

FAQs on Recurring Deposit

1. What type of account it is?
Recurring Deposit (RD) Account is a combination of fixed deposit and saving product for those individual customer who prefers to save money periodically from their monthly saving for defined period of time.
2. Who can open this account?
All Nepalese individual customers including minors are eligible to open this account.
3. Can existing saving account holders open this account?
Yes, existing account holders can easily open RD account. Whereas for new customers, they must have to open saving account first to enjoy RD account.
4. What is the Eligible amount of deposit?
The minimum or eligible amount of installment is Rs 500 and thereafter in multiple of Rs 500 per month.
5. What is the minimum and maximum period of deposit?
The minimum period of deposit is 3 months and maximum is 10 years.
6. Does the customer need to fill up any additional form to open this account?
Yes, customer need to fill up an additional form to provide certain detailed information regarding monthly installment, tenure and debit date.
7. Can customers choose their own debit amount date?
Yes, customers can choose their own debit date as per their convenient.
8. Does customer need to bear any charges for Standing Instruction (SI) in this account?
No any charges are applied while placing SI to open this account for monthly transfer from saving account to recurring account of account holders.
9. What are the various features of account?

Features of Recurring Deposit Account is as below:

Particulars	Feature
Eligible amount for Monthly Installment	NPR 500 per month (and in multiple of Rs. 500 thereafter)
Tenure	3 months
	6 months
	1 Year
	3 Year
	5 Year

	7 Year
	10 Year
Age Group	All (including minor, but only for Nepali Nationals)
Interest Rate	9.25 % per annum
Lump sum Deposit (at any time)	By using Internet Banking/ Mobile Banking or through counter with multiple of NPR 500.
Interest Calculation	Daily
Interest Capitalization Cycle	Quarterly
Other Charge	Applicable Charge as per STC
Loan Overdraft	Up to 90% of total amount.
Overdraft Interest Rate	Recurring deposit interest rate plus 3% or Base rate whichever is higher.
Premature withdrawal	Procedure shall be same as in case of premature liquidity of FD

10. Is there any Penalty in default Payment?

No any penal charges for default of monthly installment.

11. Can customer change/alter monthly installment amount once its fixed?

- The monthly installment amount once fixed cannot be altered at any later date.
- But at any time, the customer can deposit additional amount apart from regular monthly installment with multiple of NPR 500 through Internet Banking/ Mobile Banking or over the counter in this account.

12. Are customers allowed to enjoy Mid- term or partial withdrawal facility?

No, customers are not allowed for mid-term or partial withdrawal.

13. What will be the premature closure penalty?

Premature withdrawal is not encouraged. But in some special cases, the premature withdrawal applicable rate shall be same as in case of premature liquidity of FD.

14. Can customer enjoy overdraft facility?

Yes, customer can enjoy Overdraft facility up to 90% of total accumulated amount with additional 3% or base rate whichever is higher.