

## Mahindra Finance Fixed Deposit

### Frequently Asked Questions– FAQs

#### **1. How to purchase Mahindra Finance Limited FD online from [www.icicidirect.com](http://www.icicidirect.com)?**

You may logon to [www.icicidirect.com](http://www.icicidirect.com) with your login id & password, click on "FD/Bonds"& select **Mahindra Finance Fixed Deposits**.

#### **2. What are the schemes of deposits available?**

You have the option of opening/renewing the fixed deposits under either of the cumulative or non cumulative scheme. Under the non cumulative scheme, interest would be paid on monthly, quarterly, half yearly and annual basis depending on the scheme subscribed by you as depositor. In cumulative deposits, interest is added to the deposit amount and the principal as well as the accumulated interest is paid to the customer on maturity.

#### **3 . What is the difference between a Non cumulative deposit and a Cumulative deposit?**

In Non cumulative scheme, interest is payable on half yearly basis. The scheme will be convenient for persons like pensioners, who require periodical interest payment. In Cumulative deposit scheme, interest is payable at the time of maturity along with the principal. This scheme is suitable for persons who do not require periodical interest payment and this can be thought of as a money multiplier scheme.

#### **4. What is the minimum deposit amount for Cumulative Deposit & Non cumulative Deposit?**

The minimum deposit for the Cumulative deposit scheme is Rs.5,000/- and under the Non cumulative scheme is Rs.50000/-Yearly, Rs.25,000/- half yearly and Rs.50,000/- quarterly,150000 Monthly schemes.

#### **5. Who can open FD account with Mahindra Finance Company Limited?**

##### **Online Facility:**

Resident Individual holding a 3-1 ICICIdirect.com account can invest on Mahindra Finance Fixed Deposits.

##### **Offline Facility:**

Through the Offline mode

- a. Any Resident Individual
- b. HUF
- c. Domestic Company
- e. Firms
- f. Trusts
- g. Association of Person

**6. Is there extra interest rate for senior citizens?**

Yes. 0.25% extra interest rate applicable for senior citizens.

**7. Can I have joint account/s?**

Yes, maximum in the names of three persons payable to "Anyone or Survivor" or "No.1 or Survivor". ANYONE OR SURVIVOR (A OR S) - The deposit receipt can be discharged by anyone of the depositors on maturity. For premature payment & loan all the depositors' signatures are required.

**8. Do you offer monthly interest on one/two year deposits?**

No. Interest is payable on half yearly basis

**9. What are the modes by which interest is paid?**

Interest is directly credited to the bank account via ECS

**10. What is the Bank on which your Interest Warrants are drawn?**

HDFC Bank, Mumbai payable at Par at all HDFC branches in India without any charges

**11. Can you send the Interest warrants favoring the second depositor?**

No. Interest will be paid to the first depositor only.

**12. When will interest be credited in non cumulative scheme?**

Interest will be credited on 30th Sep and 31st Mar of every financial year during the FD tenure

**13. What happens if the interest rate comes down during currency?**

No change since we are obliged to pay the contracted rate till its maturity as per current rules.

**14. What happens if the interest rate goes up during currency?**

It depends upon the Directives of the Reserve Bank of India. If RBI is specific that the increase should bear prospective effect from a particular time, it cannot be done automatically. The revised rates will apply only to fresh deposits and renewals. However, the benefit of the revision can be passed on to the existing depositors by a process of 'Premature renewal' subject to RBI rules.

**15. What is the maximum number of joint depositors?**

Three

**16. Will Income Tax be deducted at source from interest?**

It is obligatory on our part to deduct income tax at source if the estimated annual interest paid/credited on a deposit account exceeds Rs.5000. However, Non Assesseees (individuals, HUF, Trust) can avoid such deduction by furnishing a self-declaration in Form 15G/15H.

**17. Can you open more than one account in the same order of names?**

No. All deposits held in the same name, or in the same order of names (in case of joint deposits) are required to be clubbed together for the purpose of calculation of income tax

**18. What is Form 15G/15H - Where do I get it from?**

Form 15G/15H is a self declaration by the depositor which can be obtained from the Products and Services Sections in the Login Section.

**19. What is the difference between form 15G and form 15H?**

Declaration in the Form 15G can be made by an individual or a person (not being a company or firm). Hence, a company or Firm cannot submit declaration in the Form 15G or in the Form 15H.

Form 15G is meant for Resident Individual who is below 60 years of age. 15H is meant for individuals i.e. for a Senior Citizen i.e. Individual who is of 60 years of age or more during the financial year.

Eligibility for 15G/H if in case of individuals:-

**Form 15G:**

- The Individual should be less than 60 years of age at the time of furnishing the declaration.
- The total income during the financial year (i.e. year 2018-19) should not exceed the basic exemption limit as per income tax ie. Rs.2,50,000/-. If the total income during the financial year exceeds or is likely to exceed Rs. 2,50,000/- then the individual cannot submit Form 15G.

**Form 15H:**

- If the individual is 60 years but less than 80 years of age, then the total income during the financial year (i.e. year 2018-19) should not exceed the basic exemption limit as per income tax ie. Rs. 2,50,000/-
- If the individual is 80 years of age or more, then the total income during the financial year (i.e. year 2018-19) should not exceed the basic exemption limit as per the income tax ie. Rs. 5,00,000 /-.

Eligibility for 15G if in case of persons other than Individuals:

15G can be submitted by a HUF, Association of persons, Body of individuals & Artificial Juridical Persons, if the total income during the financial year does not exceed the basic exemption limit as per the income tax ie. Rs. 2,00,000/- for FY 2018-19

**20. Is it not enough to furnish the Form once at the time of placing the deposit?**

No. Since there may be changes in the Income Tax laws, the Form 15G/15H is required at the beginning of each financial year or at the time of deposit, where applicable

**21. What type of certificate do you give for the Tax deducted at source?**

For the tax deducted at source ,Tax deduction certificates in the prescribed form 16A,giving details of the interest remitted to govt .etc. will be sent on quarterly basis if the deposit is under quarterly scheme , half yearly basis for deposit under half yearly scheme and at the end of the year in case of cumulative deposits.

**24. In case I need money urgently, can I withdraw the deposit?**

RBI directions prohibit us from allowing withdrawal of deposits within 3 months from the date of deposit renewal.

**25. Can I withdraw the deposit after 3 months?**

Yes- Premature withdrawal can be done after 3 months from the date of deposit/renewal as per the Directions of Reserve Bank of India and the terms and conditions of the Company in force from time to time.

**26. Can you pay the premature proceeds favouring the second/third depositor?**

No. Premature payments will be made to the first depositor only.

**27. Will you pay back the deposit in cash?**

No

**28. Can you send the payments direct to my bank, under an advice to me?**

Yes

**29. Will you allow a loan on the deposit?**

As per RBI's directives, we are allowed to grant loan upto 75% of the deposit amount after 3 months from the date of deposit.

**30. What is the rate of interest chargeable for loans?**

2% over and above the contracted rate of interest.

**31. If the sole depositor dies, what are the documents required?**

Attested copy of Death Certificate, Term Deposit Receipt, Will or testamentary disposition, if any, or An attested copy of Legal Heirship Certificate issued by a Tahsildar/Coporation.

**32. Do you accept NRI deposits?**

Mahindra Fiannce accepts deposits From NRI on a non-repatriation basis. In case of RBI notification "RBI/2004/179 A.P (DIR Series) Circular NO.89 dated on April 24, 2004", deposits by NRIs with person other than Authorized dealers/Authorized Bank by debit to NRO Accounts may continue as hitherto provided that the amount deposited with such entities does not represent inward remittances or transfer from NRE/FCNR (B) Account into the NRO account.

**The terms and conditions governing the NRI deposits are given under** Acceptance of deposits can be made only by Indian Rupee through NRO account. NRI Deposits shall be accepted only through payments made from the depositors NRO A/c in India.

Deposits with funds transferred From NRE or FCNR (B )A/c will not be accepted. NRI Deposits shall not be accepted by any inward remittance from overseas

The NRI deposits have given the following declaration:

The amount deposited with Mahindra & Mahindra Financial Services Ltd. represent amount transferred from NRO account .Further this amount does not represent inward remittance from overseas to NRO account or transfer of fund from NRE/FCNR(B) account to NRO account.

The depositor has to furnish his NRO bank account no as both the principal and the interest shall be credited to the depositor s NRO bank a/c only

Tax will be deducted at the rates prescribed by the income tax law in force from time to time from the interest amount irrespective of the quantum of interest.

33. Is the Senior Citizen Interest Rate visible in the FD/Bonds Portfolio?

No, the Senior Citizen interest rate is not available on the FD/Bonds Portfolio.

Only the Base rate is visible on the FD/Bonds portfolio, on the e-receipt the customers can view the actual interest rate on their Corporate FD receipt.

34. Apart from Online Nomination, do I have to submit the physical Nomination form as well?

No, if during placing the online order, the Nomination is completely filled in, there is no necessity of sending the Physical nomination form.

35. While submitting Form 15 G/ 15 H what are the documents required along with it?

There is not documentation required along with Form 15 G/H.

**All communications with regard to Fixed Deposit should be addressed to the Fixed Deposit Processing Center at the address mentioned below:  
FIXED DEPOSIT PROCESSING CENTRE Mahindra & Mahindra Finance Ltd:**

15, Arcot Street, Oppsite M.G.R. Memorial House, T. Nagar, Chennai-600017  
Tel.: 044-24320911/044-24320711  
Toll Free No.: 18002335678

Email : [mfinfd@mahindra.com](mailto:mfinfd@mahindra.com)

**NOTE:**

*This FAQ is only meant to clarify certain basic questions on Fixed Deposit scheme. The information given is included only for general purpose and the depositors should be aware that the relevant rules, regulations, or their interpretation might change. We strongly advise depositors to contact our Call Centre/MAHINDRA FINANCE COMPANY LIMITED branches/Registrar for any additional information/clarifications. Please read the terms & conditions, Financial statements & Declarations available on [www.icicidirect.com](http://www.icicidirect.com) before investing in MAHINDRA FINANCE COMPANY LIMITED FD. ICICI Securities Ltd. acts as a referral agent to MAHINDRA FINANCE COMPANY LIMITED. and the offer is brought to you by MAHINDRA FINANCE COMPANY LIMITED subject to fulfillment of eligibility criteria, terms and conditions etc.*