

1. What Asset Class Does A FD Belong?

Fixed deposits form a part of the debt investment of an investor's portfolio.

2. Can I invest in FD for any period of time ?

You can invest in fixed deposit for varying periods of time ranging from 1 year to 10 year. The depositor has to select one of these for the purpose of their deposit.

3. Do Senior Citizens Get Any Extra Benefit On The FD?

Yes, they do get extra benefits in the form of higher interest rates.

4. In Case Of Company Fixed Deposits, Where To Invest?

Companies which are paying regular dividends to the shareholder. Companies whose Balance Sheet shows profit. Companies which are above investment grade (A or above) rating.

5. What is acknowledgement i will receive for investment in Fixed Deposits?

Yes, customer will get FD receipt .

6. What Are Tax-saving Fixed Deposits?

Tax-saving fixed deposits are a special category of fixed deposits where the investor gets the benefit of a tax break when they invest a sum of money in the deposit. The maximum benefit is available up to an investment of Rs 1 lakh and there is a lock-in period of 5 years in the deposit.

7. What Is Maturity amount for FD?

Maturity is the time at which the amount in the fixed deposit has to be returned to the investor. The fixed deposit is given for a time period that is decided at the time of making the investment and at the expiry this has to be given back.

8. Are The Interest Rates For All The FD's are the Same?

Each issuer may offer varying interest rate .

9. What Is Compound Interest For FD's?

Compound interest (or compounding interest) is interest calculated on the initial principal, which also includes all of the accumulated interest of previous periods of a deposit

10. What Is Future Value Of Any FD?

Future Value of any FD is the original amount plus the compound interest thereon, stated as of a specific future date.

11. Can I Get A Loan Against A Fixed Deposit?

Yes. Most banks offer a loan against FD. By using the fixed deposit as a collateral for the loan you can get a loan.

12. How Are Interest Payments Made In Case Of Company FD's?

Interest is paid on monthly/quarterly/half yearly/yearly or on maturity basis and is sent either through cheque or ECS facility.

14. Can I withdraw money from Fixed deposit before maturity?

Yes. Breaking a fixed deposit means, withdrawing money before the fixed maturity date, which is also called the premature withdrawal of FD.

15. Can I take a loan against a Fixed Deposit?

Yes. Certain Banks/NBFCs may offer loan facility against fixed deposits.