Policy on Bank Deposit

Version 7

September 2026

IndusInd Bank Ltd.
Corporate Office
Mumbai

Version Control

Version	Date Initiated	Change Author	Change Reviewer
1	December 2018	Consumer Banking Product Team	GBO
2	December 2021	Consumer Banking Product Team	GBO
3	December 2022	Consumer Banking Product Team	GBO
4	March 2023	Consumer Banking Product Team	GBO
5	February 2025	Consumer Banking Product Team	GBO
6	July 2025	Consumer Banking Product Team	GBO
7	July 2026	Consumer Banking Product Team	GBO

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PREAMBLE

One of the important functions of the Bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the Banking System. The depositors and their interests form the key area of the regulatory framework for banking in India and this has been enshrined in the Banking Regulation Act, 1949. The Reserve Bank of India is empowered to issue directives / advices on interest rates on deposits and other aspects regarding conduct of deposit accounts from time to time. With liberalization in the financial system and deregulation of interest rates, banks are now free to formulate deposit products within the broad guidelines issued by RBI.

This policy document on deposits outlines the guiding principles behind formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognises the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc., for the benefit of customers. It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this policy, the bank reiterates its commitments to individual customers outlined in the Code of Banks Commitment to Customer adopted by the Bank. This document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions on various deposit schemes and related services will be issued from time to time.

1. TYPES OF DEPOSIT ACCOUNTS:

While various deposit products offered by the Bank are assigned different names. The deposit products can be categorised broadly into the following types. Definition of major deposits schemes are as under: -

i) "Demand deposits" means a deposit received by the Bank which is withdrawable on demand.

ii) "Savings deposits" means a form of interest-bearing demand deposit which is a deposit account whether designated as "Savings Account", "Savings Bank Account", "Savings Deposit Account", "Basic Savings Bank Deposit Account (BSBDA)" or other account by whatever name called which is subject to the restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the Bank during any specified period.

iii) "Term deposit" means an Interest-bearing deposit received by the Bank for a fixed period withdrawable normally after the expiry of the fixed period and include deposits such as Recurring /Short Deposits/ Fixed Deposits/ Monthly Income Certificate / Quarterly Income Certificate, Foreign Currency Non-Resident (FCNR) deposits, Resident Foreign Currency (RFC) deposits etc.

iv) "Current Account" means a form of non-interest-bearing demand deposit where from withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit.

v) Capital Gains Account Scheme: IndusInd Bank has been authorized by the Central Board of Direct Taxes (CBDT) to accept deposits under the Capital Gains Account Scheme (CGAS), 1988, as amended vide Capital Gains Accounts (Second Amendment) Scheme, 2025. It is a facility notified by the Government of India to help taxpayers avail capital gains tax exemption when they are unable to immediately invest the long term capital gains in the eligible asset(s) as specified under the Income Tax Act (Sections 54, 54B, 54D, 54F, 54G, 54GA,and 54GB of the Income Tax Act, 1961).Under CGAS, the taxpayer deposits the unutilized capital gains into a capital gain account. The amount deposited is treated as deemed utilization for tax exemption purposes, provided the customer invests it in the eligible asset within the prescribed timelines.

Types of Accounts under CGAS:

- **Type A – Capital Gain Savings Account**
  Designed for flexible deposits and withdrawals.
- **Type B – Capital Gain Term Deposit Account**
  Fixed tenure deposit, opened **only along with Type A account**.

Eligible Customers

CGAS is available to the following categories **provided capital gains are taxable in India**:

- Resident Individuals
- Non-Individuals
- Non-Resident Indians (NRIs)

2. ACCOUNT OPENING AND OPERATION OF DEPOSIT ACCOUNTS

A) The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) Directions, 2025, as amended from time to time by RBI and Prevention of Money Laundering Act and / or such other norms or procedures adopted by the Bank. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to him and the final decision of the Bank will be conveyed at the earliest to him.

B) The bank is committed to providing basic banking services to disadvantaged sections of the society. Banking services will be offered to them through Indus Small Account and accounts will be opened with relaxed customer acceptance norms as per regulatory guidelines. Basic Savings Bank Deposit Accounts (BSBDA) under Pradhan Mantri Jan Dhan Yojana (PMJDY) will be opened with full KYC - with Officially valid document or with e-KYC as per regulatory guidelines.

As per regulatory guidelines, there is no requirement to maintain a minimum balance in a Basic Savings Bank Deposit Account (BSBDA). The account holder is entitled to basic banking facilities free of charge, including issuance and annual renewal of an ATM/Debit Card, a minimum of 25 cheque leaves per year, access to Internet Banking and Mobile Banking services, and issuance of a passbook/account statement (including duplicate passbooks).

Further, a customer holding a Basic Savings Bank Deposit Account (BSBDA) shall not be permitted to open or maintain any other savings bank deposit account with the Bank. If a customer wishes to open another savings account, the existing BSBDA to be closed or converted into a regular savings account in accordance with applicable regulatory guidelines.

C) The account opening forms and other material would be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and / or for record, it is expected of the Bank official opening the account, to explain the procedural formalities and provide necessary clarifications sought by the prospective depositor when he approaches for opening a deposit account.

D) Customer opening a Current or Savings Account can also avail other banking services such as Debit Card, Mobile Banking, Internet Banking, etc. offered by bank from time to time.

E) The Bank shall undertake Customer Due Diligence (CDD) in accordance with the extant Know Your Customer (KYC) Directions, Prevention of Money Laundering Act (PMLA) requirements and other regulatory instructions issued from time to time.

The Bank shall endeavour to adopt a Central KYC Record Registry (CKYCR)-first approach and, wherever applicable, retrieve and use customer records available in the Central KYC Records Registry (CKYCR) to minimise repeated submission of KYC documents by customers, subject to regulatory requirements and the Bank's due diligence obligations.

The Bank may facilitate account opening and customer onboarding through digital and non-face-to-face channels, including Video-based Customer Identification Process (V-CIP), Business Correspondents (BCs), e-KYC and such other modes as may be permitted by the Reserve Bank of India from time to time.

Periodic updation of KYC records shall be carried out in accordance with the customer's risk categorisation and extant regulatory guidelines. Customers shall be suitably notified regarding KYC updation requirements. Failure to provide the required information or documents within the prescribed

timelines may result in restrictions on account operations and, where required, such other actions as may be permitted under applicable regulatory guidelines.

F) The regulatory guidelines require banks to categorise customers based on risk perception and prepare profiles of customers for the purpose of transaction monitoring. Inability or unwillingness of a prospective customer to provide necessary information / details could result in the bank not opening an account

G) Inability of an existing customer to furnish details required by the bank to fulfil statutory obligations could also result in closure of the account after due notice (s) is provided to the customer

H) For deposit products like Savings Bank Account and Current Deposit Account, the Bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the Bank from time to time. For Saving Bank Account the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for given period. Similarly, the Bank may specify charges for issue of cheques books, additional statement of accounts, duplicate pass book, folio charges, etc. Any subsequent revision in charges shall be transparently communicated to all depositors with a minimum of one month's prior notice. Further, any change in the prescribed minimum balance requirements and the associated charges for non-maintenance shall also be intimated to existing account holders at least one month in advance. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be communicated to the prospective depositor while opening the account.

I) Savings Bank Accounts can be opened for eligible person / persons and certain organizations / agencies (as approved by Reserve Bank of India (RBI) from time to time)

Current Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, Departments of Authority created by Government (Central or State), Limited Liability Partnership, etc.

Term Deposits Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts, Departments of Authority created by Government (Central or State), Limited Liability Partnership, etc.

J) FCRA Savings account and Current account: FCRA Regulation stipulates that Foreign Contribution / Grants needs to be accounted separately and the same cannot be mixed with Local/Domestic funds. A separate Savings and Current accounts are offered to customers to receive funds from "SBI Main FCRA Account, New Delhi Branch" as mandated by MHA notification.

K) "Sweep": The Bank offers auto sweep in and sweep out facility between CASA accounts and Fixed Deposits. The choice of tenors available and quantum / threshold of sweep will be decided by the bank from time-to-time basis the account type being held by the customer.

L) Bulk Deposit: Bulk deposit means a single Rupee term deposit of ₹3 crore and above, as notified by RBI on 07 June 2024.

M) The due diligence process, while opening a deposit account will involve satisfying about the identity of the person, verification of address, satisfying about his occupation and source of income obtaining recent photograph of the person/s opening / operating the account is part of due diligence process. Introduction of the prospective depositor from a person acceptable to the bank may be obtained.

N) In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively declaration in Form No. 60 or 61 as specified under the Income Tax Act / Rules.

O) Deposit accounts can be opened by an individual in his own name (status: known as account in single name) or by more than one individual in their own names (status : known as Joint Account). The Savings Bank Account opened by minor under guardianship including the mother can be operated by such guardian only. The Minor account can also be opened as minor account represented and operated by guardian (natural or legal guardian). Minors above the age of 10 years will also be allowed to open and operate saving bank account independently.

P) Operation of Joint Account – The Joint Account opened by more than one individual can be operated by single individual or by more than one individual jointly. The mandate for operating the account can be modified with the consent of all account holders. A Savings account opened in the name of a minor and operated through a natural / legal guardian can be operated solely by natural/ legal guardian until the minor attains the age of majority.

Q) The joint account holders can give any of the following mandates for the disposal of balance in the above accounts:

(i) Either or Survivor: if the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to either of account holders i.e. A or B, on date of maturity or to the survivor on death of any one of the account holders.

(ii) Anyone or Survivor/s: If the account is in the name of two or more individuals say, A, B & C, the final balance along with interest if applicable, will be paid to any of accountholders i.e. A or B or C, on the date of maturity.

On the death of any one of account holder say A, the final balance along with interest if applicable, will be paid to the surviving account holder(s) i.e. B and /or C as applicable. On the death of any two of account holder say A and B, the final balance along with interest if applicable, will be paid to surviving accountholder i.e. C.

(iii) Former or Survivor: If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to the former i.e. A on date of maturity and to the survivor on death of anyone of the account holders.

(iv) Latter or Survivor: If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to the latter i.e. B on date of maturity and to the survivor on death of anyone of the account holders.

The above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. This mandate can be modified by the consent of all the account holders.

Now if the joint depositors prefer premature withdrawal of deposits in accordance with the mandate of 'Either or Survivor', 'Anyone or Survivor' or 'Former or Survivor', bank may allow premature withdrawal of term deposits to the surviving depositor/s without seeking concurrence of legal heirs of the deceased deposit holder, provided all the depositors have given a specific joint mandate for the said purpose at the time of opening the account or any time subsequently during the tenure of the deposit. In the case of Term Deposits opened through online channels, all depositor(s) are required to visit the branch and submit a duly signed Specific Joint Mandate Form authorising premature withdrawal by the surviving

depositor(s) in the event of the demise of any depositor. This Mandate may be submitted at the time of opening the deposit or subsequently during the tenure of the deposit.

R) At the request of the depositor, the Bank will register mandate / power of attorney given by him authorizing another person to operate the account on his behalf.

S) The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity.

In case of absence of any instructions deposit will be treated as an auto renewal deposit and would be renewed for a similar period as that of matured deposit.

T) Nomination facility is available on all deposit accounts opened by the individuals. Depositors may choose for either simultaneous or successive nominations, as per their preference. Nomination is also available to a sole proprietary concern account. Nomination can be made in favour of upto four individuals only. Nomination(s) so made can be cancelled or changed by the account holder/s any time. While making nomination(s), cancellation or change thereof, it is required to be witnessed by a third party, if nomination is made under thumb impressions. Signatures of the accountholders taken in nomination forms need not be attested by witnesses. Nomination(s) can be modified by the consent of account holder/s. Nomination can be registered in the accounts of Minor, provided the account is operated by the guardian and may also be made in favour of a minor subject to other individual being named appointee(s) (as guardian) during the minority period.

The Bank shall generally encourage customers opening deposit accounts to avail of the nomination facility. In case the person opening the account declines to make a nomination, the Bank shall explain the benefits of the nomination facility. If the customer still does not wish to make a nomination, the Bank shall obtain a declaration to that effect. Where the customer declines to provide such a declaration, the Bank shall record the fact appropriately in its records and proceed with the account opening, provided all other account opening requirements are satisfactorily complied with. Under no circumstances shall the Bank refuse to open a deposit account solely on the ground that the customer has not made a nomination, provided the applicant fulfils all other eligibility and regulatory requirements for opening the account.

U) A statement of account will be provided by the Bank to Savings Bank as well as Current Deposit Account Holders periodically as per terms and conditions of opening of the account. Alternatively, the Bank may issue a Pass Book to Savings Bank account holders, if the customer specifically requests for the Passbook.

V) The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor.

W) Customer maintaining a non -resident accounts with the Bank may convert such accounts into resident accounts upon change in residential status, and vice a versa.

X) The bank shall pay interest on deposits (other than current account deposits) accepted or renewed by them in their domestic, Non-Resident Ordinary (NRO), Non-Resident (External) (NRE) and Foreign Currency (Non- Resident) Accounts (Banks) Scheme {FCNR(B)} deposit account.

Y) Deposits maturing on non-business working day:

i. If a term deposit is maturing for payment on a non-business working day, the bank shall pay interest at the originally contracted rate on the original principal deposit amount for the non-

business working day, intervening between the date of the maturity of the specified term of the deposit and the date of payment of the proceeds of the deposit on the succeeding working day.

ii. In case of reinvestment deposits and recurring deposits, a bank shall pay interest for the intervening non-business working day on the maturity value.

Z) **Prohibition on marking lien against NRE saving deposits:**

The Bank shall not mark any lien, charge, hold, set-off, earmarking or other encumbrance, whether direct or indirect, on balances held in NRE Savings Accounts, except as may be specifically permitted under applicable Regulations.

AA) As per Master Directions – RBI (Interest rate on Deposits) directions, 2025, the Bank shall not offer prize/lottery/free trips (in India and/or abroad), etc. or any other initiative having element of chance for mobilizing deposits. However, inexpensive gifts costing not more than Rupees two hundred and fifty only, which is the amount prescribed by the Indian Banks' Association (IBA) as part of the Ground Rules and Code of Ethics framed by them may, at the bank's discretion, be given to depositors at the time of accepting deposits.

3. EXTENSION OF ALTERNATE DELIVERY CHANNELS TO SAVINGS BANK & CURRENT DEPOSIT ACCOUNT HOLDERS

The bank offers choice of electronic channels to customers for conducting their banking transactions. The choice of electronic channels includes ATM, Internet banking, mobile banking including SMS banking, phone banking, etc. Wherever such electronic facilities are offered as a part of the basic account/product, bank will obtain specific consent of the customers after explaining the risk associated for availing the facility.

The bank may offer its customers with activation and usage based offers through one or more of these channels. Bank can have different offers for different products or client sets basis business requirement from time to time.

4. INTEREST PAYMENTS

i) Interest shall be paid on savings bank account at the rate as decided by bank within the general guidelines issued by the RBI directive from time to time. In accordance with the extant RBI Master Directions – Reserve Bank of India (Interest rate on Deposits) Directions, 2025, interest on rupee savings deposit accounts shall be calculated on the daily product basis and credited at quarterly or shorter intervals.

ii) However, term deposit interest rates are decided by the bank within the general guidelines issued by the Reserve Bank of India from time to time. The Bank may offer additional interest rate on resident term deposits for senior citizens and staff. The bank provides an additional interest rate, over and above the rate of interest mentioned in the schedule of interest on a resident term deposit across all amounts and tenors to its staff / retired staff. Retired staff will be provided with dual benefits of staff rate and senior citizen rate on resident deposits of less than 5 crores. FDs of customer where the FD holder/s become senior citizen during FD tenure, bank will offer additional rate of interest only at the time of renewal. The Bank would also be guided by all applicable Income Tax Rules pertaining to fixed deposits held by Senior Citizens. The benefit of additional interest rate on deposits shall not be applicable for HUF deposits where Karta of HUF is a Senior Citizen. In terms of RBI directives Interest is calculated at quarterly intervals on term deposits and paid at the rate decided by the bank depending upon the period of deposits. Interest on deposits repayable for less than 180 days or where the terminal period is less than specified period, interest shall be paid proportionately for the actual number of days reckoning the year at 365 days. In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at

discounted value. The interest on term deposits is calculated by the Bank in accordance with the formula and conventions advised by Indian Banks ' Association.

iii) Interest on Savings accounts will be paid at Quarterly Intervals i.e. quarter ending 30th June, 30th September, 31st December and 31st March.

iv) The bank will publish retail savings and fixed deposit rates for customer reference. The Bank shall make depositors aware of the annualized yield along with deposit rates. However, Interest rates for high-value deposits applicable on a given day may be published only at the Bank's discretion and / or shared with a customer on need to know basis. RBI guidelines will be considered while offering preferential interest rates on deposits. The Bank retains the right to change the interest rates and credit frequency and have differential rate slabs at its discretion.

v) There is no discrimination of interest paid on the deposits, between one deposit and another of similar amount and period, accepted on the same date, at any of its offices.

vi) Bank has the discretion to refuse multiple deposit booked by splitting of higher deposit amount or bulk deposit to avail better rate.

vii) The rate of interest on deposits will be prominently displayed in the branch premises/Banks Website. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed.

viii) The Bank has statutory obligation to deduct tax at source if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The Bank will issue a tax deduction certificate (TDS Certificate) quarterly for the amount of tax deducted. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year. The declaration in Form 121 u/s 393(6) & 393(7) shall not be valid unless the person furnishes his PAN in such declaration form. In cases without PAN, bank shall deduct TDS at the rate mentioned in the relevant provision of the I.T Act or at the rate in force.

ix) No interest will be paid, in case of premature withdrawal of domestic term deposits, which had remained with the bank for **less than 7 days** of the contracted period. Premature withdrawals before this minimum tenor will result in zero interest payment to the customer. Sweep-in / Partial withdrawal may not be allowed for certain bulk deposits by bank.

x) The maturity amount mentioned on the Recurring deposit confirmation Advice is subject to the payment of all instalments on time. In case of any delay in the payment of scheduled instalments, the maturity amount shall change as penalty will be levied, if applicable.

xi) All transactions, involving payment of interest on deposits shall be rounded off to the nearest rupee for rupee deposits and to two decimal places for FCNR(B) deposits.

xii) **Interest on Current Account Deposits:**

No interest shall be paid on deposits held in current accounts. Provided that balances lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern shall attract interest from the date of death of the depositor till the date of repayment to the claimant(s) at the rate of interest applicable to savings deposit as on the date of payment.

xiii) **Payment of interest on FCNR (B) deposits of NRIs on return to India.**

1. On change of status of a FCNR(B) account holder from non-resident to resident, the account / deposit may be allowed to be continued till maturity at the contracted rate of interest, if desired by the account holder. However, except the provisions relating to rate of interest (and reserve requirements, separate if any) as applicable to FCNR(B) deposit, for all other purposes such deposit should be treated as resident deposit from the date of return of the account holder to India.

2. On maturity, the FCNR(B) deposit should be converted into resident rupee deposits account or Resident Foreign Currency (RFC) account (if eligible), at the option of the account holder and interest on the new deposit (rupee account or RFC account) should be paid at the relevant rate applicable for such a deposit.

3. In case the FCNR(B) deposit is withdrawn before maturity, the provisions of the scheme about levy of penalty would be applicable.

4. Upon return of non-resident Indians to India, penal provisions should not be applied in case of premature conversion of balances held in FCNR(B) deposits into Resident Foreign Currency (RFC) Accounts. If at the time of such conversion, the FCNR(B) deposit has not run for the minimum period, interest at savings bank rate may be paid for such period

5. MINORS' ACCOUNTS

i) Savings Bank account and Term Deposit Account including Recurring Deposit Account can be opened in the name of minor (known as Minor's Account) by the natural guardian or guardian appointed by the court (Legal guardian). Such account will be operated by the guardian on behalf of the Minor.

ii) Minors above the age of 10 years- Bank may allow to open and operate savings bank account independently and shall have the access to the banking deliverables including Debit Card, Cheque Books and Digital Channels similar to a Guardian operated Minor Accounts.

iii) The minors' accounts opened are not allowed to be overdrawn.

iv) On attaining majority on the same day account should be inoperative till the time customer converts the minor account to major with required KYC documents. Thus, banks shall initiate the prior communication to Minor accounts that would attain majority. The erstwhile minor should confirm the balance in his/her account and if the account is operated by the natural guardian / guardian, fresh operational mandate, recent photograph, fresh specimen signature of the erstwhile minor duly verified by the natural guardian would be obtained and kept on record.

v) Bank shall monitor the transactions in the Self Operated Minor Accounts (Age > 10 years but less than 18 years) through necessary System & Process control mechanism as part of its risk mitigation strategy for this customer segment in line with applicable regulatory guidelines. Subject to the Bank's risk management policy and applicable regulatory requirements, the Bank may permit self-operated minors (aged above 10 years and below 18 years) to avail banking facilities such as Internet Banking, UPI, ATM/Debit Card, and Cheque Book facilities. The availability and operation of such facilities shall be governed by the terms and conditions prescribed by the Bank from time to time.

6. ACCOUNT OF ILLITERATE PERSON

The bank may at its discretion open deposit accounts other than Current Accounts of an illiterate person. The account of such person may be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank, also acceptable to the bank. Normally, no cheque book facility is provided for such Savings Bank Account. At the time of withdrawal/repayment of deposit amount

and/or interest, the account holder should affix his / her thumb impression or mark in the presence of the authorized officer who should verify the identity of the person. The Bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The bank official shall explain the terms and conditions governing the account to the illiterate person.

7. ACCOUNT OF VISUALLY CHALLENGED PERSONS

Bank will facilitate opening of Saving Bank accounts as well as Term Deposit accounts of persons with visual impairment. Such accounts will be operated by the accountholder personally. Cheque book facility will be made available. Such accountholders will have to be present before the branch official and affix thumb impression and they will be identified through their photograph to facilitate operations. Bank is also committed in introducing technology banking facilities progressively via ATM & Internet banking in keeping with the availability of supporting technology which will enable visually challenged persons to operate their own accounts.

The Bank does not discriminate against visually impaired customers while providing Banking Services. In the case of visually impaired customers who is literate, Debit card, cheque book, etc. facilities will be given. The Bank official shall explain the terms and conditions governing the account.

8. ACCOUNT OF PERSONS WITH AUTISM, CEREBRAL PALSY, MENTAL RETARDATION & MULTIPLE DISABILITIES

Savings bank and term deposits can also be opened in the name of persons with autism, cerebral palsy, mental retardation and multiple disabilities by the legal guardian appointed by the District Court under Mental Healthcare Act, 2017 or by the Local Level Committees set up under the National Trust for welfare of persons with autism, cerebral palsy, mental retardation and multiple disabilities under Rights of Persons with Disabilities (RPWD) Act, 2016. Legal guardian, so appointed, will furnish Legal Guardianship Certificate.

9. ACCOUNTS OF TRANSGENDER PERSONS

In case of a person claiming to be transgender and needs to open account or to do any banking transaction, the person will be recognized as “Third Gender” and the details shall be accepted in the AOFs/ or other applicable forms as such. The salutation of such person shall be “Mx”. All transgender customers shall be treated equally to other male/ female customers without any discrimination.

10. ADDITION OR DELETION OF THE NAME/S OF JOINT ACCOUNT HOLDERS

The bank may at the request of all the joint account holders allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. However, in no case shall the amount or duration of the original deposit undergo a change in any manner in case the deposit is a term deposit.

11. CUSTOMER INFORMATION

The customer information collected from the customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates. If the bank proposes to use such information, it would be strictly with the consent of the accountholder.

12. SECRECY OF CUSTOMER’S ACCOUNTS

The Bank shall not disclose details / particulars of the customer’s account to a third person or party without the expressed or implied consent from the customer. However, there are some exceptions, viz. disclosure of

information under compulsion of law, where there is a duty to public to disclose and where interest of the Bank requires disclosure.

13. PREMATURE WITHRAWAL OF TERM DEPOSIT

1. **Premature withdrawal is permitted on Callable Deposit, as per extant guidelines of the Reserve Bank of India and other authorities.**

   The Bank shall declare its interest rates including penal rate for premature withdrawal of term deposit. The Bank shall make depositors aware of the annualized yield along with the deposit rate. Customers may also refer the Interest rates of callable deposit available on Banks website for deposit value less than Rs. 5 Crore and Rs. 5 crores and above.

   If the joint depositors prefer to allow premature withdrawals of fixed/term deposits also in accordance with the mandate of "either or survivor", "former / latter or survivor", "anyone of survivors or survivor"; etc as the case may be, the bank may accept provided the joint holders have given a specific joint mandate for this purpose.

2. **No premature withdrawal of deposit booked as non-callable deposit is permitted before the date of its maturity. The Bank shall book below deposits as non-callable deposits:**

   - Deposits placed by the customers with prior intimation on preference as 'non-callable deposit' at the time of booking of deposit.

   The Bank may, in its absolute discretion, permit premature withdrawal of such non-callable deposits in the following cases:

   i. In an exceptional circumstance, if and to the extent permitted by the extant guidelines, rules or regulations issued by the Reserve Bank of India or any other regulatory authorities or court.
   ii. On the death of the depositor, to the deceased's legal heir.
   iii. Applicable interest rate shall be payable on premature withdrawal of such deposit as reduced by way of premature withdrawal penalty as prescribed by the Bank from time to time.
   iv. No interest will however be paid on the withdrawal of a deposit remaining with the Bank for less than 7 days.

   The Bank shall provide a premature withdrawal facility for all term deposits accepted from individuals, whether held singly or jointly, where the deposit amount is **₹1 crore and below**, in accordance with applicable regulatory guidelines. The terms and conditions governing such premature withdrawals, including any applicable penal interest, shall be as prescribed by the Bank from time to time.

   The Bank shall make depositors aware of the annualized yield along with the deposit rate. Depositors need to contact the Branch to understand the interest rates of non-callable deposits of Rs. 5 Crore & above.

3. **Penal interest for premature withdrawal of Term Deposit**

   The Bank shall declare its penal interest rates policy for premature withdrawal of term deposit. The penal interest rates may vary and shall be a function of the deposit product / tenure / run period / customer segment basis Bank's discretion. The Bank shall make depositors aware of the applicable penal rate along with the deposit rate. On partial pre-mature withdrawal, the remaining amount of the deposit will earn interest rate corresponding to the card rate of the residual amount slab as on the date of deposit.

Customer can break their Fixed Deposit prematurely in case of personal emergency or for any other business/personal requirement. Interest shall be paid at the rate applicable on the date of deposit for the amount and period, for which the deposit remained with the bank and not at the contracted rate. The bank can waive off penal charges on request at its discretion.

Premature Fixed Deposit withdrawal are broadly categorized into two types, either partial or complete

Partial Premature withdrawal: Bank allows customers to make partial withdrawal from fixed deposits. Fixed Deposit can be partially withdrawn multiple times by the customer due to fund exigency by the customer.
Complete Premature withdrawal: Bank allows complete withdrawal of the amount in the fixed deposit before maturity date.

14. PREMATURE RENEWAL OF TERM DEPOSIT

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, the bank will permit the renewal at the applicable rate on the date of renewal. Upon premature closure for the purpose of renewal, interest for the completed period shall be paid at the rate applicable on the original date of deposit for the period the deposit was actually held with the Bank, and not at the contracted rate. The Bank may also levy a penalty for premature closure, as per its policy in force from time to time.

- **Premature encashment / penalties on premature withdrawal of NRE deposit for conversion to RFC account:**

    1. If the NRE deposit has not run for a minimum stipulated maturity period (presently 1 year), no interest should be paid.

    2. In the case of premature withdrawal of NRE term deposits for conversion into Resident Foreign Currency (RFC) Account, no penalty should be levied for premature withdrawal. If such a deposit has not run for a minimum period of 1 year, the Bank may, at its discretion, pay interest at a rate not exceeding the rate payable on savings deposits held in RFC accounts, provided the request for such a conversion is made by the NRE account holder immediately on return to India.

    3. The facility of premature withdrawal of NRE / FCNR(B) deposits shall not be available where loans against such deposits are / are to be availed of. This requirement should be specifically brought to the notice of the deposit holder at the time of sanction of the loan. The existing loans which are not in conformity with the above instructions may be continued for their existing term and should not be rolled over/renewed.

- **Premature encashment / penalties on premature withdrawal of NRE deposit for conversion to FCNR(B)**

    1. If the NRE deposit has not run for a minimum stipulated maturity period (presently 1 year), no interest should be paid.

    2. Penalty, if any applicable for pre-mature withdrawal should also be charged when NRE deposit is prematurely withdrawn for conversion into FCNR(B) deposit or vice versa.

    3. The facility of premature withdrawal of NRE / FCNR(B) deposits shall not be available where loans against such deposits are / are to be availed of. This requirement should be specifically brought to the notice of the deposit holder at the time of sanction of the loan. The existing loans which are not

in conformity with the above instructions may be continued for their existing term and should not be rolled over/renewed.

- **Conversion of FCNR(B) accounts of returning Indians into RFC accounts/resident rupee accounts.**

1. On change of status of a FCNR(B) account holder from non-resident to resident, the account / deposit may be allowed to be continued till maturity at the contracted rate of interest, if desired by the account holder. However, except the provisions relating to rate of interest (and reserve requirements, separate if any) as applicable to FCNR(B) deposit, for all other purposes such deposit should be treated as resident deposit from the date of return of the account holder to India.

2. On maturity, the FCNR(B) deposit should be converted into resident rupee deposits account or Resident Foreign Currency (RFC) account (if eligible), at the option of the account holder and interest on the new deposit (rupee account or RFC account) should be paid at the relevant rate applicable for such a deposit.

3. In case the FCNR(B) deposit is withdrawn before maturity, the provisions of the scheme about levy of penalty would be applicable.

4. Upon return of non-resident Indians to India, penal provisions should not be applied in case of premature conversion of balances held in FCNR(B) deposits into Resident Foreign Currency (RFC) Accounts. If at the time of such conversion, the FCNR(B) deposit has not run for the minimum period, interest at savings bank rate may be paid for such period.

15. RENEWAL OF OVERDUE TERM DEPOSITS

The fixed deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on maturity. In the absence of any such instructions, deposits will be treated as with an auto renewal option and would be renewed for a similar period as original deposit at the rates prevailing on the date of renewal for the period for which the deposit is renewed. This renewal process will continue till further instructions from depositor. If a Fixed Deposit Receipt matures and the proceeds remain unpaid, the unclaimed amount will attract the rate of interest applicable to savings accounts or the contracted rate of interest on the matured term deposit, whichever is lower.

The following deposits shall not be eligible for auto-renewal:

- Tax Saver Fixed Deposits
- Fixed Deposits booked without premature withdrawal facility
- Recurring Deposits

16. ADVANCES AGAINST DEPOSITS

1. The Bank may consider request of the depositor/s for loan / overdraft facility against term deposits after execution of necessary security documents.
2. Third Party/Tax Saver FD/ FD held by minors is not allowed for advance facility.
3. No advance will be given against Tax Saver Deposit, and Recurring Deposit

17. DECEASED DEPOSIT ACCOUNT

a. Settlement of dues

i) If the depositor has registered for Simultaneous nomination with the Bank; – the balance outstanding in the account of the deceased depositor will be transferred to the account of / paid to the nominee(s) in the proportion in which it was declared by the customer after the Bank satisfies about the identity of the nominee, etc.
If the depositor has registered for Successive nomination with the Bank; – the balance outstanding in the account of the deceased depositor will be transferred to the account of / paid to the nominee placed higher in the order of priority after the Bank satisfies about the identity of the nominee, etc.

ii) The above procedure will be followed even in respect of a joint account where nomination is registered with the Bank.

iii) In the case of a joint deposit account with or without survivorship clause, the nominee's right arises only after the death of all the depositors.

iv) In a joint deposit account, when one of the joint account holders dies, the Bank is required to make payment jointly to the legal heirs of the deceased person and the surviving depositor(s). However, if the joint account holders had given mandate for disposal of the balance in the account in the forms such as “either or survivor, former / latter or survivor, anyone of survivors or survivor; etc., the payment will be made as per the mandate to avoid delays in production of legal papers by the heirs of the deceased.

v) The survivor(s)/nominee(s) would be receiving the payment from the Bank as a trustee of the legal heirs of the deceased depositor, i.e., such payment to him / them shall not affect the right or claim which any person may have against the survivor(s)/nominee(s) to whom the payment is made.

vi) In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person against application, indemnity and Noc from all legal heirs or the person mandated by the legal heirs to receive the payment on their behalf without insisting on legal documents up to the minimum threshold limit of Rs.15 lacs as prescribed by the Reserve Bank of India. This is to ensure that the common depositors are not put to hardship on account of delays in completing legal formalities. For the claim over the prescribed limit the necessary legal formalities as prescribed by the Bank from time to time need to be completed.

vii) Probate of Will or Letter of Administration or Succession Certificate or Court order / decree, as applicable must be submitted for all those cases irrespective of the amount, where there are contesting claims or dispute amongst the legal heir(s) and / or the beneficiaries names in the Will of the deceased depositor and where all legal heirs do not join in indemnifying the Bank and those cases where the Branch has reasonable doubt about genuineness of the claimant(s) being the only legal heir(s) of the depositor.

viii) The Reserve Bank of India has issued detailed guidelines on the settlement of claims in respect of deceased customers with the objective of simplifying and standardising the claim settlement process and improving customer service. In line with the applicable regulatory guidelines, the Bank shall make available on its website the prescribed documentation requirement and claim forms for settlement of claims under various scenarios involving deceased customer.

ix) In accordance with the Reserve Bank of India (Settlement of Claims in respect of Deceased Customers of Banks) Directions, 2025, the Bank shall:

- Settle deposit claims within 15 calendar days from the date of receipt of all prescribed and complete documentation from the claimant.

- Pay compensation by way of interest at the rate of Bank Rate plus 4% per annum for any delay in settlement attributable to the Bank.

- Communicate the date for inventory of locker contents/articles held in safe custody within 15 calendar days of receipt of a complete claim. Where the Bank fails to communicate the inventory date within the stipulated period, it shall pay a penalty of ₹5,000 per day to the claimant for the period of delay.

- Use the standardized claim forms prescribed under Annexures I-A to I-H of the RBI (Settlement of Claims in respect of Deceased Customers of Banks) Directions, 2025, for processing and settlement of claims.

b. Time norms for settlement of claims

Claims in respect of deposit accounts of a deceased customer will be settled within a period not exceeding 15 calendar days from the date of receipt of all the required documents associated with the claim from the claimant(s) subject to the production of proof of death of the depositor and suitable identification of the claimant(s) to the Bank's satisfaction.

c. Premature Termination of Term Deposits

In the event of the death of the depositor(s), premature termination of term deposits would be allowed to the nominee(s) / survivor(s) / legal heirs depending upon the terms of contract at the time of obtaining the deposit. The settlement of claims will be subject to production of satisfactory documents from the claimants. Such premature withdrawal will not attract any penal interest.

d. Interest Payable on Term Deposit

In case of a term deposit standing in the name/s of a deceased individual depositor, two or more joint depositors, where one of the depositors has died, interest shall be paid in the manner indicated below:

i) On the maturity of the deposit at the contracted rate.

ii) In case of premature withdrawal (i.e., in the event of the payment of deposit being claimed before the maturity date), the bank will pay interest at applicable rate with reference to the period for which the deposit remained with the Bank without charging penalty.

iii) In case of deposit being claimed after the date of maturity, the bank will pay interest to the legal heirs at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the bank will pay interest at Savings deposit rate equivalent on the date of payment, for the period for which the deposit remained with the bank beyond the date of maturity, as per the Bank's policy in this regard.

iv) Tax would be deducted at source from interest payable on term deposits in deceased account at prevailing rate as per guidelines defined in income tax Act, 1961 and amended from time to time.

e. Settlement of Missing Persons Claims

As per Bharatiya Sakshya Adhiniyam, 2023 (section 110 and 111) presumption of death can be raised only after a lapse of seven years from the date of person reported as "missing". As such, nominee / legal heirs have to raise an express presumption of death of the customer, under section 110 / 111 of the Bharatiya Sakshya Adhiniyam, 2023 before a competent court. If the court presumes that he / she

is dead, then the claim in respect of a missing person can be settled with consultation of Legal department of Bank. For claims not exceeding ₹1 lakh, an FIR and non-traceable report from the police may be accepted in lieu of a court order presuming death.

18. INSURANCE COVER FOR DEPOSITS

All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions as under:

"The DICGC insures all deposits such as savings, fixed, current, recurring, etc. Each depositor in a Bank is currently insured up to a maximum of Rs.5,00,000/- (Rupees Five Lakhs only) for both principal and interest amount held by him in the same right and same capacity as on the date of liquidation/cancellation of Bank's licence or the date on which the scheme of amalgamation/ merger/ reconstruction comes into force".

19. STOP PAYMENT FACILITY

The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, as specified, will be recovered.

20. SERVICE CHARGES

All the new accounts opened would contain a leaflet detailing various types of Services & Charges being levied by the bank for any of the services availed. An updated service & fees leaflet is also made available to all customers at the branch / website for reference at any point of time. Any change in service & fees will be communicated one month in advance to all customers before effecting the change.

All customers will be communicated regarding the balance requirement up-front at the time of opening an account with the bank. If the customer fails to maintain the required minimum balance in his/her savings account, the bank notifies the same to customer. The communication states that in the event of the minimum balance not being restored in the account within the next 30 days from the date of notice, service charges will be levied. In case the balance is restored within given notice period, no charges are levied, else the bank debits the applicable charges from the customer's account. AMB charges defined by the bank are directly proportionate to the extent of shortfall in the saving account. Bank also ensures that the account balance is not turned into negative due to the levy of AMB charges.

21. INOPERATIVE (DORMANT) ACCOUNTS

Accounts which are not operated for one year will be tagged as inactive account in the interest of depositor as well as the Bank. An intimation letter or email or SMS (if the email and mobile number are registered with the Bank) will be sent to the account holder informing them that the account is not operated and requesting them to provide a reason for the same or operate the account. The depositor will be informed of charges, if any, which the Bank will levy on inactive accounts.

Accounts which are not operated for a period of 24 months will be marked as dormant account in the interest of the depositor as well as the Bank. The depositor can request the Bank to activate the account for operating it. The Bank will not levy any charges for dormancy / activation of such accounts.

Accounts that have not been operated for over 10 years will be classified as **unclaimed deposits**. The Bank shall display the details of unclaimed deposits on its website and update the same monthly.

The Bank will transfer the balances of all such unclaimed accounts to the Depositor Education Awareness (DEAF) Fund of RBI whenever the window is opened during the month along with the interest accrued thereon on the interest-bearing accounts.

The depositor would, however, be entitled to claim from the Bank his/her deposit or any other unclaimed amount or operate his/her account after the expiry of ten years, even after such amount has been transferred to the Fund. The Bank shall settle the claim of the depositor/claimant in accordance with the applicable regulatory guidelines and thereafter claim reimbursement of the amount from the Fund. Interest, wherever applicable, shall be paid to the depositor/claimant in accordance with the extant RBI guidelines.

22. SAFE DEPOSIT LOCKERS

This facility is not offered through all bank branches and wherever the facility is offered, allotment of safe deposit vault will be subject to availability and compliance with other terms and conditions attached to the service. Safe deposit lockers may be hired by an individual (being not a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts etc. Nomination facility is available to individual(s) holding the lockers with operating instructions as singly, jointly “Either or Survivor”/” Former or Survivor”/” Anyone or Survivors”/” Latter or Survivor” mandate. The locker hirers may opt for Successive Nominations upto 4 nominees. The access to the lockers in the event of death of one or all the locker hirer(s) will be provided to the nominee placed higher in the order of priority after the Bank satisfies about the identity of the nominee, etc. In respect of lockers held in joint names with operating instructions as “Either or Survivor”/” Former or Survivor”/” Anyone or Survivors”/” Latter or Survivor” mandate, in the event of death of one but not all the locker hirer(s), access to the locker will be provided to the survivor(s). In respect of lockers held in joint names with the instructions to operate it under joint signatures, in the event of the death of any of the locker hirers, access to the locker to remove the contents will be provided jointly to the nominee(s) and survivor(s). In the absence of nomination or mandate for disposal of contents of lockers, with a view to avoid hardship to common persons, if no Will is left behind by the deceased locker hirer, the bank will release the contents of locker to the legal heirs identified basis the Legal Heir Certificate or Affidavit by an independent person who is well known to the family of the deceased, is not a party to the claim and is acceptable to the Bank.

The Safe Deposit Locker facility shall be governed by the Reserve Bank of India (RBI) Guidelines on Safe Deposit Locker/Safe Custody Article Facility provided by banks, issued vide circular dated 18 August 2021, and subsequent amendments issued from time to time, including the provisions of the RBI (Commercial Banks - Responsible Business Conduct) Directions, 2025 (as updated from time to time).

- The Bank and the locker hirer shall execute the prescribed revised locker agreement in accordance with the applicable RBI guidelines.

- The Bank shall provide SMS and/or e-mail alerts to the locker hirer on each occasion of locker access and shall maintain appropriate records and controls relating to locker operations.

- In the event of non-payment of locker rent, abandonment of the locker, or any other circumstance permitted under applicable law and regulatory guidelines, the Bank may initiate the break-open procedure after giving the requisite notice to the locker hirer and following the prescribed process.

- The Bank shall have in place a Board-approved policy governing its liability for loss or damage to locker contents arising from its negligence. In cases involving fire, theft, burglary, robbery, dacoity, building collapse, or fraud committed by the Bank's employees, the Bank's liability shall be limited to an amount equivalent to one hundred times (100×) the prevailing annual rent of the safe deposit locker, as prescribed by RBI guidelines.

- The Bank may, at the time of allotment of a locker, obtain a Term Deposit from the customer as security for recovery of locker rent and charges for breaking open the locker, subject to the conditions and limits prescribed by RBI and the Bank's policy from time to time.

23. PRODUCT APPROVAL PROCESS

The Bank while introducing any new product / service, will have customer at the centre of our consideration and will focus mainly on areas like Customer Service, Product Quality and Product Efficiency. While approving any product / service, Bank shall identify the risks associated with the product and ensure that appropriate policies and procedures are put in place prior to launch of the product.

In addition to the basic product features, the bank may offer customized product benefits and offers to specific set of client's basis business requirement with an activation/ continuity / program criteria clause, which will be subject to a defined time frame as applicable.

24. EXCHANGE OF SOILED / MUTILATED NOTES

The bank accepts mutilated / soiled notes from customers / non-customers for exchange. Process of acceptance of such notes has been defined as per RBI's note refund rules and circulated to all the branches for adherence. All branches of the Bank offer the facility of exchange of soiled notes, coins, exchange of mutilated and cut notes. The process of exchange would be as per RBI's Note Refund Rules.

25. ANNUAL SURVEY OF DEPOSITOR SATISFACTION

The Bank conducts ongoing survey to access customer satisfaction and the findings are shared with the Customer Service Committee of the Board.

26. REDRESSAL OF COMPLAINTS AND GRIEVANCES

The Bank has put in place a Board-approved Grievance Redressal Policy for addressing customer complaints and grievances. Customers may lodge their complaints through the various channels made available by the Bank from time to time.

Detailed information regarding the complaint handling process, escalation matrix, contact details of designated officials, and the grievance redressal mechanism is available in the Bank's Grievance Redressal Policy hosted on the Bank's website at www.indusind.bank.in

27. Policy Review Frequency:

The Policy will be reviewed annually or in case of any modifications arising due to legislative/regulatory changes, to the Policy from time to time till the next review.

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