

Deposit Policy of the Bank

Acceptance of deposits and maintenance of deposit accounts is the core activity in any bank. The very basic legal interpretation of the word 'banking' as defined in the Banking Regulation Act, 1949 means accepting deposits of money, for the purpose of lending or investment, from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise. Thus, deposits are the major resource and mainstay of a Bank and the main objective of a Bank is to mobilize adequate deposits.

The Reserve Bank of India is empowered to issue directives / advices on interest rates on deposits and other aspects regarding conduct of deposit accounts from time to time. With liberalization in the financial system and deregulation of interest rates, Banks are now free to formulate deposit products within the broad guidelines issued by RBI.

While adopting the detailed policy, the Bank also reiterates its commitments to individual customers outlined in the Code of Bank's Commitment to Customers. This policy reflects the broad framework under which the rights of common depositors are recognized.

This Policy document on deposits outlines the guiding principles of various deposit products offered by the Bank and terms and conditions governing the conduct of the Accounts. The document recognizes the rights of the 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, and the procedures mandated by the regulators.

A. Types of Deposit Accounts:

While various deposit products offered by the Bank are assigned different name, the deposit products can be broadly categorized into Demand deposits and Term Deposits. Definition of major deposit schemes made available to the customers are as under:

1. Demand deposit means a deposit received by the Bank which is withdrawable on demand;

1.1 Savings deposit means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amount of withdrawals permitted by the Bank during any specified period.

The eligible person/s or associations/Societies/Departments etc., who can open Savings Bank Account along with other salient features of Savings Bank Account Scheme made available in the Bank are furnished in the **Annexure-A**.

1.2 Current Account means a form of demand deposit wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit. The eligible person/s or firms/companies/associations/Societies/Banks etc., who can open Current Account along with other salient features of Current Account Scheme made available in the Bank, are furnished in the **Annexure-B**.

2. Term deposit means a deposit received by the Bank for a fixed period withdrawable normally after the expiry of the fixed period and includes deposits such as Recurring Deposits, Fixed Deposits (TDR in e-KGB) & Kamadhenu Deposits (STDR in e-KGB) etc.,.

At present following types of Term Deposit products are made available to customers:

2.1 Fixed deposit (non- cumulative) (TDR in e-KGB) means a deposit received by the Bank for a fixed period withdrawable normally after the expiry of the period wherein interest payable at quarterly rests or monthly rests (Discounted rate) or half yearly rests as desired by the depositor. The eligibility norms and other salient features of Fixed Deposits Scheme are furnished in the **Annexure-C**.

2.2 Kamadhenu deposit (KD- Cumulative) (STDR in e-KGB) means a deposit received by the Bank for a fixed period withdrawable normally after the expiry of the period along with accumulated interest. The eligibility norms and other salient features KD Scheme are furnished in the **Annexure-C** and the details of the Tax saver scheme are furnished in the **Annexure- E**

2.3 Recurring deposit means deposits received by the Bank at monthly intervals for a fixed maturity date withdrawable normally after the expiry of the period along with accumulated interest. The eligibility norms and other salient features of RD Scheme are furnished in the **Annexure-C**.

2.4 New Nithya Nidhi Deposit (Cauvery Akshaya Nidhi Deposit Scheme in e-KGB) means deposits received by the Bank as daily collections through agents appointed by the Bank branch for affixed maturity date withdrawable normally after the expiry of the period along with accumulated interest. However, the premature closure of deposit is commonly noticed under this type of Deposits. The salient features are furnished in the **Annexure-D**.

B. General Guidelines for Account Opening & Other Matters:

1. Know Your Customer (KYC) Guidelines of RBI

Know Your Customer (KYC) is the platform on which Banking system operates to avoid the pitfalls of operational, legal and reputational risks and consequential losses by scrupulously adhering to the various procedures laid down for opening and conduct of account.

The Bank shall adopt appropriate **Know Your Customer** procedures and internal controls reasonably designed to:

- Determine and document the true identity and address of the customers who establish relationships, open accounts or conduct significant business transactions and obtain basic back ground information on customers.

- Obtain and document any additional customer information, commensurate with assessment of the money laundering risks posed by customer's expected use of Bank's products and services.
- Avoid doing business with any individual or entity whose identity cannot be determined or who refuses to provide information or who have provided information that contains significant inconsistencies which cannot be resolved after due investigation.

As per KYC, customers have to provide the documents required for identification of the person/s and Address Proof to open the account. As per the revised RBI instructions, only the following would be the Officially Valid Documents (OVD) for accounts of individuals:

- Passport
- Aadhaar Card
- Driving License
- PAN Card
- Voter Identity card issued by ECI
- Ration Card
- Job card issued by NREGA duly signed by an officer of State Government.
- Letter issued by the UIDAI containing details of name, address and Aadhaar number.
- Any document as notified by the Central Government in consultation with the regulator.

2. Introduction Not Mandatory For Opening Accounts:

Before implementation of the system of document-based verification of identity, as laid down in PML Act / Rules, introduction from an existing customer of the Bank was considered necessary for opening of Bank accounts. As the documents of identity and address as required as per RBI instructions are provided, **introduction is not mandatory for opening of accounts**. Under PML Act and Rules or Reserve Bank's extant KYC instructions, Banks should not insist on introduction for opening Bank accounts of customers, as a mandatory requirement for opening of new Account where OVD pertaining to identity & Address proof are produced.

3. Photographs of Depositors:

Bank shall obtain and keep on record photographs of all depositors/ account holders in respect of accounts opened by them adhering to the RBI guidelines in the matter.

These instructions cover all types of deposits including fixed, recurring, cumulative, NRO/NRE etc.

In the case of operative accounts, viz. Savings Bank and Current accounts, photographs of persons who open the Account and also the persons authorized to operate the Account should be obtained. In case of other deposits, viz., Fixed, Recurring, Cumulative, etc., photographs of all depositors in whose names the

deposit receipt stands should be obtained except in the case of deposits in the name of minors where guardians' photographs should be obtained and also photographs of minors. However, fresh photographs will be required to be obtained from minor customer on attaining majority.

4. Nomination:

Nomination facility should be made available to all types of deposit accounts, irrespective of the nomenclature used.

Bank is advised to generally insist that the person opening a deposit account makes a nomination. In case the person opening an account declines to fill in nomination, the Bank should explain the advantages of nomination facility. If the person opening the account still does not want to make nomination, Bank should ask the depositor to give a specific letter to the effect that he/ she does not want to make nomination. In case the person opening the account declines to give such a letter, the Bank should record the fact on the account opening form and proceed with opening of the account if otherwise found eligible. **Under no circumstances, Bank should not refuse to open an account solely on the ground that the person opening the account refused to make nomination.** This procedure should be adopted in respect of deposit accounts in the name of Sole Proprietary Concerns also.

Nomination facility in respect of deposits:

- i. Nomination facility is available for Deposits of individuals including a sole proprietary concern.
- ii. Rules stipulate that nomination shall be made only in favour of individuals. As such, a nominee cannot be an Association, Trust, Society or any other Organisation or any office-bearer thereof in his official capacity. In other words any nomination other than in favour of an individual will not be valid.
- iii. There cannot be more than one nominee in respect of a joint deposit account.
- iv. Bank may allow to modifying/ cancelling of a subsisting nomination by all the surviving depositor(s) acting together. This is also applicable to deposits having operating instructions "either or survivor".
- v. In the case of a joint deposit account, the nominee's right arises only after the death of all the depositors.

Witness in Nomination Forms: The Banking Companies (Nomination) Rules, 1985 have been framed in exercise of powers conferred by Section 52 read with Sections 45ZA, 45ZC and 45ZE of the Banking Regulation Act, 1949. In this connection, we clarify that DA1 (Addition of nominee), DA2 (Cancellation of nominee) and DA3 (Change of nominee) for Bank Deposits prescribed under Banking Companies (Nomination) Rules, 1985. Only in case of illiterate depositors, the Thumb-impression(s) shall be attested by two witnesses. Signatures of the account holders need not be attested by witnesses.

Issue of passbooks (PB):

Bank shall issue passbook immediately after opening the Account. The passbook reflects transactions carried out and serve as mirror to customer/s. Hence, customer would like to refer Pass Book frequently. In way promptness in issuing of Pass Book help in enhancing the confidence reposed by the customer/s on the Bank.

Transfer of Account:

Transfer of deposit accounts from one branch to another branch is permitted subject to adhering to terms & conditions issued by the Bank from time to time.

5. Renewal of Term Deposits:

The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account, i.e., instructions to credit the maturity proceeds to his/ her Account or Auto Renewal of deposit for further period on the date of maturity.

In case of absence of any instructions deposits will be treated as an auto renewal deposit and would be renewed for a similar period as that of matured deposit except in case of encumbered deposits, Special Schemes like Kanaka Dhara, Kanaka Samruddhi, Tax Saver deposits, etc., and in case of deposits where alternate instructions are available.

The rate of interest prevailing on the date of maturity shall be the rate applicable for the renewed deposit. All other terms and conditions stated in the application will remain valid. The Bank intimates the depositor in advance regarding the date of maturity of the term deposit through SMS to their registered mobile number.

In case customer has declined to opt for auto-renewal option at the time of account opening and requests for renewal after the date of maturity, such deposits will be renewed with effect from the date of maturity at interest rate applicable as on maturity date, provided such request is received within 14 days from the date of maturity. In respect of request received after 14 days from the date of maturity, interest for the overdue period shall be paid at SB rates decided by Bank from time to time, which is 4% at present.

6. Term Deposits of Senior Citizens & Preferential Rol to Senior Citizens:

At present additional interest of 0.50% and as may be stipulated by the Bank from time to time, is available to Senior citizen deposits, irrespective of the size of the deposit (subject to less than Rs.1 crore in a single Deposit) across all maturity slabs under Domestic Term Deposits **except NRO/NRE term deposits**. Senior Citizen Deposit can be opened by persons who have completed the age of 60 years and above, individually or jointly with other senior citizen or with other persons below the age of 60 years subject to the condition that the **Senior Citizen is No. 1 Depositor**. The Bank should satisfy about the age through verification of applicable

documents and a copy of the same should be obtained & preserved along with the deposit application form.

In case, a depositor becomes senior citizen during the tenure of the term deposits, in such cases, the contractual rate shall be paid till the maturity & he/she shall be eligible for additional 0.50% for the next renewal/reinvestment after the maturity.

In case of Hindu Undivided Family (HUF), even though if the Kartha is a senior Citizen, no preferential rate of interest shall be allowed.

7. Bulk Deposits:

The Term Deposit of Rs.1 Crore and above shall be treated as Bulk Deposits by the Bank. Bulk Deposits can be accepted either from Individuals/Non-Individuals.

8. Tax on Interest on Bank Deposits:

- Tax Deducted at Source (TDS) is deducted at the time of accrual of interest at the year end and / or on actual payment of interest to the depositor (at periodical intervals i.e., monthly/quarterly/half yearly/yearly) or on maturity.
- In respect of re-investment deposits (Cumulative/KDR), TDS would be deducted on the last day of Financial Year or at the time of maturity/premature closure/premature extension/part-withdrawal of the deposit, whichever event takes place.
- Interest on Bank deposits is exempt from Income Tax up to a limit specified by Income Tax authorities from time to time.
- 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 (At present for the AY 2019-2020 Rs.50000/- for Senior Citizen & Rs.40000/- for others). 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 (15G/15H) at the beginning of the every financial year.
- The depositor may furnish declaration in Form No.15G/15H at the commencement of the financial year for receiving interest on deposits without deduction of tax. In such cases, the details of 15G/15H to be captured in CBS (made available in Finacle live).
- However, furnishing of PAN is mandatory. With effect from 1st April 2010, Tax at higher of the prescribed rate or 20% will be deducted on all transactions liable to TDS, where the Permanent Account Number (PAN) of the deductee is not available. The law will also apply to all non-residents in respect of payments/ remittances liable to TDS. As per the new provisions, certificate for deduction at lower rate or no deduction shall not be given by the Assessing

Officer under Section 197, or declaration by deductee under Section 197 A for non-deduction of TDS on payments shall not be valid, unless the application bears PAN of the applicant / deductee.

- Bank may obtain TDS exemption certificate from the depositor/s if TDS is exempted by Income Tax Authorities.

Timely Issue of TDS Certificate to Customers

With a view to protect the interests of the depositor and for rendering better customer service, Bank shall issue TDS Certificate in Form 16A, to the customers within the time-frame prescribed under the Income Tax Rules.

9. Payment of Interest on the Domestic Term Deposit of a Deceased Depositor:

1. In respect of the deposit of the **deceased depositor closed before maturity** and repaid to the legal heirs/ representatives of the deceased depositor, interest is payable at **the rate applicable for the period for which the deposit actually remained with the Bank without penal cut.**
2. In the event of the death of the depositor before the date of the maturity of the deposit and the 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 till the date of payment, the Bank shall pay simple interest at the applicable rate prevailing on the date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity.
3. In the case of death of the depositor after the date of maturity, the Bank shall pay interest at contracted rate till the date of maturity & at SB rate prevailing on the date of maturity, from the date of maturity till the date of payment.

Payment of interest in case of a death of a depositor after the original deposit period but during the currency of the auto renewed deposit shall be as below:

- The interest shall be paid at contractual rate till the maturity on the last Auto-renewed deposit during the currency of which the depositor is deceased. For the remaining period i.e. from the maturity date of the last auto-renewed deposit till the payment, interest at SB rate shall be paid on the maturity amount.
- In case the deposit is claimed prematurely during the currency of the Auto Renewed Deposit during which the depositor is deceased, then the interest shall be paid at contractual rate till the maturity on the last Auto-renewed deposit immediately preceding the death of the depositor. For the remaining period, interest is payable at the rate applicable for the period for which the deposit is run **without penal cut.**

10. Addition / Deletion of Names:

At the written request of all the joint account holders, Bank can 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. However, in case of joint account, **1st named Depositor should always be retained** & remaining all/any one of them can be deleted and/or new Depositor can be added in their place.

11. Operations of Joint Account:

The joint account opened by more than one individual subject to a maximum of 4 persons can be operated by single individual or by more than one individual jointly. The mandate for operating the account can be obtained at the time of opening of account/s and later can be modified with the consent of all the joint account holders. In case of SB account opened by minor jointly with the natural guardian, the operation is by the natural guardian only till the minor attaining the majority.

12. Mandate / Power of Attorney :

At the request of the depositor, the Bank will register mandate/power of Attorney given by the Account holder are authorizing another person to operate the account on account holder behalf.

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

- i. **Either or Survivor:** if the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to either of account holders i.e. A or B, on date of maturity or to the survivor on death of any one of the account holders.
- ii. **Anyone or Survivor:** If the account is in the name of two or more individuals say, A, B & C, the final balance along with interest if applicable, will be paid to any of account holders i.e. A or B or C, on the date of maturity.

On the death of any one of account holder say A, the final balance along with interest if applicable, will be paid to any two of the surviving account holders i.e. B or C. On the death of any two of account holder say A and B, the final balance along with interest if applicable, will be paid to surviving account holder i.e. C.

- iii. **Former or Survivor:** If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to the former i.e. A on date of maturity and to the survivor on death of anyone of the account holders.
- iv. **Latter or Survivor:** If the account is in the name of two individuals say, A & B, the final balance along with interest, if applicable, will be paid to the latter i.e. B on date of maturity and to the survivor on death of anyone of the account holders.

- A. The above mandates will be **applicable to or become operational only on or after the date of maturity of term deposits**. This mandate can be modified by the consent of all the account holders.
- B. In case of Term Deposits, if the joint depositors prefer premature withdrawal of deposits in accordance with the mandate of 'Either or Survivor', 'Anyone or Survivor' or 'Former or Survivor', Bank may allow premature withdrawal of term deposits to the surviving depositor/s without seeking concurrence of legal heirs of the deceased deposit holder, **provided all the depositors have given a specific joint mandate for the said purpose at the time of opening the account or any time subsequently during the tenure of the deposit**.

13. InoperativeAccounts:

A savings as well as current account should be treated as inoperative / dormant if there are no transactions in the account for over a period of two years. The SavingsBankaccount can be treated as inoperative account only after two years from the date of the last customer induced transaction.

For the purpose of classifying an account as 'in-operative' both the type of transactions i.e., debit as well as credit transactions induced at the instance of customers as well as third party should be considered. **However, the service charges levied by theBanker interest credited by theBank should not be considered.**

There may be instances where the customer has given a mandate for crediting the interest on Fixed Deposit account and/or crediting dividend on shares to the SavingsBankaccount and there are no other operations in the SavingsBankaccount. Since the interest on Fixed Deposit account and/or dividend on shares is credited to the SavingsBankaccounts as per the mandate of the customer, the same should be treated as a customer induced transaction. As such, the account should be treated as operative account as long as the interest on Fixed Deposit account and/or dividend on shares is credited to the SavingsBankaccount. Further amount credited through various electronic mode like NEFT, RTGS, DBT, CTS, IMPS, Mobile Banking etc., should also be treated as customer induced transaction.

The depositor can request the Bank in writing to activate the in-operative account. In such cases Bank branches shall activate the in-operative account duly by complying with KYC guidelines.

Operation in such accounts may be allowed after due diligence as per risk category of the customer. Due diligence would mean ensuring genuineness of the transaction, verification of the signature and identity etc. However, it has to be ensured that the customer is not inconvenienced as a result of extra care taken by the Bank. Bank shall not levy any charge for activation of inoperative account.

If there are no transactions in the SB/ CA Account/s of the depositors for a period of 10 years and in case of Term Deposit accounts those remain unclaimed with

theBankfor more than 10 years from the date of maturity, such account/s will be transferred to Deposit Education Awareness Fund (DEAF) account of RBI. However, Bank may reclaim the DEAF amount with written request of the depositor. RBI will pay the interest at 3.5% on the DEAF amount for the period for which the balance remained with them.

14. StopPaymentFacility:

The Bank can accept stop payment instructions from the depositor/s (as per the operation conditions of the account/s) in respect of cheques issued by them. Charges will be leviedas specified from time to time.

15. Dishonour of Cheques :

Cheques drawn on a Bank is passed if everything is in order and there are sufficient funds available in the account. Payment of cheques drawn can be refused in the following Circumstances:

- A cheque is presented for payment before its ostensible date.
- Cheque which is drawn is in irregular or ambiguous manner or in a form of doubtful legality.
- If the amount standing in credit is not sufficient to cover the whole amount of the cheque or if the overdraft limit is exceeded.
- Cheques are drawn beyond the arranged limit.
- If the funds of the customer are not properly applicable to the payment of the cheque.
- Where there is a legal bar on payment.
- Where payment of cheque has been stopped by the drawer.
- Where there is notice of customer's death.
- Where a customer becomes insolvent and an order of adjudication is made.
- A cheque presented through post by an unknown payee other than bank.
- If the cheque is not duly presented i.e., has not been presented within banking hour's.
- If the cheque is not presented within the validity period of the cheque.
- If theBankhas not been given reasonable time to have the funds placed into the credit of the customer's account before they can be drawn against.
- Where endorsements are not in order in the case of 'Order' cheques.
- Where there is no endorsement of the payee in an Order cheque, or the collecting Banker's confirmation.
- When the signature of the drawer differs from the specimen lodged.
- When the drawer signs on behalf of a firm or a company and the name of the company is not mentioned.
- Where the cheque form used is not from among the cheque leaves issued to the party.
- When a crossed cheque is presented by a party other than a banker.
- Where there are material alternations in the cheque.
- Where the cheque contains extraneous matter.

Any other reason for which the Bank deems fit to refuse the payment.

16. Settlement of Dues in the Deceased Depositor's Account:

- If the depositor has registered nomination with the Bank, the balance outstanding in the account along with eligible interest if any to the deceased depositor will be settled in favour of the nominee after the bank is satisfied about the identity of the nominee and after observing all the formalities.
- In the absence of nomination and where there are no disputes among the claimants, the Bank can settle the claim in respect to the deceased person to his/her legal heir after observing all the formalities.

Settlement of Claims in Respect of Missing Persons

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

17. Interest Payments -Savings Bank Account:

Interest shall be paid on savings Bank account, presently at 4% & as may be advised within the general guidelines issued by the RBI directive from time to time. Further, in terms of RBI directives dated 03.03.2016 the interest on domestic rupee savings deposit accounts shall be calculated on the daily product basis at quarterly or shorter intervals. Interest on savings Bank accounts, including those frozen by the enforcement authorities (Bank at times required to freeze the accounts of customers based on the orders of the enforcement authorities.), shall be credited on regular basis irrespective of the operational status of the account.

18. Payment of Interest on Term Deposit Accounts Frozen By Banks:

Bank at times required to freeze the accounts of customers based on the orders of the enforcement authorities. In case of issue of payment of interest on such frozen accounts Bank may follow the procedure detailed below in the case of Term Deposit Accounts frozen by the enforcement authorities:

- A request letter may be obtained from the depositor on maturity. While obtaining the request letter from the depositor for renewal, Bank should also advise the depositor to indicate the term for which the deposit is to be

renewed. In case the depositor does not exercise option of choosing the term for renewal, Bank may renew the same for a term equal to the original term.

- No new receipt is required to be issued. However, suitable note may be made regarding renewal in the system.
- Renewal of deposit may be advised by registered letter / speed post / courier service to the concerned Government department under advice to the depositor. In the advice to the depositor, the rate of interest at which the deposit is renewed should also be mentioned.
- If overdue period does not exceed 14 days on the date of receipt of the request letter, renewal may be done from the date of maturity. If it exceeds 14 days, Bank may pay interest for the overdue period at SB rate, and keep it in suspense account (Further interest shall not be paid on this amount) which should be released when the original fixed deposit is released.

19. Payment of Interest on Term Deposit Accounts where the Maturity Of Deposit falls on Holiday

If a term deposit matures on holiday, it will be payable on next working day. The interest will be paid to the depositor at contractual rate for the period from the date of maturity till the date of next working day.

However, the system will calculate and take care of the requirement accordingly while closing the deposit account on the next working day.

If a term deposit matures on a day which is not a holiday but Bank is closed due to disruption on account of strike/ local strike/ riot, etc., Bank has to calculate and pay the interest to be paid to the depositor at contractual rate for the period from the date of maturity till the date of next working day.

20. Average Monthly Balance (AMB) for Savings Bank and Current Accounts:

At the time of opening the accounts, Bank should inform to their customers in a transparent manner the requirement of maintaining **Average Monthly Balance** and levying of penal charges, etc., if the stipulated balance is not maintained. Any charge levied subsequently should be transparently made known to all depositors in advance with one month's notice. The Bank should inform, at least one month in advance, the existing account holders of any change in the prescribed Average Monthly Balance and the charges that may be levied if the prescribed Average Monthly Balance is not maintained. As per the latest RBI guidelines, Banks are not permitted to levy penal charges for non-maintenance of minimum balances in **any inoperative account** and also the following categories of accounts:

- No frill & PMJDY A/cs
- Basic Savings Bank Accounts
- All Govt Dept/Boards/Corporates/Institutions A/cs
- Pensioners A/cs
- NRI A/cs

- Minor SB A/cs
- SHGs/JLGs A/cs
- Staff Accounts
- BC settlement Accounts
- Any other Schemes related to Financial Inclusion which may be introduced from time to time.

Average Monthly Balance proposed to be stipulated for SB and CA schemes along with Penal Charges to be levied on Non-Maintenance of Average monthly balance in Savings Bank and Current Accounts is given in the **Annexure-F**.

As per the existing RBI guidelines, while levying charges for non-maintenance of stipulated Average Monthly Balance in Savings Bank and Current Accounts, Bank shall adhere to the following additional guidelines:

In the event of a default in maintenance of Average Monthly Balance as agreed to between the Bank and customer, the Bank should notify the customer clearly by SMS / email / letter etc. that in the event of the Average Monthly Balance not being restored in the account within a month from the date of notice, penal charges will be applicable.

In case the Average Monthly Balance is not restored within a reasonable period, which shall not be less than one month from the date of notice of shortfall, penal charges may be recovered under intimation to the account holder.

The penal charges should be directly proportionate to the extent of shortfall observed. In other words, the charges should be a fixed percentage levied on the amount of difference between the actual balance maintained and the **Average Monthly Balance** as agreed upon at the time of opening of account.

The Bank should ensure that the balance in the SB/CA account does not turn into negative balance solely on account of levy of charges for non-maintenance of Average Monthly balance. Wherever minimum balance in the A/c falls below Rs.20/- continuously for 3 months or more, the concerned Account holder should be informed through mail/letter/SMS to replenish his/her Account with the required minimum balance within week period failing which the Account shall be closed. In case the Account is not replenished with minimum period even after intimation, then such Account should be closed by the Bank and after closure the same should be intimated to the Account holder.

21. Insurance Cover for Deposits:

All deposits made with the Bank are covered under the Insurance Scheme of Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions.

22. Secrecy of the Customer Accounts:

The Banks shall not disclose details / particulars of the customers' accounts to a third person or party without the express or implied consent from the customer.

However, there are some exceptions viz. disclosure of information under compulsion of law, where there is a duty towards the public to disclose and where interest of the Bank requires disclosure.

23. Term Deposit Account:

a. Issue of Term Deposit Receipt

Bank should issue term deposit receipt to the depositor immediately after opening duly signed by the Authorised Signatory, indicating therein full details, such as, date of issue, period of deposit, due date, applicable rate of interest, nomination, penal cut clause, etc.,

b. Disposal of Deposits

Advance instructions from depositor/s for disposal of deposits on maturity may be obtained in the application form itself. Wherever such instructions are not obtained, Bank should ensure sending of intimation through SMS/ letter of impending due date of maturity well in advance to the depositor/s as a rule in order to extend better customer service.

Premature withdrawal of term deposit

Bank, on request from the depositor/s, should allow withdrawal of a term deposit before completion of the period of the deposit agreed upon at the time of making the deposit. The Bank will have the freedom to determine its own penal interest rate of premature withdrawal of term deposits. Bank should ensure that the depositor/s are made aware of the applicable penal interest rate along with the deposit interest rate. While prematurely closing a deposit, interest on the deposit for the period that 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. No interest is payable, where premature withdrawal of deposits takes place before completion of 7 days. As per the RBI extant guidelines, banks will have the discretion to disallow premature withdrawal of a term deposit in respect of bulk deposits of ₹1 Crore and above of all depositors, including deposits of individuals and HUFs.

24. Notifying the change in interest Rates & Interest Payments- Term Deposit Account

The rate of interest on deposits shall be prominently displayed in the notice board of the Bank branches. Changes, if any, with regard to deposit schemes, interest rates and other related services shall also be prominently displayed.

The term deposit interest rates are decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time. In terms of RBI directives Interest is calculated at quarterly intervals on term deposits and paid at the rate

advised from time to time. Interest on deposits repayable for less than 3 months or where the terminal quarter is incomplete, interest shall be paid proportionately for the actual number of days reckoning the year at 365/366 days, as the case may be. In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value.

The method of calculation of interest on a fixed deposit, both Traditional and Cumulative Deposits is as follows:

For Traditional Fixed deposits i.e. non-cumulative type with quarterly payouts, interest is calculated based on annual rates (simple interest). However in case of monthly payouts, interest is paid at discounted rate. Further, for traditional fixed deposits, interest is calculated on the principle amount for completed quarters and then for the balance period, interest is calculated for completed months and further for incomplete month on actual number of days.

For Cumulative Fixed deposits, interest is compounded quarterly on completion of each quarter. For the broken period beyond completed quarter, simple interest is calculated on the cumulative deposit amount for the actual number of days.

25. Advances against Term Deposits (Except Tax Saver deposits)

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

The Bank shall permit VSL/loan/OD against Deposits of their own Bank Branches only. Further no VSL/loan/OD shall be permitted against of Deposits of other Banks.

26. Special Types of Accounts:

A. Minor Accounts:

Minor account represented by guardian may be opened in the name of a minor by the guardian. The account may be opened by natural guardian or with mother as the guardian.

According to the Indian Majority Act 1956, a minor is one who has not completed 18 years of age. But in case of a minor whose guardian is appointed by the Court, he/she remains minor upto the age of 21 years. Interm of Indian Contract Act 1872, the contractive parties should be major necessarily for the validity of the contracts. Hence, any contract with the minor is **void ab-initio**. Since the opening of the account forms contractual obligation between Banker & Customer, savings bank account in the individual capacity of the minor will not be opened. However there are exceptions to this rule.

Accounts in the name of minor who is above the age of 10 years:

SB account can be opened in the name of a minor who is above the age of 10 years. However, a declaration-cum-no objection is to be obtained from the natural guardian of the minor to the effect that the minor has acquired sufficient knowledge about opening/operating the Bank account. Such accounts are to be opened for a reasonable amount and the minor has to come in person for withdrawal. No cheque book shall be issued to such account/s and no overdrawing shall be allowed. On attaining majority, fresh set of application form with the specimen signature card and photograph of the erstwhile minor, along with KYC documents duly countersigned by the guardian, should be obtained as in the case of new accounts.

A minor student, who has attained the age of 12 years, can independently open and operate the SB account subject to fulfilling the prescribed requirements as under:

- a) Birth Certificate.
- b) Certificate from the School Authorities certifying the following:
 - That he/she is a student of the Institution
 - Class in which he/she is studying
 - Age of the student
 - Name of the parents
 - Residential address of the natural guardian with contact phone numbers.
- c) Such accounts are to be opened for a reasonable amount and minor has to come in person for withdrawal. No cheque book shall be issued to such account/s and no overdrawing shall be allowed.
- d) On attaining majority fresh set of application form with the specimen signature card, **KYC documents** and photograph of the erstwhile minor should be obtained afresh and preserved.

B. Accounts of Illiterate Persons:

An illiterate person may open a Savings Bank account in his / her sole name or jointly with other person(s). However, no cheque book facility shall be provided for the account/s of illiterate person/s. The Bank may at its discretion open deposit accounts other than Current accounts of illiterate person. At the time of opening/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 left thumb impression of the account holder in the account opening form documents should be attested by a respectable person well known to him and the Bank and the same is countersigned by the Manager/Asst. Manager.

For proper identification of illiterate persons, three photos of illiterate person is to be obtained and affixed on the Specimen Signature Card, Account opening form and the Pass book and is properly identified.

The identity of illiterate account holder should be well established by referring to the Photographs attached to opening forms/pass books as well as the specimen signature cards. Wherever it is found difficult to establish the identity of the account holder with the help of photographs, it is advised to get the left thumb impression attested by either an account holder or a respectable person well known to him and the bank.

While allowing withdrawals, the illiterate account holder should invariably visit the Bank branch and present his pass book. He /She be inquired whether the amount mentioned in the withdrawal slip is the amount he/she intends to withdraw and on confirming the same, the withdrawal slip is to be passed for payment.

If the illiterate person has already executed a Registered Power of Attorney in favour of a literate person authorizing him/her to open and operate the account, the account in the name of illiterate person may be opened by the Power of Attorney Holder and he/she may be allowed to operate the account as per the terms of Power of Attorney. However it should be ensured that Power of Attorney is in force and certified copy of Power of Attorney is to be obtained and preserved along with the account opening form.

The Bank will explain the rules of business and the need for proper care and safe keeping of the pass book etc., given to the account holder. No cheque book facility is provided for such accounts.

C. Account of Visually Challenged Persons:

Bank shall allow opening of Saving Bank accounts as well as Term Deposit accounts of persons with visual impairment singly or jointly with others, including person/s who is/are visually impaired. Such accounts shall be operated by the account holder personally. Cheque book can be made available. Such account holders will have to be present before the Bank branch official and affix thumb impression and they will be identified through their photograph to facilitate operations.

As the blind persons may not be able to sign consistently, in the case of literate blind persons, in addition to his signature, left thumb impression should also be obtained on the account opening form & specimen signature card along with witnesses.

Bank have to invariably mention "Visually challenged person" on the front page of the pass book boldly in red ink to easily identify such depositor/s.

The account holders of blind persons are vulnerable to cheating/mis-representation by others on the pretext of helping them in operating his/her account or in regard to number of pieces, denomination of currency or genuineness of transactions as they cannot verify for themselves. Hence care is to be taken to safe guard the interest of such Depositor/s from such possible cheaters or self-claimed helpers.

Bank is committed in introducing technology based banking facilities like ATM & Internet banking to visually challenged persons also and hence the same can be enabled to visually challenged persons also for their operational convenience. However, sufficient precautionary measures are to be taken to safe guard the interest of these people while opening the Accounts.

D. Account of persons with Autism, Cerebral Palsy, Mental Retardation & Multiple Disabilities:

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

1. The Mental Health Act, 1987 provides for a law relating to the treatment and care of mentally ill persons and to make better provision with respect to their property and affairs. According to the said Act, “mentally ill person” means a person who is in need of treatment by reason of any mental disorder other than mental retardation. Sections 53 and 54 of this Act provide for the appointment of guardians for mentally ill persons and in certain cases, managers in respect of their property. The prescribed appointing authorities are the District Courts and Deputy Commissioners under the Mental Health Act, 1987.
2. The National Trust for Welfare of persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 provides for a law relating to certain specified disabilities. Clause (j) of section 2 of that Act defines a “person with disability” to mean a person suffering from any of the conditions relating to autism, cerebral palsy, mental retardation or a combination of any two or more of such conditions and includes a person suffering from severe multiple disabilities. This Act empowers a Local Level Committee to appoint a guardian, to a person with disabilities, who shall have the care of the person and property of the disabled person.

The explanation provided above makes clear that a person with mental disabilities stated therein can have his banking transactions done through the legal guardians. **All conditions operating in the conduct of minors account are**

equally applicable to the accounts of persons with specified mental disabilities.

E. Accounts of Transgender Persons:

In case of a person claiming to be transgender and needs to open account or to do any banking transaction, the person will be recognized as “Third Gender” and the details shall be accepted in the AOFs/ or other applicable forms as such.

The salutation of such person shall be “Mx”

All transgender customers shall be treated equally to other male/ female customers without any discrimination.

F. Accounts of Prisoners:

Prisoners can open SavingsBankaccount, if a prisoner or by jail authorities approaches the Bank for opening aBankaccount, the Bank shall:

In the absence of prescribed KYC documents, open a 'Small Account' on production of a self-attested photograph and affixation of signature or thumb impression, as the case may be, on the account opening form & specimen signature card. The guidelines applicable for “Small Accounts” including the restrictions on the transaction limits shall be strictly adhered to.

In case the prescribed KYC documents are provided, open a normal account. Bank shall, for the purpose of a) and b) above, make necessary arrangements, including deputing its officials to the jail for obtaining signature/thumb impression or performing biometric authentication of the Aadhaar number of the prisoner with necessary assistance from the Jail Authorities.

G. Accounts of Old & Incapacitated Persons:

1. Facility to sick/old/incapacitated non-pension account holders

The facilities offered to pension account holders should be extended to the non-pension account holders also who are sick / old / incapacitated and are not willing to open and operate joint accounts.

2. Types of sick/old/incapacitated account holders

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

- An account holder who is too ill to sign a cheque / cannot be physically present in the Bank to withdraw money from his account but can put his/her thumb impression on the cheque/withdrawal form.

- An account holder who is not only unable to be physically present in the Bank branch but is also not even able to put his/her thumb impression on the cheque/withdrawal form due to certain physical incapacity.

3. Operational Procedure

With a view to enabling the old / sick account holders operate their accounts, Bank may follow the procedure as under:-

- Wherever thumb or toe impression of the sick/old/incapacitated account holder is obtained, it should be identified by two independent witnesses known to the bank, one of whom should be a responsible Bank branch official.
- Where the customer cannot even put his / her thumb impression and also would not be able to be physically present in the Bank branch, a mark can be obtained on the cheque / withdrawal form which should be identified by two independent witnesses, one of whom should be a responsible Bank branch official.
- The customer may also be asked to indicate to the Bank as to who would withdraw the amount from his account on the basis of cheque / withdrawal form as obtained above and that person should be identified by two independent witnesses. The person who would be actually drawing the money from the Bank branch should be asked to furnish his signature to the Bank branch.

H. Accounts in case of a Person who cannot sign due to loss of both hands:

Opening of a Bank account of a person who has lost both his hands and could not sign the cheque / withdrawal form is as under :

“In terms of the General Clauses Act, the term “Sign” with its grammatical variations and cognate expressions, shall with reference to a person who is unable to write his name, include “mark” with its grammatical variations and cognate expressions. The Supreme Court has held in AIR 1950 - Supreme Court, 265 that there must be physical contact between the person who is to sign and the signature can be by means of a mark. This mark can be placed by the person in any manner. It could be the toe impression, as suggested. It can be by means of mark which anybody can put on behalf of the person who has to sign, the mark being put by an instrument which has had a physical contact with the person who has to sign which should be identified by two independent witnesses, one of whom should be a responsible Bank branch official”.

I. Basic Savings Bank Deposit Accounts:

As per the guidelines of RBI, the “Basic Savings Bank Deposit Account” will offer following minimum common facilities to all the customers:

The Basic SavingsBankDeposit Account should be considered 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 atBankbranch 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.

While there will be no limit on the number of deposits that can be made in a month, maximum of four withdrawals in a month, including ATM withdrawals, can be allowed at free of charges. However, Withdrawals exceeding 4 are also allowed butBankcan charge for the same uniformly and in a transparent manner. However, at present no charges are collected for withdrawals exceeding four also.

Cheque Book facility is not permitted for the Accounts opened under these Schemes. However ATM card or ATM-cum-Debit Card can be provided.

Further, no charge will be levied for non-operation/activation of inoperative “Basic SavingsBankDeposit Account”.

The Basic SavingsBankdeposit Account is subject to RBI instructions on Know Your Customer (KYC)/ Anti-Money laundering (AML) for opening ofBankaccounts issued from time to time.

Holders of Basic SavingsBankDeposit Account will not be eligible for opening any other savingsBankdeposit account in the bank. If a customer has any other existing savingsBankdeposit account in the bank, he/she will be required to close such existing accounts while opening of “Basic SavingsBankDeposit Account”.

Accounts under simplified Guidelines (Small Accounts)-“Small SavingsBankDeposit” account.

Although flexibility in the requirements of documents of identity and proof of address has been provided in the KYC guidelines, it has been observed that a .large number of persons, especially, those belonging to low income group both in urban and rural areas are not able to produce such documents to satisfy theBankabout their identity and address. This would lead to their inability to access the banking services and result in their financial exclusion. In such cases, if a person who wants to open an account and is not able to produce documents mentioned above, Bank shall open an account with Relaxed KYC guidelines. Small SavingsBankDeposit account can be opened on production of a self-attested photograph and affixation of signature or thumb impression as the case may be, on the form for opening the account, provided that theBankofficial while opening the account

certifies under his signature that the person opening the account has affixed his signature or thumb impression as the case may be, in his presence.

The accounts with “**Relaxed KYC guidelines**” can be opened under “**Small SavingsBankDeposit Account**”. The features of the above account and restrictions stipulated by RBI/Govt. of India are as follows:

Accounts where aggregate of all credits in a financial year does not exceed Rs.1.00 lakh;

The aggregate of all withdrawals and transfers in a month does not exceed Rs.10,000/-and where the balance at any point of time does not exceed Rs.50000/-.

Any violation of the stipulations mentioned above will result in restraining the operations in the account after giving due notice to the account holder.

In case the above transaction limits are crossed,the account holder should necessarily undergo usual KYC procedure. In case, the account holder fails to undergo usual KYC procedure, further transactions in his/her Small SavingsBankDeposit Account shall not be permitted.

A Small SavingsBankDeposit Account shall remain operational initially for a period of twelve months and thereafter for a further period of twelve months if the holder of such an account provides evidence before theBankof having applied for any of the officially valid documents within twelve months of the opening of the said account. **The entire relaxation provisions are to be reviewed in respect of the said account after twenty four months.**

Small SavingsBankDeposit Account Holders will not be eligible for opening any other savingsBankdeposit account in the Bank. If a customer has any other existing savingsBank Deposit account in the Bank, he/she will be required to close such existing accounts within 30 days from the date of opening of “Small SavingsBankDeposit Account”.

A Small SavingsBankDeposit Account shall be monitored and when there is suspicion of money laundering or financing of terrorism or other high risk scenarios, the identity of customer shall be established through the production of officially valid documents.

Foreign remittances shall not be allowed to be credited into a Small SavingsBankDeposit Account unless the identity of the customer is fully established through the production of officially valid documents.

C. NRE/NRO Deposits:

The Bank facilitates opening, holding and maintaining accounts in India by a person resident outside India in terms of permission accorded by RBI and the related rules/ Regulations/directives issued there from time to time.

However at present, Bank is not authorized dealers in “Foreign Exchange” but only permitted to maintain the following types of Non-Resident Accounts (in Indian Rupees) of persons of Indian Nationality / Origin who are residing abroad.

01. Non-Resident (External) Accounts (NRE)
02. Non-Resident (Ordinary) Accounts (NRO)

a) Non Resident Indians’ (NRIs) can open NR(E) and NR(O) Accounts:

Non-Resident Indian means:

- Non-Resident Indian National
- Persons of Indian Origin

b) Non-Resident Indian National:

- Indian citizens who stay abroad for employment / business / vocation etc., indicating an indefinite period of stay outside India
- Indian citizens working abroad on assignments with Government / Government Agencies etc.
- Officials of Central / State Government, PSUs deputed to their Offices abroad.
- Indians who have settled abroad on immigration

Non-Resident Indians are not regarded as residents in India during their short visit to India e.g., for holidays, business etc. However, they become residents when they return to India for employment etc., indicating an indefinite period of stay.

c) Person of Indian Origin (PIO): (Foreign Nationals of Indian Origin):

Person of Indian Origin (PIO) means a citizen of any country other than Bangladesh or Pakistan, if;

- He/she at any time held Indian Passport or
- He/she or either of his/her parents or any of his Grand Parents was a citizen of India by virtue of constitution of India of the Citizenship Act 1955 (57 of 1955) or
- The person is a spouse of an Indian citizen or a person referred to as above.

1. Salient Features of Non-Resident Ordinary Rupee Account (NRO):

- NRI may open an NRO Account with an authorized Bank for the purpose of putting through bona fide transaction in Rupees.
- Opening of Accounts by individual / entities of Pakistan and entities of Bangladesh require prior approval of RBI.
- NRO Accounts may be in the form of Current, Savings, RD or FD Accounts.

- Savings Account: Normally maintained for crediting legitimate local dues / earnings / income such as dividends, interests etc. Rate of Interest will be as prescribed by the Bank from time to time.
- Term Deposits: Rate of Interest will be as prescribed by the Bank from time to time. (However, interest rates offered on NRO deposits cannot be higher than those offered by them on comparable domestic deposits).
- Account should be denominated in Indian Rupees.

A) Permissible credits to NRO Account are:

- Legitimate dues in India of the account holder like (current income) rent, dividend, pension interest, etc.
- Sale proceeds of Assets including immovable property acquired out of Rupee / foreign currency funds or by way of legacy / inheritance.
- Remittances received in permitted currency from outside India through normal banking channels.
- Permitted currency tendered by the Account holder during his temporary visit to India.

B) Permitted debits are:

- All local payments in rupees
- Payments for investments as specified by RBI
- Remittance outside India of current income like Rent, Dividend, Pension, Interest etc., net of applicable taxes of the Account holder.
- NRI/PIO may remit from the balances held in NRO Account an amount not exceeding USD 1 Million per financial year (Including sale proceeds of immovable property) subject to payment of applicable taxes.
- Other than current income and the limit of USD 1 Million per financial year balances in NRO Accounts cannot be repatriated without prior approval of RBI.
- The Accounts may be held jointly with residents and / or with Non-Resident Indian
- The NRO Account holder may opt for nomination facility
- Loans to Non-Resident Account holders and third parties may be granted in Rupees by Bank against security of Fixed Deposits subject to certain terms and conditions.

2. Salient Features of Non-Resident External Rupee Account (NRE);

- NRE Accounts may be in the form of Savings, Current, Recurring or Fixed Deposit Accounts (with maturity of minimum 1 year).
- Such Accounts can be opened only by the NRI himself and not through the holder of Power of Attorney.
- NRIs may be permitted to open NRE Account with their resident close relatives (As defined under Sec 6 of Companies Act 1956-Husband/Wife, Father/Mother, Son/Daughter, Brother/Sister etc.) on 'former or survivors' basis

- The resident close relative shall be eligible to operate the Account as a Power of Attorney holder in accordance with the extant instructions during the life time of the Account holder
- Account will be maintained in Indian Rupees
- Balances held in NRE Account are freely repatriable.
- Accrued interest income and balances held in NRE accounts are exempt from Income Tax and Wealth Tax
- Rate of Interest: Banks are free to determine Rate of Interest on term deposits of maturity of one year and above.
- Interest rates offered by Banks on NRE deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

A) Permissible Credits to NRE Accounts:

- Inward Remittances to India in permitted currency
- Proceeds of Account Payee Cheques / Drafts issued against encashment of foreign currency supported by encashment certificates
- Transfers from NRE / FCNR Accounts
- Sale proceeds of FDI investments
- Interest accruing on funds held in NRE Accounts
- Interest on Government securities / dividends of mutual funds purchased by debit to the NRE / FCNR (B) Account of the holder etc.,

B) Permissible Debits to NRE Accounts:

- Local disbursements
- Transfers to other NRE / FCNR Accounts of persons eligible to open such Accounts.
- Remittances outside India
- Investments in shares, securities, commercial paper of an Indian company
- Loans can be extended against security of deposits either to Depositor or to third party subject to norms of the Bank and margin requirements
- Such Accounts can be operated through power of attorney in favour of residents for the limited purpose of withdrawal of for local payments or remittances through normal banking channel to the Account holder himself.

NR (E) / NR(O) Deposit Schemes - A Comparison

Parameter	NR(E)	NR(O)
Opening of Joint Accounts	Can be opened in the names of 2 or more Non-Resident Individuals provided all the Account holders are persons of Indian Nationality or originResident close relative on 'former or survivor' basis.	May be held jointly with Resident
Nomination	Permitted	Permitted
Currency in which Account is denominated	Indian Rupees	Indian Rupees
Repatriability	Repatriable	Not repatriable except for the following : 1)All current income and 2)USD 1(One) Million per financial year (April-March), by a NRI/PIO
Type of Account	Savings, Current, Recurring, Fixed Deposit	Savings, Current, Recurring, Fixed Deposit
Period for Fixed Deposits	From one to three years. However, Banks are allowed to accept NRE Deposits above three years from their Asset-Liability Point of view	As applicable to Resident Accounts
Operations by Power of Attorney Holder	Operations in the Account in terms of Power of Attorney is restricted to withdrawals for permissible local payments or remittance to the Account holder himself through normal banking channels	Operations in the Account in terms of Power of Attorney in restricted to withdrawals for permissible local payments in rupees. Remittance of current income to the Account holder outside India or remittance to the Account holder himself through normal banking channels. Remittance to the NRI / PIO Account holder is subject to the ceiling of USD 1 (one) Million per financial year.
Loans	(i) To the Account Holder Permitted without any ceiling subject to usual margin requirements	Permitted subject to the extant rules
	(ii) To Third Parties	Permitted subject to conditions

	Permitted without any ceiling subject to usual margin requirements	
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Annexure A

Savings Bank Deposit : Salient Features

Eligibility	<ul style="list-style-type: none"> ❖ Individuals, Joint accounts(Not more than 4), Minor accounts, Blind, Illiterates, HUF ❖ Primary Co-operative Credit Society which is being financed by the bank ❖ Khadi and Village Industries Boards ❖ Agriculture Produce Market Committees ❖ Societies registered under the Societies Registration Act, 1860 or any other corresponding law in force in a State or a Union Territory except societies registered under the State Co-operative Societies Acts and specific state enactment creating Land Mortgage Banks, ❖ Companies licensed by the Central Government under Section 8 of Companies Act, 2013 or Section 25 of Companies Act, 1956 or under the corresponding provision in the Indian Companies Act, 1913 and permitted, not to add to their names the words ‘Limited’ or the words ‘Private Limited’ ❖ Institutions other than those mentioned in section 26(h) and whose entire income is exempt from payment of Income-tax under the Income-Tax Act, 1961, ❖ Government departments / bodies / agencies in respect of grants/ subsidies released for implementation of various programmes/Schemes sponsored by Central Government / State Governments subject to production of an authorization from the respective Central / State Government departments to open savings bank account. ❖ Development of Women and Children in Rural Areas (DWCRA). ❖ Self-help Groups (SHGs), registered or unregistered, which are engaged in promoting savings habits among their members ❖ Farmers’ Clubs – Vikas Volunteer Vahini – VVV.
Minimum Balance	<p>SB General with cheque book facility –Rs1000/- SB General without cheque book facility – Rs 500/- SB Jeevanidhi (SBJND) –Rs100/- Savings Bank Plus (SB129) – Rs 10000/-</p> <p>For all other A/cs zero ‘0’balance including staff A/cs.</p>
Charges	<p>Minimum balance charges, Cheque Book Issue Charges, SMS Charges, ATM Card Charges etc. as per the guidelines advised from time to time.</p>

Nature of Deposit	Running (Operative) account
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Interest Rate	4% P.A for general public (at present) 5% P.A for Staff, Ex-Staff, Ex-Staff Senior Citizen (at present) No preferential rate of interest is applicable for Senior Citizens & bulk deposits (parked in SB A/c).
Periodicity of Interest Payment	Interest is payable on quarterly basis, i.e., on 1 st of every February, May, August and November on the daily balance maintained in the account.
TDS	Not applicable. However, customer should declare at the time of filing the IT returns.
Nomination Facility	Available(favouring only one individual)
Withdrawals	Withdrawal exceeds 50 per half-year (Financial Year), either by cheques or other modes, charges at Rs. 5/- per withdrawal subject to minimum of Rs. 10/-.
Cheques Book	Available for General SB A/cs including Staff A/cs. In this regard, prevalent guidelines of respective e-PKGB & e-KGB will continue to be applicable till migration to common CBS Platform and further instructions will be given in this regard.
Other Facilities	ATM-cum-Debit Card, Pass book/Pass sheet, Standing Instructions, Funds transfer through NEFT/RTGS, Cheque Collection, Internet & Mobile Banking, IMPS, UPI etc.,
Application and Documents	Bank's Prescribed format Specimen Signature Card Copy of PAN Card / Form 60 (if customer does not have PAN Card) Photograph of depositor/s (3 copies) Proof of Identity & address as per KYC Norms Any other related documents applicable to Students, Minor, HUF, Trusts, Association etc. Proof of identity and address as per KYC Norms- Only the following documents will be acceptable (for individuals): (1) Passport (2) Driving License (3) PAN Card (4) Voter Identity Card issued by the Election Commission of India (5) Job card issued by NREGA duly signed by an officer of State

	<p>Government.</p> <p>(6) Letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</p> <p>(7) Ration Card</p>
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Annexure B

Current Account: Salient features

Eligibility	<p>Individuals, Joint accounts (not more than 4), Proprietary concerns, Partnership firms, HUF, Public and Private Limited Companies, Limited Liability Partnership, Registered or Unregistered Societies or Associations, Trust/Provident Fund, Executors and Administrators, Govt./Semi Govt. Dept, Taluk /District Boards, Charitable & Religious Institutions etc.,</p>
<p>Documents Required</p> <p>Proprietary Concerns:</p> <ul style="list-style-type: none"> ❖ Registration certificate (in the case of a registered concern). ❖ Certificate/licence issued by the Municipal authorities under Shop & Establishment Act. ❖ Sales and Income Tax Returns ❖ GST/VAT certificate ❖ Certificate /registration document issued by Sales Tax/Service Tax/Professional Tax authorities. ❖ Licence issued by the Registering authority like Certificate of Practice issued by Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Institute of Company Secretaries of India, Indian Medical Council, Food and Drug Control Authorities, registration /licensing document issued in the name of the proprietary concern by the Central Government or State Government Authority/ Department, etc. ❖ IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT as an identity document for opening of the bank account etc. ❖ The complete Income Tax Return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected duly authenticated/ acknowledged by the Income Tax Authorities. ❖ Utility bills such as electricity, water, and landline telephone bills in the name of the proprietary concern. ❖ Any two of the above documents would suffice. These documents should be in the name of the proprietary concern. ❖ PAN Card. <p>PLUS</p>	

- ❖ Identity and address proof of the proprietor

Partnership firms

- ❖ Registration certificate (For registered partnership firms only)
- ❖ Partnership deed
- ❖ An officially valid document in respect of the person holding a power of attorney to transact on its behalf
- ❖ PAN card in the name of partnership firm

PLUS

- ❖ Proof of identity & address of all the partners / beneficial owners

Companies (Public/Private Limited)

- ❖ Certificate of incorporation
- ❖ Memorandum & Articles of Association
- ❖ A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf; and
- ❖ An officially valid document in respect of managers, officers or employees holding an attorney to transact on its behalf
- ❖ PAN card of the Company

Accounts of Trusts and Foundation

- ❖ Certificate of registration;
- ❖ Trust Deed; and
- ❖ An officially valid document in respect of the person holding a power of attorney to transact on its behalf
- ❖ PAN Card of Trusts
- ❖ Resolution to open/maintain the Bank Account

PLUS

- ❖ Proof of identity and address of persons like trustees, executors, administrators etc.

Accounts of Unincorporated Association or body of individuals

- ❖ Proof of existence/constitution document
- ❖ Resolution of the managing body of such association or body of individuals;
- ❖ Power of attorney granted to him to transact on its behalf;
- ❖ An officially valid document in respect of the person holding an attorney to transact on its behalf; and
- ❖ Copy of Bye Laws
- ❖ List of Office Bearers

Hindu Undivided Family (HUF)

- ❖ HUF declaration duly signed by all adult coparceners and naming Karta , who would be authorized to operate the account
- ❖ Proof of Identification of Karta.
- ❖ Identity proof of the adult coparceners
- ❖ PAN Card in the name of HUF(Karta)
- ❖ HUF Deed (If available)

Limited Liability Partnership (LLP)

- ❖ Certificate of Registration issued by Registrar of LLP.
- ❖ Communication address for proof of the entity, if it is different with the address mentioned on Certificate of Registration.
- ❖ Board Resolution.
- ❖ Permanent Account Number (PAN) of the entity.
- ❖ Latest passport-size colour photograph of each of the authorised signatories.
- ❖ A copy of one valid photo identification and address proof of each of the authorised signatories
- ❖ In case Power of Attorney (POA) has been granted for account operations, photograph, and identity and address proof of the POA holder should also be submitted along with the POA agreement.
- ❖ Shareholding pattern/ list of beneficial owners holding more than 15% in the company either directly or indirectly (on letterhead).
- ❖ PAN/ identity proof of such beneficial owners as identified above.

Government Bodies

- ❖ Authorized letter from the Competent Authority with nature/style and purpose of account on letter head
- ❖ Authorized signatories list with specimen signatures

Registered/Unregistered Society

- ❖ registration certificate under Societies Registration Act (if Registered)
- ❖ List of Managing Committee Members
- ❖ Committee resolution for persons authorized to act as authorized signatories with Specimen signatures
- ❖ True copy of Society Rules and Bye laws certified by the Chairman/Secretary
- ❖ PAN Card of society
- ❖ Resolution to open the bank account

Minimum Balance	Average monthly balance Rs 1000/-. But, Rs 10000/- in case of accounts opened under CA105 Plus (Current A/c Plus)
Periodicity of deposit	Running (Operative) Account
Interest	No interest is paid. However in the event of death of depositor in case of individual A/cs, Joint A/cs, Sole Proprietorship A/cs - interest at SB

	rate will be paid from the death of death of the A/c holder till the date of settlement.
Charges	Minimum balance charges, Cheque Book Issue Charges, Ledger Folio Charges SMS Charges, ATM Card Charges, Standing Instructions etc. as per the guidelines advised from time to time.
TDS	Not applicable
Nomination facility	Available for Individual Accounts, Joint Accounts, Sole Proprietorship Accounts. Not available for all other type of Non-Individual A/cs.
Cheque Book	Available for all Current A/cs.
Other facilities	ATM cum Debit Card for individuals and proprietary concern, Pass Sheet, Standing Instructions, Collection of local and outstation Cheques etc.
Application	Bank's prescribed format

No Objection Certificate

Bank should, at the time of opening current accounts, insist on a declaration to the effect that the account holder is not enjoying any credit facility with any other bank. The branches do not open current accounts of entities which enjoy credit facilities (fund based or non-fund based) from the banking system without specifically obtaining a No-Objection Certificate from the lending bank(s). Branches should note that non-adherence to the above discipline could be perceived to be abetting the siphoning of funds and such violations which are either reported to RBI or noticed during RBI inspection would make the concerned banks liable for penalty under Banking Regulation Act, 1949.

Bank may open current accounts of prospective customers in case no response is received from the existing bankers after a minimum waiting period of a fortnight. If a response is received within a fortnight, banks should assess the situation with reference to information provided on the prospective customer by the bank concerned and are not required to solicit a formal no objection, consistent with true freedom to the customer of banks as well as needed due diligence on the customer by the bank.

In case of a prospective customer who is a corporate or large borrower enjoying credit facilities from more than one bank, the bank should exercise due diligence and inform the consortium leader, if under consortium, and the concerned banks, if under multiple banking arrangement.

Annexure C

Term Deposits Schemes : Salient features

Particulars	Fixed Deposits Non Cumulative nature (TDR in e-KGB)	Kamadhenu Deposits Cumulative nature (STDR in e-KGB)	Recurring Deposit
Eligibility	Individual, Joint (not more than 4), a Guardian on behalf of a minor, HUF, Partnership, a Company, Association or any other Institution		
Deposit Period:			
Minimum	7 days	5 months	6 months
Maximum*	10 years	10 years	10 years
Deposit Amount:			
Minimum	Rs 1000	Rs 1000	Rs50 per month (and in multiples thereof)
Maximum	No ceiling	No ceiling	No ceiling
Rate of Interest	Depending upon the period of the deposit as prevailing from time to time		
Periodicity of	Monthly (at discounted	On Maturity	On Maturity

Interest Payment	rates), Quarterly, Half-yearly or Annual intervals as per depositor's choice		
Penalty for premature closure/ premature extension of Dep.	<ul style="list-style-type: none"> ❖ A penalty of 1.00% will be levied for premature closure/ premature extension ❖ No interest will be payable on term deposits prematurely closed/ prematurely extended before completion of 7 days. 		
TDS on Interest	Tax is deductible on interest/accrued as per TDS provisions applicable from time to time.		
Loan facility	Available upto 75% of the deposit amount (branches shall refer delegation of powers before granting the loans.		
Special Rate For Senior Citizen	Additional interest rate of 0.50% uniformly across all maturities, irrespective of the size of the deposit over & above the rate offered for General Public		
Nomination Facility	Available (favouring one individual only)		
Application and documentation	<ul style="list-style-type: none"> ❖ Bank's prescribed format ❖ Valid documents as per extant KYC policy of the Bank. ❖ Copy of PAN Card - self attested ❖ Two color recent passport sized photographs. ❖ Photograph need not be insisted from the depositors already having their SB/Current A/cs with photographs. However, in case of literate depositor photograph shall be obtained. ❖ Any other related documents as applicable to proprietor ship concern, Partnership ,Firm, Company, HUF etc. 		

*In case of Court deposits the deposits can be made beyond 10 years at the RoI applicable to the RoI for 10 years deposit.

Annexure D

New Nithya Nidhi Deposit Scheme (NNND)- (e-PKGB) / Cauvery Akshaya Nidhi Deposit Scheme (CAND) – (e-KGB)

Period of deposit	60 months
Minimum amount can be deposited	Rs 10/-
Rate of Interest on NNND	
Before 12 months	NIL
12 months to less than 18 months	1.00%
18 months to less than 36 months	2.00%
36 months to less than 59 months	3.00%
60 months i.e., on maturity	4.00%
Commission to the Agent	
Monthly collection amount	3% + Rs 100/- Conveyance charges (Applicable TDS to be collected)

If the A/c closed within 12 months,	Commission paid to the NNND Agent on the entire balance in the account should be recovered from the Agent.
If the A/c closed after 12 months,	<input type="checkbox"/> Commission on bulk credits if any as explained below shall be collected from the Agent: <input type="checkbox"/> Amount of credits received to the account during the period of one year preceding to the date of closure either on maturity or before maturity to be considered as below: <input type="checkbox"/> Find out the quarterly average of credit to the account for the first 3 quarters. <input type="checkbox"/> Find out the credit received during the last quarter at the time of closure. <input type="checkbox"/> If the amount of quarterly average of first 3 quarters is more than the amount of credit received during the last quarter, it is termed as 'Non bulk credit' account and hence no NNND commission need be recovered. <input type="checkbox"/> If the amount of quarterly average of first 3 quarters is less than the amount of credit received during the last quarter, the account is said to have received 'Bulk Credit' and NNND Commission on the differential amount has to be recovered from the NNND Agent.
Commission to be collected on premature closure of NNND	Service charges Rs 5/- + GST
NNND Balance confirmations	To be obtained on half yearly basis on every year September and March end from the depositors by sending the balance confirmation letters to them through certificate of posting.

Annexure E

Tax Saver Deposit Scheme - Salient Features

Deposit Amount	Minimum amount Rs1,000/- Maximum amount Rs1,50,000/-
Rate of Interest	At present interest rate is 7.00 % & as may be advised from time to time.
Preferential Rate of Interest (PRI)	0.50% PRI is applicable for Senior Citizen. (not applicable in case of Kartha of HUF)
Deposit Period	5 Years
Interest Payment Mode	Monthly (discounted) or Quarterly on Fixed Deposits Or Non cumulative (TDR) Compounded Quarterly on Kamadhenu Deposits or cumulative (STDR)
Benefit	TDS Exemption under Section 80C of the Income Tax Act 1961.

Eligibility	<ul style="list-style-type: none"> Individual A/c or in the Capacity of Karta of HUF(Hindu Undivided Family) Joint A/c by two Adults or an Adult & Minor (Represented by Guardian) with operation condition either or survivor <p>Note: Incase of joint account exemption under section 80C is available only to first A/c holder of the deposit.</p>
Documents to be submitted	<ul style="list-style-type: none"> Valid documents as per KYC in case of new customer. Copy of PAN Mandatory. Two recent pass port sized photographs. The following special Clause to be incorporated in the application form if it is not available. <p>“I am/We are aware that this deposit is made U/s 80C of I T Act 1961 and this deposit cannot be closed before maturity/ pledged for taking VSL / pledged as collateral security to any other loan of the Bank”</p>
TDS on Interest	<ul style="list-style-type: none"> Tax is deductible on interest paid/accrued as per TDS provisions applicable from time to time.
<p>Other Terms & Conditions:</p> <ul style="list-style-type: none"> Closure before maturity is not permitted under this scheme. However, in the event of death of the first depositor pre closure of A/c is permissible & interest payable will be the rate applicable for the actual period run without penal cut. Only In Case of Death of first depositor of Joint A/c, payment to be made to the survivor. No loans against the deposits / cannot offer as collateral security to any loans. In case of Minor, a Guardian on behalf of minor can nominate a person. On demand, branch shall issue an interest paid certificate, i.e for Financial Year (FY) wise. PAN number of the 1st depositor can be mentioned if requested by the depositor. <p>A rubber stamp shall be affixed on the deposit receipt with the following contents: ❖ This deposit is made U/s 80C of the IT Act, 1961. This deposit is not payable before maturity & cannot be offered as collateral security to any loans nor loans against deposits can be availed.</p>	

Annexure F

Charges stipulated for non-maintenance of Minimum Balance other than exempted categories:

General Schemes:

With Cheque/ without Cheque book facility	Savings/Current A/c	Minimum Balance	Average Monthly Balance (AMB) maintained in the A/c against the Stipulated	AMB violation charges (excluding GST)
With Cheque Book facility	Savings Bank & Current A/c	Rs 1000/-	Rs 999/- to Rs 700/-	Rs 40/-
			Rs 699/- to Rs 400/-	Rs 60/-

			Rs 399/- and below	Rs 80/-
Without Cheque book facility	Saving Bank A/c Other than JND of e-PKGB	Rs 500/-	Rs 499/- to Rs 350/-	Rs 20/-
			Rs 349/- to Rs 200/-	Rs30/-
			Rs 199/- and below	Rs 40/-
	SB JND of e-PKGB	Rs100/-	Rs 99/- to Rs 50/-	Rs 10/-
			Rs 49/- and below	Rs 20/-

Special Schemes:

Savings/Current A/c	Minimum Balance	AMB violation charges (excluding GST)
Savings Bank (SB129) & Current A/c (CA105)	Rs 10000/-	Flat Rs 50/-