

# TERMS & CONDITIONS FOR ACTIVATION /DE-ACTIVATION OF SWEEP-IN AND SWEEP-OUT FIXED DEPOSIT FACILITY

## For Activation, please note

- The Facility is available for select current account variants
- The Facility is not available for cooperative banks / NBFC or Financial Institutions
- Sweep-out request will be processed ONLY IF PAN number of the Account Holder is mentioned in the application
- Sweep-in Facility is available by default on the fixed deposits booked through Sweep-out
- The Sweep-out to fixed deposit will be done on weekly basis (every Monday beginning of the day)
- The Sweep-in to account by redeeming the FD will be done on LIFO basis
- TDS as applicable will be deducted
- Sweep-out to fixed deposit will be enabled at account level and not at customer level hence for each account customer needs to fill in the form separately.
- FDs will be booked in the multiples of Rs. 10000/- . Redemption of FD's will also be in multiples of Rs. 10,000/-

## FD Terms & Conditions including Sweep-in & Sweep-out

- Interest will be calculated at quarterly intervals on term deposits and paid at the rate decided by the bank based on the period of the deposits
- In case of premature withdrawal of the fixed deposit based on the depositor's instruction or automatically through sweep-in mode, the bank has the right to recover interest already paid or the penalty, if any (as applicable) from the proceeds of the fixed deposit in accordance with the prevailing regulations of the bank and the Reserve bank of India. In case of the interest being insufficient to deduct TDS, TDS would be deducted from the Principal Amount.
- The interest rate applicable for premature closure of deposits will be lower than the contracted rate OR the base rate applicable for the tenure for which the deposit has been placed with the bank.
- In the absence of any maturity instructions OR in case of auto renewal of deposit, deposit will be automatically renewed for a period equivalent to the term under the original deposit at the prevailing rate on the date of renewal.
- Sweep-out is a facility, which provides the customers the liquidity of the savings/current coupled with high earnings of fixed deposit (FD)
- Through Sweep-out facility, balance from the account is converted automatically into a fixed deposit, at a specific threshold limit.

- Fixed deposits under the sweep-out facility are formed for default tenure of 90 days for all account, unless specified, at applicable interest rates.
- Sweep-out will be triggered every Monday beginning of the day (on weekly basis).
- For all Sweep-in and Sweep-out based FD, No monthly / quarterly payout option will be applicable.
- As per income tax laws, if the aggregate amount of the deposit(s) held by a person with the bank either in own name or jointly with any person on the date of the repayment together with the interest payable is equal to or exceeds Rs 20000/- 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.

## Tax Deduction at Source

- TDS rates will be applicable from time to time as per income tax act, 1961 and income tax rules. The current rates applicable for TDS will be displayed by the bank on its website. Currently, TDS on FD & RD is deducted when the interest payable or reinvested per customer across all branches, exceeds Rs 40000/- in a financial year.
- No deductions of tax shall be made for 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/her estimated total income for the year in which such interest income is to be included in computing his/her total income will be NIL. Form 15G / Form 15H needs to be submitted for all subsequent deposits booked. The bank shall not be liable for any consequences or loss arising due to delay or non-submission of Form 15G / Form 15H. To enable us to serve you better, kindly submit Form 15G/ Form 15H within the first week of the new financial year.
- As per section 139A (SA) of the income tax act, every person receiving any sum as income or amount from which tax has been deducted under the provisions of the income tax act shall provide his/its PAN to the bank. If the PAN is not provided, bank shall not be liable for the non-availment of the credit of tax deducted at source.
- As per section 206AA introduced by the Finance (no. 2) Act, 2009 w.e.f. 01.04.2010, every person who receives income on which TDS is deductible shall furnish his PAN, failing which TDS shall be deducted at the rate of 20% in case of domestic deposits. Please further note that in absence of PAN, Form 15G/ Form 15H exemption certificates will be invalid even if submitted & Penal TDS will be applicable.

## For De-Activation, please note

- The facility will be de-activated in 2 working days from the date of request.
- The facility will be de-activated subject to all relevant signatures and documents provided.
- If the de-activation period falls in the period of Sweep-out day, the instructions will be executed automatically by the system.
- De-activation of sweep-in and sweep-out fixed deposit facility will not redeem the existing FDs created through such services. You need to provide separate instructions in case premature FD needs to be redeemed.
- TDS as applicable will be deducted.

