



# Most Important Terms and Conditions



# Current Accounts

## Opening an Account

Current accounts can be opened by Sole Proprietorship concerns, HUFs, Partnership firms, Limited Liability Partnership firms, Private / Public Limited companies, One Man Company (as per the provisions of Companies Act 2013) Associations, Clubs, Societies, Trusts or other institutions or entities as permitted by the Bank, upon being introduced in a manner satisfactory to the Bank and subject to the account opening formalities and policies of HSBC (which may be revised from time to time). The Accountholder in the form of Sole Proprietorship can also authorise any person to operate an account on behalf of the sole proprietary concern either by providing a mandate or a Power of Attorney (POA). In case of Partnership Firm by providing a Mandate or a Power of Attorney.

In case of Companies/Trust/ Association of Persons/LLP/One Man Company by the mode of resolution In line with the requirements of the bank's policy, the Know Your Customer (KYC) documents along with other documentation need to be submitted at the time of opening a new account or as and when requested by the Bank. In addition to the due diligence requirements, the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively a declaration in Form No. 60 as specified under the Income Tax Act, 1961 / Rules. The Bank will intimate the Accountholder about the requirement of documents at the time of account opening. The complete list of documents as applicable to the respective type of Account Holders is also available on the Bank's website [www.hsbc.co.in](http://www.hsbc.co.in) for your ready reference.

## Withdrawals

Cash withdrawals should only be made on the printed cheque forms supplied by the Bank or through Automated Teller Machines (ATMs). The Bank reserves the right to apply a service charge based on the number of transactions made during the month as per the Tariff Guide (which maybe revised from time to time). The account should not be overdrawn nor should cheques be drawn

against funds in course of realisation unless special arrangements have been made with the Bank.

### **Interest**

Deposits in the current account do not attract any interest. Overdraft is permitted, which is at the sole Discretion of the Bank. The Accountholder will repay to the Bank on demand and unconditionally the amounts of overdrafts which the Bank may grant from time to time in the account, together with interest accrued thereon. For overdrawn accounts, interest is charged at prevailing interest rates on daily outstanding. In the absence of any special arrangement, the Bank is not required to honour any cheques drawn by the Accountholder if in doing so the account would become overdrawn and in this circumstance the Bank reserves the right to debit the account with the charge for each returned cheque.

### **Deposits**

The initial minimum deposit to open an account is as per our Tariff Guide (which may be revised from time to time). Average minimum balance as per our current Tariff guide should always be maintained, failing which a service charge will be levied. The Bank reserves the right to close at anytime any account in which the minimum balance is not maintained without further notification to the Accountholder. Cheques, dividend warrants and other instruments in the name of the Accountholder will be collected but those in favour of payees other than the Accountholder will not be accepted for collection.

### **Cheque Books**

The Bank reserves the right to refuse issue of further cheque books on accounts which are not maintained satisfactorily and also when an excessive number of cheques issued by the Accountholder are returned unpaid due to insufficient funds. If the Accountholder has sufficient number of unused cheque leaves from the previous cheque book, in such case also the Bank reserves the right to refuse issue of further cheque books.

## **Closure of Accounts**

1. When an account is closed either by the Accountholder or by the Bank, the Accountholder is required to return the BusinessDebit Card and all the unused cheque leaves to the Bank.
2. A charge as per our current Tariff guide (which may be revised from time to time) will be recovered from the Accountholder who closes an account before the expiry of the specified number of months from the date of opening the account.
3. A Board Resolution is to be submitted for the closure of a Company / Trust / Society / Association account. However, if the Board Resolution submitted by the Company/Trust/Society/Association Account have already delegated the powers to the Authorised Signatory/Authorised Official to communicate to the Bank with respect to closure of Account, there need not be a separate Resolution.
4. The Bank reserves the right to close/freeze the Account without notice in the event of repeated cheque returns instances in the Account (both deposited and issued by the Accountholder) or in case fraudulent/forged/fake cheques/bank drafts or any such instruments are attempted to be cleared/cleared through the Account or on account of unsatisfactory conduct of the Account in terms of volume/type of transactions, non-maintenance of Average Quarterly Balances, etc. or non intimation of change in communication address leading to Accountholder's whereabouts being unknown or any other breach or default by the Accountholder of these terms or any other terms and conditions relating to the Account and/or any features provided to, or availed of by the Accountholder.
5. All Partners to sign for closure of a Partnership Account.
6. The Bank reserves the right to close any Account without notice, if Accountholder does not regularise debit balance in the Account within 60 days from the date the Account goes into debit balance.

## Excerpts from the Tariff Guide

Excerpts from the Tariff Guide (Entire schedule of Service Charges and Fees available on [www.hsbc.co.in](http://www.hsbc.co.in))

Transaction type	HSBC Business Vantage	HSBC Business Select
Minimum Average Quarterly Balance (AOB)	₹1 lakh	₹5 lakh
Account maintenance fee (applicable in case of non maintenance of minimum lakh AOB)	<ul style="list-style-type: none"> <li>■ AOB &lt; ₹50,000 - ₹4,500/qtr.</li> <li>■ AOB ₹50,000 &lt; ₹1 lakh - ₹3,500/qtr.</li> </ul>	<ul style="list-style-type: none"> <li>■ AOB &lt; ₹2.5 lakh - ₹ 6,000/qtr.</li> <li>■ AOB ₹2.5 lakh &lt; ₹5 - ₹4,000/qtr.</li> </ul>
Transaction limit	5 free cash	Unlimited FREE transactions*
Transaction charges	Beyond free limit above, ₹125 per cash transaction and ₹75 per non-cash transaction	No charges applicable
Accounts closed within 6 months	₹3,000	₹4,500

Transaction type	HSBC Business Vantage	HSBC Business Select
<b>Demand draft</b>		
Domestic		
■ Demand draft at HSBC locations	FREE	FREE
■ Demand draft at non-HSBC locations	0.25% (min. ₹100 and max. ₹5,000)	0.25% (min. ₹100 and max. ₹5,000)

\*Transactions in this case refer to all transactions including but not restricted to: Deposits/withdrawals, DD/CO issuance, payments/remittances, stop payment, service requests and/or any other manual or electronic transaction (other than clearing cheques) done at a branch counter. Cheques/requests submitted in a dropbox/ATM but processed at a branch counter will also be counted as transactions carried out at a branch.

Transaction type	HSBC Business Vantage	HSBC Business Select
<b>Outward TT remittances</b>		
Overseas*	0.30% (min. ₹100 and max. ₹1,500) additionally ₹250 for drafts in currencies other than USD	0.30% (min. ₹100 and max. ₹1,500) additionally ₹250 for drafts in currencies other than USD
<b>Inward TT remittances</b>		
	₹300	₹300
<b>Outstation cheque collection</b>		
Domestic		
Collection in cities where HSBC has a branch	FREE	FREE
Collection in other cities	0 - 10,000 - ₹5,010,001 - 100,000 - ₹100, Above ₹1 lakh - ₹150	0 - 10,000 - ₹50 10,001 - 100,000 - ₹100, Above ₹1 lakh - ₹150

\*Out of pocket expenses - interest, postage, courier, cable, telex, correspondence charges and other charges, if any, will be added at actuals.

Transaction type	HSBC Business Vantage	HSBC Business Select
<b>Payments</b>		
Inter-branch transfer across HSBC Accounts in India	FREE	FREE
Transfer to other bank through RTGS/NEFT at branch (per instruction)	<b>RTGS</b> ₹2 - 5 lakh - ₹19, ₹5 lakh and above - ₹44	<b>RTGS</b> ₹2 - ₹5 lakh - ₹19, ₹5 lakh and above - ₹44
	<b>NEFT</b> <=10,000: <b>INR 1.50 per</b> 10,001 - 100,000 <b>: INR 4.00</b> 100,001-200,000 <b>: INR 14.00</b> >200,000: <b>INR 24.00</b>	<b>NEFT</b> <=10,000: <b>INR 1.50 per</b> 10,001 - 100,000 <b>: INR 4.00</b> 100,001-200,000 <b>: INR 14.00</b> >200,000: <b>INR 24.00</b>
<b>HSBC Business PhoneBanking</b>		
Stop payments (per instruction)	₹100	₹100
<b>Other Bank VISA ATM</b>		
Cash withdrawals/ balance enquiry in India	FREE ATM transactions at all VISA network ATMs in India	FREE ATM transactions at all VISA network ATMs in India



Transaction type	HSBC Business Vantage	HSBC Business Select
ATM cash withdrawal (outside India)	₹120 per transaction	Free at HSBC ATMs and ₹120 per transaction at other bank's VISA Network ATMs
ATM balance enquiry (outside India)	₹15 per transaction	Free at HSBC ATMs and ₹15 per enquiry at other bank's VISA Network ATMs
Card replacement fee (within India)	₹100	₹100
Card replacement fee (outside India)	₹100 + International courier cost of ₹700	₹100 + International courier cost of ₹700
PIN replacement	FREE	FREE
Sales slip retrieval/charge back processing fee	₹225	₹225
ATM cash withdrawal limit (per day)	₹100,000	₹200,000

Transaction type	HSBC Business Vantage	HSBC Business Select
<b>Other services</b>		
Account statements		
■ Monthly statements*	FREE	FREE
Cheque books	FREE personalised	FREE personalised
Returned cheques	FREE ₹150	FREE ₹150
■ Cheques drawn on us		
- Technical reasons	FREE	FREE
- Funds - based reasons	₹150	₹150
■ Cheques returned by drawee bank to us	₹100 per instrument	₹100 per instrument
Stop payment charges (at branch)	₹100 per instrument	₹100 per instrument

\*Quarterly charges for bank statement with other frequencies.

HSBC BusinessVantage: Daily ₹750; weekly ₹150; fortnightly ₹100.

HSBC Business Select: Daily ₹500; weekly ₹150; fortnightly ₹100.

Note:

Goods and Services Tax (GST) applicable as per the prevailing rates.

Tariff structure is subject to change from time to time at the sole and absolute discretion of The Hongkong and Shanghai Banking Corporation Ltd.

The Govt. Of India vide the Finance Act, 2019 has introduced a new section 194N in the Income-tax Act, 1961 whereby tax deduction at source (TDS) is required to be levied on cash withdrawals carried out from Customers Bank account, for withdrawals exceeding INR 10mn during the Financial year.

Basis this revision, it will now become mandatory for the Banks to withhold tax @2% on cash withdrawals (aggregated at a PAN level) exceeding INR 10mn threshold defined by the Govt. This TDS shall be recovered from your account. Please ensure your account is adequately funded.

For customers where PAN is not available, TDS @ 20% shall be applicable. This regulation will be effective 1 September 2019 onwards.

The Govt. of India vide the Finance Act, 2020 has amended provision of section 194N of the Income Tax Act, 1961. As per the amended provision, TDS @ 2% will apply on cash withdrawal above INR 10 mn. Further in case, the customer has not filed return for preceding 3 years, then TDS will apply on cash withdrawals above 2mn. The TDS rate will be 2% on cash withdrawal exceeding 2m and 5% on cash withdrawal exceeding INR 10 mn.

For customers where PAN is not available, TDS @ 20% shall apply.

The aforesaid TDS shall be recovered from your account. Please ensure your account is adequately funded.

This amended section will be effective from 1 July 2020 onwards.

The Finance Act, 2021 has introduced new sections - section 206AB and section 206CCA in the Income Tax Act, 1961. Please note that the provisions of these sections are applicable with effect from 01 July 2021.

Pursuant to the said sections, customers who have not filed tax returns for (2) two preceding years for which time limit has expired and have aggregate of TDS and TCS of ₹50,000/- or more in each of the said previous years, would be subjected to higher of the following TDS/TCS rates:

- Twice the rate as per the said Act(s)
- Twice the rate or rates in force
- 5%

Further, it has been provided in the said Act(s), that if the customer does not have a Permanent Account Number (PAN) i.e. covered under section 206AA and 206CC, then higher of TDS/TCS rate under section 206AA or 206AB or 206CC or 206CCA would apply.

In view of the above, if you have not filed tax return for the two preceding years and the TDS/TCS as per Bank's records is or exceeds ₹50,000/- or more, Bank will be under duty to deduct tax at such higher rates. Further, in the absence of PAN, higher rate of TDS/TCS under section 206AA or 206AB or 206CC or 206CCA would apply.

**Please be advised that the aforesaid sections do not apply to Non-Residents (NR) not having Permanent establishment (PE) in India.**

**In view of the above, if you are a Non-Resident corporate, Declaration needs to be submitted to HSBC by 25 Jun 2021 confirming the status of PE in India.**

**For more details on any of our services:**

Call us

Log on to [www.hsbc.co.in](http://www.hsbc.co.in)

Issued by The Hongkong and Shanghai Banking Corporation Limited, India.  
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