



**Saraswat
Bank**

Saraswat Co-operative Bank Ltd.
(Scheduled Bank)

Building Trust Across Generations...

DEPOSIT POLICY

FY 2025 - 2028

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DEPOSIT POLICY

2025 - 2028

I. PREAMBLE:

- One of the important functions of the Bank is to accept deposits from the public for lending or investment.
- 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.
- 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.
- This Deposit Policy has been drawn up within the broad guidelines issued by the Reserve Bank of India vide its Master Circular on Maintenance of Deposit Accounts RBI/2015-16/5 DCBR.BPD. (PCB).MC.No: 6/13.01.000/2015-16 July 1, 2015/RBI notifications/IBA guidelines and RBI Circular on Interest Rate on Deposits, **Settlement of claims in respect of Deceased Customers of Banks Direction, 2025, Nomination Facility in Deposit Accounts, Safe Deposit Lockers and Articles kept in Safe Custody with the Banks Directions, 2025.**

II. OBJECTIVES:

- This Policy document on deposits outlines the guiding principles based on which the Bank formulates the various deposit products offered by the Bank and the 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 deposit 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. It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers.

III. OWNERSHIP:

The ownership of the Deposit Policy will rest with SBU – Retail Banking.

IV. SCOPE OF THE POLICY:

- This core function, “acceptance of deposits” elucidated in the Policy adopting the principles of Corporate Governance, aims at creating substantial customer awareness.
- The Policy aims to educate the employees and public in general about the various methods adopted by the Bank for handling deposit accounts under various circumstances. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

- While adopting this Policy, the Bank reiterates its commitments to individual customers outlined in the Bankers' Fair Practice Code of the Indian Bank' Association. This document is a broad framework under which the rights of common depositors are recognized.

V. APPLICABILITY OF THE POLICY:

The Policy is applicable to all customers of the Bank and outlines the principles for identification of all customers across the Bank within the framework specified by Reserve Bank of India (RBI). It is intended to be read, understood and practiced by all the employees who directly or indirectly service the customers.

VI. VALIDITY OF THE POLICY:

The Deposit Policy will become operative from the date of approval by the Board of Directors and shall remain valid till it is reviewed. Further, need based changes, if required, will be made from time to time with the approval of the Board.

VII. TYPES OF DEPOSIT ACCOUNTS:

While various deposit products offered by the Bank are assigned different names, the deposit products can be broadly categorized into the following two types: Demand Deposits and Time Deposits.

Definition of major schemes are as under:

- **“Demand deposit”** means a deposit received by the bank which is withdrawable on demand;
- **“Savings deposit”** means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amount of withdrawals permitted by the bank during any specified period;
- **“Term deposit”** means a deposit received by the bank for a fixed period withdrawable normally after the expiry of the fixed period and includes deposits such as Recurring / Short Deposits / Fixed Deposits /Monthly Income Certificate /Quarterly Income Certificate/Double Benefit Deposits.
- **“Current Account”** means a form of demand deposit wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit.

(A) DEMAND DEPOSITS:

Demand deposits are further categorized into Savings Deposits and Current Deposits. The Bank will provide various products to suit the needs of the customers, under saving and current deposit account which are mentioned below.

(i) Saving account products:

Currently, the Bank is providing the following schemes for various segments of customers under the savings account category:

1. Regular Savings Account
2. Elite Savings Account
3. Elite Silver Savings Account
4. Elite Gold Savings Account
5. Janhit Savings Account (Small savings a/c)
6. Easy Deposit Savings Account
7. My Money Savings Account
8. Akshay Salary Account
9. Suvidha Savings Account (BSBDA)
10. Pradhan Mantri Jan Dhan Yojana Savings Account
11. MAVIM Micro Finance Savings Account
12. Non-Resident Ordinary (NRO) Savings Account
13. Non-Resident External (NRE) Savings Account

(ii) Current account products:

Currently, the Bank is providing the following Schemes for various segments of customers under the current account category:

1. Regular Current Account
2. Elite Current Account
3. Premium Current Account
4. Platinum Current Account
5. Society Value Current Account
6. Society Prime Current Account
7. CANETC (NETC-National Electronic Toll Collection)

Any new product introduced during the year will be approved by the concerned authority and will be updated under the product list wherever applicable. Bank is providing various technology products like Debit Card, Internet Banking, Mobile Banking, UPI, SMS Banking, Credit cards etc. to various saving and current accountholders.

(B) TIME DEPOSITS:

Presently, the Bank is offering the following types of Time Deposits:

- (i) **Saraswat Fixed Deposit (Fixed Deposit)**, with option of payment of interest on monthly, quarterly or on due date option.
- (ii) **Saraswat Fixed Deposit (Cumulative Deposit)**, wherein interest on the deposit is reinvested on a quarterly cumulative basis and repaid on due date along with the principal amount.
- (iii) **Saraswat Fixed Deposit (Recurring Deposit)**, wherein a fixed amount is invested on a monthly basis for a fixed period for a fixed maturity value.

In addition to the above, Bank will also launch special period specific products, from time to time depending upon market conditions. The salient features of various deposit schemes (under demand / time deposits) are given more

precisely on the website and related circulars/ policies are also made available on employee portal.

VIII. PRODUCT APPROVAL PROCESS:

- New deposit products will be introduced, and existing products will be modified by the Bank after a thorough study is made of the product, market study of similar products available in the market and customer expectation for such products.
- The views and opinions of customers received through branches/ Zonal Offices will be considered while designing new products and modifying existing products. While formulating new products, the guidelines issued by Reserve Bank of India and Indian Banks' Association will be taken into consideration.
- All new products and modifications of existing products will be approved by the Board of Directors before being implemented.

IX. KEY FEATURES ON OPERATION OF DIFFERENT TYPES OF ACCOUNTS:

(i) Account Opening and Operation of Deposit Accounts:

- a. The Bank has Centralized Deposit Service Centre in Mumbai for opening of Savings, Current Account and Term Deposit Accounts.
- b. The Bank, before opening any deposit account, will carry out due diligence as required under "Know Your Customer" (KYC) and Anti-money Laundering guidelines issued by RBI, Government of India and or such other policy norms or procedures adopted by the Bank.
- c. The due diligence process, while opening a deposit account will involve satisfying the Bank about the identity of the person, verification of address, satisfying about his occupation, source of income and obtaining recent photographs of the person/s opening / operating the account.
- d. The Bank will not open any new account where the identity of the customer matches with banned entities such as individual terrorists or terrorist organizations etc. The list of such suspected entities is updated in AML package and available in new account opening software, loan origination system and CBS.
- e. As per amendment in RBI Master Direction on KYC, officially valid documents (OVDs) would include Aadhaar, voter's id, passport, driving license, NREGA Job card and letter issued by National Population Register. The list of OVDs / deemed to be OVDs along with the requirements are covered separately under KYC and AML policy of the Bank.
- f. The account opening forms and other required information will be provided to the prospective depositor by the Bank. The Bank official opening the account will also explain the procedural formalities and features of product when customer approaches the Bank for opening a deposit account.
- g. 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 Account (BSBDA) and Small Saving Account will be

opened with relaxed customer acceptance norms as per regulatory guidelines. Accordingly, our Bank has introduced Suvidha Savings Account for the benefit of unbanked segment of the society and Janhit Savings Account with relaxed KYC norms. The details of which are provided in KYC and AML policy of the bank and on bank's website.

The Basic Savings Bank Deposit Account (BSBDA) holder shall not be eligible for opening any other savings bank deposit account. Customers having any other existing savings bank deposit account shall be closed within 30 days from the date of opening a BSBD Account. A declaration shall be obtained from the customers that they are not having a BSBD account in any other bank, before opening a said account.

- h. The regulatory guidelines require the bank to categorize customers based on risk perception and monitor transactions in the account based on the profile of the customer. Inability or unwillingness of a prospective customer to provide necessary information /details could result in bank not opening an account. Inability of an existing customer to furnish details required by the bank to fulfill statutory obligations will result in partial freezing and subsequently total freezing of the account after due notice is provided to the customer.
- i. For deposit products like Savings Bank Account and Current Account, the Bank will normally stipulate certain minimum balances to be maintained as part of the terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract charges as specified by the Bank from time to time. The charges for non-maintenance of minimum balance to be maintained by customer will be proportionate to the extent of shortfall observed. The shortfall from the stipulated average **monthly** balance will be calculated for first **15 days** and in case of default, SMS about non-maintenance of minimum balance will be sent on **15th day of every month** advising the customer to restore the balance in the account. If the minimum balance is not restored within **a month**, penal charges will be recovered on the first day **of the subsequent month**.
SMS will be sent on the same day the penal charges are levied to the account. The minimum balance charges will be applied after the completion of a stipulated **month** end from the date of opening of the account. However, in case, the account is to be closed or revived, bank will not seek payment of unpaid charges levied due to non-maintenance of minimum balance. Any change in minimum balance will be intimated to the customer 30 days in advance. During this notice period customer will not be charged for non-maintenance of higher minimum balance.
- j. If customer is not happy about the choice of current / savings account, they may within 14 days of opening the account, approach branch to switch to any of our other account / products offered by us. Alternatively, customer may ask

for closure of the account along with any interest it may have earned. No penal charges will be applied in such cases.

- k. Similarly, the Bank will also specify charges for issue of cheque books, additional statement of accounts, duplicate passbook, account maintenance charges, etc. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services will be given to the prospective depositor while opening the account. This schedule of charges will be displayed by the Bank on Customer Information Desk for customers and on the website. Any change in service charges & fees shall be communicated to the customer 30 days in advance before effecting change.
- l. The Customer shall inform any change of address or change in profile to the Bank with supporting KYC documents and the bank shall make necessary updation in the CBS.
- m. Cheques and other instruments in the same name as that mentioned in the account only will be accepted for the credit of saving/current account.
- n. Saving bank accounts will be opened for eligible person / persons and certain organizations/ agencies (as advised by Reserve Bank of India from time to time). Current accounts will be opened for Individuals / Partnership firms / Private and Public Limited Companies / HUFs / Specified Associates/ Societies / Trusts/Limited Liability Partnership, etc. Term Deposits Accounts will be opened for Individuals / Partnership firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts/ Limited Liability Partnership, etc.
- o. Deposit accounts will be opened for an individual in his own name (known as account in single name) or for more than one individual in their own names (known as joint account). Saving bank and term deposit accounts will also be opened for a minor operated by any one guardian (natural /legal guardian)
- p. Operation of Joint Account – A joint account opened by more than one customer can be operated singly or jointly. The mandate for operating the account can be modified only with the consent of all account holders.

The joint account holders can give any of the following mandates for the disposal of balance in the above deposit accounts:

- **Either or Survivor**: If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to either of account holders i.e. A or B, on date of maturity or to the survivor on death of any one of the account holders without seeking concurrence of legal heirs of the deceased deposit holder.
- **Anyone or Survivor(s)**: If the account is in the name of two or more individuals say, A, B & C, the final balance along with interest if applicable, will be paid to any of accountholders i.e. A or B or C, on the date of maturity. On the death of any one of account holder say A, the final balance along with interest if applicable, will be paid to any two of the surviving

accountholders i.e. B or C. On the death of any two of account holder say A and B, the final balance along with interest if applicable, will be paid to surviving accountholder i.e. C without seeking concurrence of legal heirs of the deceased deposit holder.

➤ **Former or Survivor:** If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to the former i.e. A on date of maturity and to the survivor on death of anyone of the account holders without seeking concurrence of legal heirs of the deceased deposit holder.

➤ **All Jointly:** If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to both the applicants jointly. On the death of any one of the account holders, the final balance along with the interest if applicable will be paid to the legal heirs of deceased customer and survivor jointly.

Option to select mode of operation other than mentioned above are also available to customer.

At the request of the depositor, the Bank will register mandate / power of attorney given by him authorizing mandate holder or POA holder to operate the deposit account on his behalf.

q) In case any one of the account holders from joint account approaches Branch to stop the operation in the account, then branch will immediately debit freeze the account and refer the case to Legal Department for resolution.

r) **Photographs:** The Bank will obtain recent photograph of customer and the same shall be affixed on the account opening form. Photographs will be obtained for all the account holder/s for all accounts except minor.

s) The Bank will follow all the prescribed KYC guidelines. A detailed checklist of all the essential documents is made available at the branches and displayed on the website. Similarly, the various service charges associated with the savings and current account is displayed at the branches and on the website.

(ii) Nomination facility:

- Nomination facility is available on all deposit accounts opened by the individuals. It is available to a Sole Proprietary firm account and for articles kept in safe custody and safe deposit lockers.
- Nomination can be made in favor of **one or more persons not exceeding four, either successively or simultaneously**. Hence nomination is not permitted in favor of Company, Firm, Trust, HUF, etc.
- Nomination so made can be cancelled or modified by the account holder/s at any time. In case of Joint accounts, nomination or modifications of nomination shall be made by all depositors, jointly.
- Nomination can be made in favor of a minor also. The depositor (s) while making the nomination shall appoint another individual not being a minor to receive the

amount of deposit on behalf of minor nominee in the event of death of depositor(s) during the minority of the nominee.

- Attestation of two witnesses on the nomination forms would be required only if the form carries the thumb impression of the account holder. Attestation by the witness is not required in case the form is signed by the account holder.
- Bank recommends that all depositors avail the nomination facility. The depositor will be informed of the advantages of the nomination facility while opening a deposit account. Customer will avail nomination facility by filling up the details of the nominee on account opening form. Once the nomination is registered, SMS will be sent to customer in this regard **and the same will be registered on the face of Passbook/Statement of account and Deposit confirmation advice with legend 'Nomination Registered'**.
- The depositor has the discretion of putting nominee's name on passbook/Deposit confirmation advice.
If any person opening the account does not want to give nomination, bank will record the fact on the account opening form and obtain signature of the customer.
- The nominee, in the event of death of the depositor/s, would receive the balance outstanding in the account of the deceased as a trustee of legal Heirs.

(iii) Introduction not mandatory for opening accounts:

Since introduction is not mandatory for opening of accounts as per Prevention of Money Laundering (Maintenance of Records) Rules, 2005 or Reserve Bank of India Master directions, the bank shall not insist on introduction while opening accounts of customers.

(iv) Other Safeguards:

a) QUOTING OF PERMANENT ACCOUNT NUMBER MANDATORY:

As per RBI guidelines, Permanent Account Number (PAN) of customers shall be obtained and verified while undertaking transactions as per the provisions of Income Tax Rule 114B applicable to Banks. Keeping in mind the procedures followed to monitor the account transactions for submission of PAN and to ensure compliance to these provisions, it is decided that quoting of PAN shall be mandatory for individuals, authorized signatories and entities while opening new deposit accounts and sanctioning new advances.

CASA: It is mandatory to obtain PAN for all resident, NRIs/PIOs, authorized signatories, entities while opening new CASA accounts. It is also made mandatory for existing customers opening new CASA accounts.

Exceptions to the above rule-Janhit Accounts, Self Help Group, Area Level Federation, Joint Liability Group, Foreign Nationals, Foreign Directors.

Term Deposit: PAN shall be mandatory for all resident, NRIs/PIOs, authorized signatories, entities while opening new TD accounts. It is also made mandatory

for existing customers opening new TD accounts. Exceptions to the above rule-
Foreign Nationals, Foreign Directors

b) FATCA Declaration

c) CKYC Registration

d) BO (Beneficiary ownership) declaration wherever applicable.

e) Bank offers various choice of electronic channels to customer for conducting their banking transactions which includes-ATM, Internet Banking, Mobile banking, SMS banking, etc. Wherever such electronic facilities are offered as a part of the basic account/product, bank will obtain specific consent of the customers after explaining the risk associated for availing the facility.

f) Standing instructions can be given to the Bank for transfer/remittance of funds from one account to other account(s) maintained in the same branch or any another branch of the bank.

g) Any remittance of funds by way of demand draft, RTGS/NEFT/IMPS etc. for value of rupees fifty thousand and above shall be affected by debit to the customer's account or against cheques and not against cash payment.

Further, the name of the purchaser shall be incorporated on the face of the demand draft by the branch.

X. ACCOUNT OPENING OF DIFFERENT CATEGORIES OF INDIVIDUALS:

a) Accounts of Illiterate persons:

➤ Account in single name:

- The Bank will open deposit accounts, other than current accounts, of illiterate persons. The accounts of such persons will be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank.
- No cheque book and digital banking facility will be provided for such Savings Bank account.
- At the time of withdrawal / repayment of the deposit amount and / or interest, the account holder shall affix his / her thumb impression or mark in the presence of the authorized officer who will verify the identity of the person.
- The Bank will explain the need for proper care and safe keeping of the passbook given to the illiterate account holder and the terms and conditions governing the account to the illiterate person.

Normally, opening of joint account with illiterate / literate person is not allowed, however at the discretion of the Bank, it can be opened.

➤ Account in Joint name with illiterate person:

Joint account of two or more illiterate person/s can be opened only with close related people like illiterate husband and wife.

➤ **Account in Joint name with literate person:**

An illiterate person can open account jointly with a person who is literate and closely related to illiterate person i.e. husband, wife, father, mother, son, daughter.

➤ **In case account is opened in joint names:**

- The mode of operation in the account to be jointly. Operation by 'Either or Survivor' former or survivor 'or' latter or survivor', etc. not allowed.
- No cheque book and digital banking facility will be provided for such Savings Bank account.
- Both the account holders must personally visit the branch for the operation of the account.

(b) 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. Similarly, the operations of accounts through identification of thumb/toe impression/mark by two independent witnesses and authorizing a person who would withdraw the amount on behalf of such customers shall also be extended to the visually impaired customers.
- 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.
- Digital banking facilities via ATM and Internet banking are made available to enable visually challenged persons to operate their accounts.
- Other banking facilities such as cheque book facility, safe deposit lockers, retail loans, credit cards etc. are also offered to visually challenged persons without any discrimination.
- **Additionally magnifying glasses are made available at all branches for the use of persons with low vision, wherever they require, for carrying out banking transactions with ease.**

(c) Accounts of persons with autism, cerebral palsy, mental retardation and 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/ Collector of District 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.
- Hence a legal guardian so appointed can open and operate the bank account if he remains the legal guardian.

- Legal guardian, so appointed, will furnish an indemnity-cum-undertaking bond duly stamped as per the local law in force along with Guardianship Certificate.

(d) 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 and all kinds of banking services/products will be made available to them.

(e) Operation of Bank Accounts by Old /Sick/ Incapacitated Customers:

The old / sick / incapacitated account holder falls in the following two categories

- i) An account holder is too ill to sign a cheque and is unable to be physically present at the branch to do transactions but can put his/her thumb impression on the cheque/withdrawal form- in such case, thumb or toe impression of the sick/old/incapacitated account holder to be obtained in the presence of Bank official/s. It will be identified by two independent witnesses known to the branch, one of whom will be a responsible bank official.
- ii) An account holder who is not only able to be physically present at the branch but also is unable to put his/her thumb impression on the cheque/withdrawal form due to certain physical defect/incapacity- in such cases a mark will be obtained on the cheque/withdrawal form which will be identified by two independent witnesses, one of whom will be a responsible bank official. The customer will be asked to indicate to the branch as to who would withdraw the amount from the Bank on the basis of cheque/withdrawal form as obtained above and that person shall be identified by two independent witnesses. The person who would be drawing the money from the branch will be asked to furnish his signature to the branch.
- iii) In case, a person who has lost his both hands, the signature can be by means of a mark. This mark may be placed by the person in any manner. It could be toe impression also. It can be by means of mark which anybody can put on behalf of the person who has to sign, the mark being put by an instrument which has had a physical contact with the person who has to sign.

(f) Accounts of Senior citizen and differently abled persons:

The Bank with the permission of its Board may offer a higher rate of interest on term deposits to Senior citizens. All kinds of term deposit accounts attracting special rates for senior citizen can be opened jointly with any other person. In all the cases, the senior citizen must be the first holder.

Bank will render all possible assistance to senior citizens in carrying out banking transactions by providing personalized services, ensuring proper seating arrangement in banking hall, services through single window mechanism, submission of Life certificates at any of the branches, ease in filing Form 15G/H,

permitting withdrawal of funds and issue of cheque book by persons authorized by senior citizens on production of authorization letter and passbook.

Doorstep banking may be provided on specific requests for senior citizens more than 70 years of age and differently abled or infirm persons (having medically certified chronic illness or disability) including those who are visually impaired, for pickup of cash and instruments against receipt, delivery of demand drafts, submission of KYC documents, Life certificates at the premises /residences of such customers.

(g) Opening of NRE/NRO accounts:

- Banks registered in States that have entered a Memorandum of Understanding (MOU) with Reserve Bank of India (Reserve Bank) for supervisory and regulatory co-ordination and those registered under the Multi State Co-operative Societies Act, 2002 and complying with the various norms as mentioned in the Act are eligible for authorization to maintain NRE accounts.
- Accordingly, the Bank will allow opening banking accounts of NRIs/PIOs under the directives / regulations / notifications of the Foreign Exchange Management Act (FEMA) 1999.
- The detailed guidelines for opening of such accounts are given in the KYC and AML policy.
- The Bank will offer the following types of accounts for the NRIs/PIOs:
 - NRE Account
 - NRO Account
 - FCNR (B) Account
 - RFC Account

XI. OPENING/ OPERATION OF AN ACCOUNT UNDER THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, (RERA)2016 -

As per RERA Act, 2016 the promoter is required to deposit seventy per cent of the amount realized for the real estate project from the allottees /buyers in a separate account to be maintained in a scheduled bank to cover the cost of construction and the land cost and to be used only for that purpose. The detail guidelines regarding the opening and operations of the account are given in AML and KYC policy of the Bank.

XII. Digital Onboarding:

❖ **TAB Banking:**

Bank on tab is a unique concept wherein an Android application is installed in a tablet by which banking services viz: Account opening, term deposit creation, can be conducted in a paperless and secured manner. The Term Deposit Account creation through OTP is available for the Individual & Resident customers with his/her mobile number registered with the bank. 'Bank-on-Tab' offers the convenience of instant account opening & secured way of transacting at anytime, anywhere. Since 'Bank-on-Tab' is portable in nature, account can be opened at branch or at Customer's residence/ office. Authentication would be carried using

Customer's/ applicant's Aadhaar number and his/ her biometric (Fingerprint or Facial) with **Morpho** devices. The Aadhaar number & biometric will be confirmed with UIDAI database on a real-time basis. KYC documents and photographs of the customers is electronically stored in DMS (Document Management System) and thus reduction in paperwork and storage.

Customer and account creation will be initiated using CKYC records maintained by CERSAI or Aadhaar records maintained by UIDAI. In both cases, customer consent for generating digital documents will be obtained through OTP authentication.

❖ **Video KYC services:**

Bank also intends to onboard new customers through digital channel by offering Video KYC services.

❖ **Doorstep Banking:**

Bank will endeavor to provide 'Doorstep' banking (pick up of cash / instruments against receipt or delivery of cash / demand drafts against issue of cheque / any secured convent channel) on voluntary basis.

Bank may start offering Doorstep Banking Services to customers either directly through own employees or through agents and take all necessary steps to manage the same.

XIII. TERM DEPOSIT SCHEMES:

- The Bank has tailored various deposit schemes to suit the needs and expectations of customers as per their preferences.
- The Bank will accept term deposit for payment of principal amount with simple interest on maturity under **Regular Deposit** for minimum 7 days to 364 days only.
- The Bank will accept term deposit under **Quarterly payout, Monthly payout and Quarterly Cumulative schemes** for minimum tenure of 12 months and above as decided by the bank from time to time.
- Minimum tenor of NRE term deposits shall be one year and that of NRO term deposits shall be seven days. The benefit of additional interest rate on deposits on account of being senior citizens shall not be available to NRE and NRO deposits.
- In case of deposits repayable at less than 3 months or where the terminal quarter is incomplete, interest will be paid proportionately for the actual number of days reckoning the year at 365 days.
- Interest rates paid by the Bank shall be as per the schedule and the same shall not be subject to negotiation between the Bank and the depositor for domestic deposits. Instances of any such differential rate of interest, if paid shall be duly ratified by the Board of Directors.
- Payment of Interest on monthly / quarterly basis will be done by credit to the account with us as per standing instructions / or by ACH
- All transactions including payment of interest on Deposits/charging of interest on advances will be rounded off to the nearest Rupee, i.e., fraction of 50 paise and

above will rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored.

- If a term deposit is maturing for payment on a Sunday / holiday / non-business working day, bank shall pay interest at the originally contracted rate on the original principal deposit amount for the Sunday / holiday / non-business working day, intervening between the date of the maturity of the specified term of the deposit and the date of payment of the proceeds of the deposit on the succeeding working day.
- In case of reinvestment deposits and recurring deposits, bank shall pay interest for the intervening non-business working day on the maturity value.
- All kinds of term deposits accounts attracting special rates for senior citizen can be opened jointly with any other person. In all the cases, the senior citizen must be the first holder. The operating instructions will be as per customers choice.
- Under Tax Savings Deposit, customer gets a tax benefit under Sec 80C of Income Tax Act 1961 on the amount invested, although the interest paid on these deposits is taxable. Deposit can be made under **Tax Savings Deposit** scheme and interest on the term deposit is payable on quarterly rest.

XIV. Pricing of Deposits:

- The rates should be uniform across all branches and for all customers and there shall be no discrimination in the matter of interest paid on the deposits, between one deposit and another of similar amount, accepted on the same date, at any of its offices.
- Bank offers uniform rates on deposits other than bulk deposits. However, in case of bulk deposits, the Bank will offer different rate of interest other than the rate of interest offered to non-bulk deposits accepted on the same date and for the same maturity period depending upon the size of each deposit. The Bank will treat deposits of Rs.1.00 crore and above (per deposit confirmation advice) as bulk deposit for the said purpose. The threshold limit of bulk deposit to total deposit will be maintained up to 25%.
- The Bank should disclose in advance the schedule of interest rates payable on deposits including deposits on which differential rate of interest will be paid by the bank. Interest rates paid by the Bank should be as per the schedule and the same shall not be subject to negotiation between the Bank and the depositor for domestic deposits.
- Instances of such differential rate of interest should be duly ratified by the Board of Directors.
- All such differential rate deposits shall be preferably opened under non-callable option i.e. premature withdrawal will not be allowed. However, in exceptional cases it can also be opened under callable option.

- The maximum difference of **2.50%** plus or minus should be in place for single term deposit receipt of Rs.1.00 crore and above and single term deposit receipt of less than Rs.1.00 crore for the same maturity.
- The maximum difference between any consecutive maturities should not be more than **2.50%** plus or minus while finalizing the rate of interest for term deposits.

XV. DIRECTIVES ON INTEREST PAYMENT ON DEPOSITS:

i. Interest on domestic Current Account:

No interest is paid on deposits held in current accounts, however the balance lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern attracts interest from the date of death of the depositor till the date of payment to the claimant/s at the rate of interest applicable to savings deposit as on the date of payment.

ii. Interest Payments in Saving account:

Interest will be paid at quarterly rests on saving accounts at the rate decided by the Bank within the general guidelines specified by Reserve Bank of India from time to time. In case of saving deposits, interest will be calculated on the minimum closing balance to the credit of the deposit account on daily product basis and will be credited to the account only when it is Re 1/- or more. Interest will be credited on quarterly basis on 30th June / 30th September / 31st December and 31st March every year. Interest on saving bank account, including those frozen by the Law Enforcement Agencies, shall be credited on regular basis irrespective of the operational status of the account. Bank pays interest to its NRE and NRO Deposit holders as per the rates decided by the Bank but in no case the interest rates offered on NRE and NRO deposit holders will be higher than those offered on comparable domestic rupee deposits.

iii. Interest Payments for Term Deposit Accounts:

As per Reserve Bank of India directives, interest will be calculated at quarterly intervals (30th June/ 30th September /31st December and 31st March), on term deposits and paid at the rate contracted depending upon the period of the deposits. In case of monthly deposit scheme, the interest will be calculated for the quarter and paid monthly at discounted value. The interest on term deposits will be calculated by the Bank in accordance with the formulae and conventions advised by the RBI and Indian Banks' Association. The rate of interest on deposits will be prominently displayed in the branch premises/on Bank's website from time to time. Changes in rates, if any, about the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed from time to time.

The bank has statutory obligation to deduct tax at source if the total interest paid/ payable on all the term deposits held by a person exceed the amount specified under the Income Tax Act. The bank will issue tax deduction certificate (TDS Certificate) for tax deducted. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year. TDS will

be deducted on the interest earned on the total amount of deposits held by a customer in the Bank as a whole, and not on individual deposits held by him branch-wise including Recurring Deposits (as per amendments in Finance Act 2015).

iv. Interest on overdue domestic deposits:

If a Term Deposit (TD) matures and proceeds are unpaid, the amount left unclaimed with the bank shall attract rate of interest as applicable to savings account or the contracted rate of interest on the matured TD, whichever is lower.

v. Interest Payable on Term Deposit in Deceased Account

➤ **Single/All depositors are deceased:**

In the event of the death of single/all the depositor/s, the amount of deposit is claimed before the date of maturity, interest at the rate applicable to the period for which the deposit has remained with the bank will be paid and penal interest shall not be levied, even if the deposit is within the lock-in-period.

The same will be applicable even if the receipt is auto renewed after death of single/all of the depositors.

➤ **TD in joint name/s and one of the depositors is deceased:**

• In the event of death of one of the depositors, when surviving holder claims the amount, TD interest at the rate applicable to the period for which the deposit has remained with the bank will be paid and penal interest shall not be levied.

The same will be applicable even if the receipt is auto renewed after death of one of the depositors.

• **In case of term deposit opened jointly, with or without survivorship clause, the consent of the surviving depositors and the legal heir(s) of the deceased joint holder to be obtained in case of death of one of the depositors.**

However, in case of joint accounts with survivorship clause, if a specific mandate is furnished by all the depositors jointly to the bank, either at the time of placing the term deposit or anytime subsequently during the tenure of the deposit, then premature withdrawal option shall be allowed to the survivors on the death of any of the depositors, without seeking the concurrence of the legal heir(s) of the deceased joint deposit holder.

➤ **In case of NRO, NRE & FCNR deposits: Rules as applicable to domestic deposits.**

➤ **In case of death of the depositor having Resident Foreign Currency (RFC) Account, after the date of maturity of the deposit, the interest rate operative on the date of maturity in respect of savings deposits, shall be paid from the date of maturity till the date of payment.**

➤ **In case the claimants are residents, the maturity proceeds shall be converted into Indian Rupees as per the rate applicable on the date of maturity and interest shall be paid for the subsequent period at the rate applicable to a domestic term deposit of similar maturity.**

vi. Interest on renewal of FCNR (B) deposits

Interest calculation on renewal of FCNR(B) deposits shall be as under:

- a) If the period from the date of maturity till the date of renewal (both days inclusive) does not exceed 14 days, the rate of interest payable on the amount of the deposit so renewed shall be the appropriate rate of interest for the period of renewal as prevailing on the date of maturity or on the date when the depositor seeks renewal, whichever is lower.
- b) In all other cases of renewal, interest rates for the overdue period on the renewed amount shall be determined by treating it as a fresh term deposit.
- c) If, after renewal, the deposit is withdrawn before completion of the minimum stipulated period under the scheme, the Bank may recover the interest paid for the overdue period i.e., period beyond the original date of maturity.

XVI. ADDITION OR DELETION OF THE NAMES OF JOINT ACCOUNT HOLDERS:

The Bank, at the request of all the joint account holders will allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant or will allow an individual depositor to add the name of another person as a joint account holder. However, the first holder's name cannot be deleted from any account. In such cases, existing account will be closed, and new account will be opened.

XVII. CUSTOMER INFORMATION:

- As per RBI guidelines, the information collected from the customers while opening the account will not be used for cross selling other services or products of the Bank. Prior consent of the account holder will be obtained before using the customer information for marketing.
- The Account opening form for all accounts seeks such permission.

XVIII. SECRECY OF CUSTOMERS ACCOUNTS:

The Bank will not disclose details of the customers' accounts 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 Bank's duty to the public to disclose the information and where interest of the Bank requires disclosure of information.

XIX. PREMATURE WITHDRAWAL OF TERM DEPOSITS:

- The Bank on request from the depositor, at its discretion will allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit.
- The Bank will make depositors aware of the applicable penal interest rate along with the deposit rate.
- The Bank has following policy for premature withdrawal of Term Deposit:
 - ✓ No interest will be paid on term deposits (including sweep-in sweep-out), which remain with the bank for less than 7 days.

- ✓ For term deposits other than sweep-in which remained for more than 7 days and above, interest will be paid at rate applicable for period which deposit remained with the bank less penalty and not at contracted rate.

Restriction on premature withdrawal:

Premature withdrawal of deposits kept under of tax saving deposit under 'Bank Term Deposit Scheme 2006' is permitted only on the death of the First holder. Our bank's 'Tax Saving Deposit' scheme' is based on the rules and regulations governing deposits under 'Bank Term Deposit Scheme 2006'.

Large Deposit (Callable, Non-callable Deposit)

- The Bank follows the practice of disallowing premature withdrawal of large deposits held by entities including Individuals and HUF subject to the following norms:
 - Where the large deposit as per the Bank is Rs.5.00 crore and above for single term deposit.
 - The clause of disallowing premature withdrawal is mentioned on the face of the Deposit Confirmation Advice.
 - In exceptional condition mentioned below premature withdrawal permission may be granted by Head-SBU-Retail Banking.
 - Branch made deposit erroneously
 - Non-callable auto renewed in non-callable
 - Customer wanted modification within 14 days of making of Non-callable Deposit
 - Customer's Death
 - Non-callable Deposit held in the name of Govt Bodies

XIXA. Premature withdrawal of NRE/FCNR (B) deposit

- If NRE/FCNR (B) deposit is prematurely withdrawn within minimum tenor of one year, then no interest shall be paid.
- If NRE/FCNR (B) deposit is prematurely withdrawn after minimum tenor of one year, then interest will be paid at rate applicable for period which deposit remained with the bank less penalty.

Penal interest on premature withdrawal of NRE deposits-

- A) Penalties for premature withdrawal of NRE term deposit will be as per penalties applicable to premature withdrawal of domestic rupee term deposits subject to,
 - i. No penal interest shall be levied for premature withdrawal of NRE term deposits for conversion into Resident Foreign Currency (RFC) Account.
 - ii. Penal interest for premature withdrawal shall be levied for conversion of NRE deposit into FCNR (B) deposit and vice versa.
- B) Penalties for premature withdrawal of FCNR(B) term deposit will be as per penalties applicable to premature withdrawal of domestic rupee term deposits subject to,

- i. Penal interest shall be levied on premature withdrawal of FCNR (B) deposits, when the depositors return to India for permanent settlement, and for conversion of FCNR (B) deposits into NRE deposits or vice versa.
- ii. In case of splitting of the amount of term deposit at the request from the claimant/s, no penal interest for premature withdrawal of the term deposit shall be levied if the period and aggregate amount of the deposit do not undergo any change.
- iii. No penal interest shall be levied in the case of premature conversion of balances held in FCNR (B) deposits into RFC Accounts by Non-Resident Indians on their return to India.

XIXB. Premature withdrawal of term deposit in case of death of account holder:

- In case, any of the depositors expires before the maturity, pre-payment of the term deposit will be allowed without the concurrence of the legal heir of the deceased joint deposit holder, only if there is a joint mandate from the joint depositors to this effect either at the time of opening the account or any time subsequently during the tenure of the deposit.
- The premature withdrawal will be allowed for all types of term deposit accounts at the rate of interest applicable on the date of deposit for the period the deposit remained with us and without any penal interest.

XX. RENEWAL OF MATURED/OVERDUE TERM DEPOSITS:

- The Term Deposits would be automatically renewed under the Auto Renewal process on the date of maturity, at a rate of interest prevailing on the date of renewal and for the same period for which the existing deposit was kept.
- The auto renewal process is not applicable to certain type of deposits i.e. **Recurring deposit, Tax Saving Deposit** (Investment kept in tax saving term deposit scheme under Section 80C of Income tax Act,1961) wherein such deposits are credited on the date of maturity as per maturity disposal instruction given by the depositor.
- In order to maintain good customer relations, the Bank will follow the practice of sending maturity intimation through SMS to all depositors 7 days in advance and also after renewal. However, it is expected that the depositor will take necessary care to renew the deposit on due date to avoid loss of interest.
- In respect of overdue deposits (not renewed under auto renewal process) received before 14 days from the date of maturity, such deposit will be renewed with as of date from the date of maturity at interest rate applicable as on the date of maturity. If request is received after 14 days from the date of maturity, interest for the overdue period will be paid at the rate applicable to Savings Bank deposit or the contracted rate of interest on the matured TD, whichever is lower. New term deposit will be created from the date on which customer approaches branch for renewal and not from the date of maturity.

- In respect of deposit auto renewed under auto renewal process and customer desires to change the terms, such deposits will be renewed with as of date provided request is received within 14 days from the date of maturity as follows:

Request received within 7 days:

System will not calculate any interest and new term deposit can be created with as of date.

Request received after 7 days to 14 days:

System will pre-maturely close the receipt with penalty. Branch shall manually reverse the interest paid and will create new receipt with as of date.

- If receipt is already auto renewed and customer approaches after 14 days from the date of maturity, then it will be treated as premature renewal of deposit.

XXI. PREMATURE RENEWAL OF TERM DEPOSIT:

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, the bank will permit the renewal at the applicable rate on the date of renewal, provided the deposit is renewed for a period longer than the balance period of the original deposit. While prematurely closing a deposit for renewal, interest on the deposit for the period it has remained with the bank will be paid at the rate applicable on the date of deposit to the period for which the deposit remained with the bank and not at the contracted rate. Further, the bank may levy penalty for premature closure of an existing deposit at such rates as may be decided by the bank from time to time.

XXII. ADVANCES AGAINST DEPOSITS:

- The Bank will accept the request of the depositor/s for loan / overdraft facility against term deposits [unless prohibited under the respective deposit scheme] duly discharged by the depositor/s on execution of necessary security documents.
- The Bank will provide loans against deposits standing in the name of minors, however, a suitable declaration stating that the loan is for the benefit of the minor, is to be furnished by the guardian.
- The Bank will extend advance against term deposits subject to margin and interest spread stipulated from time to time.
- The Bank will grant an advance against term deposit at a margin of 10% irrespective of the amount of the deposit and at an interest spread of 0.75% over and above the applicable term deposit rate irrespective of the amount of advance and type of deposit (cumulative or non-cumulative). In exceptional cases the higher authorities may be authorized to decide on the margin and interest spread for advance against deposits.

XXIII. INSURANCE COVER FOR DEPOSITS:

All deposits of our Bank will be covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to

certain limits and conditions. The details of the insurance cover in force will be made available to the depositor as and when requested.

XXIV. STOP PAYMENT FACILITY:

The Bank will accept stop payment instructions for the cheques issued by the account holders. Such instructions shall be submitted in writing by the accountholder. Bank has also introduced stop payment facility on various delivery channels like Internet Banking, Mobile Banking and SMS Banking. Charges, as specified from time to time, will be recovered by the Bank from the accountholder.

XXV. DORMANT / INOPERATIVE ACCOUNTS:

Accounts which are not operated for a period of two years will be classified as Dormant / Inoperative in the interest of the depositor as well as the Bank. **For classifying an account as 'inoperative', only customer induced transactions and not bank induced transactions shall be considered. There may be instances where the customer has given a mandate like Standing Instructions (SI)/ auto-renewal instructions and there are no other operations in the Savings /Current account or the Term Deposit. These transactions shall also be treated as customer induced transactions.** The customer can request the bank to activate the account for operating it after complying with the regulatory guidelines and after carrying out due diligence. Bank notifies such account holder/s before classifying an account as inoperative/dormant.

The Bank will not levy penal charges for non-maintenance of minimum balance in inoperative accounts. There will not be any charge for activation of inoperative account. Interest on savings bank accounts shall be credited on regular basis even though it is inoperative account. However, Bank notifies such account holder/s before classifying an account as inoperative/dormant.

XXVI. Tracing of Customers of Inoperative Accounts/ Unclaimed Deposits:

- **Once the account is classified as Inoperative account SMS, email or letter is sent to account holder on quarterly basis intimating them to visit the branch along with fresh KYC documents for activation of account.**
- **In case the whereabouts of the holder(s) of the inoperative account/ unclaimed deposit are not traceable, bank shall contact the introducer, if any, who had introduced the account holder at the time of opening the account. In case if nomination is registered bank shall also contact the nominee for tracing the customer.**
- **Special drives will be periodically undertaken by bank to find out the whereabouts of the customers, their nominees or legal heirs in respect of inoperative accounts / unclaimed deposits.**

XXVII. SAFE DEPOSIT LOCKERS:

- The Bank has provided Safe Deposit Lockers at many of its branches and wherever the facility is offered, allotment of safe deposit locker will be subject to availability and compliance with other terms and conditions attached to the service.
- Safe deposit lockers may be hired by an individual (not being a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts etc.

XXVIII. RESTRICTIONS ON OPENING OF CERTAIN TYPES OF DEPOSIT ACCOUNTS:

(i) Deposit schemes with lock-in period:

In the Finance Bill of 2006, the Government had announced Tax benefits to bank term deposits which are of 5-year tenure u/s 80C of IT Act, 1961. The bank's tax savings deposit scheme which is as per the prescribed sections of the IT Act, 1961 has a lock-in period of five years and hence premature withdrawal is not permitted. Premature withdrawal of this deposit is allowed only in case of death of first account holder without any penal interest.

(ii) Opening of Bank Accounts in the Names of Minors:

- A savings / fixed / recurring bank deposit account can be opened by a minor of any age through his/her natural or legally appointed guardian.
To promote the objective of financial inclusion, RBI has given certain relaxations in opening and operations of minors' accounts which are given below. Based on the relaxation provided by RBI, the Bank has launched "My Money" Savings Account.
- Minors above the age of 10 years will be allowed to open and operate savings bank account independently if they so desire. The Bank keeping in mind the risk management systems, has fixed limits in terms of age and amount up to which the minors will be allowed to operate their deposit accounts independently. The Bank has also prescribed the minimum documents required for opening of accounts by minors.
- The Bank will offer free additional banking facilities like internet banking, mobile banking, etc., keeping the safeguards that minor accounts will not be allowed to be overdrawn and will always remain in credit.

XXIX. SETTLEMENT OF CLAIMS IN RESPECT OF DECEASED DEPOSITORS

As per RBI guidelines, Bank would follow a simplified procedure for settlement of accounts of deceased accounts holders. The claims in respect of deceased depositors and release of payments to survivor(s)/nominees as and when received will be made within a period not exceeding 15 days from the date of receipt of all documents/ papers including proof of death of the depositor and the claim documents subject to the suitable identification of the claimant(s) to the bank's satisfaction.

A separate Policy for Settlement of Death Claim is framed which covers simplified procedures and threshold limits for settlement of Death Claim.

A. In case of accounts where nomination is registered:

Branch should not ask for any other documents other than death certificate (of deceased customer) and KYC documents of the claimant/s.

In case of closure of CASA accounts on account of death of the customer, Branch official should try to get nominee's account instead of transferring proceeds to nominee's account maintained in another bank.

The balance outstanding in the account of the deceased depositor will be transferred to the account of / paid to the nominee after the Bank satisfies itself about the identity of the nominee and exercises due diligence while settling the claim.

The above procedure will be followed even in respect of a joint account where a nomination is registered with the Bank. (In case of death of all joint holders)

B. Death Certificate issued outside India:

In case of a deceased claim where death certificate in respect of the deceased customer is issued outside of India, the certificate to be authenticated by any one or more of the following modes, done in the country of its issuance:

- i. authorized officials of overseas branches of Scheduled Commercial Banks registered in India; or
- ii. branches of overseas banks with whom Indian banks have correspondent banking relationships; or
- iii. a Court Magistrate or Judge or Notary Public; or
- iv. Consularised by Indian Embassy/ Consulate General in the country of issuance; or
- v. apostilled.

C. Settlement of claims in respect of Joint account:

❖ **Savings account maintained by deceased account holder-**

In case of death of any of the account holder/s maintaining savings account, the Bank, at the request of all other surviving joint account holders, will allow deletion of name/s of the deceased account holder in existing account. In such cases, application for name deletion should be obtained duly signed by other surviving holders along with copy of death certificate of deceased holder.

The name of first account holder should not be deleted for any other reasons except in case of death of account holder. It is implied that branch to exercise due diligence in establishing the relation between the deceased and surviving holder/s before deletion of the name in the system.

❖ **Term deposit maintained by deceased account holder-**

In case of a joint account-

- If the primary holder is deceased the name should not be deleted, branch should guide customer about tax implication and strictly close the term deposit.
- In case of a joint account, if the joint holder is deceased the primary holder and all other surviving holders can close the term deposit or **continue the term deposit at the contracted rate** by requesting branch to delete the name of deceased depositor. In such cases, application for name deletion should be obtained duly signed by all surviving holders along with copy of death certificate of deceased holder.
If the closure of Term deposit account is under death claim settlement, Branch should close the TD account only after suspension of CIF with reason code “deceased” this is done to restrict further account opening under suspended CIF.

D. Settlement of Claims in Respect of Missing Persons

The procedure which will be followed by the bank in case a claim is received from a nominee/legal heir for settlement of claim in respect of missing persons is as under:

The nominee(s)/ legal heir(s) of a missing person shall be required to get an order from the competent court under the provisions of Sections 110 or 111 of the Bharatiya Sakshya Adhinyam, 2023. Section 110 deals with presumption of continuance and Section 111 deals with presumption of death.

The claim in respect of such missing person shall be settled as per the procedure applicable for settlement of claims up to and above the threshold in respect of a deceased customer. In such cases, a copy of the court order declaring the civil death of the account holder shall be obtained in lieu of the death certificate.

However, to avoid inconvenience and undue hardship to the common person where the aggregate amount payable, including accrued interest, as on the date of the application is above Rs.1.00 lakh, additionally the following documents to be obtained:

- i. Copy of the First Information Report (FIR)
- ii. Non-traceable report issued by police authorities shall be obtained in lieu of death certificate or
an order from a competent court declaring the civil death of the account holder for settling the claim.

XXX. UNCLAIMED DEPOSITS IN BANKS:

Reserve Bank of India (RBI) vide its circular No: DBOD. No. DEAF Cell.BC.101/30.01.002/2013-14 dated 21st March,2014 on the subject of “The Depositor Education and Awareness Fund Scheme 2014 Sec26A of the Banking

Regulation Act, 1949” has instructed banks to transfer the following amounts to the DEAF Scheme with RBI:

- a) Any amount to the credit of any account in India which has not been operated upon for a period of ten years or
- b) Any deposit or any amount remaining unclaimed for more than ten years.

The perusal of the above reveals that even amounts outstanding against demand drafts, pay orders, sundry deposit accounts, inter-bank clearing adjustments, Security Deposit received, Commission received in advance, Margin money against issue of Letter of credit / Guarantee, Cheque sent for Collection, Parking accounts related to Bill desk, NFS, ECS Clearing settlement account, Difference in clearing, Un-reconciled credit balances on account of ATM transactions, unadjusted NEFT credit balances, etc. remaining unclaimed for more than ten years are to be transferred to “The Depositor Education and Awareness Fund” (DEAF).

Our Bank in accordance with the RBI guidelines is transferring the balances of saving accounts, current accounts, term deposit accounts not operated for more than 10 years and also demand drafts, pay orders, amounts lying in Suspense account, difference in Clearing, etc to the DEAF Scheme since July 2014.

XXXI. REDRESSAL OF COMPLAINTS AND GRIEVANCES:

Depositors having any complaint / grievance about services rendered by the Bank have a right to approach the authorities designated by the Bank for handling customer complaints / grievances. The details of the internal set up for redressal of complaints / grievances are displayed in the branch premises. The Bank has set in place a structure for redressal of complaints both in terms of the authorities as well as the time norms for resolving the complaints.

These details are spelt out in the Customer Grievance Redressal Policy of the Bank which is displayed on the Bank’s website and available with the Branch Manager for ready reference.

XXXII. DEPOSIT MOBILISATION:

(i) Deposit Collection Agents:

The Bank will not pay any brokerage on deposits in any form to any individual, firm, company, association, institution or any other person.

The Bank will not employ/engage any outside persons through firms/ companies for collection of deposits including ‘NRI deposits’ or for selling any other deposit linked products on payment of fees/ commission in any form or manner, except to the extent permitted vide Reserve Bank’s Interest Rate Directives.

(ii) Acceptance of Deposits by Unincorporated Bodies/ Private Ltd Companies with ‘Bank Guarantee’:

The Bank will not accept any deposits at the instance of private financiers or unincorporated bodies under any arrangement, wherein the deposit confirmation advice can be issued in favor of the clients of private financiers. The Bank will also

not accept/allow authority by power of attorney, nomination otherwise for such clients receiving such deposits at maturity.

(iii) Deposit Collection Schemes floated by Private Organizations:

The Bank will not be associated directly or indirectly with lottery schemes of organizations of any description as per the Chits and Money Circulation Schemes (Banning) Act, 1978 (No. 43 of 1978).

(iv) Acceptance of Deposits from other banks by Primary (Urban) Co-operative Banks (UCBs):

Acceptance of deposits from Scheduled UCBs in the nature of placement of deposits for investment purposes is NOT PERMITTED.

However, acceptance of deposits (Current or Term Deposits) from other Scheduled UCBs is permitted subject to our Bank is the Sponsor bank for providing specific services. Some of the indicative specific services for which deposits can be accepted are as follows:

- RUPAY Debit Card
- RTGS/NEFT
- CTS Clearing
- DD arrangement,
- CSGL facility,
- Forex,
- Remittance facility
- Non-fund-based facilities like bank guarantee (BG), letter of credit (LC), etc.

(v) Prohibition on opening of accounts of entities dealing with Virtual Currencies (VCs):

Bank will not open, maintain accounts (deposits / advances) of individuals /entities associated with Virtual Currencies (VCs) or provide any services for facilitating any person or entity in dealing with or settling VCs since virtual currency does not have legal tender status in any jurisdiction. It is a type of unregulated, digital money, which is issued and usually controlled by a set of people, used and accepted among the members of a specific virtual community. Examples of Virtual Currencies are: Bitcoin, Zcash, Dash, Ripple (XRP), Monero (XMR).

XXXIII. Receipt of Foreign Contributions by various Associations /Organizations in India under Foreign Contribution (Regulation) Act, 1976:

- a. The Foreign Contribution (Regulation) Act, states that the associations having a definite cultural, economic, educational, religious and social programme and receiving foreign contribution shall get themselves registered with the Ministry of Home Affairs, Government of India and receive foreign contribution only through designated 'FCRA Account', opened with New Delhi, Main Branch (NDMB) of State Bank of India, 11, Sansad Marg, New Delhi – 110001.

- b. The Act also states that all fresh applicants for certificate of registration or for prior permission to receive foreign contribution under FCRA Act, 2010 will have to first open FCRA account with SBI, NDMB to receive foreign contribution. No fund other than foreign contribution can be received or deposited in such account. All foreign contribution received from abroad shall be credited in this FCRA account with SBI, NDMB only.
- c. There are also certain organizations of a political nature, not being political parties specified by the Central Government under Section 5(l) of the Act. These organizations require prior permission of the Central Government for accepting any foreign contribution.
- d. The Act states that eligible person under FCRA Act, 2010 has liberty to maintain present account with any of the branches of scheduled Bank of his choice as 'another FCRA Account'. Further, such person may open one or more FCRA accounts with one or more scheduled banks of his choice which may be retained as 'another FCRA Account'. This account can be linked with the designated 'FCRA Account' maintained at SBI, NDMB for the purpose of keeping or utilizing the funds received from 'FCRA Account or for transferring the funds from 'another FCRA Account'. No bank charges will be levied by SBI, for transfer of funds from designated FCRA Account with SBI, NDMB to 'another FCRA Account'.

In this regard, Bank will take the following precautions:

- No Foreign Contribution will be allowed to be credited directly to existing FCRA Account with us.
- The customer will be advised to open FCRA account with SBI, NDMB and route its foreign contributions through that account.
- Existing FCRA accounts and/or to be opened FCRA accounts with us will be treated as 'another FCRA' account with us. No credit of foreign contribution through inward remittances (in NOSTO accounts/ via VOSTRO accounts of overseas banks) / NEFT /RTGS or any other mode of remittances will be allowed to 'another FCRA account' with us.

XXXIV. CO-ORDINATION BETWEEN BANK AND INCOME TAX AUTHORITIES:

Bank will extend necessary help/co-ordination to the tax officials of Central Board of direct taxes whenever required.
