

For the sake of customers benefit, IndusInd Bank offers extended banking hours facility in certain select branches, list of which is provided (and updated from time to time). This includes 8-8 banking and 7 day banking (365 days banking). During these extended hours, all customers can avail banking facilities as indicated below. IndusInd Bank reserves right to add, modify and delete certain of these banking transactions during the extended banking hours. The bank also reserves the right to discontinue extended banking hours facility in certain branches without prior notice

Transactions performed during the extended banking hours (after the regular banking hours) will carry a value date of the next banking day in that location due to technical reasons. The bank will not be liable for any issues relating to loss of interest or liability suffered by customer including return of cheques. Further on any transactions carrying the same day as value date, for the transactions carried out during extended banking hours is at the sole discretion of the bank.

Customer service requests will only be accepted during the extended banking hours and will be processed during the regular banking hours of the branch during the same day or the next banking day as the case may be. Customers should note that only specified number of branch staff will be available during extended hours.

In the event the branch is not available during the extended banking hours, a prior notice will be displayed at the branch premise 2 banking days in advance for customer notification. Customers are requested to contact the branch and confirm prior to reaching branch in-case of exigencies.

## **22. Phone banking services**

IBL offers phone banking facility to its customers during the designated hours of the day as provided on the bank website and updated from time to time. Customers can also visit the bank's website for various facilities which can be availed through Interactive Voice Response (IVR) system and through phone banking representative. These services will be offered to customers on best effort basis and IndusInd Bank is constantly upgrading the technical and human resources to serve customer's needs.

Each customer will be identified and authenticated through a set of defined passwords / personal identification numbers / specific set of questions. Customers should learn that unless these are positively identified, phone banking services cannot be offered. In addition to the existing customer authentication mechanisms, IndusInd Bank will introduce additional security measures as required by regulatory from time to time.

For record keeping and service enhancement purposes, all customer calls may get recorded and bank hope that the customers appreciate the necessity. These recorded calls may also be selectively used by the bank for any investigation purposes in case of any fraudulent issues pertaining to the accounts under scrutiny.

Customers should note that, while the bank offers services through phone banking, some of the services would need customers to walk-in to branch for getting the complete transaction done. These may require additional identity validations, etc and customers should abide to the policies of the bank.

For any services that require mailers to be sent, customers should note that the address used will only be the registered address as available in the bank records. There cannot be any compromise on this issue as this may violate bank's Know Your Customer norms.

Phone banking telephone number may be subject to change and customers are required to visit bank's website for any updates.

## **23. Sharing of Information/Disclosure**

The customer by opening & maintaining any account with the bank gives the bank the right to share/ disclose customer account/ personal information as available with the bank with any entity which has the right to access such information which may include but may not be limited to:

1. Reserve bank of India (RBI)
2. Government of India through its authorized representative/ body
3. Courts/ Investigating agencies
4. Securities exchange board of India (SEBI)
5. Authorized representatives of the stock exchanges
6. Auditors, professional advisors
7. Third party service providers with whom the bank has executed legal contract on 'services/ products' and who will need to access the information
8. Any other legal entity/ authorized individual who has is entitled to such information
9. Credit Information Bureau's including but not limited to CIBIL

The bank reserves the right to source for any other information about the customer or his accounts/ financial condition as may be deemed fit by the bank through whatever sources are available to the bank.

IndusInd bank uses customer's contact information for service and promotional activities. For this IndusInd may share this customer's information with other arm of the bank's group company(s) or any other third party that are bound by conditions (on use of customer information provided by IndusInd). IndusInd bank takes express consent from customer on this aspect during account opening.

## **24. Change of terms**

Terms & conditions are liable to change due to change in any rules/ regulations from RBI/ GOI, any addition or deletion of facility/ product by the bank or any other reason which the bank may deem fit for amending the existing terms & conditions.

The bank may change the terms & conditions from time to time at its own absolute discretion. Changes can be but may not be limited to addition of new terms & conditions, deletion of existing terms & conditions, modification to an existing terms & conditions. The bank may communicate the changes either by hosting on its website, or through any other available mode of communication. The customer shall be responsible to keep himself updated on the terms & conditions by checking the banks websites regularly.

## **25. Non transferability**

The account and the services provided by the bank to its customers are non transferable under any circumstances and shall be used by the customer only. The bank though reserves the right to transfer, assign, or sale it rights; benefits or obligations to any other person and these Terms & Conditions will continue to hold for the benefit of the successors and assigns of the bank.

## **26. Notices**

Notices in respect of the Account, the services and facilities in connection with the Account may be given by IBL either through email at customers' registered e-mail addresses or posting a letter to the Customers' registered mailing address. IBL may also give any notice by posting the notice on the Website or by displaying at the branches and the same will be deemed to have been received by the Customer.

## **27. Waiver**

IndusInd Bank levies charges to the account only as per the schedule of charges communicated to customer well in advance through various channels – branch display, bank website, terms & conditions and physical mailers. These charges cannot be waived under any circumstances. Any waiver is an extreme right of the bank and can only be applied in case of any discrepancy / wrong debits to the account due to technical reasons. Customers are required to inform bank within the stipulated time period of any such discrepancy for rectification. Customers can communicate to the bank through contact centre or at their respective branch and allow necessary time for rectification.

## **28. Indemnity**

The Customer shall indemnify IBL from any loss that may occur arising from misuse of the Account or the Services of the Bank.

IBL shall not be liable to the Customer for any damages in connection with the Account or the Services or for any failure to perform any obligation contained in these Terms or for any loss or damage whatsoever suffered or incurred by the Customer.

The Customer shall solely be responsible for ensuring full compliance with all the applicable laws and regulations in any relevant jurisdiction in connection with establishment of his/her account with IBL and shall indemnify and keep

indemnified IBL from all actions, proceedings claims, losses, damages, costs and expenses which may be incurred by IBL in connection with any failure to comply with any such applicable laws and regulations.

The indemnities as aforesaid shall continue notwithstanding the termination of the Account.

The Bank shall not be liable if any transaction does not fructify or may not be completed for any failure on part of the Bank to perform any of its obligations under Conditions or those applicable specifically to its services/facilities if performance is prevented, hindered or delayed by a Force Majeure event and in such case its obligations shall be suspended for so long as the Force Majeure event continues.

### **29. No encumbrances**

Customer will need to ensure that no encumbrance/ third party interest is created/ permitted over the account (including the credit available in the account) held with the bank without explicit written agreement with the bank.

### **30. Governing law & Legal jurisdiction**

The Terms and conditions, or the operation of the accounts held with the bank or services provided by the bank to its customers shall be governed by the laws of the Republic of India only. Any disputes/ claims/ issues shall be brought in the courts/ tribunals under the jurisdiction of Mumbai. The bank though reserves the right to initiate proceedings against any customer at any courts/ tribunals/ authorities and the customer hereby consents to that jurisdiction.

In case any provision of these Terms & conditions become legally untenable/ unenforceable/ prohibited, then such extent of unenforceability will apply only to the said provision and not invalidate the remaining provisions of the terms & conditions.

### **31. Sharing of Information/Disclosure**

The customer by opening & maintaining any account with the bank gives the bank the right to share/ disclose customer account/ personal information as available with the bank with any entity which has the right to access such information which may include but may not be limited to:

10. Reserve bank of India (RBI)
11. Government of India through its authorized representative/ body
12. Courts/ Investigating agencies
13. Securities exchange board of India (SEBI)
14. Authorized representatives of the stock exchanges
15. Auditors, professional advisors
16. Third party service providers with whom the bank has executed legal contract on 'services/ products' and who will need to access the information
17. Any other legal entity/ authorized individual who has is entitled to such information
18. Credit Information Bureau's including but not limited to CIBIL

The bank reserves the right to source for any other information about the customer or his accounts/ financial condition as may be deemed fit by the bank through whatever sources are available to the bank.

IndusInd bank uses customer's contact information for service and promotional activities. For this IndusInd may share this customer's information with other arm of the bank's group company(s) or any other third party that are bound by conditions (on use of customer information provided by IndusInd). IndusInd bank takes express consent from customer on this aspect during account opening.

## **32. Force Majeure**

The bank shall not be liable if any transaction fails, bank's services are disrupted or the bank is not able to perform/ underperforms any of its obligations as outlined under the Terms & Conditions by an event of 'Force Majeure' and in happening of such cases, the banks obligation will remain suspended till such 'Force Majeure' condition remains.

'Force Majeure' event means events caused beyond the reasonable control of the bank which may include but may not be limited to acts of Gods, fire, flood, sabotage, virus attack on the system, earthquake, tsunami, unauthorized access/ hacking of banks assets, communication failure, riot etc.