

# **SUVARNA COOPERATIVE** **KIDS RD SCHEME**

**PRODUCT MANUAL**



**ANDAMAN & NICOBAR**  
**STATE COOPERATIVE BANK LTD.**

*Banking for Islands prosperity*

### **About the Scheme:**

The **SUVARNA COOPERATIVE KIDS RD SCHEME** is a variant of regular Recurring Deposit Scheme with an extension to loan facility but are exclusively meant for Kids.

This scheme is more suitable for students / parents and aids to meet the growing cost of higher education to be incurred by them. Anyone can invest under this scheme to meet any of their future needs of funds by saving small amounts in the name of their child on a month on month basis. There is no **Premature Closing facility in this scheme.**

The savings through KIDS RD may be linked to “ANSCB Education Loan” scheme wherein the amount of deposit (Maturity in RD) may be considered and linked to loan facility in the ratio of 1 : 1 pattern.

A person who saves under the scheme for 10 years will get priority in sanction of ANSCB’s Education Loan as per the extant provisions of the Bank. **The minimum monthly savings (RD) starts at ₹ 100 per month subject to a maximum of ₹ 1000.**

### **Who can Open:**

- Kids (5 years and above)/School Students/Minors represented by guardian.

### **Period of Investment:**

- The period of investment is 3 yrs/5yrs/7 yrs and 10 years. **In case of premature closure of RD, the loan facility will not be applicable.**

### **Maturity Value:**

- The maturity value for the Suvarna Kids RD scheme shall be same as that of normal RD scheme as per Bank’s existing Interest rate.

### **Add-ons (Additional features):**

- Education Loan facility available subject to a maximum amount in the ratio of 1 : 1 (One is to One).
- Nomination facility available
- TDS is not applicable i.e. No tax deduction in this scheme
- No hidden charges, complete transparency & easy procedure

### **Service Charges:**

- No Service charges are applicable to the Scheme.

### **Penalty/Fine:**

- Penalty is applicable as normal RD Scheme if the Customer fails to make/pay the instalments to the Bank in time.
- As far as possible the Branch should ensure that the Customers do not make default in making instalments to the Bank.

### **Linkage to Educational Loan Facility:**

- The maturity amount of RD will be transferred to FD for security of Education loan.
- The maximum loan, including client's share (Party's share) shall be restricted to ₹ 3,00,000/- and the sharing shall be 1 : 1.
- *Example : Let us assume RD's Maturity Value is ₹1,00,000*

*Bank's Loan Share will be* ₹1,00,000

*Total Loan will then be* **₹2,00,000**

*(To a maximum of ₹3,00,000)*