



Comprehensive Deposit Policy

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Classification: Internal / Trusted Parties

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. The depositors and their interest form the key area of 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 policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognises 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 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 commitment to individual customers outlined in the Code of Banks Commitment to Customer adopted by the Bank, which is available in the website of Banking Codes and Standards Board of India. 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.

This comprehensive deposit policy also covers i) Interest Payable on Deposit Account of Deceased Depositor ii) Settlement of claims in respect of missing persons iii) Renewal of Overdue deposits iv) Policy on Interest Rate v) Payment of interest on frozen account vi) Renewal of overdue deposits vii) Margin on advance against term deposit.

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 are as under: -

i) "Demand deposits" means a deposit received by the Bank which is withdrawable on demand by the depositor;

ii) "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;

iii) "Term deposit" means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period and include deposits such as Recurring / Short Deposits / Fixed Deposits /Monthly Income /Quarterly Income/ Sweep-in deposits (held in units) or any other form of Fixed Deposits.

iv) "Notice Deposit" means term deposit for specific period but withdrawable on giving at least one complete banking days' notice.

v) "Current Account Deposits" 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 also includes other deposit accounts which are neither Savings Deposit nor Term Deposit.

3. ACCOUNT OPENING AND OPERATION OF DEPOSIT ACCOUNTS

Account Opening

The Bank will provide its customers with details of various types of accounts that they may open with the Bank. Customers can make a choice on what type of account best suits them, based on their requirements and applicable guidelines.

i) The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI and /or such other norms or procedures adopted by the Bank. 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/her and the final decision of the Bank will be conveyed at the earliest to him/her.

ii) 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 clarifications sought by the prospective depositor when he/she approaches for opening a deposit account.

iii) For deposit products of Savings Bank Account and Current Deposit Account, the Bank would normally stipulate certain minimum balances to be maintained from time to time as part of the terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account may attract levy of charges or conversion of accounts to different product as specified by the Bank from time to time. No minimum balance is stipulated for Saving Bank accounts opened under Basic Saving Bank Account (BSBDA) with complete KYC and BSBDA -Small Account with relaxed KYC in order to make banking services more inclusive for lower strata of society. For Saving Bank Account the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for given period.

Similarly, the Bank may specify charges for issue of cheque books, additional statement of accounts, duplicate pass book, folio charges, etc. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be communicated to the prospective depositor while opening the account. Any changes in the schedule of charges or the terms and conditions will be communicated to the customers one month in advance. During the notice period, the Bank will not charge for non-maintenance of higher minimum balance prescribed.

4. Eligibility for Account Opening

a) Savings Bank Accounts can be opened for eligible person / persons and certain organizations / agencies (as advised by Reserve Bank of India (RBI) from time to time.

b) Current Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc.

c) Term Deposits Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts, etc.

d) The due diligence process, while opening a deposit account will involve satisfying about the identity of the person, verification of address, verification of signature, satisfying about his occupation and source of income. The due diligence process while opening a deposit account of an NRI shall additionally involve establishing the NRI status of the client.

e) Bank has a well-defined Policy on Know Your Customer (KYC) and Anti Money Laundering (AML) and the same is available in the Bank's Website.

f) In addition to the due diligence requirements, under KYC norms except in the case of NRE/ FCNR deposits pertaining to NRIs, the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively declaration in Form No. 60 as specified under the Income Tax Act / Rules.

5. Operations of Deposit Accounts

i) 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). Savings Bank Account can also be opened by a minor jointly with natural guardian or with mother as the guardian (Status: known as Minor's Account). Minors above the age of 10 will also be allowed to open and operate saving Bank account independently (with restrictions)

ii) Operation of Joint Account - 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 (Jointly by all/ Either or Survivor/ Anyone or Survivor/ Latter or Survivor / Former or Survivor). Operating instructions of this nature are obtained from the customer at the time of account opening or at a later date with due consent of all the account holders. The natural guardian only can operate the Savings Bank Account opened by minor jointly with natural guardian.

6. Mandate

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

- i) Either or Survivor: If the account is held by two individuals say, A & B, the final balance along with interest, if applicable, will be paid to survivor on death of anyone of the account holders.
- ii) Anyone or Survivor/s: If the account is held by more than two individuals say, A, B and C, the final balance along with interest, if applicable, will be paid to the survivor on death of any two account holders.
- iii) Former or Survivor: First named account holder can alone operate and has full rights over the monies. The survivor steps in only on the death of the former.

The above mandates can be provided to the Bank at the time of opening the account or at any time later during the term of Deposit. Such Mandates can be modified by the consent of all the account holders.

In case of NRI accounts, extant norms as specified under FEMA would be adhered.

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. In the normal circumstances premature closure of a joint deposit shall be permitted only if all the deposit holders sign a request to that effect.

In the case of Term deposits with operating instructions Either Or Survivor, Former Or Survivor, and Anyone Or Survivor, all the account holders are encouraged to give an additional mandate at the time of account opening itself authorizing the Bank to handover the Deposit amount by prematurely closing the deposit to the survivor/s in the case of death of a deposit holder/s. If such mandate is not available, the deposit will be foreclosed before

maturity and amount shall be paid to the survivor/s only if the legal heirs of the deceased agree to this. This mandate is applicable only for premature closure of deposits.

7. Addition or deletion of the name/s of joint account holders

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

8. Nomination

Nomination facility is available on all deposit accounts opened by the individuals. Nomination is also available to a sole proprietary concern account. Nomination can be made in favour of one individual only. Nomination so made can be cancelled or changed by the account holder/s any time. While making nomination, cancellation or change thereof, it is required to be witnessed by a third party in case of illiterate accounts. Nomination can be modified by the consent of account holder/s. Nomination can be made in favour of a minor also.

Bank recommends that all depositors avail nomination facility. In case the person opening an account declines to fill in nomination, the Bank would explain the advantages of nomination facility. If the person opening the account still does not want to nominate, the Bank would ask him to give a specific letter to the effect that he does not want to make a nomination. In case the person opening the account declines to give such a letter, the Bank would record the fact on the Account Opening Form and proceed with opening of the account if otherwise found in order. Under no circumstances, would the Bank refuse to open an account solely on the ground that the person opening the account refused to nominate. This would be applicable only for Nomination Facility in Single Deposit Accounts

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 and the pass book will have a legend "Nomination Registered" in respect of accounts with nomination.

9. Minor's Accounts

i) A minor can open Savings Bank Account and the same can be operated by the natural guardian or by minor himself / herself, if he/she is above the age of 10 years. The account can also be opened jointly.

ii) On attaining majority, the erstwhile minor should confirm the balance in his/her account and if the account is operated by the natural guardian, fresh specimen signature and the photograph of erstwhile minor duly attested by the natural guardian would be obtained and kept on record for all operational purposes. Cheques issued by the guardian prior to the date of minor attaining majority but presented after the minor attains majority would require confirmation from the minor.

No overdraft will be granted to Minors. Cheque book will be issued; however, cheques can be issued only by the guardian. The Operations in these accounts and the facilities provided to these accounts will be decided by the Bank from time to time.

10. Basic Savings Bank Deposit Account (BSBDA)

The Bank offers the 'Basic Savings Bank Deposit Account', which has been considered as a normal banking service available to all. This account shall not have the requirement of any minimum balance. The services available in the account will include deposit and withdrawal of cash at bank branch as well as ATMs; receipt / credit of money through electronic payment channels or by means of deposit / collection of cheques drawn by Central / State Government agencies and departments, as decided by the Bank from time to time.

The 'Basic Savings Bank Deposit Account' would be subject to Bank's laid down guidelines on KYC for opening of accounts issued from time to time and subject to transactional limits and facilities as specified by RBI from time to time. If such account is opened on the basis of simplified KYC norms, the account would additionally be treated as a 'Small Account' and would be subject to system restrictions on the account balance, credit summation and withdrawals/transfers.

Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings bank deposit account in the Bank. If a customer has any other existing savings account in the Bank, he / she will be required to close it within 30 days from the date of opening a 'Basic Savings Bank Deposit Account'.

11. Account of Illiterate/Blind Person

The Bank may at its discretion open deposit accounts of illiterate/blind person. The account of such person may be opened provided he/she affixes the thumb impression in the presence of a witness who is known to both the depositor and the Bank. Normally, no cheque book facility is provided for such Savings Bank Account. 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. 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.

Bank shall invariably be offering all Banking facilities to the visually challenged without any discrimination and all possible assistance shall be rendered to these persons for availing the Banking facilities. The Bank official will be explaining the terms and conditions governing the account to the visually impaired person.

11. Transfer of Account

The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor. If the Bank at its discretion, decides to transfer the deposit accounts to another branch, the intimation for the same will be provided by the Bank at least 30 days in advance.

12. Account Statements

A statement of account will be provided by the Bank to Savings Bank as well as Current Deposit Account Holders periodically as per terms and conditions of opening of the account. Alternatively, the Bank may provide facility of Pass Book also. The Bank will send statement of accounts once in six months to the registered address free of cost, if passbooks have not been issued or statement not being sent by other mode like email statements.

13. Interest Rates

Savings Interest is deregulated by Reserve Bank of India and paid as decided by bank. Interest on domestic rupee savings deposits shall be calculated on a daily product basis. Interest on savings deposit shall be credited atleast on quarterly basis. Interest on savings bank accounts, including those frozen by the enforcement authorities, shall be credited on regular basis irrespective of the operational status of the account. Term deposit interest rates are decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time

14. Debit Card Hot Listing

The Bank will accept ATM card / Debit card hot listing instructions from customers through Phone Banking channel - 24 hours a day through, internet banking / mobile banking and through branches during customer banking hours and any other channels as decided by the Bank from time to time. Phone Banking numbers are made available to customers whenever a Card is issued and all branches contain a detailed leaflet with the numbers.

15. Stop Payment Facility

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

16. Dormant / Unclaimed account / Deposit

As per extant Reserve Bank of India (RBI) guidelines, an account would be treated as inoperative / dormant if there are no customer induced transactions in the account for over a period of two years. Operation in such inoperative accounts would be resumed / restarted / allowed after obtaining the revised KYC documents as per the extant guidelines of the Bank. However, it will be ensured that the customer is not inconvenienced in any manner as a result of extra care taken.

An account / deposit would be treated as unclaimed if it is inoperative for 10 years or more. A list of such accounts / deposits shall be displayed on the website of the Bank. The list so displayed on the website shall contain only the names of the account holder(s).

Such Dormant / Unclaimed account would be transferred to a separate account status in the interest of the depositor and the Bank. No charges would be levied by the Bank for migrating an account from Dormant / unclaimed to Operative account

17. The Depositor Education and Awareness Fund Scheme, 2014 (DEAF)

RBI has established 'The Depositor Education and Awareness Fund' (the Fund). Under the provisions of Fund the amount to the credit of any account with the Bank which has not been operated upon for a period of ten years or any deposit or any amount remaining unclaimed for more than ten years shall be credited to the Fund, within a period of three months from the expiry of the said period of ten years. The Fund shall be utilized for promotion of depositors' interest and for such other purposes which may be necessary for the promotion of depositors' interests as specified by RBI from time to time. The depositor would, however, be entitled to claim from the Bank his/her deposit or any other unclaimed amount or operate his/her account after the expiry of ten years, even after such amount has been transferred to the Fund. The Bank would be liable to pay the amount to the depositor/claimant and claim refund of such amount from the Fund.

18. TERM DEPOSIT

Term Deposits, also known as Fixed Deposits or Time Deposits, are deposits accepted by the Bank for fixed period and are repayable on expiry of the fixed period. Interest is paid at quarterly rests to the depositor or compounded quarterly. At the specific request of the depositor, interest could be paid at monthly rests also, but at a discounted rate.

The Bank will also offer Tax Saver Fixed Deposit in line with the provisions of the Income Tax Act, 1961

19. Interest Payments

i) The interest rates shall be uniform across all our branches and for all the customers. Bank will not discriminate 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 our offices.

ii) The Interest rates payable on deposits will be strictly as per the schedule of interest rates disclosed in advance and the rates shall not be subject to negotiation.

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 RBI/Indian Banks' Association.

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

The Bank computes interest based on 365 days a year irrespective of the actual number of days in the year including leap year.

iv) 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. Valid PAN is required to be submitted for all customers whose tax needs to be deducted. In the absence of a valid PAN, tax will be deducted at the prevailing rate or 20% whichever is higher or as amended by CBDT. As per the new provisions under income tax laws, interest on recurring deposits is subject to tax deduction at source w.e.f. June 1, 2015. 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. The said declaration is required to be submitted by the depositor for each of the deposit placed with the Bank to avail the said exemption.

v) Interest earned/accrued on NRE term deposits is tax free in India under the relevant provisions of Income Tax Act in India and hence no tax at source is deductible in respect of these deposits. However, Bank has statutory obligation to deduct tax at source on any interest paid / payable on NRO term deposits at the specified rates. The depositor can claim the benefit of reduced rates of tax under Double Tax Avoidance Agreement (DTAA), which

India has with the governments of various countries, by submitting the documents prescribed by the Bank at the beginning of every financial year.

vi) All interest payments will be rounded off to the nearest rupee. In case of reinvestment deposits and recurring deposits, the Bank would pay interest for the intervening Sunday/holiday/non-business working day on the maturity value. If the maturity of the deposit falls on a Sunday/holiday, the maturity payment would be made on the next working day.

vii) 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 absence of such mandate, the Bank will auto renew the Fixed deposit for the same tenure as that of the original term deposit. In case, the customer wishes to make changes in the tenure or wants a premature payment of the term deposit, the same is allowed at the written request of the depositor from prospective date, subject to such charges and penalties as may be applicable from time to time.

viii) Some savings/fixed deposit/recurring deposit etc. might be frozen/ blocked by the Bank based on circumstances like regulatory attachment or recovery by the Bank.

- For all savings account the Bank will continue to credit the interest in the account
- For all term deposit accounts, the instructions for auto renewal will be default/modified to auto renew and will be renewed for the original tenure as mentioned at the time of booking and interest will be compounded under the FD account

ix) No interest will be paid for the balances held in the current account. However, for the balances lying in current account standing in the name of a deceased individual depositor / sole proprietorship concern, Bank will pay interest from the date of death of the depositor till the date of repayment to the claimant/s at the rate of interest applicable to savings deposit as on the date of payment.

x) Asset Liability Management Committee (ALCO) will decide and review the interest rate for savings bank and retail term deposit account(including maturity / tenor of deposits. The bulk deposit interest rates including amount and tenor slabs will be decided by Treasury Department subject to adherence of conditions as stipulated by RBI from time to time. Higher interest rate upto 1% will be offered to the employees over and above the interest mentioned in the schedule of interest rates on savings or a term deposits (except for NRE and NRO deposits) as decided by the ALCO from time to time.

The interest rate offered will be subject to the following conditions:

For savings bank account:

- a) A uniform interest rate will be set on balance up to Rupees one lakh, irrespective of the amount in the account within this limit.
- b) Differential rates of interest may be provided for any end-of-day savings bank balance exceeding Rupees one lakh.

For term deposit account:

- a) Domestic and NRO deposits the minimum tenor will be for 7 days. Minimum tenor for NRE term deposit is one year. No interest will be paid if prematurely withdrawn before the completion of minimum tenor.

b) Differential rate of interest will be offered only for bulk deposits other than the deposits accepted under the Bank Term Deposit Scheme, 2006 or the deposits received under the Capital Gains Accounts Scheme, 1988 (currently our Bank is not authorised to open accounts under Capital Gains Account Scheme).

c) Higher interest rate as decided ALCO will be offered for retail term deposits (other than for NRE and NRO term deposits) held by senior citizens other than the term deposit standing in the name of an HUF or the Karta of the Hindu Undivided Family (HUF), even if the Karta is a resident Indian senior citizen.

d) Interest rates on NRE/ NRO deposits will not be higher than those offered by the banks on comparable domestic rupee term deposits

20. Premature Withdrawal of Term Deposit

The Bank on request from the depositor, will allow withdrawal of term deposit (including NRE and NRO term deposit) before completion of the period of the deposit as per terms agreed upon at the time of placing the deposit. Partial withdrawal is not allowed for term deposits booked under preferential rates. The Interest rate applicable for premature closure will be lower of: The interest rate for the original /contracted tenure for which the deposit has been booked OR the interest rate applicable for the tenure for which the deposit has been in force with the Bank.

For such premature withdrawals, including sweep-ins and partial withdrawals, the Bank will levy a penalty at such rate approved by ALCO from time to time on the applicable rate for deposits less than 1Cr.

Premature withdrawal will not be permitted for Tax Saver fixed deposits. In the event of the death of the holder of a Tax Saver fixed deposit in respect of which a nomination is in force, the nominee or nominees shall be entitled at any time before or after the maturity of the term deposit to encash the fixed deposit.

Premature Withdrawal of Bulk Term Deposit for Rs.2 crore and above - Refer section for Bulk Deposit

In normal circumstances premature closure of a joint deposit shall be permitted only if all the deposit holders sign a request to that effect. In the case of Term deposits with operating instructions Either or Survivor, and Anyone Or Survivor and in the event of death of one of the joint holders, in the absence of relevant mandate, premature closure of such deposit will be allowed only if the legal heirs of the deceased agree for such premature closure. In cases where relevant mandate is available with the Bank, premature closure of such deposits shall be allowed in the favour of survivors.

21. 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 the purpose of renewal, interest on the deposit for the period it has remained with the Bank will be paid at the rate applicable to the period for which the deposit remained with the Bank and not at the contracted rate. Such deposits would be charged with premature closure penalty, if applicable. Further, the bank may levy penalty for pre-mature closure of an existing deposit at such rates as may be decided by the bank from time to time. The bank should ensure that the depositors are made aware of the applicable penal rate along with the deposit rate.

22. Renewal of Overdue Term Deposit

When a term deposit is renewed on maturity, the interest rate as applicable on the date of maturity, would be applied. If request for renewal is received after the date 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 rates as per 14 days fixed deposit. In the absence of any customer instructions, the Bank follows the practice of auto renewal of deposits on the date of maturity for a similar period as the original deposit. The rate of interest on this renewed deposit will be the interest rate as applicable for such period on the date of renewal. If a Term Deposit matures and proceeds are unpaid, the amount left unclaimed with the bank shall attract rate of interest as applicable to savings deposits

23. 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 minor. However, a suitable declaration stating that loan is for the benefit of the minor, is to be furnished by the depositor - applicant. The margin, eligible borrowers, documentation, interest rate, etc. are governed under the respective product norms

Margin of overdraft: The normal margin of overdraft against fixed deposit will be 25% of the Principal plus Interest of the respective Term Deposit. However, in exceptional cases, the Bank shall provide overdraft at reduced margin up to 5% of the Term Deposit value, including principal and interest, based on internal approval matrix.

The interest chargeable on overdraft against Term Deposit will be at such rates as may be decided from time to time as per internal approval matrix, not being less than 1% above the rate of interest of the respective Term Deposit

24. Settlement of balances in Deceased Deposit Account

i) 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 itself about the identity of the nominee, etc. as per existing rules.

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

iii) 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.

iv) In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person 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 Rs.10000 on the basis of an indemnity by a person, known to the Bank. This is to ensure that the common depositors are not put hardship on account of delays in completing legal formalities.

v) If an account holder dies leaving a will, the necessary legal process involved will be followed. If an account holder dies intestate and the amount involved is more than Rs.10000 the legal heirs shall complete legal process for claiming the amount in the account.

vi) In case the claimants of an NRE term deposit account of a deceased depositor are residents, the deposit on maturity shall be treated as a domestic rupee term deposit and interest shall be paid for the subsequent period at a rate applicable to a domestic term deposit of similar maturity.

25. Settlement of claim in case of missing persons:

Branches may receive requests for settlements of claims in respect of persons reported missing from their nominees / legal heirs. RBI vide its notification RBI/2007- 08/308 DBOD.No.Leg. BC.80 /09.07.005/2007-08 dated May 2, 2008 has provided guidelines for settlement of claims in such accounts. As per the provisions of section 108 of the Indian Evidence Act, presumption of death can be made only after a lapse of seven years from the date of a person being reported missing, i.e. the date when the FIR / non-traceable report was lodged. After a lapse of seven years from the date of a person being reported missing, i.e. the date when the FIR / non-traceable report was lodged, nominee / legal heir has to essentially submit the FIR and the non-traceable report issued by police authorities for settlement of claims, along with the documents similar to those required for deceased claim settlement.

For amount below Rs.10000 in respect of person reported missing will be settled after obtaining Indemnity Bond without a court order to avoid inconvenience and undue hardship to the common person.

For any settlement of claim beyond Rs.10000, the claimant would be required to submit the court order (presuming the death of the missing account holder) along with other documents as above

26. Interest Payable on Term Deposit in Deceased Account

i) 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 obtaining 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.

ii) 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.

OTHER IMPORTANT INFORMATION

27. Customer Information: The Bank ensures maintenance of the secrecy of the customer's personal information. The information is used, if necessary, only internally or for creating awareness (telephonic/written) of the new products/services to the customers.

28. Secrecy of Customers 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. The Bank may also disclose the customer information, as per the

prevailing practice, amongst Banks to exchange credit information and credit opinion on the standing (general position) of the customers/ borrowers. The Bank follows the guidelines framed by IBA in this regard.

29. Collection of local /outstation cheques

The Bank has a Cheque collection policy and information on payment of interest for delayed collection of cheques is available on the Bank's Website.

30. Frequent Dishonour of Cheques Policy

The Bank expects customer to maintain the financial discipline while operating the accounts. Customer must ensure that while issuing the cheques as also while making electronic fund transfer there is sufficient balance in the account to honour the payment. Dishonour of cheques is governed by the provisions of the Negotiable Instruments Act, 1881 whereas the dishonour of Electronic fund transfer for insufficiency of funds in the account is governed by Section 25 of the Payment and Settlement System Act, 2007. In case of frequent dishonour of cheque of any value due to financial reasons the Bank may stipulate necessary standard operating procedures which inter alia include non-issuance of fresh cheque book, issuance of caution advice and finally terminating the banking relationship. At a periodic interval MIS on dishonoured cheque will be presented to Internal Audit & Control Committee of the bank.

31. Schedule of Charges

The Bank has stipulated schedule of charges for various services offered to customers. The schedule of charges will be provided to customers before offering any services. The schedule of charges is subject to revision from time to time. Necessary intimation would be made on the changes of the schedule of charges. The schedule of charges will be hosted on the website of the Bank and will be available at bank branches, any changes thereto shall be suitably communicated in advance to the customers as per the extant RBI guidelines.

32. 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 insurance coverage is up to a maximum of Rs.5 Lakhs deposit held by the customer in the same capacity and right in all branches of a Bank. Deposits in the name of Banks, central and state governments (including quasi government bodies, local autonomous bodies, government or corporation) and foreign government are not covered under the scheme. The details of the insurance cover in force will be made available to the depositor.

33. Safe Deposit Lockers

This facility is not offered through all Bank branches and wherever the facility is offered, allotment of safe deposit vault 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 (being not a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts etc. Nomination facility is available to individual(s) holding the lockers singly or jointly. In respect of lockers held in joint names, up to two nominees can be appointed. Joint locker holders can give mandate for access to the lockers in the event of death of one of the holders on the lines similar to those for deposit accounts. In the absence of nomination or mandate for disposal of contents of lockers, with a view to avoid hardship to common persons, the Bank will release the contents of locker to the legal heirs against indemnity on the lines as applicable to deposit accounts

32. Suo Moto Closure of Savings and Current Account

The Bank shall close accounts, which are considered undesirable and un- remunerative. These accounts shall be closed only after sending proper written notice to the customer, at the address of the customer as per Bank records. Examples of undesirable and un-remunerative features are:

- a. Drawing cheques without funds.
- b. Rash / fraudulent transactions routed through Bank account which may expose the Bank to unnecessary risks.
- c. Nil Balance Accounts
- d. Dormant / inoperative accounts as per extant RBI directives.
- e. Accounts where transactions, such as huge cash transactions, are being made, disproportionate to the profile of the customer.
- f. Accounts in which, in the opinion of the Bank, transactions having money laundering angle are being conducted.
- g. Accounts, in which, the Bank is not able to apply appropriate KYC measures due to non - furnishing of information by customer and / or non – co-operation in this regard.
- h. Non-compliance of Minimum Balance requirements for current and savings account as applicable to the relevant scheme / product.

Up-to-date interest, if any, shall be credited to the Customer's account at rates applicable from time to time. Penal interest, if any, at rates applicable from time to time shall be collected in case of pre - mature closure of Term Deposits. The amount lying in the account net of all charges and out-of-pocket expenses, shall be sent by means of a Pay Order / DD to the last known address of the Customer.

34. Redressal of complaints and grievances

Depositors having any complaint / grievance with regard to services rendered by the Bank have a right to approach authority (ies) designated by the Bank for handling customer complaint / 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 60 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. The Bank also has a complaint redressal Cell at Head Office and the customer can send their complaints through emails as well.

35. Deposit Scheme for senior citizens

The Bank has special deposit product for Senior Citizens. In addition to offering additional interest rate on term deposits for Senior Citizens, any change in the operating instructions and the fact of addition / deletion of account holders in a Senior Citizen account is always carried out by the joint consent of all the account holders. Relevant clause regarding beneficiary in the unlikely event of the death of the depositor has been incorporated in the account opening form.

If the senior citizen is a pensioner and required to submit Life Certificate as per the Pension Payment authority, then Life certificate may be accepted at any one of the branches. The branch officials will verify the identity of the person and account before accepting such life certificate.

36. Deposit Scheme for differently abled

The Bank may have special deposit product for differently abled persons. Any change in the operating instructions and the fact of addition / deletion of account holders in a differently abled account is always carried out by the joint consent of all the account holders in case of joint account. Relevant clause regarding beneficiary in the unlikely event of the death of the depositor has been incorporated in the account opening form. Relevant proofs and checks of the differently abled will be obtained at the time of account opening to verify the extent of the disability.

36. Deposit Scheme for Women

The Bank may have special deposit product for Women customers. Bank may offer lower minimum balances for Savings account for women. Any change in the operating instructions and the fact of addition / deletion of account holders in a Women account will always be carried out by the joint consent of all the account holders. Relevant clause regarding beneficiary in the unlikely event of the death of the depositor has been incorporated in the account opening form.

37. Bulk Deposit

In terms of the RBI Master Direction on Interest Rate on Deposits updated from time to time, single rupee deposits (including NRE and NRO term deposits) of Rs.2 Crore and above are classified as bulk deposits.

1. Quoting Special Rate of Interest:

The rate of interest on these deposits shall depend on

- the market conditions
- requirements relating to ALM
- Micro-managing liquidity
- Overall strategy to meet funding needs

The bank may offer differential rate of interest for Bulk deposits of the same maturity. However, care shall be taken to ensure that the rates offered for such Bulk deposits on any given day remain the same for identical amount & period.

The bank can accept Bulk Deposits with following two options:

1. Premature withdrawal permitted
2. Premature withdrawal is not permitted

The Bank shall notify all bulk depositors of its policy of allowing / disallowing premature withdrawal at the time of accepting such deposits.

In case of option 1, where premature withdrawal is permitted, Treasury shall at the time of providing the special rate of interest, also provide the interest rates applicable for various tenures. Treasury shall also provide the quantum of penalty applicable, if any for premature

withdrawal. MD/Head of Treasury can waive the penalty applicable on premature withdrawal of Bulk deposit including interest difference, if any.

In case of option 2, under special circumstances, the bank may permit pre-mature withdrawal of Bulk deposits accepted from Individuals / HUFs only with specific approval from MD/ALCO. The details of premature withdrawal of Bulk deposits shall be put up to ALCO at monthly intervals.

38. Bank will adhere to the operational guidelines and prohibitions as stipulated by RBI from time to time

Review

This Policy will be reviewed annually or when RBI requires such review at any shorter periods.