



Comprehensive Deposit Policy

History of Revisions

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1. Preamble

1.1 Objective of the Policy

The objective of this Policy is to provide a framework, which will enable Equitas Small Finance Bank to outline 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.

1.2 Scope of the Policy

- a. This policy will cover the role, rights and responsibilities of Equitas Small Finance Bank (ESFB or "Bank") in formulation of various deposit products
- b. This policy also 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
- c. This policy also enumerates the rights and obligations of depositor with respect to conduct of account, receipt of timely interest from the Bank and relevant services thereof.
- d. 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.

1.3 Definitions

- a. "Demand deposits" means a deposit received by the Bank, which is withdrawable on demand by the depositor.
- b. "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;
- c. "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.
- d. "Notice Deposit" means term deposit for specific period but withdrawable on giving at least one complete banking days' notice.

- e. "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.
- f. "Bulk Deposit" means Single Rupee term deposits of Rupees two crore and above and includes both callable and non-callable deposits.

2. Regulatory Framework Applicable Regulations

2.1 RBI Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated March 03, 2016 and subsequent amendments thereto.

2.1.1 Interest Rate framework

Bank should pay interest on deposits of money (other than current account deposits) accepted by them or renewed by them in their Domestic, Ordinary Non-Resident (NRO) and Non-Resident (External) Accounts (NRE) on the terms and conditions specified in these directions:

- a. The rates should be uniform across all branches and for all customers and there should 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 the Bank branches.(Clause 4b of the Direction)
- b. Interest rates payable on deposits should be strictly as per the schedule of interest rates disclosed in advance by the Bank. Bank shall maintain a bulk deposit interest rate card in the Core banking system to facilitate supervisory review. (Clause 4c of the Direction)
- c. The rates should not be subject to negotiation between the depositors and the bank. (Clause 4d of the Direction)
- d. If a term deposit is maturing for payment on a non-business working day, Bank should pay interest at the originally contracted rate on the original principal deposit amount for the 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. (Clause 4g(i) of the Direction)
- e. In case of reinvestment deposits and recurring deposits, Bank should pay interest for the intervening non-business working day on the maturity value(Clause 4g(ii) of the Direction)

2.1.2 Interest rate on domestic Current Account

No interest should be paid on deposits held in current accounts. Provided that balances lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern should attract 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. (Clause 5 of the Direction)

2.1.3. Interest Rate on domestic Saving Deposits

In addition to the conditions laid down in section 2.1.1 of above, interest on domestic rupee savings deposits should be calculated on a daily product basis and will be subject to the following:

- (i) A uniform interest rate should be set on balance up to Rupees one lakh, irrespective of the amount in the account within this limit.
- (ii) Differential rates of interest might be provided for any end-of-day savings bank balance exceeding Rupees one lakh (Clause 6 of the Direction)

2.1.4. Interest Rate on domestic Term Deposits

In addition to the conditions laid down in section 2.1.1 of above, interest on domestic rupee term deposits and will be subject to the following:

- i. Tenor of Deposits
Bank has the freedom to determine the maturity/tenor of the deposit subject to the condition that minimum tenor of the deposit offered should be seven days.
- ii. Size of Deposits
Differential interest rate can be offered only on bulk deposits

- iii. Non- availability of Premature withdrawal option

Banks shall have the freedom to offer term deposits without premature withdrawal option.

Provided that all term deposits accepted from individuals (held singly or jointly) for amount of Rupees one crore and below shall have premature-withdrawal-facility. (Amended vide RBI Circular RBI/2023-24/74 DOR.SPE. REC. No 51/13.03.000/2023-24 dated October 26, 2023)

- iv. Payment of Interest on pre-mature withdrawal
The interest rates applicable on term deposits withdrawn before the maturity date should be as under:
 - i. Interest should be paid at the rate applicable to the amount and period for which the deposit remained with the bank and not at the contracted rate.
 - ii. No interest should be paid, where premature withdrawal of deposits takes place before completion of the minimum period specified in 2.1.4.i as above (Clause 7 of the Direction)

2.1.5. Payment of Additional Interest on domestic deposits

- a) Bank can allow additional interest of one per cent per annum, over and above the rate of interest mentioned in the schedule of interest rates on savings or a term deposits of bank's staff and their exclusive associations as well as on deposits of Chairman, Chairman & Managing Director, Executive Director or such other Executives appointed for a fixed tenure
- b) Bank can formulate term deposit schemes specifically for resident Indian senior citizens, offering higher and fixed rates of interest as compared to normal deposits of any size. Provided that this facility is not offered on 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. (Clause 8 of the Direction)

2.1.6 Interest on overdue domestic deposits

- a) The rate of interest to be paid on renewal of overdue term deposits will be subject to the stipulation contained in the section 2.1.1 of these Directions.
- b) 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 or the contracted rate of interest on the matured TD, whichever is lower. (Clause 9 of the Direction)

2.1.7 Interest Periodicity of payment of Interest on domestic savings deposits

- (a) Interest on savings deposit should be credited at quarterly or shorter intervals.
- (b) Interest on savings bank accounts, including those frozen by the enforcement authorities, should be credited on regular basis irrespective of the operational status of the account (Clause 11 of the Direction)

2.1.8 Interest payable on the domestic deposit account of deceased depositor

The rate of interest on matured deposits standing in the name of a deceased individual depositor, or two or more joint depositors, where one of the depositors has died, will be subject to the conditions laid down in section 2.1.1 of the Directions. (Clause 12 of the Direction)

2.1.9 Penalty on premature withdrawal of domestic term deposit

- (a) The components of penalty should be clearly brought to the notice of the depositors at the time of acceptance of deposits. If not, no penalty can be levied.
- (b) In case of splitting of the amount of term deposit at the request from the claimant/s of deceased depositors or Joint account holders, no penalty for premature withdrawal of the term deposit should be levied if the period and aggregate amount of the deposit do not undergo any change. (Clause 14 of the Direction)
- (c) No penalty for premature withdrawal shall be levied, where depositors of the branch as mentioned in section 4(h) of the Directions desires premature withdrawal of deposit consequent to the transfer of business to another bank. (Clause 14 of the Direction)

2.1.10 Interest rates on Rupee Deposits-Non-Residents

Interest on deposits of money accepted or renewed under NRE/NRO deposit scheme will be on the terms and conditions specified below :

- (a) The interest rates should be subject to the conditions laid down in section 2.1.1
- (b) Interest rates on savings deposits under Non-Resident (External) Rupee (NRE) Deposit / Ordinary Non-Resident (NRO) Deposits should be in accordance with section 2.1.3.

(c) Interest rates on NRE/NRO term deposits shall vary only on account of one or more of the following reasons:

(i) Tenor of Deposits:

Banks shall have the freedom to determine the maturity/tenor of the deposit subject to the condition that minimum tenor of NRE term deposits shall be one year and that of NRO term deposits shall be seven days.

(ii) Size of Deposits:

Differential interest rate shall be offered only on bulk deposits.

(iii) Non-availability of Premature withdrawal option:

Banks shall have the freedom to offer NRE / NRO term deposits without premature withdrawal option, provided that all NRE / NRO term deposits accepted from individuals (held singly or jointly) for amount of Rupees one crore and below shall have premature-withdrawal-facility. (Amended vide RBI Circular RBI/2023-24/74 DOR.SPE. REC. No 51/13.03.000/2023-24 dated October 26, 2023)

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

(e) The benefit of additional interest rate on deposits on account of being bank's own staff or senior citizens will not be available to NRE and NRO deposits.

(f) Interest on savings deposits should be credited at quarterly or shorter intervals (Clause 15 of the Direction)

2.1.11 Prohibition on marking lien

Bank cannot not mark any type of lien, direct or indirect, against NRE saving deposits. (Clause 16 of the Direction)

2.1.12 Penalty on premature withdrawal of NRE deposits

The components of penalty should be clearly brought to the notice of the depositors at the time of acceptance of deposits. If not, no penalty can be levied. (Clause 17 of the Direction)

2.1.13 Interest payable on the NRE term deposit account of deceased depositor

In case, the claimants of an NRE term deposit account of a deceased depositor are residents, the deposit on maturity should be treated as a domestic rupee term deposit and interest should be paid for the subsequent period at a rate applicable to a domestic term deposit of similar maturity. (Clause 18 of the Direction)

2.2 RBI Master Direction - Know Your Customer (KYC) Direction 2016 and its amendments thereto.

The instructions/guidelines on KYC/AML/CFT applicable to banks, issued by RBI from time to time, will be adhered to in respect of all Demand & Time Deposits being opened by the Bank

Bank has a Board Approved policy on KYC/AML, which should be adhered to while onboarding Depositors.

2.3 Income Tax Act, 1961 - TDS on Interest other than Interest on Securities

The section 194A of IT Act, deals with the provisions relating to deduction of TDS on interest (other than interest on securities). Interest paid by banks on fixed deposits is covered under the provisions of section 194A. Bank is liable to deduct TDS as per provisions of section 194A and is required to deduct TDS at the rate of 10% TDS (if PAN is not available then 20% TDS)

- a. At the time of credit of income to the payee's account; or
- b. At the time of payment in cash, cheque, draft or any other mode. (section 194 A of IT Act)

2.4 IBA Model Deposit Policy

While framing this policy, the model deposit policy provided by IBA will be adopted as far as its commitments to individual customers outlined in Bankers' Fair Practice Code of Indian Banks' Association.

2.5 RBI Master circular on Customer Service in Banks dated July 1, 2015

2.5.1 Fixed Deposit as Security for Lockers

Banks might face situations where the locker-hirer neither operates the locker nor pays rent. To ensure prompt payment of locker rent, bank can at the time of allotment, obtain a Fixed Deposit which would cover 3 years rent and the charges for breaking open the locker in case of an eventuality. However, bank should not insist on such Fixed Deposit from the existing locker-hirers. (Clause 18.1.2 of the circular)

2.5.2 Nomination Facility

Bank should ensure the following for all Deposit Accounts

- a. Nomination Forms for deposit accounts, articles kept in safe custody and contents of safety lockers.
- b. Forms for cancellation and variation of the nominations.

- c. Registration of Nominations and cancellation and variation of nominations, and
- d. matters related to the above. (Clause 19.1.2 of the circular)

2.5.3 Ensuring Reasonableness of Bank Charges (Clause 6.2)

In order to ensure fair practices in banking services, Reserve Bank of India had constituted a Working Group to formulate a scheme for ensuring reasonableness of bank charges and to incorporate the same in the Fair Practices Code, the compliance of which would be monitored by the Banking Codes and Standards Board of India (BCSBI). Based on the recommendations of the Group, action required to be taken by banks is indicated under the column 'action points for banks' in the Annex I to this circular.

Annex I

In accordance with the recommendations of the Working Group forming part of the RBI Master Circular, the bank shall identify the basic banking services on the following broad parameters and make the same available at reasonable prices/ charges.

- i. Nature of Transactions
 - a. Banking services that are ordinarily availed by individuals in the middle and lower segments, will be the first parameter. These will comprise services related to deposit/loan accounts, remittance services and collection services.
 - b. When the above transactions occur in different delivery channels, for the purpose of pricing, they may be treated on a separate footing.
- ii. Value of transaction
 - a. Low value transactions with customers/public up to the ceiling as given below will be second parameter:
 - b. Remittances up to Rs.10, 000/- in each instance
 - c. Collections below Rs.10, 000/- in each instance.
 - d. Foreign exchange transactions valued up to Rs.500/-.

Identification of Basic Banking Services

Based on the above parameters and as recommended by RBI in the said circular, the following 27 transactions have been identified as Basic services.

e.

Sr.No.	Service Relating to deposit accounts
1	Cheque book facility
2	Issue of Pass Book (or Statement)/Issue of Balance Certificate
3	Issue of duplicate pass book or statement
4	ATM Cards
5	Debit cards (electronic cheque)
6	Stop payment
7	Balance enquiry
8	Account closure
9	Cheque Return – Inward (cheque received for payment)
10	Signature verification
Relating to Loan Accounts	

11	No dues certificate
Remittance Facilities (including through other banks) (Rupee or foreign exchange)	
12	Demand Draft- Issue
13	Demand Draft- Cancellation
14	Demand Draft- Revalidation
15	Demand Draft- Duplicate Issuance
16	Payment Order – Issue
17	Payment Order – Cancellation
18	Payment Order – Revalidation
19	Payment Order – Duplicate Issuance
20	Telegraphic Transfer – Issue
21	Telegraphic Transfer-Cancellation
22	Telegraphic Transfer – Duplicate Issuance
23	Payment by Electronic Clearing Services (ECS)
24	Transfer by National Electronic Fund Transfer (NEFT) and Electronic Funds Transfer (EFT)
Collection facilities	
25	Collection of Local cheques
26	Collection of Outstation cheques
27	Cheque Return-Outward (cheque deposited for collection)

[2.6 The Depositor Education and Awareness Fund Scheme, 2014 - Section 26 A of Banking Regulations Act dated March 21, 2014](#)

Establishment of the Fund and Credits therein (Clause 3 of the Scheme)

Reserve Bank hereby establishes a Fund to be called the Depositor Education and Awareness Fund referred to in Section 26A of the Act.

The amounts to be credited to the Fund by banks should be deposited in the specified account maintained with the Reserve Bank.

For the purpose of this paragraph, the amounts to be credited to the Fund should be the credit balance in any deposit account maintained with banks which have not been operated upon for ten years or more, or any amount remaining unclaimed for ten years or more, which include :-

- a. savings bank deposit accounts;
- b. fixed or term deposit accounts;
- c. cumulative / recurring deposit accounts;
- d. current deposit accounts;
- e. other deposit accounts in any form or with any name;
- f. cash credit accounts;
- g. loan accounts after due appropriation by the banks;
- h. margin money against issue of Letter of Credit / Guarantee etc., or any security deposit;
- i. outstanding telegraphic transfers, mail transfers, demand drafts, pay orders, bankers cheques, sundry deposit accounts, Vostro accounts, inter-bank clearing adjustments, unadjusted National Electronic Funds Transfer (NEFT) credit balances and other such

- transitory accounts, unreconciled credit balances on account of Automated Teller Machine (ATM) transactions, etc.;
- j. undrawn balance amounts remaining in any prepaid card issued by banks but not amounts outstanding against travelers cheques or other similar instruments, which have no maturity period;
 - k. rupee proceeds of foreign currency deposits held by banks after conversion of foreign currency to rupees in accordance with extant foreign exchange regulations; and
 - l. such other amounts as may be specified by the Reserve Bank from time to time.

2.7 Safe Deposit Locker/Safe Custody Article Facility provided by the banks - Revised Instructions dated August 18, 2021

2.7.1 Banks may face potential situations where the locker-hirer neither operates the locker nor pays the rent. To ensure prompt payment of locker rent, banks are allowed to obtain a Term Deposit, at the time of allotment, which would cover three years' rent and the charges for breaking open the locker in case of such eventuality. Banks, however, shall not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account. The packaging of allotment of locker facility with placement of term deposits beyond what is specifically permitted above will be considered as a restrictive practice (Clause 2.2 of the circular).

2.7.2 Nomination

The banks shall offer nomination facility in case of safe deposit lockers and safe custody of articles, in accordance with the provisions of the Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985 in the prescribed forms as detailed in the circular (Clause 5.1 of the circular)

The conditions relating to the safe deposit lockers shall be made available on the Bank's Website.

2.7.3 Settlement of Claims in case of death of a Customer

Banks shall have a Board approved policy for settlement of claims. The policy shall be in conformity with the regulatory instructions and the Model Operational Procedure (MOP) for settlement of claims of the deceased constituents formulated by the IBA.

Banks shall have a Board approved policy for nomination and release of contents of safety lockers / safe custody article to the nominee and protection against notice of claims of other persons in accordance with the provisions of the Banking Regulation Act, 1949 and the Banking Companies (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act.

In order to ensure that the articles left in safe custody and contents of lockers are returned to the genuine nominee, as also to verify the proof of death, banks shall devise their own claim formats, in terms of applicable laws and regulatory guidelines within the prescribed time limit. (Clause 5.2 of the circular)

3. ESFB Policy framework

3.1 Account Opening and Operation of Deposit Accounts

3.1.1 Account Opening

Bank will provide its customers with details of various types of accounts that they might 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) 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 will 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.

The Half KYC accounts opened as permitted under RBI Master Direction on KYC will be converted into Full KYC within a period of 12 months as mandated by RBI directions. The accounts, not converted into Full KYC at the end of 12 months, will be closed as mandated by the RBI guidelines. The Bank will take all steps in speeding up the process of conversion of Half KYC to full KYC

iii) For deposit products of Savings Bank Account and Current Deposit Account, the Bank will 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 might 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 a given period.

Similarly, the Bank might 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.

3.2. 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 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 will 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 on 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.

3.3 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 father and 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 or the guardian of the minor, can only operate the Savings Bank Account opened by minor jointly with natural guardian or guardian.

3.4 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 the survivor on the 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 will be adhered.

At the request of the depositor, the Bank will register mandate / power of attorney given by him/her authorizing another person to operate the account on his/her behalf. In the normal circumstances, premature closure of a joint deposit will 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 should be 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 will 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.

3.5 Addition or deletion of the name/s of joint account holders

At the request of all the joint account holders, the Bank might 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.

3.6 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 favor 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 favor 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 will explain the advantages of nomination facility. If the person opening the account still does not want to nominate, the Bank will 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 will record the fact on the Account Opening Form and proceed with opening of the account if otherwise found in order. Under no circumstances, will the Bank refuse to open an account solely on the ground that the person opening the account refused to nominate. This will be applicable only for Nomination Facility in Single Deposit Accounts

The nominee, in the event of death of the depositor/s, will 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 passbook will have a legend "Nomination Registered" in respect of accounts with nomination.

3.7 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 will 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 will 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 will require confirmation from the minor.

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

3.8 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 will 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.

Further, Bank would not levy any charges for BSBDA accounts for all services as long as the BSBDA account retained the character of BSBDA product offering.

The 'Basic Savings Bank Deposit Account' will 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 will additionally be treated as a 'Small Account' and will 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'.

3.9 Account of Illiterate/Blind Person

The Bank might 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 chequebook facility is

provided for such Savings Bank Account. At the time of withdrawal/ repayment of deposit amount and/or interest, the account holder will 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 etc. given to the account holder. The Bank official will explain the terms and conditions governing the account to the illiterate.

Bank will invariably be offering all Banking facilities to the visually challenged without any discrimination and all possible assistance will 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.

3.10 Transfer of Account

The deposit accounts can 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.

3.11 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.

3.12 Interest Rates

Savings Interest is deregulated by Reserve Bank of India and paid as decided by bank.

Interest on domestic rupee savings deposits will be calculated on a daily product basis. Interest on savings deposit will be credited at least on quarterly basis. Interest on savings bank accounts, including those frozen by the enforcement authorities, will 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

3.13 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.

3.14 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.

3.15 Dormant / Unclaimed account / Deposit

As per extant Reserve Bank of India (RBI) guidelines, an account will 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 will 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 will be treated as unclaimed if it is inoperative for 10 years or more. A list of such accounts / deposits will be displayed on the website of the Bank. The list so displayed on the website will contain only the names of the account holder(s).

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

3.16 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 will be credited to the Fund, within a period of three months from the expiry of the said period of ten years. The Fund will be utilized for promotion of depositors' interest and for such other purposes, which might be necessary for the promotion of depositors' interests as specified by RBI from time to time. The depositor will, 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 will be liable to pay the amount to the depositor/claimant and claim refund of such amount from the Fund.

3.17 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

3.18 Interest Payments

3.18.1 Guidelines

i) The interest rates will 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 Bank's branches.

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

As per extant directives from Reserve Bank of India, interest will 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 will 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 will also be communicated upfront and will 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 as amended by CBDT from

time to time. 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 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 will 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 will 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.

- a. For all savings account the Bank will continue to credit the interest in the account
- b. 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.

3.18.2 Interest rate offered

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

3.18.2.1 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 will be provided for any end-of-day savings bank balance exceeding Rupees one lakh.

3.18.2.2 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 authorized 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

3.19 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.

Payment of interest on pre-mature withdrawal - The interest rates applicable on term deposits withdrawn before the maturity date shall be as under:

Interest shall be paid at the rate applicable to the amount and period for which the deposit remained with the bank and not at the contracted rate. No interest shall be paid, where premature withdrawal of deposits takes place before completion of the minimum period specified in section 7(a)(i) of Master Directions in Interest Rates on Deposits – RBI.

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 1 Cr.

Premature withdrawal will not be permitted for Tax Saver fixed deposits & Deposits agreed and booked under non-premature withdrawal option in Bulk/Retail. In the event of the death of the holder of such deposits booked under Tax Saver/non-premature withdrawable fixed deposit in respect of which a nomination is in force, the nominee or nominees, however, will be entitled to withdraw the deposits at any time.

For 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 will 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 will be allowed in the favor of survivors.

In case of splitting of the amount of term deposit at the request from the claimant/s of deceased depositors or Joint account holders, no penalty for premature withdrawal of the term deposit will be levied by the Bank if the period and aggregate amount of the deposit do not undergo any change. No penalty for premature withdrawal will be levied by the Bank, where depositors of the branch desire premature withdrawal of deposit consequent to the transfer of business to another bank.

3.20 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 will 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 will ensure that the depositors are made aware of the applicable penal rate along with the deposit rate

3.21 Renewal of Overdue Term Deposit

When a term deposit is renewed on maturity, the interest rate as applicable on the date of maturity, will 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 will attract rate of interest as applicable to savings deposits or the contracted rate of interest on the matured TD, whichever is lower.

3.22 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 will 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

3.23 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.50000 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.50000 the legal heirs will 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 will be treated as a domestic rupee term deposit and interest will be paid for the subsequent period at a rate applicable to a domestic term deposit of similar maturity.

3.23.1 Settlement of Claims in case of death of a Hirer/s for Safe Deposit Lockers- Bank has a Board approved Deposit policy for nomination and release of contents of safety lockers to the nominee and protection against notice of claims of other persons in accordance with the provisions of the Banking Regulation Act, 1949 and the Banking Companies (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act.

In order to ensure that the articles left in safe custody and contents of lockers are returned to the nominee, as also to verify the proof of death, bank has devised claim formats, in terms of applicable laws and regulatory guidelines within the prescribed time limit. All claims will be routed through the branch in which the safe deposit locker is held.

Scenario	Banks Policy
Single locker hirer with nomination	In case of death of locker hirer, bank shall provide access to the nominee to remove the contents of the locker after verification of death certificate and identity of the claimant
Joint locker hirers with MOP as 'Jointly'	In case of death of locker hirer(s), bank shall provide access to the survivor(s) along with the nominee to remove the contents of the locker after verification of death certificate and identity of the claimants
Joint locker hirers with MOP as 'Either or Survivor' / 'Anyone or survivor' / 'Former or survivor'	In case of death of locker hirer(s), bank shall provide access to the locker as per the mandate

3.24 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 will be required to submit the court order (presuming the death of the missing account holder) along with other documents as above

3.25. 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 will pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the Bank will 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 will pay interest at savings deposit rate obtaining on the date of maturity from the date of maturity till the date of payment.

3.26. 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.

3.27 Secrecy of Customers Accounts

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

3.28 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.

3.29 Frequent Dishonor 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 honor the payment. Dishonor of cheques is governed by the provisions of the Negotiable Instruments Act, 1881 whereas the dishonor 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 dishonor of cheque of any value or dishonor of Electronic Fund Transfer, 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 dishonored cheque/electronic fund transfer, will be presented to Internal Audit & Control Committee of the bank.

3.30 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 will be made on the changes of the schedule of charges. The schedule of charges will be hosted on the website of the Bank and any changes thereto will be suitably communicated in advance to the customers as per the extant RBI guidelines

3.31 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 ₹ 5 Lakh 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.

3.32 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. An individual (being not a minor) singly or jointly with another individual, HUFs, firms, limited companies, associates, societies, trusts etc. might hire safe deposit lockers. 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.

- a) The bank offers nomination facility in case of safe deposit lockers ,in accordance with the provisions of section 45-ZC to 45-ZF of the Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985. In case the nominee is a minor, a guardian needs to be assigned to the nominee. A passport size photo of the nominee attested by the Hirer/s, may be provided by the Hirer/s , at his/her option for records.
- b) For the various Forms (Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers) prescribed under Banking Companies (Nomination) Rules, 1985, only Thumb-impression(s) shall be required to be attested by two witnesses. Signatures of the account holders need not be attested by witnesses.
- c) Bank shall allow and update systems with to register the nomination, cancellation and / or variation of the nomination, made by the locker hirers.

- d) Bank shall also provide acknowledgement the receipt of duly completed form of nomination, cancellation and / or variation of the nomination. Such acknowledgement shall be given to all the Hirer/s irrespective of whether the same is demanded by them or not.

3.33 Suo Moto Closure of Savings and Current Account

The Bank will close accounts, which are considered undesirable and un- remunerative. These accounts will 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/initiating electronic funds transfer or providing standing instruction/mandate, 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 are being conducted, having money laundering angle.
- 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, will 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 will 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, will be sent by means of a Pay Order / DD to the last known address of the Customer.

3.34 Redressal of Complaints and Grievances

Depositors having any complaint / grievance with regard to services rendered by the Bank have a right to approach authorities 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 will 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.

3.35 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 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.

3.36 Deposit Scheme for differently abled

The Bank might 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 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.

3.37 Deposit Scheme for Women

The Bank might 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 consent of all the joint account holders. Relevant clause regarding beneficiary in the unlikely event of the death of the depositor has been incorporated in the account opening form.

3.38 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.

3.38.1. Quoting Special Rate of Interest:

The rate of interest on these deposits will depend on

- a. The market conditions
- b. Requirements relating to ALM
- c. Micro-managing liquidity
- d. Overall strategy to meet funding needs.

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

3.38.2 Bulk Deposit Options

The bank can accept Bulk Deposits with following two options:

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

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

In case of option 1 as above, where premature withdrawal is permitted, Treasury will, at the time of providing the special rate of interest, also provide the interest rates applicable for various tenures. Treasury will 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 as above, 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 will be put up to ALCO at monthly intervals.

3.39. Prohibitions

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

3.40.1 Ensuring Reasonableness of Bank Charges

In accordance with the recommendations of the Working Group forming part of the RBI Master Circular, the bank will adopt all the basic banking services as listed out under Clause 2.5.3 of this policy and will make the same available at reasonable prices/ charges.

Ensuring reasonableness of charges based on the broad parameters:

Based on the broad parameters provided by the regulator, specifically for middle and lower segments, the Bank will offer BSBDA savings accounts as Basic Banking Services offering. The Bank will not levy any charge on BSBDA accounts thereby ensuring reasonableness for the customers in this segment.

4. Provisions in policy over and above but in consonance with RBI guide lines – None

5. Changes to the Policy

Regulatory changes introduced at 2.1.4, 2.1.6, 2.1.10, 2.7, 3.21, 3.23.1 and 3.32

6. Periodicity of Review of the Policy

The Board will review this policy at annual intervals and at such intervals as may be required on the regulatory and business exigencies.

Author of the Policy	Branch Banking
Reviewer of the Policy	Compliance
Name of Committee which recommended to the Board	Executive Policy Formulation Committee
Date of Board Approval	17.11.2023
Date of Next Review	18-24 months from the date of board approval / previous review