

## **Flexi Fixed Deposit Account (FFD)**

### **FAQs**

Q) Who is eligible for a Flexi Fixed Deposit Account?

A) Resident Indians above the age of 18 years with a minimum fixed deposit of Rs. 25,000 or more for 366 days or more.

Q) What is the balance to be maintained in the savings bank account?

A) One doesn't need to maintain any minimum balance in the savings bank account.

Q) Will this require breaking of my fixed deposit/s before due date?

A) Not at all. Your fixed deposit remains intact and continues to earn the contracted interest rate that was agreed at the time of placement of the fixed deposit.

Q) How can I use the overdraft, do I get a cheque book?

A) Yes, you will receive a cheque book for your savings bank account. You can also earn interest on the credit balance that the customer maintains in his savings account.

Q) How is the interest calculated on the overdrawn amount?

A) The interest on the overdraft is calculated on the daily outstanding balance from the date of overdraft at the specified interest rate till such date that the overdraft inclusive of interest/charges is repaid. The overdraft interest accrued shall be debited to the account at the end of every calendar month.

Q) Will TDS be applicable?

A) Yes, TDS will be applicable. As per Finance 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% (as against 10% which is existing TDS rate) in case of Domestic Deposits.

### **FFD Terms & Condition**

Locker facility is available at the sole discretion of the bank and basis availability of the locker at a particular branch. Please check with the branch regarding the availability and monthly/annual charges on the locker.

In absence of a maturity instructions on a fixed deposit which has been linked to avail the FFD facility, the bank will renew automatically the fixed deposit/s on the maturity date for an identical period at the prevailing interest rate unless instructions to the contrary are received from the account holder prior to maturity. The renewal will be in accordance with the Reserve

Bank of India specifications in force at the time of renewal. The FFD facility will also continue on renewal of the said fixed deposit unless informed otherwise by the account holder.

A Fixed deposit with FFD facility with a maturity instruction of crediting the proceeds of fixed deposit to the linked savings account, the bank will credit the proceeds of the fixed deposit to the linked account and discontinue the FFD facility unless informed otherwise by the account holder. Post closure of the FFD facility the terms and conditions as applicable to standalone savings account will apply. For terms and conditions please refer to the savings account charges section on the website [www.theratnakarbank.com](http://www.theratnakarbank.com)

Flexi Fixed Deposit (FFD) holder can withdraw up to 90% of the Principal value of the fixed deposit/s that has been linked to the FFD. Overdraft interest is payable towards the overdrawn amount in the FFD account, while the linked fixed deposit/s continues to earn interest at the rate applicable from the placement/renewal date.

In case the account holder fails to service the interest payable on the use of this facility, the Bank may at its sole discretion, recall the said facility and adjust the monies in the fixed deposit account opened under this facility towards outstanding amount including interest thereon and/or related charges. Accordingly, interest on Fixed Deposit will be recomputed from the date of the deposit and shortage, if any will be recovered by debiting the customer's savings account or any other account with the bank.

Service tax of 10% + Education cess of 3% will be applicable on fees and other charges.