

## Terms & Conditions for Fixed deposit

- Fixed Deposits shall be automatically renewed at the prevailing rate and for the same tenure as the original deposit, unless specified otherwise. In case you wish to modify the maturity instructions, please visit the nearest branch.
- The maturity amount indicated in the advice is based on the interest rate and does not factor Tax Deducted at Source (TDS). Therefore, the maturity value may change incase of TDS or any premature withdrawal.
- The maturity amount of the deposit, on closure or renewal, will consist of the original deposit amount plus the Interest less Tax Deducted at Source (TDS), if applicable and shall change in case of premature withdrawals.
- As per Income Tax laws, if the aggregate amount of deposit together with the interest is equal to or exceeds Rs. 20,000/- , then the amount will be paid either through Pay order/ Draft in the name of deposit holder(s) or credited to the deposit holder's account ONLY.
- Interest on Fixed Deposit can be paid for a period of less than a quarter (monthly interest payout) at the discounted rates as per regulatory guidelines. This is available only for tenure of above 180 days.
- The Terms and Conditions specified herein are in addition to the Terms and Conditions governing IndusInd Bank Fixed Deposit mentioned on [www.indusind.com](http://www.indusind.com)
- Interest (simple) on Fixed Deposits with tenure less than or equal to 180 days will be only paid on the maturity date of such deposit.
- On FCNR & IFSC IBU Branch FCY Deposit, the interest shall be compounded on a half-yearly basis.
- In absence of specific request, existing Mode of Operations set up for your Non-Individual/Individual Accountstands applicable for all Term Deposit operations.
- In case the annual interest earning threshold limit/15G&15H exemption limit as defined by Income Tax Act, at customer level is exceeded, the applicable TDS will be deducted from the fixed deposit. In cases wherein the TDS recovery is more than interest payment, unrecovered amount shall be lien marked and the differential TDS will be recovered from subsequent interest payment/principal amount. For the purpose of annual interest computation, the financial period 01/April to 31/March shall be considered.

## Premature Withdrawal

- Premature withdrawal of deposit will be subject to a penalty rate; unless specified & as applicable through any campaigns / offers where penalty rate is waived off.

- Penalty rate is calculated as 1% less than the card rate as on the date of deposit applicable to the amount and period for which the deposit has remained with the bank.

The above derived rate shall be applied to the deposit amount withdrawn to compute the premature closure proceeds (Partial or full premature withdrawal),

- The remaining amount of the deposit will earn interest rate corresponding to the rate of the residual amount slab as on the date of deposit booking.

- Premature withdrawal is not allowed on non-callable deposits.

- In case of premature withdrawal of FCNR Term Deposit, the interest rate payable shall be as under:

- a) No interest shall be payable if the period the Fixed Deposit remains in force is less than 1 year.

- b) If the deposit has remained in force for more than 1 year, interest will be calculated at the rate applicable for the period the deposit has remained with the Bank, less applicable penal interest rate.

- c) The applicable penal interest rate for FCNR (B) Deposits booked w.e.f. 1st June 2020 is 0.25%. For Deposits booked prior to 1 June 2020, 1% penal interest rate will continue to apply.

- d) Additionally, in case of premature withdrawal of FCNR (B) deposits, SWAP (conversion) cost shall be recovered, basis the prevailing market rates, on the date of the premature withdrawal, between the designated currency of the FCNR (B) deposits and Indian Rupees.

- In case of premature withdrawal of Fixed Deposits held with the IFSC IBU Branch, the interest rate payable & penalty rate shall be as under:

Period    Penalty

Under 30 Days    No Interest Payable

30 Days upto 1 Year    Interest Basis Run Period less .25% Penalty

1 Year & above    Interest Basis Run Period

- In the event of the death of the depositor(s), premature withdrawal shall not attract any penalty charges and will be allowed as under:

- a) With nomination: In the event of the death of all depositors, the nominee will have the right to seek premature withdrawal of term deposit account.

- b) Without nomination: In the event of the death of all depositors, premature withdrawal will be permitted on joint request by all legal heirs (or any of them as mandated by all the legal heirs) and upon verification of the authority of the legal heirs.

- c) Term Deposit with survivorship clause: Bank may permit premature withdrawal of Fixed/Term Deposits in accordance with the mandate of "either or survivor", "former/latter or survivor", "anyone of survivors or survivor" etc., as the case may be, provided the joint holders have given a specific joint mandate for this purpose.

- d) Term Deposit with mandate jointly: Premature withdrawal will be permitted on joint request by the survivor and legal heirs of the deceased depositor (or any of them as mandated by all legal heirs) and upon verification of the authority of the legal heirs.

## TDS/Submission of Form15G/15H/15AA Resident Customers

- TDS if any, will be deducted on interest paid/accrued as of last date of FY as per applicable Income Tax rules. (W.e.f 14th May 2020, the TDS rate is 7.5%)
- From the date of updation of form 15G/H in CBS, no tax deduction shall be made from the interest in case the resident submits a declaration in writing in the prescribed format 15G/H, subject to PAN availability in the bank records.
- A fresh 15G/15H/15AA Form (if applicable) needs to be submitted for each each financial year, prior to crossing the threshold limit as specified in the Income Tax Act, failing which TDS will be deducted. Form 15G/H can be submitted online through Accounts or Manage your Taxes on Indus Net.
- Form 15G can be accepted only from Individuals, HUF, Trusts, AOP, BOI, where total amount of interest does not exceed/likely not to exceed maximum amount not chargeable to Income Tax during the financial year.
- Form 15H can be accepted only from senior citizens (age of 60 years or more).
- Please note that under section 206AA of the Income Tax Act, 1961, w.e.f. 1st April, 2010, non-furnishing of PAN to the Bank would result in deduction of TDS at a higher rate of 20%.
- On Resident Foreign Currency Deposits, if the interest exceeds the threshold of `40,000, TDS is applicable under section 194A. However, tax is not deductible in case RFC deposit is placed by a person having Resident but Not Ordinarily Resident (RNOR) status under the Income Tax Act. The status of RNOR will be evaluated separately for each financial year and a declaration needs to be provided to that extent.
- W.e.f 1st April, 2018, the threshold limit for TDS on interest income for senior citizens (age 60 years & above) has been enhanced to `50,000 and from 1st April, 2019 for resident customers (less than 60years) has been enhanced to `40,000.
- In order to receive quarterly TDS certificates through Email, we request you to register your Email ID through Online Preference section on Indus Net or visit nearest branch.

## Non-Resident Customers

### NRO Deposits

- Interest on NRO Fixed Deposits is taxable under section 195 of Income Tax Act at the applicable rate which currently is 31.20% (basic rate 30% plus 4% Health & Education Cess). There is no threshold limit up to which such interest is exempt.
- Surcharge of 10% and 15% for NRO customers crossing interest income of `50 lacs and 1 crore respectively for interest, earned on FD/SB accounts.
- With effect 1st April 2012 Tax Residency Certificate (TRC) needs to be mandatorily submitted for each financial year/fiscal year for claiming benefit of lower TDS under the Tax treaties/Double Taxation Avoidance Agreements with some countries. Besides NRO deposits holders holding TRC can claim DTAA benefit in absence of PAN.
- Please inform us of any change in your Resident/Non-Resident status as and when there is a change in residential status. The status declaration on the account opening form shall remain in force until such time the said change is advised to us.

### NRE and FCNR (B) Deposits

- Interest earned on NRE & FCNR (B) accounts is fully exempt from Tax under Income Tax Act, 1961.