Deposit Policy

Preamble:
Bank accept deposits from public for the purpose of lending. This is one of the most important functions of a Bank. In fact, depositors are the major stakeholders of the Banking System. Depositors and their interests form the key area of the regulatory framework for banking in India and this has been enshrined in the Banking Regulation Act, 1949. The Reserve Bank of India is empowered to issue directives / advice on interest rates on deposits and other aspects regarding conduct of deposit accounts from time to time. With liberalization in the financial system and deregulation of interest rates, banks are now free to formulate deposit products within the broad guidelines issued by RBI. Accordingly, bank has adopted customer centric deposit policy within the guidelines and directions of RBI.

Introduction:
This policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc., for the benefit of customers.

1. Purpose of the Policy
It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand. This document is a broad framework under which the rights of common depositors are recognized.

2. Types of Deposit Accounts/Definitions:
The Bank offers various deposit products under various names. All these can be categorized broadly into the following types: -

2.1. "**Bulk Deposit"** means: Single term deposits above Rupees one crore and above.

2.2. **"Current Account**" means a form of non-interest-bearing demand deposit where from are allowed any number of times depending upon the balance in the account or up to a particular agreed amount. and shall also be deemed to include other deposit accounts which are neither Savings Deposit nor Term Deposit.

2.3. **"Daily product"** means the deposit on which the interest applied on the end of day balance.

(iv) **"Demand deposit"** means a deposit that can be withdrawn by the depositor at any time on demand of a customer, without any prior intimation to bank.

2.4. **"Individual"** means a natural person with a distinct legal identity, as opposed to an artificial or legal entity such as company, trust, or partnership.

2.5. **"Savings deposit"** means a form of interest-bearing demand deposit which is a deposit account whether designated as "Savings Account", "Savings Bank Account", "Savings Deposit Account", "Basic Savings Bank Deposit Account (BSBDA)" or other account by whatever name called which is subject to the restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the bank during any specified period.

2.6. **"Term deposit"** means an interest-bearing deposit received by the bank for a fixed period and shall also include deposits such as Recurring/Fixed Deposit /Cumulative/ Reinvestment deposits

2.7. **'Reinvestment deposits** 'refers to those deposits where interest (as and when due) is reinvested at the same contracted rate till maturity which is withdrawable with the principal amount on maturity date.

2.8. **"Callable Deposit"** is a type of term/fixed deposit where the bank permits premature withdrawal by the depositor, subject to applicable rules and penalties.

2.9. **"Non-Callable Deposit"** is a term/fixed deposit accepted from Individual and non-individuals; institutional depositors above 1 Crore where premature withdrawal is not permitted under any circumstances.

3. Account Opening and Operation of Deposit Accounts:
3.1) The Bank before opening any deposit account will carry out due diligence as required under "**Know Your Customer**" **(KYC)** guidelines issued by RBI and or such other norms or procedures

adopted by the Bank. Branch Managers are authorized to take a decision with regard to opening an account. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to him and the final decision of the Bank will be conveyed within 7(seven) working days to him/her.
3.2) Introduction of a new customer from an existing customer is not necessary.
3.3) The bank is committed to provide basic banking services to disadvantaged sections of the society. Banking services will be offered to them through Basic Savings Bank Deposit Accounts (BSBDA) and Small Savings accounts will be opened with relaxed customer acceptance norms as per regulatory guidelines.

4) Financial Inclusion:

In alignment with our commitment to financial inclusion, our bank offers a Basic Savings Bank Deposit Account that provides essential banking services to all customers. The details of this account are as follows:

1. **Normal Banking Service**: The Basic Savings Bank Deposit Account is classified as a standard banking service available to every customer.
2. **No Minimum Balance Requirement**: This account does not require a minimum balance to be maintained, making it accessible to all.
3. **Included Services**: The account holders will benefit from a variety of services, including:
    - Deposit and withdrawal of cash at bank branches and ATMs.
    - Receipt and credit of money via electronic payment channels or through the deposit/collection of cheques issued by Central or State Government agencies.
4. **Withdrawal Limits**: Customers can make unlimited deposits within a month but are allowed a maximum of four withdrawals per month, which includes transactions made at ATMs.
5. **ATM and Debit Card Facilities**: Account holders will receive an ATM card or ATM-cum-Debit Card at no charge. There will also be no fees for non-operation or for maintaining an inactive Basic Savings Bank Deposit Account.
6. **Value-Added Services**: While the bank is committed to providing the above-mentioned basic services free of charge, we reserve the right to introduce additional requirements and a pricing structure for value-added services. These will be implemented in a reasonable and transparent manner, ensuring non-discriminatory access to all customers.
7. **Compliance with RBI Guidelines**: The Basic Savings Bank Deposit Account will be governed by the Reserve Bank of India (RBI) instructions pertaining to Know Your Customer (KYC) and Anti Money Laundering (AML) regulations. Should the account be opened under simplified KYC norms, it will be classified as a 'Small Account' and will adhere to the specific conditions set forth in paragraph 2.6(iii) of Master Circular UBD.BPD. (PCB) M.C. NO.16/12.05.001/2013-14 dated July 1, 2014.
8. **Restriction on Multiple Accounts**: Customers holding a Basic Savings Bank Deposit Account will not be permitted to open any other savings bank deposit accounts with the bank. If a customer currently maintains any other savings account with the bank, they must close it within 30 days of opening the Basic Savings Bank Deposit Account.
9. **Transition from Existing Accounts**: All existing basic banking 'no-frills' accounts have been converted to the new Basic Savings Bank Deposit Account to streamline our services.

5) Product and Services-

5.1 Debit Cards

The Bank will issue debit cards to customers who hold Savings or Current Accounts. Transaction charges on debit card usage will be applied in accordance with established regulatory guidelines.

5.2 Mobile and Internet Banking

The Bank provides Internet Banking services, covering both personal and corporate accounts for Savings and Current Accounts. Additionally, a Mobile Banking facility is available to customers. Please note that the use of mobile banking services for cross-border inward and outward fund transfers is strictly prohibited.

5.3 QR Codes and Sound Boxes

QR codes and sound boxes are available to customers upon request to facilitate UPI transactions during money transfers.

6) Account Details (Saving/Current)

Deposit Policy

6.1 Account Opening Process: The Bank shall provide prospective depositors with account opening forms and relevant materials, detailing the necessary information and documentation required for verification and record-keeping. Bank officials responsible for account openings will explain the procedural requirements and address any queries from prospective depositors.

6.2 Customer Risk Assessment and Information Disclosure: In line with risk management protocols, the Bank classifies its customers based on their risk profiles and develops transaction monitoring profiles accordingly. Should a prospective customer fail or refuse to provide the necessary information, the Bank reserves the right to decline the establishment of an account.

6.3 Compliance and Account Management for Existing Customers: Existing customers must furnish any requested information necessary for the Bank to meet its statutory obligations. Failure to do so may result in account closure, subject to due notice being provided to the customer.

6.4 Terms and Conditions for Deposit Accounts: For products such as Current Deposit Accounts, the Bank has established minimum balance requirements that must be maintained in accordance with the relevant terms and conditions. Non-compliance with these balance requirements may lead to the imposition of charges as periodically determined by the Bank.

Savings Bank Accounts will have transaction restrictions, including limitations on the number of transactions and cash withdrawals within specified periods. Additionally, a schedule of charges for services—such as issuance of cheque books, additional account statements, and duplicate passbooks—will be clearly communicated to prospective depositors during the account opening process.

Withdrawals must be conducted in whole rupee amounts. Cash withdrawals via withdrawal slips shall not exceed ₹25,000 per day. Any requests for withdrawals exceeding this limit will require approval from the Branch Manager, who must consider both the customer's needs and the effective fund management of the branch.

The Bank will also offer Non-Resident External (NRE) Accounts in accordance with applicable regulations and procedures.

6.5: Account Eligibility and Types Savings Bank Accounts: may be established for individuals and specific organizations or agencies designated by the Reserve Bank of India (RBI) as eligible from time to time. Current Accounts are available to a variety of entities, including individuals, proprietary firms, partnership firms, both private and public limited companies, Hindu Undivided Families (HUFs), designated associates, societies, trusts, limited liability partnerships, and other similar entities. Additionally, Deposit Accounts may be opened by the aforementioned individuals and entities.

6.6: Due Diligence Requirements: The due diligence process for the establishment of any deposit account requires the bank to verify the identity and address of the account holder. This includes ascertaining their occupation and source of income and collecting a recent photograph of the individual(s) opening or managing the account. For business accounts, due diligence must also encompass gathering information related to the purpose and nature of the business and identifying and verifying the beneficial owner when applicable.

6.7: Legal Compliance for Documentation: In alignment with legal obligations under the Income Tax Act and the Prevention of Money Laundering Act (PMLA), clients are required to provide their Aadhaar Number and Permanent Account Number (PAN). Alternatively, a declaration form (Form No. 60 or 61) may be accepted, as specified in the aforementioned regulations, which were amended on June 1, 2017. Further amendments are subject to the final judgment of the Hon'ble Supreme Court.

6.8: Account Types for Individuals: Individuals may open deposit accounts either as single-name accounts or as Joint Accounts. Minors may also establish Savings Bank Accounts in conjunction with their natural guardians (father or mother), referred to as Minor's Accounts. Minors aged 10 and above are permitted to independently manage a Savings Bank Account; however, deposits in these accounts, whether held by minors or their natural guardians, are limited to ₹50,000, pending updates based on regulatory guidance.

6.9: Joint Account Operations: Joint Accounts may be operated by any single account holder or collectively by all joint holders. A maximum of five members is allowed for joint account holders, with any alterations to the operating mandate requiring consent from all account holders. In the case of a Savings Bank Account co-held by a minor and a natural guardian, only the guardian is permitted to operate the account.

6.10: Mandates for Joint Accounts: Joint account holders may choose one of the following mandates for account balance disposal:

1. **Either or Survivor:** Under this mandate for fixed/term deposit accounts, either account holder can withdraw funds upon maturity without needing both signatures. However, both signatures are required for premature withdrawals. If one depositor is deceased before maturity, pre-payment is not permitted without agreement from the deceased's legal heirs; payment to the surviving holder at maturity remains unaffected.
2. **Former or Survivor:** This mandate allows the first depositor (Former) to manage or withdraw without needing the second holder's (Survivor) consent while both are alive. Both signatures are necessary for any premature payments. Should the Former pass away before maturity, the Survivor can withdraw at maturity, although both signatures are needed for early payment while alive. If one holder dies, the surviving holder requires the consent of the deceased's legal heirs for any premature withdrawal.

6.11: Early Withdrawals for Joint Depositors: Joint depositors may request early withdrawals of fixed/term deposits under the "Either or Survivor" or "Former or Survivor" mandates, provided a specific joint mandate is duly obtained from both depositors.

6.12: Types of Deposits

1. **Callable Deposit:** This is a term/fixed deposit allowing the depositor to withdraw funds prematurely, subject to the terms and conditions applicable to such withdrawals and any associated penalties.
2. **Non-Callable Deposit:** This type refers to fixed deposits made by non-individual institutional depositors, wherein no premature withdrawals are permitted under any circumstances. The rights to withdraw funds remain at the bank's discretion and may incur penalties exceeding those applicable to callable deposits prior to maturity.

7. Nomination Facility

7.1 Eligibility and Scope: Nomination is available for all deposit accounts opened by individuals, as well as for sole proprietorship accounts. A nomination can be made in Favor of one individual only and may also include minors. In the case of a minor nomination, the depositor(s) must appoint a guardian who is not a minor to receive funds on behalf of the minor.

7.2 Modification of Nomination: Depositors may cancel or change their nomination at any time. It is mandatory for a third-party witness to be present during the nomination, cancellation, or modification process if the account holder is illiterate. For joint accounts, any modification to the nomination must be agreed upon by all account holders.

7.3 Registration and Recommendations: Upon opting for the nomination facility, the phrase "nomination registered" will be printed in the Passbook or Term Deposit Receipt. The Bank strongly recommends that all depositors utilize the nomination facility. Unless explicitly declined by the customer, nominations should automatically be included for all existing and new accounts. In the event of the depositor's death, the nominee will receive the outstanding balance in the account as a trustee for the legal heirs. Customers will be informed of the benefits of the nomination facility during the account opening process.

7.4 Transferability: Depositors have the right to request the transfer of their deposit accounts to any branch of the Bank, and this request will be honoured.

7.5 Non-Nomination Declaration: If a customer chooses not to provide a nominee for their account, a formal declaration will be obtained to confirm their decision and ensure that it is clearly documented.

8. Precautions in Opening Joint Accounts

8.1 Limit on Account Holders: To mitigate risks associated with joint accounts, a maximum of five account holders is permitted for any single joint account. All branches are required to carefully evaluate each request to open a joint account. This evaluation must include an assessment of the purpose of the account, the nature of the businesses involved, relevant aspects related to the account holders' financial standings, and any other pertinent factors.

8.2 Collection of Cheques:

- **Prohibition on Certain Cheques:** Account payee cheques made out to third parties are strictly prohibited from being collected on joint accounts.
- **Endorsement Requirements:** Cheques that are generally crossed and made payable to "order" may only be collected upon receipt of proper endorsement from the payee.
- **Due Diligence for High Amounts:** Increased scrutiny is mandated for the collection of cheques involving significant amounts.

8.3 Periodic Review and Compliance: Transactions conducted within joint accounts will be subject to regular review by the bank. Appropriate actions will be employed to ensure that joint accounts are not misused for benami transactions.

8.4 Effective Date and Modifications: This policy governing the opening and management of joint accounts shall take effect upon the activation of the respective deposit account. Amendments to this policy may be made with the collective agreement of all account holders. Any request for the premature closure of a joint deposit must be signed by all deposit holders, except in cases where joint depositors seek to withdraw funds prematurely under the arrangements of 'Either or Survivor', 'Anyone or Survivor', or 'Former or Survivor'. In such scenarios, withdrawals are permitted for the surviving depositors without requiring consent from the legal heirs of any deceased deposit holder, contingent upon the existence of a specified joint mandate at the time of account opening or subsequently during the deposit's tenure.

8.5 Mandate Registration: Upon request, the bank shall facilitate the registration of a mandate or power of attorney from a depositor, designating another individual to operate the account on their behalf**.**

9. Monitoring Operations in New Accounts

9.1 Oversight Responsibility: A systematic approach has been established to monitor the operations of new accounts diligently. The primary responsibility for the oversight of newly opened accounts resides with the heads of the relevant Department/Section at branch levels, alongside Branch Managers and Managers of the Deposit Accounts Department. For larger branches, it is mandatory to exercise vigilant oversight for a minimum period of six months from the date of account opening. This protocol aims to identify and mitigate fraudulent or suspicious transactions. In instances where suspicious transactions are detected, the bank will promptly undertake an investigation with the account holder. If the account holder fail to provide a satisfactory explanation for the transaction, the matter will be reported to the appropriate investigative authorities.

9.2 Scrutiny of High-Value Transactions: Special precautions will be enforced when dealing with cheques or drafts of considerable amounts submitted for collection, as well as with Telegraphic Transfers (TTs) or Mail Transfers (MTs) credited to new accounts shortly after their opening. In such scenarios, thorough verification of the authenticity of the financial instruments and the account holder will be conducted. If necessary, the paying bank will engage with the collecting bank to confirm the validity of any high-value cheques or drafts presented. Additionally, Demand Drafts (DDs) or large-sum cheques will be scrutinized under ultraviolet lamps to detect any potential chemical alterations, thereby safeguarding the integrity of the transaction.

10. Issuance of Cheque Books

1. **Issuance of New Cheque Books:** New cheque books will only be issued to account holders upon presentation of a duly signed requisition slip from the previously issued cheque book.
2. **Cheque Book Request Protocol:** When requesting a cheque book via a requisition letter, it is preferred that the account holder presents themselves in person at the bank. If the account holder is unable to attend in person, the cheque book will be dispatched via registered post directly to the account holder. Under no circumstances will the cheque book be handed over to a third party.
3. **Exceptional Circumstances:** In exceptional cases where the account holder cannot be present at the branch and the branch is not satisfied with the authenticity of the request, the cheque book may be sent via registered post.
4. **Authorization for Bearer:** For convenience, account holders may grant written authority for a designated bearer, including the name of the bearer and an attested signature from the

account holder. Branch personnel must confirm the authorization with the account holder via a phone call to the registered mobile number.

5. Extension of Alternate Delivery Channels

- The bank provides various electronic channels for customers to conduct banking transactions, including ATM services, Internet banking, mobile banking (including SMS banking), and phone banking.
- Where these electronic facilities are included as a part of the basic account or product offerings, the bank will obtain explicit consent from customers after adequately explaining the associated risks.

6. Minors' Accounts

12.1 Account Opening

- Savings Bank Accounts and Term Deposit Accounts, including Recurring Deposits, may be established in the name of minors (hereafter referred to as Minor Accounts) by their natural guardians or legal guardians appointed by court.
- Minor Accounts may be opened jointly with a natural guardian or with the mother as guardian, or with an adult, representing the minor.

12.2 Independent Management

- Minors aged 10 years and above are permitted to independently establish and manage a savings bank account, subject to adherence to KYC norms and due diligence.
- A Minor Account allowed to operate independently may include additional banking features, such as an ATM or debit card, under the condition that the account remains in credit and is not overdrawn at any time.

12.3 Role of Guardians

- The bank permits mothers to act as natural guardians for account opening and operation, irrespective of any opposing general legal provisions. Such accounts must not be allowed to become overdrawn and must maintain a positive balance to safeguard the bank's interests and mitigate potential legal risks regarding minors' contractual capacities.

12.4 Consent for Large Transactions

- In cases involving substantial sums and where the minor is of sufficient maturity (14 years and above but under 18), the bank will seek the minor’s consent for withdrawals from the account.

12.5 Transition to Adult Accounts

- Upon reaching the age of majority, a Minor Account will be rendered inactive until converted into a Major Account with the necessary KYC documentation.
- The bank will proactively communicate with minor account holders approaching majority to facilitate this transition. When transitioning, account holders must confirm the balance in their account and, if applicable, provide a new specimen signature, verified by their natural guardian, along with a new set of KYC documents.

13) Accounts of Illiterate Person

1. **Eligibility**: The bank allows the opening of savings and current accounts for illiterate individuals under the following conditions:
   - **a.** The applicant must appear in person at the bank, accompanied by a witness who is known to both the applicant and the bank.
   - **b.** Individuals who are illiterate (identified by a thumb impression) or blind may open accounts jointly with one or more other persons.

2. **Account Features**:
   - **a. Cheque Book:** No cheque book facilities will be provided to accounts opened by illiterate individuals.
   - **b. Debit Cards:** No debit cards will be issued to illiterate account holders.
3. **Authentication and Verification**:
   The account holder is required to provide a thumb impression or mark in the presence of an authorized bank officer, who will verify the identity of the applicant and the accompanying witness.
4. **Terms and Conditions**:

The bank will ensure that the terms and conditions governing the account are clearly explained to the illiterate individual at the time of account opening. This policy aims to facilitate banking access while ensuring proper verification and understanding of account management by illiterate individuals.

In the management of joint accounts of illiterate Person, the following operational protocols shall be instituted:

1. A joint account holder who is initially literate and subsequently loses the ability to provide a signature—due to circumstances such as an accident, advanced age, or other health-related issues—shall not be classified as an illiterate person for the purposes of banking transactions.
2. For account holders who, due to the aforementioned conditions, are required to use a thumb impression for transactions, it is hereby established that they shall retain access to all banking facilities associated with their accounts, including Cheque Books, Debit Cards, and Net Banking services.
3. The integrity of the account operations will be maintained, ensuring that the banking rights and services provided to the account holder remain uninterrupted, regardless of their current ability to use a signature.

14) Account of Visually Challenged Persons

Bank will facilitate opening of Saving Bank accounts as well as Term Deposit accounts of persons with visual impairment. Such accounts will be operated by the accountholder personally. Cheque book facility will be made available. Such accountholders will have to be present before the branch official and affix thumb impression and they will be identified through their photograph to facilitate operations. Bank is also committed in introducing technology banking facilities progressively via ATM & Internet banking in keeping with the availability of supporting technology which will enable visually challenged persons to operate their own accounts.

15) Account of persons with autism, cerebral palsy, mental retardation & multiple disabilities

Savings bank and term deposits can also be opened in the name of persons with autism, cerebral palsy, mental retardation and multiple disabilities by the legal guardian appointed by the District Court under Mental Health Act, 1987 or by the Local Level Committees set up under the National Trust for welfare of persons with autism, cerebral palsy, mental retardation and multiple disabilities under Disabilities Act, 1999. Legal guardian, so appointed, will furnish an indemnity-cum undertaking bond duly stamped as per the local law in force along with Guardianship Certificate.

16) Addition Or Deletion of The Name/s Of Joint Account Holders

The Bank may at the request of all the joint account holders allow addition or deletion of name/(s) of joint account holder/(s) if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder.

17) Secrecy Of Customers' Accounts

The Bank will not disclose details / particulars of the customer's account to a third person or party without the expressed or implied consent from the customer. However, there are some exceptions, viz. disclosure of information under compulsion of law, where there is a duty to public to disclose and where interest of the Bank requires disclosure.

18) Advances Against Deposits

The Bank will consider request of the depositor/s for loan / overdraft facility against term deposits on execution of necessary security documents. The Bank will also consider loan against deposit standing in the name of minor. However, a suitable declaration stating that loan sought is for benefit of the minor, is to be furnished by the depositor/applicant.

19) Settlement Of Dues in Deceased Deposit Account

19.1) If the depositor has registered nomination with the Bank, the balance outstanding in the account of the deceased depositor will be paid to the nominee after the Bank is satisfied about the identity of the nominee.

19.2) The above procedure will be followed even in respect of a joint account where nomination is registered with the Bank. In the case of joint accounts, the nominees right arise only after the death of all the depositors.

19.3) In a joint deposit account, when one of the joint account holders dies, the Bank is required to make payment jointly to the legal heirs of the deceased person and the surviving depositor(s). However, if the joint account holders had given mandate for disposal of the balance in the account in the forms such as "either or survivor, former / latter or survivor, anyone of survivors or survivor; etc., the payment will be made as per the mandate.

19.4) In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person as per the procedure prescribed by the Bank for Settlement of dues of Deceased Holders.

19.5) If there is loan(s) in the name of deceased depositor, Bank have right to recover the loan amount first through his/her deposits. Only after completion of loan, balance amount / proceeds of deposit should be handover to the legal heirs of the deceased Deposit holder.

20) Repayment of Term Deposits

On maturity Term Deposits may be renewed or closed. Maturity proceeds will be credited to the Account of the Deposit holder with the Bank. In case the deposit holder does not have an account with the Bank, the maturity proceeds will be paid by way of a Banker's Cheque / NEFT favoring the deposit holder. No third-party payments are permitted. Maturity proceeds will not be paid in cash. Cash payment is permitted only if the maturity value does not exceed Rs 20,000.00. Maturity proceeds will not be paid in cash even when a depositor holds multiple deposits with varying maturity dates, and where the maturity proceeds of any or all of those multiple deposits shall be less than Rs.20,000/- individually, since cumulative holding of the depositor is required to be taken into account, to determine whether cash payment can be made or not.

21) Insurance Cover for Deposits

All deposits made in banks are protected by the insurance scheme provided by the Deposit Insurance and Credit Guarantee Corporation of India (DICGC), subject to specific limits and conditions. The particulars of the insurance coverage currently in effect have been communicated to the depositor through the notice board, FD Forms and are also displayed on the Bank's website.

22) Stop Payment Facility

The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. The acceptance will be in cases where the Cheque in question has not been paid by the Bank. Charges, as specified, will be recovered.

23) Inoperative Accounts

Sr. No.	**Parameters**	**Details**
1	Non-Operation Period	24 Months
2	Charges	NIL
3	Frequency	Quarterly
4	Commu.to Cust	90 days prior the date of the account to be marked as Inoperative
4.1	Marking of INOP	Every Quarter End

Accounts which are not operated for a period of 24 months, the status of the Account will be marked as an Inoperative account. No charges will be levied on Inoperative accounts. The depositor can request the Bank to activate the account for operating it after submitting fresh KYC documents.

At present Savings and Current accounts are treated as inoperative if there are no Customer induced debit as well as credit transactions in the account for a period of over 24 months. Customer mandated transactions and Direct Benefit Transfers (DBT) credits from Government are treated as customer induced transactions and the accounts are treated as operative.

Bank will send SMS, email or letter to customers for informing that the account is going to become inoperative and request to make transaction on it. After that if there is not any response from customers end to make the account operative, then the process of making the account in-operative will be initiated through the data center at every Quarter end.

24) **Unclaimed Deposits and Inoperative Accounts**

In view of the increase in the number of unclaimed deposits with banks year after year and the inherent risk associated with such deposits bank is taking more proactive role in finding the whereabouts of the account holders whose accounts have remained inoperative. Bank would adopt customer centric approach keeping in this mind bank will ensure that there will be lessor inoperative deposit remain with bank.

1. Bank is carrying out Quarterly review of accounts in which there are no operations (i.e. no credit or debit other than crediting of periodic interest or debiting of service charges) for more than one year. The bank will approach the customers and inform them in writing that there has been no operation in their accounts and ascertain the reasons for the same. In case the non-operation in the account is due to shifting of the customers form locality, they may be asked to provide the details of the new bank accounts to which the balance in the existing account could be transferred.
2. If the letters are returned undelivered, they, may immediately be put on enquiry to find out the whereabouts of customers or their legal heirs in case they are deceased.
3. In case the whereabouts of the customers are not traceable, bank will consider contacting the persons who had introduced the account holder. They could also consider contacting the employer/ or any other person whose details are available with them. They could also consider contacting the account holder telephonically in case his telephone number/ cell number has been furnished to the bank. In case of Non-Resident Accounts, the bank may also contact the account holders through email and obtain their confirmation of the details of the account.
4. Keeping in view public interest, it has been decided that banks will play a more pro-active role in finding the whereabouts of the accountholders of unclaimed deposits/ inoperative accounts. Banks have website and will display the list of unclaimed deposits/inoperative accounts which are inactive/inoperative for ten years or more on our websites. The list so published on our websites will be provided with a 'Find' option to enable the public to search the list of accounts by name of the account holder.
5. A savings as well as current account will be treated as inoperative if there are no transactions in the account for over a period of 24 Months.
6. In case any reply is given by the account holder giving the reasons for not operating the account, bank will continue classifying the same as an operative account for one more year within which period the account holder may be requested to operate the account. However, in case the account holder still does not operate the same during the extended period, banks will classify the same as inoperative account after the expiry of the extended period.
7. For the purpose of classifying an account as 'inoperative' both the type of transactions i.e. debits as well as credit transactions induced at the instance of customers as well as third party will be considered. However, the service charges levied by the bank or interest credited by the bank will not be considered. There may be instances where the customer has given

a mandate for crediting the interest in Fixed Deposit account to the Savings Bank account and there are no other operations in the Saving Bank account. Since the interest on Fixed Deposit account is credited in the saving Bank accounts as per the mandate of the customer, the same will be treated as a customer induced transaction and the account will be treated as operative account as long as the interest on Fixed Deposit account is credited to the Savings Bank account. The Savings Bank account will be treated as inoperative only after 24 months from the date of the last credit entry of the interest on Fixed Deposit account.

8. There may be instances where the customer has given a mandate for crediting dividend on shares to Saving Bank account and there are no other operations in the Saving Bank account. Since dividend on shares is credited to Saving Bank accounts as per the mandate of the customer, the same will be treated as a customer induced transaction and such account will be treated as operative account as long as the dividend is credited to the Saving Bank account. The Saving Bank account can be treated as inoperative account only after 24 months from the date of the last credit entry of the dividend, provided there is no other customer induced transaction.
9. Further, the segregation of the inoperative accounts is from the point of view of reducing risk of frauds etc. However, the customer should not be inconvenienced in any way, just because his account has been rendered inoperative. The classification is there only to bring to the attention of dealing staff, the increased risk in the account. The transaction will be monitored at a higher level both from the point of view of preventing fraud and making a Suspicions Transactions Report. However, the entire process will remain un-noticeable by the customer.
10. Operation in such accounts will be allowed after submission of fresh KYC by customer & due diligence as per risk category of the customer. Due diligence would mean ensuring genuineness of the transaction, verification of the signature and identity etc. However, it will be ensured that the customer is not inconvenienced as a result of extra care taken by the bank.
11. There are no charges for activation of inoperative account.
12. The amounts lying in inoperative accounts are properly audited by the internal auditors/statutory auditors of the bank.
13. Bank will not levy penal charges for non-maintenance of minimum balances in any inoperative accounts.
14. The accounts receiving the Direct Benefit Transfers will not be converted in the Inoperative status.

25) Accounts of Transgender persons

In case of a person claiming to be transgender and needs to open account or to do any banking transaction, the person will be recognized as "Third Gender" and the details shall be accepted in the AOFs/ or other applicable forms as such. The salutation of such person shall be "Mx" All transgender customers shall be treated equally to other male/ female customers without any discrimination.

Regarding NRE and NRO Accounts, Deposit Management, and Renewal Procedures

1. **Licensing and Account Offerings:** Our bank has been granted an AD Category II license, enabling us to offer the following products:
   - NRE Saving Deposit (GL CODE 2203)
   - NRO Saving Deposit (GL CODE 2204) Detailed guidelines from the Department of Foreign Exchange regarding these accounts have been disseminated to all branches in accordance with Branch Circular No. 56/18, dated 14/01/2013. Employees can access this circular through the bank's intra mail. It is essential to note that the bank is prohibited from establishing any direct or indirect lien on NRE Saving Accounts.
2. **Early Closure of Deposits:** The bank allows for the closure and repayment of all large deposits, with the exception of bulk deposits made by individuals and Hindu Undivided Families, prior to their maturity date. Clarity regarding this policy will be provided at the time of deposit acceptance.

3. **Deposit Renewal Instructions:** To facilitate the renewal of a deposit receipt, customers must provide explicit instructions on the reverse side of the receipt, including the desired deposit period. In cases where the period is not clearly specified, the deposit receipt will automatically be renewed for a term equivalent to that of the original deposit receipt.

Vide Reserve Bank's Master Circular no. RBI / 2015-16 / 5 DCBR.BPD. (PCB) MC. No: 6 / 13.01.000 / 2015-16 Dated - July 1, 2015, following action work mentioned specifically.

1. **Eligibility Criteria:** Customers eligible for the Doorstep Banking Service include:
   - Individuals who are too ill to sign cheques or physically visit the bank but can provide a thumb impression.
   - Individuals who are unable to be present at the bank or provide a thumb impression due to severe physical incapacity.
   - Senior citizens who require assistance due to age-related limitations.
   - Customers with disabilities who are unable to travel to the branch.
2. **Documentation Requirements:**
   - A medical certificate and the signature of a doctor will be required where necessary.
   - All transactions initiated under this service must be monitored closely by a senior bank official.
   - Signatures or thumb impressions must be obtained in the presence of a bank official to ensure legitimacy.
3. **Witness Requirements:**
   - For transactions requiring a thumb or toe impression, two independent witnesses known to the bank are necessary, with one being a responsible bank official.
   - In situations where customers cannot provide a thumb impression or signature, an alternative mark (e.g., toe impression) can be made, also requiring verification by two independent witnesses.
4. **Transaction Authorization:**
   - Customers will indicate who may withdraw funds on their behalf using the authorized check or withdrawal form. The authorized person must be identified by two independent witnesses.
   - The authorized individual must provide their signature to the bank.
5. **Special Considerations:**
   - For customers with profound disabilities, such as the loss of both hands, alternatives like a mark made with physical contact between the individual and an instrument may be accepted.
   - This policy is aligned with guidelines set forth in the RBI Circular No. /DCBR.BPD.(PCB)M.C.No.6/13.01.000/2015-16 dated July 1, 2015.

29) Account Information

1) It is not necessary to include the signature or identity of the introducer in the account opening form for a savings or current deposit account. This requirement is not mandated by the PML Act and its associated rules. Nevertheless, in accordance with the KYC policy, it is essential to obtain the full KYC documentation from account holders.
2) While opening accounts of minors of any age the right to perform any transactions or availing the ATM, Cheque book, Internet banking will be only of Natural/legal guardian of the minor. As per सुकुमार/चिरंजीव deposit schemes of the bank the Minor can independently operate the account with his/her signatures provided the permission must be obtained from his/her legal/natural guardian on the account opening form.
3) On attaining the majority i.e. his / her 18 years of age the process **as per 12.5** will be followed.
4) The bank has provided a nomination facility to all customers. Branch staff must inform customers about the significance of nominations. If a customer chooses not to make a nomination, this decision must be recorded on the account opening form, and the customer's signature should be obtained on the same.

5) It is mandatory to secure a declaration from the customer confirming that he/she do not possess any cash credit account with another bank when opening a current account. If the customer is having a cash credit account with a different bank, we are required to communicate with that bank and obtain a No Objection Certificate (NOC) from them.
6) If the minimum amount prescribed by the bank is not kept in the current account, minimum balance charges will be levied on it.

30) For day-to-day Banking activity due attention should be given on:-

1. While accepting any type of deposit, it is mandatory for the customer to fulfill KYC first as per the KYC policy.
2. The Bank's policy is to increase low-cost deposits / CASA; hence bank is concentrating on increasing the number of customers and small depositors accordingly.
3. While accepting deposits at different schemes, the bank will follow the rules laid down for the scheme.
4. While accepting new Individual bulk deposits (Bulk Deposit), proper verification of Sources of Funds will be done as per the provisions of Prevention of Money Laundering Act.
5. As per approval of Hon. Board of Director's meeting dated 27th November 2017, all existing deposits from 01 January 2018 in the bank will be renewed permanently. (Excluding to deposits held by depositors under income tax relief scheme)
6. Cases regarding deceased depositors will be handled as per the prevailing procedure set by Legal Department, Head Office.
7. The bank will impose Minimum Balance Charges on current account as per the minimum balance maintained by the customer in accordance with current regulations. (Details regarding these charges will be available on the bank's website and prominently displayed in the branch.)
8. A notification will be provided to the relevant account holder at least 3 months prior to marking the account as inoperative or dormant.
9. In order to uphold good customer relations and provide a courteous service, the Bank is committed to notifying all Term Deposit holders of upcoming maturities. This notification will be dispatched through SMS or letters seven days prior to the maturity date.
10. It is the depositor's responsibility to ensure that their contact information is up to date. In instances where a depositor has not provided a cell phone or landline number, the Bank will still send maturity reminders through the aforementioned methods.
11. Depositors are encouraged to take appropriate actions to renew their deposits by the due date to prevent any loss of interest
12. As the account is inoperative / dormant, the bank will not charge any charges for it. However, in order to make this account operational again, the concerned account holder has to update KYC.
13. Witnesses are not required to register the name of the nominee, where account holder/s is /are literate and in a position to sign on the form. But for thumb bearing account holders, two witnesses are required.
14. Savings Deposit Account should be considered as BASE ACCOUNT of the customer in the bank. Therefore, the account information should be constantly updated, and necessary changes should be made in the system from time to time. (E.g. name, address, phone number, age, change of job, death etc.)
15. As per the circular of the Reserve Bank, existing zero balance accounts will be converted with Basic Savings Bank Deposit Account (BSBDA) account.
16. The bank will not open the following types of accounts: -
    a. Accounts of Government Departments
    b. Municipal Corporation / Municipal Committee / Panchayat Samiti / State Housing Board / Textbook Corporation / Metropolitan Development Authority / State or District Level Housing Co-op. Soc. / Political parties
    c. Unregistered organizations / companies.

17. The Deposit Schemes introduced by the bank periodically are terminated upon achieving the objectives of the scheme or after a specified duration. Additionally, certain schemes are launched in response to urgent needs. The branch or data center coordinates with the planning department to obtain prior approval for any modifications to these maturity deposits. Any alterations (for instance, adding or removing names) in schemes which are terminated must be executed under the authority of the Branch Manager. Therefore, it is essential for the Branch Manager to submit a request to the Data Centre for such changes. Approval from the Planning Department is not necessary.
18. There is no requirement of sanction of Planning Department regarding reversal of TDS amount. Branches should contact Data Centre and complete the work.
19. The initiation or termination of a new deposit scheme, along with periodic modifications, strategic decision-making in this area, and the communication of such changes to all branches, including adjustments in interest rates and service charges, will be managed by the planning department. Additionally, the promotion of various deposit schemes offered by the bank through leaflets, flex banners, and other mediums will be handled by the advertising department.
20. Deposits of up to Rs. 5 lakhs (Principal + Interest) per account holder are protected by the D.I.C.G.C. This information has been prominently displayed at branches and on the official website of the bank to ensure proper publicity.
21. The bank management reserves the right to make changes in this policy.
22. Remuneration or fees or commission or brokerage or incentives on deposits in any form or manner to any individual
    a. Incentives granted to any staff members as approved by Reserve Bank of India from time to time.

31) Levy of charges for to Current Account non -maintenance of minimum balance

Following guidelines are adopted by bank.

1. In the case of a failure to maintain the minimum balance or average minimum balance in the current account as stipulated in the agreement between the bank and the customer, the bank will inform the customer explicitly via SMS, EMAIL, LETTER, etc. that if the minimum balance is not restored in the account within one month from the date of notification, penalty charges will be imposed.
2. Bank's policy regarding the charges levied to customers account is as per the approval granted by the Board of directors of the bank.
3. The penalties imposed are directly related to the degree of shortfall identified. In other terms, these charges represent a fixed percentage applied to the discrepancy between the actual balance held and the minimum balance maintained in the account. A suitable tiered structure for the collection of these charges has been determined.
4. The bank ensures that the balance in the account will not become negative solely due to the imposition of charges for failing to maintenance of the minimum balance.
5. The bank consistently ensures that any penal charges imposed are fair and align with the typical costs associated with delivering the services

32) Depositors Education & Awareness Fund (D.E.A.F.)

a. In accordance with regulatory requirements, any account that has not exhibited activity for a period of ten years, as well as any deposit that remains unclaimed for over ten years, shall be subject to transfer to the Deposit Education and Awareness Fund (D.E.A.F.) with the Reserve Bank of India (RBI). This transfer will be executed within three months following the completion of the ten-year inactivity period.

b. Customers or depositors retain the right to reclaim their deposits or manage their accounts at any time, even after the funds have been transferred to the RBI. To do so, individuals must follow the prescribed procedures.

c. Comprehensive details regarding this policy are made available on our website. Customers can access their account information using either their name or Unique Deposit Reference Number (UDRN).

33) Redressal of complaints and grievances

Depositors who have complaints or grievances regarding the services provided by the Bank are entitled to seek resolution through the designated authorities for customer complaint handling.

Complaint Process: To ensure an efficient and transparent process for addressing customer complaints, the following measures are implemented:

1. **Complaint Registration**: A standardized complaint register is available at all Bank branches. This register is prominently displayed to facilitate easy access for customers wishing to record their complaints.
2. **Acknowledgment of Complaints**: The Bank has established a system to acknowledge complaints submitted through its official website, ensuring that all complaints received via digital channels are formally recognized.

34) LEGAL AND FINANCIAL RISKS: -

1. **Purpose of Deposits**: Banks are integral financial institutions that accept deposits from the public, primarily for the purpose of facilitating lending activities.
2. **Stakeholder Recognition**: Depositors are recognized as the primary stakeholders within the banking system. Their interests and rights form a foundational aspect of the regulatory framework that governs banking operations in India.
3. **Regulatory Framework**: The interests of depositors are protected under the Banking Regulation Act of 1949, which establishes the legal parameters for banking practices. This Act underlines the crucial nature of depositor wellbeing and safety within the banking ecosystem.
4. **Role of the Reserve Bank of India (RBI)**: The Reserve Bank of India serves as the regulatory authority with the power to issue directives and guidelines pertaining to interest rates on deposits and related deposit management practices.
5. **Compliance and Accountability**: Banks are mandated to operate in strict compliance with established policies and the directives set forth by the Reserve Bank of India. Any negligence or non-compliance, regardless of scale, may result in significant legal and financial consequences for the institution.
6. **Operational Integrity**: To uphold the interests of depositors and maintain trust in the banking system, it is imperative for banks to implement robust internal policies that align with regulatory requirements and best practices in deposit management.

35) Prohibitions and Exemptions

a. Prohibitions:

Bank Will not:

(1) Pay any remuneration or fees or commission or brokerage or incentives on deposits in any form or manner to any individual, firm, company, association, institution or any other person except:

(i) commission paid to agents employed to collect door-to-door deposits under a special scheme.

(ii) remuneration paid to Business Facilitators or Business Correspondents.

(iii) incentives granted to staff members of co-operative banks as approved by Reserve Bank of India from time to time

(2) Offer prize / lottery / free trips (in India and / or abroad), etc., or any other initiative having element of chance for mobilising deposits.

(3) Resort to unethical practices of raising of resources through agents / third parties to meet the credit needs of the existing / prospective borrowers or to grant loans to the intermediaries based on the consideration of deposit mobilisation.

(4) Issue any advertisement / literature soliciting deposits from public highlighting only the compounded yield on term deposits without indicating the actual rate of

simple interest offered by the bank for the particular period. Simple rate of interest per annum for the period of deposit should be indicated invariably.

(5) Accept interest-free deposit other than in current account or pay compensation indirectly.

(6) Accept deposits from / at the instance of private financiers or unincorporated bodies under any arrangement which provides for either issue of deposit receipt(s) favouring client/s of private financiers or giving of an authority by power of attorney, nomination or otherwise, for such clients receiving such deposits on maturity.

(7) Grant advances against term deposits maintained with other banks

(8) Open a savings deposit account in the name of Government departments /bodies depending upon budgetary allocations for performance of their functions / Municipal Corporations or Municipal Committees / Panchayat Samitis / State Housing Boards / Water and Sewerage / Drainage Boards / State Text Book Publishing Corporations / Societies / Metropolitan Development Authority / State / District Level Housing Co- operative Societies, etc., or any political party or any trading / business or professional concern, whether such concern is a proprietary or a partnership firm or a company or an association and entities other than individuals, Karta of HUF and organisations/agencies listed in SCHEDULE- I.

Explanation For the purposes of this clause, 'political party' means an association or body of individual citizens of India, which is, or is deemed to be registered with the Election Commission of India as a political party under the Election Symbols (Reservation and Allotment) Order, 1968 as in force for the time being.

Note: Savings Bank account cannot be opened in the name of a private entity for implementation of the Government funding schemes.

(9) Create any fund to be utilised for charitable purposes in consultation with the depositors.

b. Exemptions

The provisions in the above paragraphs shall not be applicable to:

(1) A deposit received by a bank:

(i) from the institutions permitted to participate in the Call / Notice / Term Money Market both as lenders and borrowers.

(ii) for which it has issued a participation certificate.

(2) Payment of interest on delayed collection of outstation instruments like cheques, drafts, bills, telegraphic / mail transfers, etc.

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