

Effective date: 20th February 2026

Terms and Conditions for Capital Gains Account Scheme

These Terms and Conditions (“T&Cs” or “Terms”) govern the operation of the Capital Gains Account offered by IndusInd Bank in India and define the overall relationship, including all transactions related to the opening, maintenance, and operation of the Account (as detailed below) between the Customer (as defined below) and IndusInd Bank Limited (“IndusInd Bank” or “Bank”), having its registered office at 2401, Gen. Thimmayya Road, Pune – 411001, India.

The Account is specifically intended to park capital gains until deployed for eligible investments to claim exemption under Sections 54, 54B, 54D, 54F, 54G, 54GA, and 54GB of the Income-tax Act, 1961.

These Terms are in addition to IndusInd Bank’s standard terms applicable to savings and term deposits or other such terms and conditions whether pertaining to the Account, and/or in relation to other products, services or offers provided by IndusInd Bank from time to time.

1. Key Definitions:

For the purposes of these Terms, the following shall have the meanings assigned to them hereunder, unless the context otherwise requires:

1.1. “CGAS” or “Scheme”

Refers to the *Capital Gains Accounts Scheme, 1988*, as notified under the Income-tax Act, 1961, and shall include all subsequent amendments, circulars, and notifications issued by the Government of India or any competent authority from time to time.

1.2 “Account”

Denotes the deposit arrangement maintained with IndusInd Bank under the Scheme and shall comprise:

(a) **Type A – Capital Gains Savings Account**, and/or

(b) **Type B – Capital Gains Term Deposit Account**,

collectively forming the “Account” for the purposes of the Scheme.

1.3 “Depositor” or “Customer”

Means any individual, Hindu Undivided Family, or any other person or entity eligible under the Scheme (and includes his/her heirs, executors, legal representatives, as applicable) to deposit capital gains and assessed to tax in India in accordance with the provisions of the Income-tax Act, 1961.

1.4 “Forms”

Refers to the prescribed forms under the Scheme, or related thereof, including but not limited to:

- **Form A** – Application for opening an Account
- **Form B** – Application for conversion of Account Type
- **Form C** – Application for withdrawal
- **Form D** – Account Utilization Report
- **Form E** – Nomination Form
- **Form F** – Cancellation or change of nomination
- **Form G** – Application for closure of Account by the depositor
- **Form H** – Application for closure of Account by nominee or legal heir

2. Customer Eligibility and Branch Coverage

2.1. Customer Eligibility

The Capital Gains Account Scheme (“CGAS”) Accounts may be opened and maintained with IndusInd Bank by the following categories of persons, subject to their eligibility under the Scheme and applicable laws:

- Resident Individuals
- Hindu Undivided Families (HUFs)
- Sole Proprietorships
- Partnership Firms
- Companies
- Associations of Persons (AOPs)
- Artificial Juridical Persons
- Non-Resident Indians (NRIs) deriving capital gains chargeable to tax in India.
- Resident but Not Ordinarily Resident (RNOR) individuals; and
- Minors, acting through their natural or legally appointed guardian.

2.2. Condition of Eligibility

Eligibility for opening and operating an Account under the Scheme is strictly contingent upon the capital gains in question being **taxable in India** under the Income-tax Act, 1961.

2.3. Branch Coverage

IndusInd Bank shall offer CGAS services through its eligible branches (as decided at its sole discretion) across India. Customers are required to approach such eligible IndusInd Bank branch or otherwise as intimated by the Bank, for the purpose of Account opening, maintenance, withdrawals, conversion, closure, or any other servicing under the Scheme.

3. Types of Accounts, Features, and Channel Access

IndusInd Bank offers two types of deposit accounts under the Capital Gains Account Scheme (“CGAS”): **Type A – Capital Gains Savings Account** and **Type B – Capital Gains Term Deposit Account**, subject to the following terms.

3.1. Type A – Capital Gains Savings Account

Type A is a savings account with controlled transaction capabilities under the Scheme. The Capital Gain Savings Account shall operate as a savings deposit account, subject to restrictions prescribed under the Scheme.

The following services shall not be available for:

- i. No chequebook or debit card issuance
- ii. No loan facility or lien marking. This term deposit can neither be accepted as margin money for fund/non-fund based nor as collateral to any type of fund-based facilities.
- iii. Withdrawals/ re- deposit will be only through prescribed forms (Form C and D)
- iv. Interest payment is subject to Tax Deducted at source (TDS) as per prevailing Income Tax ACT.
- v. No Tatkal kit will be provided.
- vi. No MAMN service allowed.

1. All servicing shall be conducted exclusively through IndusInd Bank eligible branches; digital channels (Internet/Mobile Banking) shall provide view-only access.
2. A serialized passbook shall be issued; however, where permitted under the Scheme, the Bank may issue electronic statements in its place.

3. Permissible credit modes:

- Cash
- Cheque
- NEFT
- RTGS
- IMPS
- Demand Draft / Pay Order
- Internal Fund Transfer (IFT): For cheque/draft/**electronic** deposits, the **effective date** for exemption shall be the **date of receipt** by the Deposit Office along with the application, subject to realisation.

4. Permissible debit modes:

5. Cash (subject to limits)
6. NEFT
7. RTGS
8. Demand Draft / Pay Order
9. Internal Fund Transfer (IFT)
10. IMPS
11. Cash withdrawals shall be restricted to a total of **₹25,000 per financial year**.
12. Interest shall be paid at IndusInd Bank's standard savings account interest rate and credited as per the Bank's prevailing savings account norms; no additional rate benefits (senior citizen, staff, etc.) shall apply.

3.2. Type B – Capital Gains Term Deposit Account

Type B is a term deposit product designed for capital preservation under the Scheme:

- a. Type A Capital Gains Savings Account is mandatory for opening of Type B Capital Gains Term Deposit Account.
- b. All maturity proceeds, premature withdrawals, or closures shall be credited exclusively back to the linked Type A Account.
- c. Capital Gains Term Deposit (Type B) shall not be opened as a non-callable deposit and shall remain subject to premature withdrawal terms under the Scheme and Bank policy.
- d. Minimum deposit amount: **₹10,000**; maximum as permitted under the Scheme.
- e. Tenure options shall range from **7 days to 3 years**, with interest payable at maturity.
- f. Interest shall be paid at IndusInd Bank's standard Fixed Deposit card rates applicable for the relevant tenure; no additional rate benefits (senior citizen, staff, etc.) shall apply.
- g. Premature or partial withdrawal shall be permitted with a **1% penalty** on the applicable interest rate; all withdrawals shall route to Type A Account.
- h. Auto-renewal shall not be available; fresh renewal instructions shall be required at maturity.
- i. Sweep facilities, overdrafts, lien marking, pledging, or creation of margin against these deposits shall not be permitted.

4. Account Operations

4.1. Account Opening and Documentation

- a. The Account opening formalities are governed by the policies (existing or otherwise) of Bank, which may be revised from time to time. The Capital Gains Account application form prescribed under the Scheme, along with other documentation as prescribed/detailed under the Scheme, and hereunder, constitute the Account Opening documentation for the Account.
- b. Joint Accounts are not permitted under this scheme, separate applications for everyone will be required in such cases.
- c. **Type A Account is mandatory** for all customers opening an account under CGAS. If only a Type B deposit, a Type A Account shall be opened first to enable funding and redemption flows.
- d. The Depositor shall submit the following documents at the time of account opening:
 - i. Form A (prescribed CGAS Account Opening Form)
 - ii. Permanent Account Number (PAN)
 - iii. Officially Valid Documents (OVDs) for identity and address as per IndusInd Bank's KYC Policy
 - iv. Latest photograph
 - v. Proof of capital gains transaction (e.g., sale deed/transaction details)
 - vi. Any other applicable documents as required by the Bank from time to time
- e. Opening of Account is subject to submission of prescribed application forms, valid KYC documents, and due compliance with Bank's policies.
- f. The Customer shall provide any further information and updated KYC documents that the Bank may require from time to time and shall be required to comply with the Re- KYC requirements as required by the Bank.
- g. The Opening of the Account is subject to verification and Bank reserves the right to reject the request of the Applicant to open an Account without providing any reason.

4.2. Funding

- a. Permissible credit/debit modes include cash, NEFT/RTGS/IMPS, DD/PO, and internal fund transfer. Deposits may be made either in lump-sum or in instalments within the statutory timelines prescribed under the Income-tax Act.
- b. Type B deposits shall be funded exclusively **from Type A balances**, and the Term Deposit shall be booked through the branch.
- c. All Services—including opening, withdrawals, conversion, transfer, and closure—shall be executed **only through eligible IndusInd Bank branches** using prescribed CGAS forms.
- d. The Depositor declares that all information and documents furnished to the Bank (including but not limited to taxpayer information) are true, correct and complete; that no insolvency, bankruptcy or liquidation proceedings have been initiated or are pending against the Depositor; and undertakes to promptly notify the Bank of any change in particulars and to provide updated KYC and other documents as and when required by the Bank.
- e. The Depositor acknowledges that, in terms of Section 139AA of the Income-tax Act, 1961 and applicable rules, non-linkage of Aadhaar with PAN may render PAN inoperative, and the Bank shall be entitled to act in accordance with applicable law and Banks's policy in such cases.
- f. The Account shall not be used for transactions relating to virtual currencies/crypto-assets or for facilitating the purchase, sale or settlement of such instruments, in line with applicable regulatory directions/laws.

4.3. Transaction Permissibility & Withdrawal (Type A)

- a. The first withdrawal from Type A shall require submission of **Form C**.
- b. Each subsequent withdrawal shall require **Form D**, confirming the manner and extent of utilisation of the preceding withdrawal.
- c. All debits (NEFT/RTGS/IMPS, DD/PO, cash) shall be executed only post Form C/D approval and mapped to the declared utilisation.
- d. Withdrawn amount that remains unutilised must be re-deposited into the Type A Account within 60 days.

4.4. Interest, Tax Treatment & Credit of Proceeds

- a. Interest on Type A shall be paid at the Bank's prevailing savings account rates, with tax deducted at source (TDS) as applicable under law.
- b. Interest on Type B shall accrue at IndusInd Bank's regular Fixed Deposit card rates for the selected tenure, with TDS applied as per applicable tax regulations.
- c. Forms **15G/15H** may be submitted, where eligible, for non-deduction of TDS.
- d. All maturity, premature, and partial redemption proceeds of Type B shall be credited **only to the linked Type A Account**.
- e. Additional rate benefits such as senior citizen or staff rates **shall not apply** to CGAS deposits.

4.5. Timelines to Deposit Capital Gains & Asset-Specific Windows

- a. Sale proceeds must be deposited into CGAS **on or before the due date of filing the income-tax return** for the financial year in which the capital asset was transferred.
- b. Funds may remain parked in CGAS only for the duration permitted under the relevant exemption section, including but not limited to:
 - o Section 54: 2 years for purchase / 3 years for construction of a residential house
 - o Sections 54B, 54D, 54F, 54G, 54GA, 54GB: respective timelines prescribed under the Income-tax Act

4.6. Conversion & Transfer Between Branches

- a. Conversion between Type A and Type B (or vice versa) may be requested through submission of **Form B**.
- b. The Account may be transferred from one eligible IndusInd Bank branch to another upon customer request.

4.7. Nomination Facility

- a. Up to **three nominees** may be added for both Type A and Type B accounts using **Form E**; changes or cancellations shall be made through **Form F**.
- b. In case of multiple nominees, priority shall rest with the first-named nominee; if pre-deceased, rights shall pass sequentially to the next nominee.
- c. Nomination in favour of a **minor** is permitted, provided the depositor appoints a non-minor person to receive the amount during the minority of the nominee.
- d. Nomination facility shall **not** be permitted for accounts opened on behalf of a minor, HUF, AOP, BOI, or partnership firm.
- e. In the event of death of the Customer, the balance shall be payable to the nominee or legal heir in accordance with the Scheme, and applicable laws.

4.8. Restrictions & Prohibited Facilities

- a. Facilities such as cheque books, debit cards, sweep features, internet/mobile banking transactions, overdrafts, loans, lien marking, collateralisation, or pledging shall **not** be permitted for CGAS Accounts.
- b. Deposits must be **traceable** to the qualifying transfer(s). Each CGAS Account may be used for only a **single sale transaction**. Multiple sale transactions require opening separate CGAS Accounts, even if claimed under the same exemption section.
- c. PAN is mandatory for availing CGAS.

4.9. Account Closure**Closure by Depositor**

- a. Closure shall require submission of **Form G**, along with written approval from the jurisdictional Income-tax Assessing Officer (AO).
- b. Where both Type A and Type B exist, Type B shall be closed first (with proceeds credited to Type A), after which Type A may be closed.
- c. IndusInd Bank shall process closure only upon receipt of AO approval and verification of required documents.

Closure by Nominee or Legal Heir

- a. 1. Where nomination exists, the nominee shall apply for closure using Form H, along with AO approval. Proceeds shall be credited to the nominee's account.
- b. In the absence of nomination, closure shall be processed on receipt of Form H from the legal heir along with AO approval.
- c. Where multiple legal heirs exist, a letter of disclaimer or authorization from all other heirs may be required.
- d. The AO may, at its discretion, require a succession certificate, probate, or letter of administration prior to approving closure.

4.10. Charges, Interest Cards & Pricing Governance

- a. Fees and charges applicable to CGAS Accounts shall be nominal, transparent, and disclosed in the Bank's Schedule of Charges and published terms & conditions.
- b. Interest shall be applied at the standard card rates for Savings Accounts and Term Deposits prevailing on the date of booking and may be revised in line with Bank policy and regulatory guidelines/applicable law.

5. General Terms & Conditions

- a. These Terms may be amended in accordance with changes to the Capital Gains Accounts Scheme, 1988, the Income-tax Act, 1961, CBDT circulars/notifications, RBI directions, and IndusInd Bank's internal policies. Updated Terms will be published on the Bank's official website, and continued operation of the Account shall constitute acceptance of the revised Terms.
- b. All matters relating to CGAS Accounts shall be governed by the laws of India and subject to the jurisdiction of competent courts/authorities in India.
- c. Please note, CGAS rules override standard features where the Scheme prescribes differently.
- d. In addition to the Terms herein, the Customer agrees to have read and understood other such related terms of the Bank, and governing the facilitation of the service herein or otherwise, as may be availed from time to time.

- e. The Depositor shall operate the Account in accordance with applicable law, including the Income-tax Act, 1961 and, where applicable, the Foreign Exchange Management Act, 1999, and rules, regulations and notifications issued thereunder.
- f. No act, delay or omission by the Bank in exercising any right, power or remedy under these Terms shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any further or other exercise thereof or the exercise of any other right, power or remedy.
- g. IndusInd Bank shall process and retain customer information strictly for KYC/AML/CFT obligations, tax compliance (including TDS), account servicing, internal controls, and regulatory reporting. Customer data may be shared only with authorised operational units/vendors under confidentiality, and in accordance with the Bank's Privacy Policy, solely to the extent necessary for opening and servicing CGAS Accounts and/or with statutory/regulatory bodies under applicable laws.
- h. The Bank shall not be liable for delays, interruptions, or failures caused by events beyond its reasonable control, including regulatory directives, system/network outages, or natural calamities. Customers shall not create any lien, charge, assignment, encumbrance or third-party interest over CGAS Accounts without the Bank's prior written consent. The Bank reserves the right to decline any request that does not comply with Scheme provisions, regulatory guidelines, or internal risk/compliance norms.
- i. Bank reserves the right to monitor transactions/report as applicable, in the Account to ensure compliance with the Scheme, regulatory guidelines and applicable laws (including tax laws).
- j. CGAS Accounts shall be serviced exclusively through eligible IndusInd Bank branches. For opening, withdrawals, conversions, transfers, nominations, or closure, customers must visit the branch and submit the prescribed forms and supporting documents as applicable.
- k. Where the Depositor voluntarily submits Aadhaar for KYC or service delivery, the Depositor consents to the Bank authenticating or verifying Aadhaar, including through UIDAI-permitted modes (e.g., QR verification), and to the use of such information for establishing identity/address and effecting eligible benefits/credits, in accordance with applicable law/banks policies.
- l. The Account and the Services provided to the Customer are not transferable under any circumstance and shall be used only by the Customer. However, the Bank shall have the right to transfer, assign or sell all its rights, benefits or obligations to any person and these Terms shall continue to be in force and in effect for the benefit of our successors and assigns.