

DEPOSIT POLICY - 2018

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1. INTRODUCTION

One of the important functions of the Bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the Banking System. The depositors and their interests form the key area of the regulatory framework for banking in India and this has been enshrined in the Banking Regulation Act, 1949. 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.

This policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognises the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits 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.

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

2. DEFINITIONS

The various deposit products offered by the Bank can be categorised broadly into the following types. Definitions of major deposits schemes are as under:

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

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

2.3. "Term deposit" means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period. At present term deposits are accepted under the following schemes.

- Fixed Deposit.
- Abhyudaya Cash Certificate.
- Soulabhya Deposit.
- Recurring Deposit.
- Honey Deposit.
- Tax Planner Deposits.

2.4 "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.

3. ACCOUNT OPENING AND OPERATION OF DEPOSIT ACCOUNTS

3.1 The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI, Anti-Money Laundering rules and regulations and or such other norms or procedures as per the "Know Your Customer" (KYC) policy of the bank. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to the customer and the final decision of the Bank will be conveyed at the earliest to the customer.

3.2 As per RBI guidelines, every account holder / depositor will be assigned a single

customer ID , known as Unique Customer Identification Code (UCIC), which will be the basis for all banking transactions, across various branches of the Bank.

- 3.3 The bank is committed to providing basic banking services to disadvantaged sections of the society. Banking services will be offered to them through Basic Savings Bank Deposit Accounts (BSBDA) as per regulatory guidelines. Further, in order to ensure financial inclusion, the bank will offer various deposit schemes, as specified by the Government of India / RBI, from time to time. The details of such deposit schemes will be made available at all the bank's branches.
- 3.4 The account opening forms and other material would be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and/or for record. The Branch official while opening the account will explain the procedural formalities and provide necessary clarifications sought by the prospective depositor when he/she approaches for opening a deposit account.
- 3.5 The regulatory guidelines require banks to categorize customers based on risk perception and prepare profiles of customers for the purpose of monitoring transaction. Inability or unwillingness of a prospective customer to provide necessary information/details sought could result in rejection of opening an account by Bank.
- 3.6 Inability of an existing customer to furnish details required by the bank to fulfill statutory obligations could also result in closure of the account after due notice(s) is provided to the customer.
- 3.7 For deposit products like Savings Bank Accounts (excluding Basic Savings Bank Deposit Accounts) and Current Deposit Accounts, the Bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum

balance in the account will attract levy of charges as specified by the Bank / RBI from time to time. For Saving Bank Account, the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for a given period. Similarly, the Bank may specify charges for issue of cheque books, additional statement of accounts, duplicate passbook, 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.

- 3.8. Savings Bank Accounts can be opened by eligible person/persons and certain organizations/ agencies (as advised by Reserve Bank of India (RBI) from time to time).
- 3.9. Current Accounts can be opened by individuals/ proprietary concerns / partnership firms/ Private and Public Limited Companies/ HUFs/ Specified Associates/ Societies/ Trusts, Departments of Authority created by Government (Central or State), Limited Liability Partnership etc.
- 3.10 Term Deposits Accounts can be opened by individuals/ proprietary concerns / partnership firms/ Private and Public Limited Companies/ HUFs/ Specified Associates/ Societies/ Trusts, Departments of Authority created by Government (Central or State), Limited Liability Partnership etc.
- 3.11 The minimum tenor of domestic term deposit is 7 days and maximum 120 months. However, in case of minors, the deposit may be accepted till the minor attains majority or for a maximum period of 120 months, whichever is later or as per order of the competent court.
- 3.12. The due diligence process, while opening a deposit account will involve satisfying about the identity of the person, obtaining recent photograph of the person/s opening/ operating the account, verification of address and satisfying about his occupation and source of income.

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

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

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

3.15. **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 as per the customer's instructions. The mandate for operating the account can be modified with the consent of all joint account holders. The Savings Bank Account opened by minor jointly with natural guardian/ guardian can be operated by natural guardian/guardian only till the minor attains majority.

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

3.16.1 **Either or Survivor:** If the account is held by two individuals, the final balance along with interest, if applicable, will be paid to either of the depositors when both are alive on maturity or to survivor on death of anyone of the account holders.

If fixed/term deposit accounts are opened with operating instructions 'Either or Survivor', the signatures of both the depositors need not be obtained for payment of the amount of the deposits on maturity. However, the signatures of both the depositors may have to be obtained, in case the deposit is to be paid before maturity. If the operating instruction is 'Either or Survivor' and one of the depositors expires before the maturity, no pre-payment of the fixed/term deposit may be allowed without the concurrence

of the legal heirs of the deceased joint holder. This, however would not stand in the way of making payment to the survivor on maturity.

- 3.16.2 **Former or survivor or No.1 or Survivor/s:** If the account is held by two individuals the final balance along with interest, if applicable, will be paid to former or No.1 of the depositors on maturity or to survivor/s on death of former or No.1 of the account holders.

In case the mandate is 'Former or Survivor', the 'Former' alone can operate/withdraw the matured amount of the fixed/term deposit, when both the depositors are alive. However, the signature of both the depositors may have to be obtained, in case the deposit is to be paid before maturity. If the former expires before the maturity of the fixed/term deposit, the 'Survivor' can withdraw the deposit on maturity. Premature withdrawal would however require the consent of both the parties, when both of them are alive, and that of the surviving depositor and the legal heirs of the deceased in case of death of one of the depositors.

- 3.16.3 **Anyone or Survivor/s:** If the account is held by more than two individuals the final balance along with interest, if applicable, will be paid to anyone of the depositor on maturity or to the survivor on death of any two account holders.

- 3.16.4 The joint deposit holders are permitted to give the mandate for disposal of balance in the account either at the time of placing fixed deposit or anytime subsequently during the term/tenure of the deposit. If such a mandate is obtained, bank can allow premature withdrawal of term/fixed deposits by the surviving depositor without seeking the concurrence of the legal heirs of the deceased joint holder. Such mandate can be modified by the consent of all the joint holders.

- 3.16.5 **Addition or Deletion of the Name/s of Joint Account Holders:** The bank may at the request of all the joint account holders allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. However, in no case should the amount or duration of the original deposit undergo a change in any manner in case the deposit is a term deposit.
- 3.17. At the request of the depositor, the Bank will register mandate/ power of attorney given by the customer authorizing another person to operate the account on his behalf.
- 3.18. Term deposits opened and renewed on or after 01.02.2016 will be auto renewed for the same period as the original term deposit, unless specific instruction is received at the time of placing their deposits or until the maturity of term deposits. The receipts of auto renewed term deposit will be handed over to customers only after receiving the discharged receipt. The information regarding the Auto Renewal is printed on the deposit receipt as "Auto Renew : Y/N".
- 3.19. Nomination facility is available on all deposit accounts opened by individuals. Nomination is also available to a sole proprietary concern account. Nomination can be made in favour of one individual only. While making nomination, the signature of the account holder/s in the nomination forms (DA1, DA2 & DA3) need not be attested by witnesses. However, thumb impression of the accountholder/s is required to be attested by two witnesses. Nomination can be made in favour of a minor also. Nomination facility is also available for joint deposit accounts and in such cases nomination should be made by all depositors jointly. Nomination so made can be cancelled or changed by the consent of account holder/s at any time

- 3.20. Bank recommends that all depositors avail nomination facility. The nominee, in the event of death of the depositor/s, would receive the balance outstanding in the account as a trustee of legal heirs. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.
- 3.21. A passbook will be provided by the Bank to Savings Bank and a statement of account to Current Deposit Account Holders periodically as per terms and conditions of opening of the account.
- 3.22. The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor.
- 3.23. If the dealings/ transactions in the account are not satisfactory i.e. detrimental to the interest of the Bank, the Bank reserve the right to close the account by giving 30 days notice.
- 3.24. Bank reserves the right to amend, delete, or add any rules at any time and such alterations in the rules will be notified by affixtures to the notice Board/ publishing in Banks website, which shall be deemed to be sufficient notice to the customer.
- 3.25. Deposit receipt for fresh/renewal of term deposits will be generally issued on the same day.

4. SAVINGS BANK - SMALL ACCOUNTS

“SB - Small” accounts shall be opened on the basis of simplified KYC norms as per RBI guidelines from time to time and in conformity with the Bank’s KYC and AML Policy. Such accounts shall remain operational initially for a period of twelve months, and thereafter for a further period of twelve months, if the holder of such account provides evidence of having applied for any of the officially valid documents within 12 months of the opening of the said account. The entire relaxation shall be reviewed in respect of

the said account after 24 months. If the account holder doesn't comply with the prescribed provisions, the Bank is within its right to stop operation in the said account.

5. MINORS' ACCOUNTS

5.1. The minor can open Savings Bank Account jointly with natural guardian or with mother as the guardian (Status: known as Minor's Account). Minors above the age of 10 will also be allowed to open and operate saving bank account independently. However, neither overdrafts nor cheque books will be granted to these minors.

5.2. On attaining majority, the erstwhile minor should confirm the balance in his/ her account and if the account is operated by the natural guardian/ legal guardian, fresh specimen signature of the erstwhile minor and operating instructions (duly verified by the natural / legal guardian) would be obtained and kept on record for all operational purposes. Bank will also obtain the latest photograph of the erstwhile minor and a fresh set of the documents like duly filled account opening form and full KYC documents.

6. SENIOR CITIZENS' ACCOUNTS

Bank may consider higher rate of interest to Resident Indian Senior citizens who have completed the age of 60 years on their term deposits as specified by the bank from time to time. Priority will be given in the services to the Senior Citizens. Separate Queue will be provided to the senior citizens in front of every counter whenever required.

If the depositor becomes a senior citizen during the contracted period of the term deposit, the applicable additional interest offered to senior citizens as above on the said existing term deposit will come into effect only after maturity i.e., at the time of renewal of the existing term deposit.

In the case of a term deposit which is standing in the name of a HUF, the Karta of the HUF cannot be offered higher rate of interest, even if he is a resident Indian senior

citizen, as the beneficial owner of the deposit is the HUF and not the Karta in his individual capacity.

7. NRI DEPOSITS

Bank offers wide range of deposits for Non Resident Indians and Returning Indians as enlisted below:-

i). For Non Resident Indian

- Non Resident (External) Rupee Account (Both Savings & Term deposit accounts).
- Non Resident Ordinary (NRO) Account (Both Savings & Term deposit accounts).
- Foreign Currency Non Resident (Bank) FCNR (B) Account (Only term Deposit Account).

ii). For Returning Indian

- Resident Foreign Currency (RFC) Account.(Both Savings & Term deposit accounts).

Opening and Maintaining of Bank accounts of Non Resident Indians is guided by the Foreign Exchange Management Act-1999(FEMA).Interest rates of FCNR (B) scheme and RFC scheme are regulated by Reserve Bank of India and shall be revised based on LIBOR from time to time as per RBI guidelines. Consequent to deregulation, the interest rates on NRE/NRO term deposits will be as decided by the bank, as per RBI guidelines issued from time to time.

8. ACCOUNT OF ILLITERATE

The Bank may at its discretion open deposit accounts other than Current Accounts of illiterate person. The account of such person may be opened provided he/ she call on the Bank personally along with a witness who is known to both the depositor and the Bank. Normally, no cheque-book facility is provided for such Savings Bank Account. At the time of withdrawal/ repayment of deposit amount and/ or interest, the account holder should affix his/ her thumb impression or mark in the presence of the

authorized officer who should verify the identity of the person. The Bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the illiterate/ blind person.

9. ACCOUNT OF VISUALLY IMPAIRED PERSONS

All banking facilities such as cheque book facility including third party cheques, ATM facility, Net banking facility, locker facility, retail loans etc., shall be invariably offered to the visually challenged without any discrimination.

10. ACCOUNT OF OLD/SICK/INCAPACITATED CUSTOMERS

While allowing operation of the accounts by old/Sick/Incapacitated customers the following procedure will be followed:

10.1 Whenever 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 official.

10.2 Where the customer cannot even put his/her thumb impression and also would not be able to be physically present in the bank, a mark obtained on the cheque/withdrawal form should be identified by two independent witnesses, one of whom should be a responsible bank official.

11. DORMANT / INOPERATIVE AND UNCLAIMED ACCOUNTS

Classification of accounts as Dormant / Inoperative and Unclaimed Deposit Accounts and guidelines relating to such accounts shall be in accordance with the Bank's Policy on Inoperative and Unclaimed Deposit Accounts.

12. FROZEN ACCOUNTS

12.1 In case of term deposits, a request letter may be obtained from the depositor on maturity. While obtaining the request letter from the depositor for renewal, banks shall also advise him to indicate the term for which the deposit is to be renewed. In

case the depositor does not exercise his option of choosing the term for renewal, banks shall renew the same for a period equal to the original period. On renewal, fresh term deposit receipt shall not be issued to the depositor.

12.2 In case of savings bank accounts, prevailing practice of crediting the interest to the account on regular basis will be continued.

13. DIRECTIVES ON INTEREST PAYMENT AND TERM DEPOSITS

13.1 Interest Payments

13.1.1 Interest shall be paid on Domestic, NRE & NRO Savings Bank accounts and “Bulk Deposits” as decided by the Bank from time to time. Interest on Savings Bank accounts shall be calculated on a daily product basis and interest will be credited at quarterly intervals i.e. March, June, September and December.

13.1.2 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 Reserve Bank of India directive, interest shall be calculated at quarterly intervals on term deposits and paid at the rate decided by the Bank depending upon the period of deposit. Interest at monthly interval is also offered at discounted rate. Bank will adopt the “Code for Banking Practice” issued by the Indian Banks Association for the purpose of calculation of interest on domestic term deposits. Interest on term deposits shall be paid on the basis of 365 days in a year, irrespective of whether it is a leap year or not.

13.1.3 The rates of interest on term deposits/Schedule of interest rates will be prominently displayed in the branch premises. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront by prominently displaying it at branch premises and on the website.

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

13.1.5 In case of term deposits maturing on or after 22.08.2008 (i.e., the date of issue of RBI circular) simple interest applicable to savings bank accounts will be paid from the date of maturity up to the date of settlement/payment of the deposit.

13.1.6 Payment of aggregate deposit and interest of ₹20,000/- and above shall be routed through the operative account of the depositor as per the provisions of Sec.269 T of the Income Tax Act 1961.

13.2 Premature Withdrawal of Term Deposit

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

While prematurely closing the term deposit, interest on the term deposit shall be paid at the rate prevailing as on the date of deposit, as applicable to the period for which the term deposit remained with the bank or contracted rate, whichever is less.

13.3 Premature Renewal of Term Deposit /Conversion of term deposits, daily deposits or recurring deposits for reinvestment in term deposits

In case the depositor desires to renew/convert the term deposit, daily deposit or cumulative deposit by seeking premature closure of an existing term deposit account, the bank will permit the renewal / conversion 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. However, no interest is payable, where premature withdrawal of deposit takes place before completion of the minimum period prescribed.

In the case of premature withdrawal of NRE term deposits for conversion into Resident Foreign Currency (RFC) Account, the bank shall not levy any penalty for premature withdrawal. If such a deposit has not run for a minimum period of 1 year, the bank shall pay interest at a rate not exceeding the rate payable on savings deposits held in RFC accounts, provided the request for such a conversion is made by the NRE account holder immediately on return to India.

Bank will pay interest at its discretion at the time of conversion of FCNR(B) Account into RFC / Resident Rupee Account, even if the same has not run for a minimum maturity period, subject to the condition that the rate of interest is not exceeding the rate payable on savings bank deposit held under RFC Account Scheme.

13.4 Renewal of Overdue Term Deposits

On due date of Term Deposits opened on or prior to 31.01.2016, the amount would automatically get transferred to Overdue Deposit account , in the absence of instructions for Auto-renewal. If a request for renewal is received subsequently, but within 30 days from the date of maturity, such overdue term deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date. In respect of request for renewal of overdue deposits after 30 days from the date of maturity, simple interest for the overdue period will be paid at the rate of interest prevailing on due date or on the date of renewal, whichever is less and the Term Deposit will be renewed from the date of such request.

In the case of FCNR (B) Deposits, Bank may, at its discretion, renew an overdue deposit or a portion thereof provided the overdue period from the date of maturity till the date of renewal (both days inclusive) does not exceed 14 days. The rate of

interest payable on the amount of the deposit so renewed will be the appropriate rate of interest for the period of renewal as prevailing on the date of maturity or on the date when the depositor seeks renewal, whichever is lower. In the case of overdue deposits where the overdue period exceeds 14 days and if the depositor places the entire amount of overdue deposit or a portion thereof as a fresh FCNR(B) deposit, bank shall fix their its interest rates for the overdue period on the amount so placed as a fresh term deposit. Bank shall also have the freedom to recover the interest so paid for the overdue period if the deposit is withdrawn before completion of the minimum stipulated period under the Scheme, after renewal.

13.5. 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 for the benefit / necessity of the minor only, on submission of undertaking letter/ affidavit by the guardian.

13.6 Payment of interest on term deposit maturing on Sunday/holiday/non-business working day

In respect of a term deposit maturing for payment on a Sunday or a holiday or a non-business working day (or Saturday in case of NRE deposits), the bank should pay interest at the originally contracted rate on the deposit amount for the Sunday/holiday/non-business working day (as also Saturday in case of NRE deposits) intervening between the date of the expiry of the specified term of the deposit and the date of payment of the proceeds of the deposit on the succeeding working day.

13.7. Pricing of Deposits, Bulk Deposits-Interest rates & Premature withdrawal of bulk deposits

The bank does not discriminate in the matter of interest rate paid on deposits.

Bulk deposits implies single rupee term deposit of ₹ 1 crore & above. Based on requirement of Asset Liability Management, Bank may offer differential interest rate for bulk deposits and bank will publish the rates in its website which it decides to offer to the customer. All term deposits of below ₹1.00 crore will have premature withdrawal facility without penalty. However, penalty of 1% on applicable rate will be levied on premature closure of single rupee term deposit of ₹1 crore and above. Rupee term deposits include domestic term deposits as well as term deposits under NRO and NRE accounts.

Premature withdrawal of bulk deposits will be allowed after charging a penalty as decided by the bank from time to time. However, bank may 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. In all such cases bank shall notify depositors of its policy of disallowing premature withdrawal, at the time of accepting such deposits.

14. CHEQUE COLLECTION FACILITY

Cheque Collection facility to the depositors / account holders will be provided and the charges / interest will be levied / paid in accordance with the guidelines of the Cheque Collection Policy of the Bank.

15. DECEASED DEPOSITORS' ACCOUNT

15.1. Interest Payable on Term Deposit in Deceased Depositors' Account

15.1.1. In case of premature closure of a term deposit of a deceased depositor the bank will pay interest at the applicable rate (not contracted rate) for the actual period for which the deposit remained with the Bank without penalty.

In case of death of a depositor, interest will be paid at the contracted rate up to the maturity of the deposit. In case of senior citizens' deposits, if the

depositor dies, before the maturity of the deposit, interest at the contracted rate will be paid up to the date of maturity, even if the joint depositor / nominee / legal heir, is not a senior citizen, provided no changes are made to the terms of the deposit. From the date of maturity up to the date of settlement/payment, simple interest applicable to savings bank accounts will be paid to the term deposit.

15.1.2. In the case of balances lying in current account standing in the name of a deceased individual depositor/sole proprietorship concern, interest should be paid only from 1st May, 1983, or from the date of death of the depositor, whichever is later, till the date of repayment to the claimant/s at the simple rate of interest applicable to savings deposit as on the date of payment.

15.2. Settlement of Dues in Deceased Depositors' Account

15.2.1. If the depositor has registered nomination with the Bank, the balance outstanding in the account of the deceased depositor will be transferred to the account of/ paid to the nominee after the Bank satisfies about the identity of the nominee, etc.

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

15.2.3. In a joint deposit account, where mode of operation is "jointly" and when one of the joint account holders dies, the Bank is required to make payment jointly to the legal heirs of the deceased person and the surviving depositor(s). However, if the joint account holders had given mandate for disposal of the balance in the account in the forms such as "either or survivor, former/ latter or survivor, anyone of survivors or survivor; etc., the payment will be made as per the mandate to avoid delays in production of legal papers by the heirs of the deceased.

15.2.4 In case there is no nomination or clause like "Either or Survivor" or "Former or Survivor" the amount outstanding in the account will be paid to the

persons entitled as per the applicable law of Succession on production of prescribed documents. Necessary machinery for the purpose is in place. Amount upto limits specified by the Bank from time to time will be paid to the surviving legal representatives on the basis of Death Certificate and Declaration only.

16. SETTLEMENT OF CLAIMS IN RESPECT OF MISSING PERSONS

Considering that there is inherent risk in settling the claims of Missing persons without the Court raising presumption of death, insistence on such raising of presumption by the Court will be general policy. However, with a view to avoid inconvenience and undue hardship to the common person claims upto ₹ 50,000/- in respect of missing persons (irrespective of the period of the missing) would be settled as per the existing settlement machinery on production of (i) FIR and the non-traceable report issued by Police Authorities, (ii) Letter of Indemnity (by claimants). Further, Managing Director is authorised to settle claims of missing person (irrespective of the period of the missing) upto total sum of Rs.2.00 lakh taking into account facts and circumstances of each case on production of:

- i) FIR and the non-traceable report issued by Police Authorities.
- ii) Letter of Indemnity by claimants and from creditworthy third persons (if need be)

17. SAFEGUARDING CUSTOMER INTERESTS

17.1. Customer Information

The customer information collected from the customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates. If the Bank proposes to use such information, it will be strictly with the consent of the account holder, obtained at the time of account opening or subsequently.

17.2. Secrecy of Customer's Accounts

The Bank shall not disclose details/ particulars of the customer's account to a third person or party without the expressed or implied consent from the customer. However, there are some exceptions, viz. disclosure of information under

compulsion of law, where there is a duty to public to disclose and where interest of the Bank requires disclosure.

17.3. Insurance Cover for Deposits

All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions. The details of the insurance cover in force will be made available to the depositor.

18. ROUNDING OFF OF TRANSACTIONS

All transactions, including payment of interest on deposits/charging of interest on advances, should be rounded off to the nearest rupee; i.e., fractions of 50 paise and above shall be rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored. Issue prices of cash certificates should also be rounded off in the same manner.

19. REDRESSAL OF COMPLAINTS AND GRIEVANCES

Depositors' having any complaint / grievance with regard to services rendered by the Bank has a right to approach concerned Branch Head first. If the complaint is not redressed to the satisfaction of the customer, the matter may be taken up with the internal set up for redressal of complaints/ grievances as displayed in the branch premises and Code of Bank's Commitment to Customers. The branch officials shall provide all required information regarding procedure for lodging the complaint. In case the depositor does not get response from the Bank within one month 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.

20. POLICY REVISION

This policy is subject to revision based on the extant RBI/IBA/BCSBI guidelines from time to time.