

INM Term Deposit Terms and Conditions.

- Maturity amount/interest value will be subject to Tax Deduction at Source (TDS) as applicable from time to time.
- TDS will be deducted in accordance with the provisions of the Income Tax Act, 1961 and the rules there under as in force.
- In the case of 'resident payee' TDS at appropriate rates will be deducted where the aggregate of interest on such deposit(s) credited during the financial year exceeds the threshold amount prescribed by the Income Tax Act, 1961. Such TDS shall be recovered from the designated saving/current/demand deposit a/c(s).
- In absence of any designated account or insufficient funds in the designated account, TDS will be recovered from accrued interest, or the maturity proceeds of the deposit. Please note that if you fail to furnish your PAN / Form 60 (wherever applicable) to us, interest on your fixed deposit would be liable for the Tax Deduction at source at higher rates as per the provisions of S.206AA of the Income-Tax Act, 1961.
- In the case Customer is eligible to submit form 15G/15H as per provisions of the Income Tax Act, 1961 and the rules there under as in force, he/she should do the same at the time of placing of the time deposit or at the beginning of each financial year as applicable, to receive interest without Tax Deduction at Source. For Further information on above, please refer to relevant Account Rules/Terms and Conditions available on www.hsbc.co.in

The Term Deposits will be renewed automatically on maturity unless any specific instruction is received from the accountholder Withdrawal and Renewal of Term Deposits for corporate customers.

Term Deposit below INR 1 Crore

At the request of the Account holder, the Bank shall allow a premature withdrawal of the Term Deposit before the due date subject to the following:

Where the rate of interest on date of placement of deposit for the period for which the deposit remained with the bank (tenor rate) is higher than the contractual rate of deposit (contracted rate), premature penalty will be 1% plus the difference between the tenor rate and contracted rate.

Where the rate of interest on date of placement of deposit for the period for which the deposit remained with the bank (tenor rate) is lesser than or equal to the contractual rate of deposit (contracted ate), premature penalty will be 1%.

No interest will be payable in case of withdrawal of the Term Deposit prior to the minimum deposit tenure offered by the Bank

Term Deposit of INR 1 Crore or above

- At the request of the Account holder, the Bank may, at its discretion, allow a premature withdrawal of the Term Deposit before the due date subject to the following:
- Where the rate of interest on date of placement of deposit for the period for which the deposit remained with the bank (tenor rate) is higher than the contractual rate of deposit (contracted rate), premature penalty will be 1% plus the difference between the tenor rate and contracted rate.
- Where the rate of interest on date of placement of deposit for the period for which the deposit remained with the bank (tenor rate) is lesser than or equal to the contractual rate of deposit (contracted rate), premature penalty will be 1%.
- No interest will be payable in case of withdrawal of the Term Deposit prior to the minimum deposit tenure offered by the Bank

Non-callable deposits (La. deposits without premature withdrawal facility) The Bank shall offer Term Deposits that do not have a premature withdrawal option provided that the amount of a single deposit is above INR 3(Three) crores. Premature withdrawal will not be allowed for non-callable deposits. However, the Bank may allow premature withdrawal of these deposits in the exceptional circumstance such as in the event of any direction from any judiciary /statutory and / or regulatory authorities cases, in case of erroneous placement of deposits by the Bank among others. Premature withdrawal to such deposit will attract premature penalty as described below. In such cases, the premature penalty for non-callable deposits will be equal to the tenor rate of the deposit (with an upper cap to the amount of interest accrued or paid on the deposit). Any interest credited or paid (including IDS payment) till the date of such premature closure may be recovered from the deposit maturity proceeds. Non-Callable deposits cannot be pledged as security/collateral.'

MIBOR/T Bill link deposits - For both Cumulative and Ordinary Term Deposits, the interest is determined using the applicable rate at the time your deposit is placed. If your deposit is linked to the Mumbai Interbank Offer Rate (MIBOR), the interest rate will be adjusted daily, based on the most recent overnight MIBOR available. For deposits linked to other external benchmarks, such as Treasury Bills (T-Bills), the interest rate will be set according to the relevant spread over the latest available T-Bill rate on the date your deposit is made. Please be aware that the interest rates offered are subject to the guidelines issued by the Reserve Bank of India, which may change from time to time.

Important Note:

The maturity amount shown on your TMD Advice for MIBOR-linked deposits is calculated using the interest rate applicable on the day of placement and is provided for reference purposes only.

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