

Guidelines for Premature Withdrawal of Fixed Deposit

Fixed deposit is a preferred investment option for investors seeking guaranteed returns on their investment. Investor/Depositor can invest a lump sum amount in a fixed deposit, which helps Investor to earn interest.

Bajaj Finance Ltd. (“BFL”) accepts fixed deposit, offering attractive interest rates, flexible tenors, periodic payout options, along with facilities for multi-deposit, auto-renewal, FD with debit card and hassle-free online FD process.

As per Master Direction DNBR.PD.002/03.10.119/2016-17 updated as on February 22, 2019, fixed deposit can be repaid after three months from the date of its acceptance, however, the investor shall get interest as follows:

No withdrawal before 3 months: When investing in a fixed deposit with a non-banking financial company, there is a minimum lock-in period of 3 months. Thus, depositor cannot liquidate his/her FD before 3 months. However, in case of death of the depositor, the fixed deposit amount can be repaid prematurely, even within the lock – in period, to the surviving depositor/s in the case of joint holding with survivor clause, or to the nominee or the legal heir/s of the deceased depositor, on the request of the surviving depositor/s/nominee/legal heir, and only against submission of proof of death and requisite documents, to the satisfaction of BFL.

Withdrawal between 3-6 months: No interest will be paid if Investor/Depositor withdraws his/her FD between this period.

Withdrawal after 6 months but before the date of maturity: In case Investor/Depositor choose to prematurely liquidate FD after 6 months, the interest payable is 2% lower than the interest rate applicable to a public deposit for the period for which the public deposit has run.

In case no rate has been specified for that period, the interest rate payable is 3% lower than the minimum interest rate at which public deposits are accepted by the non-banking financial company.

In case of urgent financing needs, BFL also offers instant online [loan against fixed deposit up to seventy-five percent of the amount of public deposit](#) after the expiry of three months from the date of deposit, at a rate of interest two percentage points above the interest rate payable on the deposit so that Investor/Depositor can fund his/her requirements easily. Invest in a Bajaj Finance FD to make Investor/Depositor’s savings grow steadily and securely.