

POLICY DOCUMENT  
ON  
BANK DEPOSITS  
2018-19

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## 1. PREAMBLE

One of the important functions of the Bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the Banking System. This policy document on Bank 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 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 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.

While adopting this policy, the Bank reiterates its commitments to individual customers outlined in the code of Bank's Commitment to Customers adopted by the Bank. This document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions on various deposit schemes and related services will be issued from time to time.

## 2. TYPES OF DEPOSIT ACCOUNTS

While various deposit products offered by the Bank are assigned different names, the deposit products can be categorized broadly into the following types. Definition of major deposits schemes is as under:

- 2.1 "Demand deposits" means a deposit received by the Bank which is withdrawable on demand.
- 2.2 "Savings deposits" means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the Bank during any specified period.
- 2.3 "Term deposit" means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period and includes deposits such as Recurring Deposits / Fixed Deposits (FD) / Monthly Income Plan (MIP) / Quarterly Interest Reinvestment Plan (QIRP) / Rapid Accrual Plan (30 days / 90 days) (RAP 30 / RAP 90), Fixed Deposit for (365 days / 500 days), etc.

2.4 Notice Deposit means term deposit for specific period which is withdrawal on giving at least one complete banking day's notice.

2.5 "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 is further classified into normal, Silver, Gold and Platinum with each scheme providing different set of features to its target customers and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit".

### 3. ACCOUNT OPENING & OPERATION OF DEPOSIT ACCOUNTS

#### Opening of Deposit Accounts

##### 3.1 Account Opening Procedures

3.1.1 The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI, AntiMoney Laundering rules and regulations and or such other norms or procedures as per the Customer Acceptance Policy of the Bank . 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 at the earliest to him.

3.1.2 The account opening forms and other material would be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and or for record, it is expected of the Bank official opening the account to explain the procedural formalities and provide necessary clarification sought by the prospective depositor when he approaches for opening a deposit account.

3.1.3 Account opening forms along with documents duly attested are to be sent to CPD for opening of the account. CPD- Account Opening Unit to ensure that all new accounts & existing customer IDs attached to new accounts are KYC compliant as per Bank's KYC Policy & in conformity with RBI guidelines as issued from time to time. The same will be monitored by Internal Inspection dept during their periodic quarterly. Introduction" for opening of new account from an existing customer of the bank was considered as mandatory part of customer acceptance policy even though documents of identity and address as required under KYC norms of the customers was obtained. With implementation of document-based verification of identity, as laid down in PML Act/Rules, Introduction is now not

mandatory for opening accounts. Therefore the Bank will not insist on introduction for opening bank accounts of customers.

- 3.1.4 The regulatory guidelines require banks to categorize customers based on risk perception and prepare profiles of customers for the purpose of transaction monitoring. Inability or unwillingness of a prospective customer to provide necessary information / details could result in the Bank not opening an account.
- 3.1.5 Inability of an existing customer to furnish details required by the Bank to fulfill statutory obligations could also result in closure of the account after due notice(s) is provided to the customer.
- 3.1.6 The Bank is committed to providing basic banking services to disadvantaged sections of the society. Banking services will be offered to them through (Basic Savings Bank Deposit Account) BSBDA - Small Accounts also known as no-frill accounts. These accounts will be opened with relaxed customer acceptance norms as per regulatory guidelines. Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings bank deposit account in that Bank. If a depositor has any other existing savings bank deposit account in that Bank, he [she will be required to close it within 30 days from the date of opening a 'Basic Savings Bank Deposit Account'.
- 3.1.7 Savings Bank Accounts can be opened for eligible person / persons and certain organizations / agencies (as advised by Reserve Bank of India from time to time). The Bank normally stipulates certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the Bank from time to time. For Saving Bank Account the Bank may also place restrictions on number of transactions, cash withdrawals, etc. for given period. Similarly, the Bank has to specify charges for issue of cheque books, additional statement of accounts, duplicate passbook, folio charges, etc. All such details, regarding terms and conditions for operation of the account and schedule of charges for various services provided to be communicated to the prospective depositor while opening the account.
- 3.1.8 The Bank at its discretion can introduce new products for individuals as per norms without maintenance of minimum balance in such accounts having facility of NIL balance in the account.
- 3.1.9 Current Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs/ Associations / Societies / Trusts / Limited Liability Companies, etc.

3.1.10 Term Deposits Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs/ Associations / Societies / Trusts / Limited Liability Companies, etc.

3.1.11 In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively declaration in Form No. 60 or 61 as specified under the Income Tax Act / Rules.

### 3.2 Customer Profile & Risk Categorization:

The customer Profile will contain information relating to customers information relating to customer's identity, social/ financial status, nature of business activity, information about its clients' business and their location etc. The Account Opening Form has a Customer Identification Form (CIF) which will enable Customer profiling & Risk Categorization into High-Medium- low Category. A Customer Information Form (CIF) along with self attested KYC documents and photograph will be taken from the customer for creating a customer Id (Individual for persons and Non individual for Corporates/ HUFs/ Association/Society/ Trust/ limited Co). A single customer will be allotted a single customer ID in the Bank.

### 3.3 Photographs of Account Holders and their Specimen Signatures

3.3.1 Depositors should submit 2 recent passport size photographs at the time of opening of new accounts. Depositors need not submit separate KYC documents and photographs for accounts opened subsequently.

3.3.2 The following depositors will also have to submit photographs:

- Guardians (for deposits in the name of the minor)
- Change of accounts status from Minor to Major
- Pardanashin women
- Non-Resident (External) (NRE) & Non-Resident Ordinary (Rupee) (NRO) account holders.

3.3.3 Illiterate Depositors will have to submit 3 photographs.

3.3.4 All depositors will have to submit their specimen signatures at the time of opening of accounts.

Photographs cannot be substituted for Specimen signatures.

### 3.4 Exceptions

Accounts wherein exception towards insistence on submission of photographs for opening of accounts are as follows:

3.4.1 Banks, local authorities and Government departments (excluding public sector undertakings or quasi-Government bodies) are exempted from the requirement of photographs.

3.4.2 The photographs need not be obtained for borrowal accounts viz. Cash Credit, Overdrafts accounts, etc.

### 3.5 Address of Account Holders

Depositors should give their full and complete address for the Bank's records along with proof of identity and address as per the KYC policy of the Bank. An independent confirmation of the address of the account holder will be obtained by the Bank in all cases. Address verification of the depositor should be confirmed by way of sending letters to their address.

### 3.6 Additional Precautionary measures — Account Opening

3.6.1 The Bank will obtain PAN/GIR from Depositors while opening an account with an initial deposit of Rs.50000/- and above with the Bank.

3.6.2 The opening of new accounts will be authorized only by the Branch Head or by the Officer-in-Charge.

3.6.3 The Bank will ensure that all account opening formalities are undertaken at the Bank's premises and no document is allowed to be taken out for execution. Where it is absolutely necessary to make exception of the above rule, the bank may take precaution such as deputing an officer to verify the particulars, obtaining a signed photograph on a suitably formatted verification sheet, forwarding by registered Acknowledgement Due, mailing a copy of the account opening form and accompanying instructions to the client for necessary verification before any operations are conducted in the accounts.

### 3.7 Accounts of Proprietary Concerns

In the case of proprietary concerns, at the time of opening of the account, the Bank will have to verify, in addition to the identity of the individual proprietors, the identity of the proprietary concern also. Accordingly, the Bank will call for and verify the following documents:

3.7.1 Identity as also the address proof of the proprietor, such as passport, PAN card, Voter ID card, Driving license, Aadhar Card — any one of these documents is to be submitted.

- 3.7.2 Proof of the name(**As per Business Proof**), address and activity of the concern, like registration certificate (in the case of a registered concern), certificate/license issued by the Municipal authorities under Shop and Establishment Act, Sales and Income tax Returns, CST/VAT certificate, License issued by the Registration authority like Certificate of practice issued by ICAI, Food & Drug Control Authorities, Indian Medical Council etc. Importer Exporter Code issued to the proprietary concern by the Office of DGFT. Utility bills in the name of Proprietor concern, Udyog Aadhar Card

### 3.8 Accounts of Companies

In the case of companies, at the time of opening of the account, the Bank will have to verify the Name of the company, Principle place of business and Mailing address/ contact numbers of the company. Accordingly, the Bank will call for and verify the following documents:

1. Certificate of incorporation and Memorandum & Articles of Association.
2. Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account.
3. Power of Attorney granted to its managers, officers or employees to transact business on its behalf
4. Pan Card of the Firm/ Company

### 3.9 Accounts of Partnership firms

In the case of Partnership firms, at the time of opening of the account, the Bank will have to verify the Legal name, address and contact of the partners as well as the firm. Accordingly, the Bank may call for and verify the following documents:

- i) Registration certificate , if registered ii) Partnership deed iii) Pan Card of the Firm iv) Power of attorney granted to a partner or an employee of the firm to transact business on its behalf.
- v) Any officially valid document identifying the partners and the person holding the Power of Attorney and their Business.

### 3.10 Opening of an Unincorporated Association or body of individuals accounts

In the case of unincorporated association or body of individuals account, at the time of opening of the account, the Bank may call for and verify the following documents:

1. Resolution of the managing body of such association or body of individuals.
2. Power of attorney granted to transact on its behalf
3. Officially valid documents in respect of the person holding an attorney to transact on its behalf
4. Such information as may be required by the Regulatory Entity to collectively establish the legal existence of such an association or body of individuals.
5. **Bye Laws/Rules & Regulations/Articles of Association.**



Unregistered trusts/ partnership firm shall be included under the term 'unincorporated association' and term 'body of individuals' includes societies.

### 3.11 Opening of NRE accounts

The Bank maintains NRE Accounts. Indian rupees cannot be deposited in such accounts.

The Bank may also maintain NRO accounts arising from their redesignation as such, upon the existing resident account holders becoming non-resident and in such accounts only, periodical credit of interest will be permitted.

### 3.12 Nomination

3.12.1 The Bank recommends that all depositors avail nomination facility. The nominee, in the event of death of the depositor/s, would receive the balance outstanding in the account as a trustee of legal heirs. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.

3.12.2 Nomination facility is available on all deposit accounts opened by individuals. Nomination is also available to an account opened by a sole proprietor.

3.12.3 Nomination can be made in favour of one individual only.

3.12.4 Nomination so made can be cancelled or changed by the account holder/s at any time. Nomination can be modified by the consent of the account holder/s.

3.12.5 Nomination can be made in favour of a minor also. However, a major has to be appointed to receive the amount of the deposit of the nominee in the event of death of the account holder during the minority of the nominee.

3.12.6 In the case of nomination made by an illiterate or blind account holder, the thumb impression of the account holder shall be attested by two witnesses.

3.12.7 In case a depositor opening the account does not want to nominate, a specific letter to the effect that he does not want to make nomination shall be submitted to the Bank. In case the person opening the account declines to give such a letter, the bank shall record the fact on the account opening form and proceed with opening of the account if otherwise found eligible.

3.12.8 The Bank shall acknowledge in writing, to the depositor or depositors concerned the filing of the relevant duly completed Form of nomination or cancellation of nomination or variation of nomination, as the case may be, in respect of a deposit.

3.12.9 The Bank shall, in addition to the legend "Nomination Registered", also indicate the name of the Nominee in the Pass Books / Statement of Accounts / Fixed Deposit Receipts, if the customer so desires.

3.12.10 In case of joint deposits, after the death of one of the depositors, the Banks may allow variation/cancellation of a subsisting nomination by other surviving depositor (s) acting together. This is also applicable to deposits having operating instructions "either or survivor". It may be noted that in the case of a joint deposit account, the nominee's right arises only after the death of all the depositors.

### 3.13 Mode of Operation

3.13.1 Deposit accounts can be opened by an individual in his own name (status: known as account in single name) or by more than one individual in their own names (status: known as Joint Account).

3.13.2 Operation of Joint Account — The Joint Account opened by more than one individual can be operated by single individual or by more than one individual

jointly. The mandate for operating the account can be modified with the consent of all account holders. The Savings Bank Account opened by minor jointly with natural guardian / guardian can be operated by such guardian only.

3.13.3 The joint account holders can give any of the following mandates for operation of the account and in the event of the death of any of the account holders, the balance in the credit of the account will be payable to the survivor:

- i. Former or Survivor: If the account is held by two individuals say, A & B, the account will be operated by the former only. The final balance along with interest, if applicable, will be paid to the former or survivor on death of anyone of the account holders.
- ii. Either or Survivor: If the account is held by two individuals say, A & B, the account may be operated by either of the account holders. The final balance along with interest, if applicable, will be paid to the survivor on death of anyone of the account holders.
- iii. Anyone or Survivor/s: If the account is held by more than two individuals say, A, B and C, the account may be operated by any of the account holders. The final balance along with interest, if applicable, will be paid to the survivor on death of any two account holders.
- iv. Jointly by or Survivor: If the account is held by two individuals say, A & B, the account has to be operated by both the account holders jointly at all times. The final balance along with interest, if applicable, will be paid to the survivor on death of anyone of the account holders.

- 3.13.4 In case of term deposits, the above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. This mandate can be modified by the consent of all the account holders.
- 3.13.5 At the request of the depositor, the Bank will register mandate / power of attorney given by him authorizing another person to operate the account on his behalf.
- 3.13.6 The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity. In case of absence of any instructions, deposits will be treated as an auto renewal deposit and will be renewed for a similar period at the prevailing rates.
- 3.13.7 The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor.

### 3.14 Pass Book / Statement of Accounts

A Pass Book will be issued to all Savings Bank Account Holders at the time of opening the account while a statement of account will be provided by the Bank to Current Deposit Account Holders periodically as per terms and conditions of opening the account. The monthly statement will be made available on the depositor's registered email ID if the customer opts for it and for all new accounts unless specified otherwise.

### 3.15 Issue of Cheque Books

The Bank will issue cheque books with required number of leaves as per the type of accounts. Fresh cheque books will be issued only against production of duly signed requisition slips from previous cheque book issued to the party. In case the cheque book is issued against a requisition letter, the drawer/authorized person would be required to come personally to the bank to collect the cheque book or the cheque book would be sent to him under registered post directly in case the same is not collected within reasonable time frame.

### 3.16 Charges

For Deposit products like Savings Bank Account and Current Deposit Account, the Bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the Bank from time to time. For Saving Bank account the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for a given period. Similarly, the Bank may specify charges for issue of cheque books, additional statement of accounts,

duplicate passbooks, folio charges, etc. All such details, regarding terms and conditions for operation of the account and schedule of charges for various services provided are displayed on the Banks website as well as at Branches.

#### 4. INTEREST PAYMENTS

4.1. Interest shall be paid on saving account and term deposit interest rates as decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time

4.2. In terms of Reserve Bank of India directives, interest shall be calculated at quarterly intervals on term deposits and paid at the rate decided by the Bank depending upon the period of deposits. In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value. The interest on term deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association.

4.3. The rate of interest on deposits will be prominently displayed in the branch premises and website. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed.

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

#### 5. USE OF ELECTRONIC MODE OF PAYMENT FOR LARGE VALUE TRANSACTIONS

The Reserve Bank of India has put in place electronic modes of Payments namely, Real Time Gross Settlement (RTGS) System, National Electronic Fund Transfer (NEFT) System and National Automated Clearing House (NACH)

Value payments of any amount may be routed through NEFT while value payments above Rs. 2 lakhs may be routed through RTGS.

#### 6. MINOR ACCOUNTS

6.1. Savings Bank Account can be opened by a minor jointly with natural guardian or with mother as the guardian (Status: known as Minor's Account). Savings account

can also be opened by a minor represented by guardian or jointly with a major, where minor is represented by natural guardian.

6.2. Accounts in the names of 2 minors are not permissible. Similarly, Joint account in the names of 2 minors jointly with parent/s is not permissible.

6.3. Minors above the age of 10 will also be allowed to open and operate saving bank account independently subject to restrictions on transactions and no cheque books will be provided to such accounts. However, no overdrafts will be granted to these minors. A minor cannot open a current deposit account.

6.4. The minor can open Saving Bank Account and the same can be operated by the natural guardian or by the minor himself/herself, if he/she is above the age of 10 years **provided a declaration allowing the minor to operate the account solely is taken from the guardian along with their KYC documents.** The account can also be opened jointly. **No Cheque Book for single operation**

6.5. In an account opened by a guardian (i.e. Savings or Term Deposit) in the name of a minor, the guardian's authority to operate on the account is automatically terminated as soon as the minor attains majority. From that date onwards the erstwhile minor, now a major, alone can operate the account.

6.6. On attaining majority, the erstwhile minor should confirm the balance in his / her account and if the account is operated by the natural guardian / guardian, fresh specimen signature of erstwhile minor duly verified by the natural guardian would be obtained and kept on record for all operational purposes. A new account should be obtained after the minor attains majority.

## 7. ACCOUNTS OF ILLITERATE PERSONS

7.1. The Bank may at its discretion open deposit accounts other than Current Accounts of an illiterate person. The account of such person may be opened provided he / she calls on the Bank personally along with a witness who should be an existing account holder who has a well maintained account with the Bank for at least a year.

7.2. Normally, no cheque book facility is provided for such Savings Bank Account.

7.3. At the time of withdrawal / repayment of deposit amount and / or interest, the account holder should affix his / her thumb impression or mark in the presence of the authorized officer who should verify the identity of the person. In the case of a male, the left hand thumb impression is required while in the case of a female, the right hand thumb impression is required.

- 7.4. The Bank will explain the need for proper care and safe keeping of the passbook, etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the illiterate person.

## **8. OPERATION OF BANK ACCOUNTS BY OLD / SICK / INCAPACITATED CUSTOMERS**

The cases of sick / old / incapacitated account holders fall into the following categories:

8. 1. an account holder who is too ill to sign a cheque / cannot be physically present in the bank to withdraw money from his bank account but can put his / her thumb impression on the cheque / withdrawal form, and
8. 2. an account holder who is not only unable to be physically present in the bank but is also not even able to put his / her thumb impression on the cheque / withdrawal form due to certain physical defect / incapacity.

In order to facilitate old / sick / incapacitated bank customers to operate their bank accounts, the Bank may follow the below given procedure:

- 8.3. Wherever thumb or toe impression of the sick / old / incapacitated account holder is obtained, it would have to be identified by two independent witnesses known to the bank, one of whom would be a responsible bank official.
- 8.4. Where the customer cannot even put his / her thumb impression and also would not be able to be physically present in the bank, a mark obtained on the cheque / withdrawal form which would have to be identified by two independent witnesses, one of whom would be a responsible bank official.

In such cases, the customer may be asked to indicate to the bank as to who would withdraw the amount from the bank on the basis of cheque / withdrawal form as obtained above and that person would be identified by two independent witnesses. The person who would be actually drawing the money from the bank would be asked to furnish his signature to the bank.

## **9. OPENING / OPERATION OF BANK ACCOUNTS BY PERSONS WITH AUTISM CEREBRAL PALSY MENTAL RETARDATION AND MULTIPLE DISABILITIES**

The Bank will rely upon the Guardianship Certificate issued either by the District Court under Mental Health Act or by the Local Level Committees set up under the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and

Multiple Disabilities Act, 1999 for the purposes of opening / operating bank accounts. The Bank will also ensure that their branches give proper guidance so that the parents / relatives of the disabled persons do not face any difficulty in this regard. Subsequent to the Reserve Bank of India Circular 2015-16/321 DBR. No. Leg. BC.78/09.07.005/201616 the Bank will seek appointment of a guardian only in such cases where they are convinced on their own or based on documentary evidence available, that the concerned person is mentally ill and is not able to enter into a valid and legally binding contract and may not insist on appointment of a guardian as a matter of routine from every customer in person "who is in need of treatment by reason of any mental disorder".

#### 10. ADDITION OR DELETION OF THE NAME/S OF JOINT ACCOUNT HOLDERS

A primary (urban) co-operative bank may, at its discretion and at the request of the joint account holders of a deposit, if any,

- (i) Allow the addition or deletion of name(s) of joint account holders, if the circumstances so warrant; or
- (ii) Allow an individual account holders to add the name of another person as a account holder.

#### 11. PREMATURE WITHDRAWAL OF TERM DEPOSIT

The Bank on request from the depositor, at its discretion may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank shall declare their penal interest rates policy for premature withdrawal of term deposit. The Bank shall make depositors aware of the applicable rate along with the deposit rate.

#### 12. PREMATURE WITHDRAWAL OF TERM DEPOSIT FOR THE PURPOSE OF REINVESTMENT FOR A LONGER TERM

Incase 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 the purpose of 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 shall not levy penalty for premature closure of an existing deposit for the purpose of reinvestment for a longer term.

#### 13. ADVANCES AGAINST DEPOSITS

The Bank may consider request of the depositor/s for loan / overdraft facility against term deposits duly discharged by the depositor/s on execution of necessary security documents. The Bank may also consider loan against deposit standing in the name of the minor,

however, a suitable declaration stating that loan is for the benefit of the minor, is to be furnished by the depositor — applicant.

#### 14. RENEWAL OF TERM DEPOSITS

When a term deposit is renewed on maturity, on renewed deposit interest rate for the period specified by the depositor as applicable on the date of maturity would be applied. If request for renewal is received after the of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 14 days from the date of maturity. In respect of overdue deposits renewed after 14 days from the date of maturity, interest for the overdue period will be paid at the Saving Bank rate or at such rates decided by the Bank from time to time.

#### 15. SETTLEMENT OF DUES IN DECEASED DEPOSIT ACCOUNTS

15.1 If the depositor has registered nomination with the 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 about the identity of the nominee, etc.

15.2 The above procedure will be followed even in respect of a joint account where nomination is registered with the Bank.

15.3 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 to avoid delays in production of legal papers by the heirs of the deceased.

15.4 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 the deceased person against joint application and indemnity by all legal heirs or the person mandated

by the legal heirs to receive the payment on their behalf without insisting on legal documents up to the limit approved by the Bank's board. This is to ensure that the common depositors are not put to hardship on account of delays in completing legal formalities.



## 16. INTEREST PAYABLE ON TERM DEPOSIT IN DECEASED ACCOUNT

16.1 In the event of death of the depositor before the date of maturity of deposit and amount of the deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the Bank shall pay simple interest at the applicable rate on the date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity; as per the Bank's policy in this regard.

16.2 However, in the case of death of the depositor after the date of maturity of the deposit, the Bank shall pay interest at savings deposit rate obtaining on the date of maturity from the date of maturity till the date of payment.

## 17. PREMATURE TERMINATION OF TERM DEPOSIT ACCOUNTS OF A DECEASED PERSON

In the event of the death of the depositor, premature termination of term deposits would be allowed. Such premature withdrawal would not attract any penal charge.

## 18. TREATMENT OF FLOWS IN THE NAME OF THE DECEASED DEPOSITOR

In order to avoid hardship to the survivor(s) / nominee of a deposit account, the Bank will obtain appropriate agreement / authorization from the survivor(s) / nominee with regard to the treatment of pipeline flows in the name of the deceased account holder. In this regard, the Bank could consider adopting either of the following two approaches:

The Bank could be authorized by the survivor(s) / nominee of a deceased account holder to open an account styled as 'Estate of \_\_\_\_\_ Shrithe Deceased' where all the pipeline flows in the name of the deceased account holder could be allowed to be credited, provided no withdrawals are made.

OR

The Bank could be authorized by the survivor(s) / nominee to return the pipeline flows to the remitter with the remark "Account holder deceased" and to intimate the survivor(s) / nominee accordingly. The survivor(s) / nominee / legal heir(s) could then approach the remitter to effect payment through a negotiable instrument or through ECS transfer in the name of the appropriate beneficiary.

## 19. SETTLEMENT OF CLAIMS IN RESPECT OF MISSING PERSONS

The Bank will follow the below given procedure in case a claim is received from a nominee / legal heirs for settlement of claim in respect of missing persons:

19.1 The settlement of claims in respect of missing persons would be governed by the provisions of Section 107 / 108 of the Indian Evidence Act, 1872. Section 107 deals with presumption of continuance and Section 108 deals with presumption of death. As per the provisions of Section 108 of the Indian Evidence Act, presumption of death can be raised only after a lapse of seven years from the date of his/her being reported missing. As such, the nominee / legal heirs have to raise an express presumption of death of the subscriber under Section 107/108 of the Indian Evidence Act before a competent court. If the court presumes that he/she is dead, then the claim in respect of a missing person can be settled on the basis of the same.

19.2 The claimant will have to produce the following documents: - FIR and the non-traceable report issued by police authorities and - Letter of indemnity.

## 20. STOP PAYMENT FACILITY

The Bank will accept stop payment instruction duly authenticated from the depositors in respect of cheques issued by them. Charges, as specified, will be recovered.

## 21. INOPERATIVE / DORMANT ACCOUNTS

Accounts which are not operated for a period of two years will be transferred to a separate dormant / inoperative account status in the interest of the depositor as well as the Bank. The charges, if any, which the Bank will levy on dormant / inoperative accounts, will be displayed on the Bank's website & at Bank's branches. The depositor can request the Bank to activate the account for operating it. Care must be taken to ensure KYC/ReKYC Compliance while activating dormant account.

## 22. UNCLAIMED DEPOSITS

Unclaimed deposit accounts which have not been operated upon for 10 years or more, as at the end of each calendar year, will be reported to the Reserve Bank of India and transferred to DEAF. When a customer whose balance is transferred to DEAF approaches the Bank for claiming the deposit, the Bank will follow due diligence before initiating any further action.

## 23. INSURANCE COVER FOR DEPOSITS

All bank deposits are 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.

## 24. 'KNOW YOUR CUSTOMER' (KYC) GUIDELINES AND ANTI MONEY LAUNDERING (AML) STANDARDS

The Bank will follow the KYC guidelines as laid down in the Bank's KYC and AML Policy issued under the directives of the Reserve Bank of India relating to identification of depositors to prevent financial frauds, identify money laundering and suspicious activities, and for scrutiny / monitoring of large value cash transactions.

It may be appreciated that KYC norms/AML standards/CFT measures have been adopted to ensure that criminals are not allowed to misuse the banking channels.

## 25. CUSTOMER INFORMATION

The customer information collected from the customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates. If the Bank proposes to use such information, it should be strictly with the consent of the accountholder.

## 26. SAFE DEPOSIT LOCKERS

Allotment of Safe deposit lockers vault will be subject to availability and compliance with terms and conditions in the Safe Deposit Lockers Manual of the Bank. Safe deposit lockers may be hired by an individual (excluding minor) singly or jointly with another individual(s) HUFs, Firms, Limited Companies etc. Nomination facility is available to individual(s) holding lockers singly or jointly.

## 27. SECRECY OF CUSTOMER ACCOUNTS

The Bank shall 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.

## 28. REDRESSAL OF COMPLAINTS & GRIEVANCES

Depositors having any complaint / grievance with regard to services rendered by the Bank has a right to approach authority (ies) designated by the Bank for handling customer complaints / grievances. The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises. The branch officials shall provide all required information regarding procedure for lodging the complaint. In case the depositor does not get response from the Bank within 30 days from date of complaint or he is not satisfied with the response received from the Bank, he has a right to approach Banking Ombudsman appointed by the Reserve Bank of India.