

Terms & Conditions of Fixed Deposit

Terms & Conditions

- Equitas Small Finance Bank computes interest based on 365 days per year, for all years including Leap Year.

- **Tax Deduction at Source (TDS)**

TDS rates will be as applicable from time to time as per the Income Tax Act, 1961 and Income Tax rules. The current rates applicable for TDS would be displayed by the Bank on its website.

Currently, TDS is deducted when aggregate interest payable or reinvested across all deposits with the bank, per customer exceeds Rs. 40,000/- for residents of India below the age of 60 years and Rs. 50,000/- for senior citizens in a Financial Year. Further, TDS is deducted at the end of the financial year on interest accruals if applicable.

- a) If interest amount is not sufficient to recover the TDS amount the same may get recovered from the principal amount of Fixed Deposit.
- b) In the case of renewed deposits, the new deposit amount consists of the original deposit amount plus Interest less Tax Deducted at Source (TDS) if any, less compounding effect on TDS. For reinvestment deposit, the interest reinvested is post TDS recovery and hence the maturity amount for reinvestment deposits would vary to the extent of tax and compounding effect on tax for the period subsequent to deduction till maturity.
- c) As Per Section 139A(5A) of the Income Tax Act, every person receiving any sum of income or amount from which tax has been deducted under the provisions of the Income Tax Act shall provide his PAN number to the person responsible for deducting such tax. In case your PAN is not updated with the Bank or is incorrect; please visit your nearest Equitas Small Finance Bank branch to submit your PAN details. In case the PAN number is not provided to the Bank as required, the bank shall not be liable for the non availment of the credit of Tax deducted at Source and non issuance of TDS certificate.
- d) No deductions of tax shall be made from the taxable interest in the case of an individual resident in India, if such individual furnishes to

the bank, a declaration in writing in the prescribed Form (Form 15G/Form 15H as applicable) to the effect that the tax on his estimated total income for the year in which such interest income is to be included in computing his total income will be Nil. This is subject to PAN availability on bank records.

- **The maximum Interest not charged to tax during the financial year where form 15 G/H is submitted is as below:**

- a) Upto ₹2,50,000/- for residents of India below the age of 60 years or a person (not being a company or firm). Upto ₹3,00,000 for senior citizen residents of India who are between the age of 60-79 years at any time during the FY. Up to ₹5,00,000 for senior citizen residents of India who is 80 years or more at any time during the FY. Form 15G/H should be submitted by customer in Triplicate copy to the bank, for submitting one copy to Income Tax Department, One copy for use by branch and the third copy to be returned to the customer with Branch seal as an acknowledgment copy.
- b) A fresh Form 15G/15H needs to be submitted in each new Financial Year by the start of the Financial Year. In case form 15G/H is submitted post interest payout/credit, waiver shall be effective from the day next to the interest payout / credit immediately preceding the date of submission of form 15G/H.
- c) Form 15G/H needs to be submitted for every fixed deposits booked with bank for tax exemption.
- d) The bank shall not be liable for any consequences arising due to delay or non submission of Form 15G/Form 15H.
- e) To enable us to serve you better kindly submit the Form No. 15G/15H latest by April 1st of the new financial year.

Note: The above is subject to change as per directives of Finance Ministry Govt. of India.

- **Automatic Renewal**

- We will be happy to renew your deposit, unless we hear from you to the contrary, for the same period as the original deposit, at the prevailing

rate of interest.

- **Premature Encashment**

- a) In the event of death of one of the joint account holders, the right to the deposit proceeds does not automatically devolve on the surviving joint deposit account holder, unless there is a survivorship clause.
- b) In case of joint deposits with a survivorship clause, the Bank shall be discharged by paying the fixed deposit proceeds prematurely to survivor/s, on request, in the event of death of one or more Joint Depositor.
- c) In the case of premature encashment, all signatories to the deposit must sign the encashment instruction.
- d) All premature encashment will be governed by rules of Reserve Bank of India prevalent at the time of encashment.
- e) Premature withdrawal of fixed deposit booked on or before 28th Feb 2019 for amount equal to or above ₹1 crore will be not be allowed, further Premature withdrawal of fixed deposit booked on or after 1st March 2019 for amount equal to or above ₹2 crore will be not be allowed
- f) As per income tax laws, if the aggregate amount of the deposit(s) held by a person with the branch either in his own name or jointly with any person on the date of repayment together with the interest at payable is equal to or exceeds ₹20,000/- then the amount will be paid by bank draft drawn in the name of deposit holder or by crediting the savings/current account of the deposit holder.
- g) Partial Premature withdrawal and sweep-in facility is not allowed for fixed deposits booked under preferential rates.
- h) Payment of Interest on pre-mature withdrawal:
The interest rates applicable on term deposits withdrawn before the maturity date shall be as under:

Interest shall be paid at the rate applicable to the amount and period for which the deposit remained with the bank and not at

the contracted rate.

No interest shall be paid, where premature withdrawal of deposits takes place before completion of the minimum period specified in section 7(a)(i) of Master Directions on interest rates on Deposits-RBI.

- As per the Terms & Conditions of fixed deposit accounts of the bank, the penalty on premature closure of fixed deposits has been fixed by the bank at the rate of 1%. However, premature penalty will not be applicable for FDs which have completed a tenor of more than 180 days and is not a BULK deposit (FD booked for <₹1 crore on or before 28th Feb 2019 & < ₹2 crore booked on or after 1st March 2019).
- In case of death of the primary holder of the fixed deposit prior to the maturity date, premature termination of the deposit would be allowed as per the terms of contract subject to necessary verifications and submission of proof of death of the depositor. Such premature withdrawals will not attract any penal charge.
- This fixed deposit receipt needs to be submitted in original to the bank to liquidate/ renew the fixed deposit, failing which the fixed deposit will be under overdue deposits.
- In case of any discrepancy observed in the details of the fixed deposit, please contact us within 15 days of receipt of this FDR.
- **Bulk Fixed Deposit:** All fixed deposits booked for a value of ₹2 crore and above will be treated as bulk deposit with effect from 1st March 2019.
- In case of monthly deposits scheme, the interest will be calculated for the quarter and paid monthly at discounted value
- Partial Premature Withdrawal not allowed for FDs booked with monthly payout

