



Deposit Policy 2025 - 2027

1. PREAMBLE

Banks simply cannot function without deposits. Deposits play vital role in the functioning of Bank. The important function of the Bank is to accept deposits from the public for the purpose of lending. Depositors are the major stakeholders of the Banking system. 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. 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 Deposit Policy has been drawn up within the broad guidelines issued by the Reserve Bank of India vide its Master Circular RBI/2015-16/5 DCBR.BPD. (PCB). MC.No:6 /13.01.000/ 2015-16 July 1, 2015 & RBI/2022-2023/117 DOR.SOG (SPE).REC No.68/ 13.03.00/2022-23 dtd. September 16, 2022.

2. OBJECTIVES

This Policy document on deposits outlines the guiding principles based on which the Bank formulates the various deposit products offered by the Bank and the terms and conditions governing the conduct of the account.

The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various 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. It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights.

3. OWNERSHIP

The ownership of the Deposit Policy rests with The Jalgaon Peoples Co-Op. Bank Ltd (Multistate Scheduled).

4. SCOPE OF THE POLICY

This core function, "acceptance of deposits" elucidated in the policy adapting the principles of Corporate Governance, aiming to create substantial customer awareness.

The Policy aims to educate the employees and public in general about the various methods adopted by the Bank for handling deposit accounts under various

circumstances. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this Policy, the Bank reiterates its commitments to customers outlined in the Bankers' Fair Practice Code of the Indian Bank' Association as well as our Bank.

Detailed operational instructions on various deposit schemes and related services will be issued from time to time.

5. APPLICABILITY OF THE POLICY

The Policy is applicable to all customers of The Jalgaon Peoples Co-Op. Bank and outlines the principles for identification of all customers across the Bank within the framework specified by Reserve Bank of India (RBI). It is intended to be read, understood and practiced by all the employees who directly or indirectly service the customers.

6. VALIDITY OF THE POLICY

The present Policy will be valid till it is reviewed and revision has been carried out and is approved by the Board. All the Regulator guidelines received will be applicable to this policy and will be incorporated in the next revision of policy.

7. TYPES OF DEPOSIT ACCOUNTS

While various deposit products offered by the Bank are assigned different names, the deposit products can be categorized broadly into two types, Demand Deposits and Term Deposits.

(A) DEMAND DEPOSITS

Demand deposits are further categorized into Savings Deposits and Current Deposits. The Bank will provide various products to suit the needs of the customer, under Savings and Current deposit accounts which are mentioned below.

(i) Savings Account Products:

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

Currently, the Bank will provide the following Schemes for various segments of customer under the savings bank category:

- a. Regular Savings Account
- b. Salary Savings Account
- c. Savings Account for Trust/ Education/ Society
- d. Elite Savings Account
- e. Kids Savings Account
- f. JP student Saving Account
- g. Savings Account for SHG member
- h. Pradhan Mantri Jandhan Yojana Savings Account.
- i. Basic Small Banking Account.

(ii) Current Account Products:

“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.

Currently, the Bank will provide the following Schemes for various segments of customer under the current account category:

- a. General Current Account
- b. Prime Current Account
- c. Elite Current Account
- d. Elite Plus Current Account

Any new product introduced during the year will be approved by the concerned authority and will be updated under the product list wherever applicable. Bank is providing various technology products like Debit Card, Mobile Banking, UPI, SMS services to various saving and current account holders.

(B) TERM DEPOSITS

“Term deposit” means a deposit received by the Bank for a fixed period and can be withdrawn after the expiry of a fixed period and includes deposits such as

Presently, the Bank will offer the following types of Term Deposits:

- (i) Fixed Deposit (FD), with option of payment of interest on monthly, quarterly or on due date option.
- (ii) Recurring Deposit (RD), wherein a fixed amount is invested on a monthly basis for a fixed period for a fixed maturity value.
In addition to the above, Bank will also launch various deposit schemes pertaining to special period or launch specific products, from time to time depending upon market conditions.
- (iii) Cumulative Deposit (CUMD), wherein quarterly interest is added to principle on cumulative basis and on due date entire amount i.e. Principle plus cumulative interest is payable.

Bank fixes the interest rates on term deposits including Recurring Deposit based on market conditions, need for mobilization of funds and taking into account the cost of funds. The interest rates are subject to revision from time to time.

- The rate of interest on domestic term deposit of various maturities is fixed with the prior approval of Asset Liability Management Committee (ALCO).
- The interest shall be calculated at quarterly rests on term deposits.
- In the case of term deposits with monthly interest payments, the interest shall be calculated for the quarter and paid monthly at discounted value. The interest rate on term deposits including Recurring deposit is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Associations.
- Whenever interest rates are revised, the revised rates are applicable to fresh deposits as well as renewal of matured deposits only.

- No interest shall be paid on deposits held in current accounts. However, balances lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern shall attract interest from the date of death of the depositor till the date of repayment to the claimant/s at the rate of interest applicable to savings deposit as on the date of payment.

KEY FEATURES ON OPERATION OF DIFFERENT TYPES OF ACCOUNTS:

Account Opening and Operation of Deposit Accounts

- a. The Bank has Central Account opening Cell at Jalgaon for Saving and Current Accounts.
- b. The Bank, before opening any deposit account, will carry out due diligence as required under “Know Your Customer” (KYC) and Anti-Money Laundering guidelines issued by RBI, Government of India and or such other policy norms or procedures adopted by the Bank.
- c. The due diligence process, while opening a deposit account will involve satisfying the Bank about the identity of the person, verification of address, satisfying about his occupation, source of income and obtaining recent photographs of the person/s opening / operating the account.
- d. The Bank will not open any new account where the identity of the customer matches with banned entities such as individual terrorists or terrorist organizations etc. The list of such suspected entities is updated in AML package and available in new account opening software, loan origination system and CBS.
- e. As per amendment in RBI Master Direction on KYC, officially valid documents (OVDs) would include proof of possession of Aadhaar, Voter’s ID, Passport, Driving License, NREGA Job card and letter issued by National Population Register. The list of OVDs / deemed to be OVDs along with the requirements are covered separately under KYC and AML policy of the Bank.
- f. The account opening forms and other required information will be provided to the prospective depositor by the Bank. The Bank official opening the account will also explain the procedural formalities and provide necessary clarifications sought by the prospective depositor/s when he/she/they approaches the Bank for opening a deposit account.
- g. The bank is committed to provide basic banking services to disadvantaged sections of the society. Banking services will be offered to them through Basic Savings Bank Deposit account (BSBDA) and Small Saving account which will be opened with relaxed customer acceptance norms as per regulatory guidelines.
- h. The regulatory guidelines require the bank to categorize customers based on risk perception and monitor transactions in the account based on the profile of the customer. Inability or unwillingness of a prospective customer to provide necessary information /details could result in bank not opening an account. Inability of an existing customer to furnish details required by the bank to fulfill statutory obligations will result in partial freezing and subsequently total freezing of the account after due notice is provided to the customer.
- i. The Customer shall inform any change of address or change in profile to the Bank with supporting KYC documents and the bank shall make necessary updation in the CBS.
- j. Cheques and other instruments in the same name as that mentioned in the account only will be accepted for the credit of saving/current account.

- k. Saving bank accounts will be opened for eligible person / persons and certain organizations / agencies (as advised by Reserve Bank of India from time to time). Current accounts will be opened for Individuals / Partnership firms / Private and Public Limited Companies / HUFs / Specified Associates/ Societies / Trusts/Limited Liability Partnership, etc. Term Deposits Accounts will be opened for Individuals / Partnership firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts/ Limited Liability Partnership, etc.
- l. Deposit accounts will be opened for an individual in customer's own name (known as account in single name) or for more than one individual in their own names (known as joint account). Saving bank and term deposit accounts will also be opened for a minor operated by any one guardian (natural /legal guardian)

Documents required to open an account: As per KYC policy of Bank, KYC documents can be obtained for opening of various deposit accounts of Individual and non-Individuals. However, some documents which are narrated below also required as supporting documents as per the type of the accounts.

Savings Account:

1. Aadhaar Card / Passport/ Electricity Bill
2. Driving license / Voter Card
3. Recent Passport Photograph
4. PAN Card/ Form 60/61.
4. Any other document as per RBI's guidelines

Current Account:

1) For Proprietorship

ANY TWO of the following documents in the name of Proprietary concern

- Registration certificate (in the case of a registered concern),
 - Certificate / License issued by the Municipal authorities under Shop and Establishment act.
 - Sales and income tax returns, CST / VAT certificate, certificate / registration document issued by Sales Tax/Service Tax/Professional Tax authorities,
 - Certificate / registration licensing document issued in the name of proprietary concern by Central Government or State Government Authority/Department.
 - IEC (Importer Exporter Code) issued to the proprietary concern by the office of the DGFT.
 - The complete Income Tax Return (not just the acknowledgement) in the name of the sole proprietor where 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 proprietary concern.
 - Any other License or Certificate of Practice issued in the name of proprietary concern by any professional body incorporated under a statute.
- PAN in the name of Proprietor (As per Section 114(B) of IT Act, 1961, PAN number should be quoted for opening of accounts)

2) Partnership:

For identification of partnership concern all of the following documents-

- Copy of Registration certificate duly verified with the original
- Copy of Partnership deed duly verified with the original
- PAN Card in the name of Partnership duly verified with the original (As per Rule 114(B) of Income Tax Act, 1961, PAN number should be quoted for opening of accounts)
- List of all the partners including Minor if any admitted to the benefits of Partnership.
- Partnership letter signed by all the partners in their individual capacity.
- Details of Beneficial owners duly certified by the managing partner / partner.
- Power of attorney granted to the person authorized to transact on its behalf.

3) Companies –

For identification of company all of the following documents -

- Copy of Certificate of incorporation (compulsory)
- Copy of Memorandum of Association duly verified with the original and certified as 'true and up to-date'
- Copy of Articles of Association duly verified with the original and certified as 'true and up to-date'
- A copy of the Certificate of commencement of business (in case of Public Limited Company) duly verified with the original.
- PAN Card in the name of company duly verified with the original (As per Rule 114(B) of Income Tax Act, 1961, PAN number should be quoted for opening of accounts)
- A copy of Board resolution, on the lines indicated in the opening form, duly certified to be true by the chairman of the meeting at which the resolution had been passed authorizing the opening an account with the Bank.
- A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf;
- List of Board of Directors of the Company
- Details of Beneficial owners duly certified by the CEO / CFO / Director / Company Secretary.

4) Trust & Foundation:

For identification of Trust / foundation all of the following documents:

- Copy of Registration certificate duly verified with the original. (In the case of a Public Trust, a copy of the certificate issued by Charity Commissioner or such other competent authority to be obtained. Private trusts may not have registration)
- Copy of Trust deed duly verified with the original.
- Copy of any supplementary deed of appointment of new trustees verified with the original.

- PAN Card in the name of Trust / foundations duly verified with the original (As per Rule 114(B) of Income Tax Act, 1961, PAN should be quoted for opening of accounts)
- A resolution from the Board of trustees to open an account with the Bank duly certified by the chairman of the meeting
- Power of attorney granted to the authorized person to transact on its behalf.
- List of all the trustees.
- Letter from Trustees
- Details of Beneficial owners duly certified by the Managing trustee.

5) Un-incorporated association or body of individuals:

For identification of Association / body all of the following documents

- Copy of the Registration Certificate if registered along with any one of the License from Panchayat or Municipality or Corporation / Permission or consent from any government department / Sales and income tax returns /CST / VAT certificate / registration document issued by Sales Tax / Service Tax / Professional Tax authorities / Bye-laws / Income Tax Returns / Copy of latest balance sheets / import export code (IEC) etc., as may be required to collectively establish the legal existence of such an association or body of individuals; duly verified with the original.
- PAN Card in the name of Un-incorporated association or body of individuals duly verified with the original (As per Rule 114(B) of Income Tax Act, 1961, PAN number should be quoted for opening of accounts)
- Resolution of the managing body of such association or body of individuals to open an account with the Bank.
- Power of attorney granted to the person authorized to transact on its behalf.
- List of members of Managing committee.
- Details of Beneficial owners duly certified by the chairman of the Managing committee.

6) School, Colleges:

For identification of the institution all of the following documents:

- A copy of the rules and regulations of the institution duly verified with the original.
- A copy of the resolution of the Governing Body authorizing opening and operation of the account, duly certified by the chairman of the meeting in which it is passed.
- Power of attorney granted to the person authorized to transact on its behalf.
- List of persons comprising the Governing Body. The updated / revised list should be obtained every year.
- Details of Beneficial owners duly certified by the chairman of the Managing committee / Governing body.
- In case of Government Schools, the branch should ensure whether the school / college is authorized to open an account by the education department and the usual terms and conditions on which such accounts are allowed to be opened should be verified. The account opening form should be signed by the persons authorized to open and operate the account as per the Government Order. The operations should be allowed as per the terms and conditions / rules framed by education department for this purpose.
- In case of Aided Schools, the permission of Board of Secondary Education is necessary. Before accepting an account in the name of an aided school, the

Branch Manager should make sure that the Governing Body of the school has the permission.

(C) Other Banking Products:

Customer also can avail other banking product services offered by bank from time to time like-

- i. **Debit card-** Bank will issue Debit cards to customers having Saving Bank/Current Accounts which is depending on the account type. Charges are levied on debit card issuance and Debit Card transactions within stipulated benchmark as per regulatory guidelines.
- ii. **Mobile banking-** Bank offers facility of Mobile Banking facility to its customers as per type of account. Use of mobile banking services for cross border inward and outward transfers is strictly prohibited.

(D) Extension of Alternate Delivery Channels to Savings Bank & Current Deposit account holders

The bank offers choice of electronic channels to customers for conducting their banking transactions. The choice of electronic channels includes ATM, mobile banking, Swipe machine, UPI service, QR Code. Wherever such electronic facilities are offered as a part of the basic account/product, bank will obtain specific consent of the customers after explaining the risk associated for availing the facility.

8. PRODUCT APPROVAL PROCESS:

New deposit products will be introduced and existing products will be modified by the Bank after a thorough study is made of the product, market study of similar products available in the market and customer expectation for such products.

The views and opinions of customers received through branches will be taken into account while designing new products and modifying existing products. While formulating new products, the guidelines issued by Reserve Bank of India will be taken into account.

All new products and modification of existing products will be approved by the Board of Directors before being implemented.

9. OPENING OF DEPOSIT ACCOUNTS

(i) Account Opening and Operation of Deposit Accounts

a) The Branches will open Saving and Current accounts through Centralized Account Opening Cell (CAOC) or respective branches and Term Deposit accounts at the branches.

b) The Bank, while opening any deposit account, will carry out due diligence as required under "Know Your Customer" (KYC), Central KYC and Anti-Money Laundering guidelines issued by RBI, Government of India and or such other policy norms or procedures adopted by the Bank.

If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to customer and the final decision of the Bank will be conveyed at the earliest.

c) The account opening forms and other required information will be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and/ or for record by the customer. The Bank official/s will also explain the procedural formalities and provide necessary clarifications sought by the prospective depositor when customer approaches the Bank for opening a deposit account.

The Account Opening Form along with Personal KYC or in case of other than individual customer Non Personal KYC (Legal Entity) Form as the case may be, will be provided to the customer. Personal KYC form to be submitted by all the signatories/ Partners/ Directors/ Trustees/ POA/ Co-parceners etc.

d) For deposit products like Current Accounts, the Bank will normally stipulate certain minimum balances to be maintained as part of the terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract charges as specified by the Bank from time to time.

The application of minimum balance charges will be processed on monthly basis following stipulated RBI guidelines in this regards. Similarly, the Bank will also specify charges for issue of Cheque books, additional statement of accounts, duplicate pass book, folio charges, Inward Clearing Cheque Return Charges, Outward Clearing Cheque Return Charges, SMS charges, annual maintenance charges (for Current accounts) etc. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services will be communicated to the prospective depositor while opening the account. This data will also be available with the Bank on the Notice Board and on the website.

e) FATCA declaration forms to be obtained for all types of deposits.

f) Savings Bank Accounts will be opened for eligible person/persons and certain organizations/agencies (as advised by Reserve Bank of India from time to time) Current Accounts will be opened for Individuals/ Partnership Firms/ Private and Public Limited companies/ Limited Liability Partnership/ HUFs/ Specified Associates/ Societies/ Trusts and Foundations/ Proprietor/ Associations/ clubs/ Schools/ Colleges/Panchayat/ Municipality/ Municipal Corporation/ Local bodies/ Govt. Departments/ Semi-Government/ Taluka/ District Boards/ Societies etc.

ii. Opening of Bank Accounts in the Names of Minors -

a) A savings/fixed/recurring/term bank deposit account can be opened by a minor of any age through his/her natural or legally appointed guardian.

b) Minors above the age of 10 years are allowed to open and operate savings bank accounts independently, if they so desire. The maximum withdrawal limit at one time to these accounts will be Rs. 40,000/-. ATM and Debit Card facility, POS, UPI facility will be available to minor after completing the age of 10 years with relevant compliance of the KYC, etc. guidelines existent at that point of time. No other facility such as internet banking, mobile banking will be allowed for minor accounts. Cheque book will be issued to minor literate account holder. However, the Cheque book would be allowed to be used for the sole purpose of self-cash withdrawal or investment purpose from the account.

c) Minor account holder cannot issue/ draw Cheque favoring a third party. Minors can deposit maximum up to Rs. 40,000/- at a time in his/her Saving Account. However, there is no monetary limit set for RD or TD Account of minor.

d) The accounts opened in the name of Minor & Guardian to be operated by his/her natural or legally appointed guardian. Minor Accounts will always remain in credit and will not allowed to be overdrawn in any case.

e) 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 operating instructions and specimen signature of erstwhile minor should be obtained and kept on record for all operational purposes.

f) Term Deposits Accounts can be opened by Individuals / Proprietary Concern/ Partnership firms / Private and Public Limited Companies / Limited Liability Partnerships/ HUFs/ Specified Associates / Societies / Trusts, etc.

g) The due diligence process, while opening a deposit account will involve satisfying the Bank about the identity of the person, verification of address, satisfying about his/ her/ their occupation and source of income. Obtaining recent photographs of the person/s opening / operating the account will be part of the due diligence process.

h) Deposit accounts will be opened for an individual in his/ her/ their own name or for more than one individual in their own names. Savings Bank and Term Deposit Accounts will also be opened for a minor jointly with the natural guardian or with the Legal guardian.

i) The Customer should inform any change of address or change in profile to the Bank with supporting KYC documents to make necessary modification in the system.

j) All account opening formalities will be completed by the customer in the Bank's premises and only where it is absolutely necessary the Bank will depute an officer to obtain the account opening form duly filled and signed and to verify the KYC documents.

k) When a depositor wishes to withdraw from his/ her/ their account through a withdrawal slip the Bank will insist to produce the passbook for verification, otherwise payment can be refused.

l) Cheque, Dividend warrants in the same name as that mentioned in the account only will be accepted for the credit of saving/current account.

The Bank will follow all the prescribed KYC guidelines. A detailed checklist of all the essential documents will be made available at the branches and displayed on the website. Similarly, the various service charges associated with the savings and current accounts will be displayed at the branches and on the website.

Introduction is not required at all for opening accounts, however, KYC instructions are to be complied.

(iii) Recent Photographs of Account Holders: Mandatory Ostentation of Photographs

The Bank will obtain recent photographs of the depositors'/account holders who are authorized to operate the accounts at the time of opening of all new accounts. The

customers' photographs should be recent and to be affixed on the account opening forms. And should be signed across by the customer.

Photographs of all the individual account holder/s/persons to operate viz. Savings Bank, Term Deposit and Current accounts will be obtained. In case of other deposits viz. Fixed, Recurring, Cumulative etc. photographs of all depositors in whose names the deposit confirmation advice stands will be obtained, except in the case of deposits in the name of minors, where the guardian's photographs will be obtained. Photographs will not be a substitute for specimen signatures.

The Bank will also obtain photographs of '*Pardanashin*' women without veil.

Cheque book will not be issued to the illiterate depositors putting thumb impression in place of signature and he/she has to come personally for withdrawal with two witnesses who are major and who can sign.

For operations in the accounts, the Bank will not ordinarily insist on the presence of the account holder unless the circumstances so warrant.

In case Individual account holder has its updated KYC and the same Individual customer wishes to open new SB/CA/Term deposit account, with the same name- photograph, KYC documents are not mandatory, provided customer's existing client ID is linked to new account.

(iv) Address of Account Holders

The Bank will not allow itself to be utilized by unscrupulous persons for the purpose of tax evasion. Therefore, the Bank will obtain full and complete address of depositors and record it in the system and the account opening forms so that the parties could be traced without difficulty,

(v) Other Safeguards

a) Permanent Account Number (PAN)/General Index Register (GIR) Number PAN Card will be obtained, as far as possible, in case of Savings Accounts and Term Deposits. However, in case the prospective customer does not have PAN Card, the KYC documents should be accompanied by Form 60 or 61 as the case may be.

In case of current accounts, the PAN Card has to be compulsorily obtained.

As per amendment in Master Direction – Reserve Bank of India (Co-operative Bank-Interest Rate on Deposits) Directions, 2016, dt. 16.09.2022. Co-operative Banks Shall not: -

Open a savings deposit account in the name of:-

Government departments / bodies depending upon budgetary allocations for performance of their functions / Municipal Corporations or Municipal Committees / Panchayat Samitis / State Housing Boards / Water and Sewerage / Drainage Boards / State Text Book Publishing Corporations / Societies / Metropolitan Development Authority / State / District Level Housing Co-operative Societies, etc. or any political party or any trading/business or professional concern, whether such concern is a proprietary or a partnership firm or a company or an association and entities other than individuals,

Karta of HUF, And Organizations / Agencies listed in Schedule – I of the circular mentioned herein above.

(For the purposes of this clause, 'political party' means an association or body of individual citizens of India, which is, or is deemed to be registered with the Election Commission of India as a political party under the Election Symbols (Reservation and Allotment) Order, 1968 as in force for the time being.)

b) Authorization

The opening of new accounts will be authorized only by the Branch Manager or by the Officer-in-Charge of the Deposit Accounts Section at the branches concerned.

c) Completion of Formalities

The Bank will ensure that all account opening formalities are undertaken at the Bank's premises and no document is allowed to be taken out for execution. However, in some exigencies when the customer cannot visit the Bank, an officer from the Bank will visit the customer's place as per the convenience of the customer and perform the account opening formalities in person.

d) Opening of Current Accounts – Need for discipline

Keeping in view the importance of credit discipline for reduction in Non-Performing Assets (NPAs) level of the Bank, the Bank will insist on a declaration from the account-holder to the effect that he/she/they is/are not enjoying any credit facility with any other bank or obtain a declaration giving particulars of credit facilities enjoyed by him/her/they with any other bank(s). Also, information regarding enjoying / availing any credit facility from any co-operative society is sought.

The Bank will ascertain all the details and will also inform the concerned lending bank(s). The Bank will obtain a No-objection Certificate from such bank. However, in case no response is received from the existing bankers after a minimum period of a fortnight, the Bank may open current accounts of prospective customers.

Further, where the due diligence is carried out on the request of a prospective customer who is a corporate customer or a large borrower enjoying credit facilities from more than one bank, the Bank will inform the consortium leader, if under consortium, and the concerned banks, if under multiple banking arrangement.

e) Accounts of Proprietary Concerns

In the case of proprietary concerns, at the time of opening of the account, the Bank will verify, in addition to the identity of the individual proprietors, the identity of the proprietary concern also.

Apart from following the extant guidelines on customer identification procedure as applicable to the proprietor, the Bank will call for and verify all the relevant documents spelt out in the Policy on KYC.

f) Accounts of Partnership Firms:

The Bank will open such accounts in the name of the firm. The Bank will obtain all the relevant documents like Partnership Deed and Partnership Declaration Letter/

partnership mandate wherein the names of partners, addresses of partners, authority to open/operate account, draw/accept bills, mortgage/sell firm's properties is mentioned. Details of all required documents will be as spelt out in the Policy on KYC.

The Bank will insist on the Partnership Deed being compulsorily registered in case of any advance given to the firm and the duly Registered Partnership deed will be obtained for our records. However, Registration need not be insisted upon for opening Current/Term deposit account, If the firm is not enjoying any credit limit from any Bank, NBFC, Society etc.

The Bank will obtain account opening form with specimen signatures of all the Partners except Minors. KYC documents will also be obtained from all the partners. Minors will not sign in the capacity of a partner of the firm as well as in individual capacity.

The Bank will ensure that in order that the firm is bound by the act of the partner, the capacity of the partner will be mentioned as 'for and on behalf of the firm' while signing. The Liability of a partner would thereby arise for any bill drawn or transaction carried out in the recognized trading name of the firm and incidental to the business of the firm, although the particular partner's name does not appear on the face of the instrument and although he/ she/ they is/are a sleeping or a secret partner.

The Bank will also take care that the Account opening form also states the persons who will operate the account (jointly or singly) and care will be taken to ensure the same. Similarly, the Partnership Deed will be scrutinized especially for the following:

Banking clause

The Bank will accept the Authority to operate the account in favor of a third party, who is not a partner. However, the consent should be given by all the partners along with a Power of Attorney duly executed in her/he/their favour.

Particulars of a minor partner will be properly recorded in the special instruction field of the account master, especially the date of attaining majority so that whenever a transaction is effected the message would pop-up to alert the Bank. On the said date, a letter stating that he/she/they is/ are joining the firm, along with his/her/their KYC documents and the copy of the Public Notice will be obtained from him/her/them.

The Authority given to partners for operating the account can be withdrawn or revoked by any partner singly, whether he/she has the authority to operate the account or not. It can be done by giving notice to the banker. Once this authority is withdrawn, it will be restored only when all of them i.e. partners sign again, or all the future cheques are signed by all the partners. In case any other partner raises some legal contentions, the Bank will make a reference to the Legal Department, giving all the relevant facts and copies of the relevant correspondence.

Cheques payable to the firm or endorsed to the firm will not be credited in the personal account of any partner as that would amount to conversion. But a Cheque in the personal name of any partner will be credited to the firm's account provided it has proper endorsement.

The Bank will accept any of the partners' notice for stop payment of a Cheque. In case of reconstitution of the firm the Bank will allow opening of fresh accounts, by freezing the existing accounts. However, the Bank will consider the balances of both the accounts – freeze account and the subsequently opened account on reconstitution of the firm to arrive at a consolidated balance of the Partnership firm.

Cheques signed by insolvent, insane and deceased partner will not be paid. An insolvent ceases to be a partner from the date of order of adjudication and firm is not liable for actions of such person.

A Cheque issued by a deceased partner, prior to death, but presented after the Bank is in receipt of a notice to death, will not be paid. In the event of lunacy of one of the partners, the cheques will not be paid.

When a partner retires, any Cheque issued by the retiring partner will be paid from the new account only after obtaining proper letter from all the partners including the retiring partners.

The Bank will insist that the documents be signed in individual as well as joint capacity. The Liability would end only when all debts are discharged or on change in the constitution of the firm as informed to the banker.

All the partners will have to sign in the event of the firm giving guarantee.

In the event of dissolution on account of death of one of the partner, the Bank will adopt the following procedure:

- When account is in credit, the remaining partners will be allowed to operate the account normally for winding up or alternatively the remaining partners should open a new account or ask for continuation of the account on the basis of fresh mandate. If they decide to close the account, the balance lying in the account will be paid to the remaining partners and the legal heirs of the deceased partner.
- If the account is in debit, the Bank will stop operations (particularly withdrawals).

The Bank will adopt the following procedure for disposal of Debit Balance in Partnership Firm Accounts:

- Death, Insolvency, Lunacy – Stop operations. Balance confirmation will be obtained from legal heirs in case of death of partner/s to make them liable.
- Admission – will obtain balance confirmation letter, signatures. Record date of admission before allowing operations.
- Retirement – Balance confirmation will be obtained in case it is decided to permit loan facility to the firm with remaining partners.
- Disposal of Credit Balance in Partnership Firm Account:
- Death, insanity where the account is not to be continued in future – Balance will be paid to remaining partners and legal heirs (in case of death) or guardian (in case of being insane).
- Death, insanity where business and bank account are to be continued – fresh mandate will be obtained from the remaining partners.
- Admission – Operations will be continued after obtaining signatures of new partner and recording the date of admission.
- Retirement – Name of the retiring partner will be deleted with the consent of the remaining partners and account will be continued.
- Insolvency – Operations will be stopped and subsequently allowed jointly with official receiver or assignee for winding up affairs of the firm.

g) Accounts of Multi-Level Marketing Firms

In view of RBI's directives to exercise caution in respect of certain firms posing as Multi-Level Marketing agencies for consumer goods and services who have been actually

mobilizing large amounts of deposits from the public with promise of high returns, to facilitate what was essentially a deposit taking activity and the funds used apparently for illegal or highly risky activities, the Bank in addition to the regular KYC documentation and check in such accounts will thoroughly scrutinize the request for issuance of more than two Cheque books in case of saving accounts and more than four Cheque books in case of current accounts. Further such accounts will be continuously monitored by the Bank to identify the misuse of the possible Cheque books.

h) Transfer of Accounts within the Bank (Change of Home Branch):

If the customer wants to transfer his/her account from one branch of our bank to another branch then such request can be accepted without changing Account Number & CIF No., on receipt of request letter along with unused Cheque leaves.

i) Procedure for Account Closure:

The Bank will adopt the following procedure at the time of account closure:

Common Account Closure Application Form duly signed by all the depositors, will be obtained from the customer requesting for closure of account/s.

The above said forms will be counter checked by the Audit Department officials at the time of internal inspection and Deviation, if any, to be reported to Audit Sub - Committee.

10. INTEREST PAYMENTS

(i) No interest will be paid on Current Accounts.

(ii) Interest Payments in Savings Accounts:

Interest will be paid at quarterly rests on saving accounts at the rate decided by the Bank within the general guidelines specified by Reserve Bank of India from time to time.

In case of Savings Deposits, interest will be calculated on the minimum closing balance to the credit of the deposit account on a daily basis and credited to the account only when it is Rs 1/- or more. Interest will be credited on quarterly basis on 30th June, 30th September, 31st December and 31st March every year.

(iii) Interest Payments for Term Deposit Accounts:

As per Reserve Bank of India directives, interest will be calculated at quarterly intervals (30th June, 30th September, 31st December and 31st March) on term deposits and will be paid at contracted rate depending upon the period of the deposits. In case of Monthly Interest Deposit Scheme, the interest will be calculated for the quarter and paid monthly at discounted value, as per SI given by the depositors. The interest on term deposits will be calculated by the Bank in accordance with the formulae and conventions advised by the RBI.

The Bank will accept term deposit for payment of principal amount with simple interest on maturity up to 365 days and the specific schemes launched by Bank from time to time.

The extant rates of interest are given on the Bank's Website and displayed at the branch Notice Board.

In case of bulk deposits, **the Bank will not offer different rate of interest other than the rate of interest offered to non-bulk deposits accepted on the same date and for the same maturity period.** The rate of interest applicable on such deposit will be as sanctioned by the Board of Directors from time to time. The Bank will treat deposits of Rs 100 lakh and above as bulk deposit for the said purpose.

Payment of Interest on monthly / quarterly basis will be done by credit to the account with us as per instructions of depositor/ or by ECS. Payment by DD/PO will be done at a cost to the depositor.

(iii) Rounding off of Transactions- All transactions including payment of interest on Deposits/charging of interest on Advances will be rounded off to the nearest Rupee; i.e., fraction of 50 paise and above will rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored.

(iv) Payment of interest on Term Deposit maturing on Sunday/Holiday/Non- Business Working Day- In respect of a Term Deposits maturing for payment on a Sunday or a holiday or a Non-Business working day interest will be paid at the originally contracted rate on the deposit amount for the Sunday/holiday/non-business working day, 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.

(v) Display of Rate of Interests offered on Term Deposit for various time period – The rate of interest on deposits will be prominently displayed in the branch premises and on Bank's website also. Changes, if any, with regard to the deposit schemes and other related services will be prominently displayed from time to time.

(vi) **Interest Payable on Current Account Deceased Depositor** - In case of current account standing in the name of 'Deceased Individual Depositor' OR 'Sole Proprietorship Concern' interest shall be paid on balances in current account from the date of Death of the Depositor till the date of repayment to the claimant is at the **rate of interest applicable to savings deposit as on the date of payment.**

(vii) Deduction of tax at Source: The Bank, under statutory obligation will 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. Tax is deducted @ 20% wherever PAN is not furnished. The branch will issue a Tax Deduction Certificate (TDS Certificate) for the amount of tax deducted. The depositor, if entitled to exemption from TDS can submit a declaration in the prescribed format at the beginning of every financial year (in the month of April before 24th April). This declaration filed in Form 15G & Form 15H under section Income Tax Act shall not be valid unless the person filing the declaration furnishes his/her PAN in such declaration. Besides, the Bank under statutory obligation will also charge / deduct Service Tax as well as Transaction Tax as specified / notified by the Govt. of India, from time to time.

11. KYC GUIDELINES FOR TERM DEPOSITS

Application received for new Deposit amount is accepted along with deposit slip without any KYC document where existing customer wants to open new Term deposit. To mitigate the risk, the Bank will ensure that the following procedure is adopted:

(i) Whenever an existing customer, who is already having an existing account or term deposit account approaches the Bank for depositing additional amounts, a separate application as per the format provided will be obtained along with the Application cum deposit slip.

(ii) As mentioned in the said form, KYC documents available on record will be verified. And if they are more than two years old, a fresh set of KYC documents will be obtained and brought on record.

12. ADDITION OR DELETION OF THE NAMES OF JOINT ACCOUNT HOLDERS:

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

13. CUSTOMER INFORMATION:

As per RBI guidelines, the customer information collected from the customers while opening the account will not be used for cross selling other services or products of the Bank. Prior consent of the account holder will be obtained before using the customer information for marketing.

The Account opening form for all accounts seeks such permission.

14. SECRECY OF CUSTOMERS' ACCOUNTS:

The Bank will not disclose details / particulars of the customers' accounts 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 Bank's duty to the public to disclose the information and where interest of the Bank requires disclosure of information.

15. PREMATURE WITHDRAWAL OF TERM DEPOSITS:

The Bank on request from the depositor/s, at its discretion will allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank will inform the applicable penal interest rates for premature withdrawal of term deposits, to make depositors aware of the applicable rate along with the deposit rate. Currently, the bank is displaying the latest deposit rates on the website. However, premature withdrawal is not applicable in few specific scheme like tax saving scheme.

As provided in the Master Circular of RBI the Bank will follow the practice of disallowing premature withdrawal of deposits held by entities other than Individuals and HUF subject to the following norms:

The clause of disallowing premature withdrawal is mentioned on the Deposit Receipt.

If fixed/term deposit accounts are opened with operating instructions 'Either or Survivor', the signature of both the depositors will not be insisted on for payment of the amount of the deposits on maturity. However, the signature of both the depositors will 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 deceased before the maturity, pre-payment of the fixed/term deposit will be allowed without the concurrence of the legal heir of the deceased joint deposit holder. Such premature withdrawal will not attract any penal charge. A specific mandate will be obtained from both the parties when both of them are alive. This, however, will not stand in the way of making payment to the survivor on maturity.

In case the mandate is 'Former or Survivor', the 'Former' alone will be allowed to operate/withdraw the matured amount of the fixed/term deposit, when both the depositors are alive. However, the signature of both the depositors will 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' will be allowed to withdraw the deposit on maturity without the concurrence of the legal heirs of the deceased joint deposit holder. Such premature withdrawal will not attract any penal charge. Premature withdrawal will however require the consent of both the parties, when both of them are alive.

The Bank will allow closure of a RD only after 30 days from the last installment paid although the date of payment of last installment of the RD falls prior to the same, since otherwise such transaction would be considered as a premature closure.

The Bank will charge RD penalty for each delayed installment amount through the system as per the Bank's Service Charges, which will be informed to the branches through internal circulars from time to time (Presently @ Rs.1.50/- per Rs.100/- per month).

Premature penalty for any term deposit with or without re-investment for all tenure will be 1% less from prevailing interest rates for completed period of deposits with bank. There is no discretion for reduction/waiver of penalty for premature withdrawals of Term Deposits except Death claim.

16. RENEWAL OF OVERDUE TERM DEPOSITS:

When a term deposit is renewed on maturity, interest rate for the period specified by the depositor as applicable on the date of maturity will be applied on the renewed amount. If a request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at the interest rate applicable as on the date of maturity, provided such request is received within 07 days from the date of maturity.

In order to maintain good customer relations, the Bank will follow the practice of sending maturity intimation through SMS to all depositors 07 days in advance and also after renewal. However, it is expected that the depositor will take necessary care to renew the deposit on due date to avoid loss of interest.

In respect of overdue deposits renewed after 07 days from the date of maturity, interest for the overdue period will be paid at the rates applicable to Savings Account deposit rate or the contracted rate of interest on the matured term deposit, whichever is lower.

As a matter of courtesy and to maintain good customer relations, the Bank will follow the practice of sending maturity intimation through SMS/ Letters. In case depositor has not provided Cell Phone or Landline number, to all the Term Deposit holders 07 days in advance. However, it is expected that the depositor will take necessary care to renew the deposit on due date to avoid loss of interest.

17. AUTO RENEWAL OF MATURED TERM DEPOSITS:

Under the auto renewal process the matured deposit will be renewed for the same period as that of the original deposit at the rate applicable on the date of maturity. In case any depositor wishes to renew the overdue deposit which is not renewed under auto renewal process and if the request is received within 07 days from the date of maturity such deposit will be renewed with effect from the date of maturity for the period as desired by the customer at interest rate applicable as on the maturity date.

The same rule will be applied in case any depositor wishes to break the deposit created under auto renewal process and desires to keep the same in different products or get the payment of such renewed deposit.

(i) Treatment for Auto renewed deposit

a) Renewal for a different tenure/rate of interest of the Auto renewed deposit in a different/same product & such instructions are received within 7 days. If the customer approaches the Bank for premature closure of auto renewed deposit within 7 days & requests for keeping the deposit with modified terms, then the deposit will be closed and a new deposit will be opened from the date of maturity of the original deposit, at the rate prevailing on the date of maturity (i.e. as off effect to be given).

b) It shall be applicable to all short, medium or long term deposits Except:

- i) Any of the Depositor is deceased (Intimation in writing is received by the Bank).
- ii) Fixed Deposits i.e. F.D. Schemes will be renewed with Principal amount only. Interest on the same will be credited to depositor's account or as per the Standing Instructions (SI) of the customer, in case depositor do not maintain any account with branch/bank, amount of interest to be sent by PO/DD to the address available with branch.
- iii) It shall not be applicable for Recurring Deposits and JP Tax Saver scheme or any other special scheme introduced by the bank.
- iv) Intimation to the Customers 7 days prior to maturity date through SMS/ Letter (in case his/her Mobile Number or Landline Number is not on bank's record), about the maturity of the Receipt. Similarly, SMS/ Letter (in case his/her Mobile Number or Landline Number is not on bank's record) after auto renewal of the receipt will also be sent.
- v) If customer comes for renewal at a later date for change of period - the auto renewal of Term Deposit will be prematurely closed at the request of the customer.
 - a) If the customer comes within 7 days, after maturity of deposit, the renewal will be done from the date of the maturity.
 - b) If depositor comes after 7 days of maturity broken period interest @ SB interest rate to be paid and Deposit to be renewed.
 - c) No penal interest will be charged for premature closure for both the cases a) and b) mentioned above.
- vi) If there is request for change of name in the Term Deposit, it shall be prematurely closed. Proceeds to be paid by deposit to SB account or otherwise. The renewal should be treated as good as fresh deposit and account to be opened as per extant rules.
- vii) Premature closure facility is allowed under this scheme. Interest shall be paid for the broken period as per extant rules.
- viii) No. of cycles for auto renewal- There will be no limit for number of cycles for auto renewal of Term Deposit excluding Recurring deposit & JP Tax Saver deposit.

18. Renewal of Overdue Term Deposits (Applicable to cases where Depositor has opted for non-Auto Renewal):

If request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 7 days from the date of maturity.

19. Premature closure of deposit (not under Auto Renewal) & reinvesting for the purposes of better rate of interest:

If the deposit is being prematurely closed or re-invested the Bank will charge penal interest @1 % less than the interest rate applicable for that period for that deposits regardless of the residual period of deposit.

20. JP TAX SAVER DEPOSIT.

In the Finance Bill of 2006, the government had announced Tax benefits to Bank Term Deposits which are of over 5 years' tenure u/s 80C of IT Act, 1961 vide Notification Number 203/2006 and SO112220(E) dt. 28/07/2006. Bank has introduced JP Tax Saver Deposit Scheme.

Individual and Hindu Undivided Family are eligible to keep deposit under this scheme. PAN Card is compulsory. It can be opened both singly and jointly. In case of a joint account, tax benefit will be availed by first holder of the deposit as per the section 80C of the Income Tax Act, 1961.

- The period of deposit under this scheme is fixed for 5 years.
- The minimum deposit amount will be Rs.5000 and in multiples of Rs.1000 thereof and maximum deposit amount will be Rs.1,50,000/-.
- Since there is an underlying tax advantage u/s 80C of Income Tax Act, there would be a lock in period of at least 5 years on the FD under this scheme.
- Interest on deposit shall be payable either monthly at discounted value or Quarterly or Compounded Quarterly.
- Auto Renewal Facility is not allowed under this scheme.
- Nomination facility is available.
- Overdraft facility is not available.
- Premature withdrawal/closure for this Deposit scheme is not allowed.
- TDS on interest under the scheme is applicable as per income tax rule.

21. ADVANCES AGAINST DEPOSITS:

The Bank will accept the request of the depositor/s for loan / overdraft facility against term deposits [unless prohibited under the respective deposit scheme] duly discharged by the depositor/s on execution of necessary security documents.

The Bank will provide loans/overdraft against Deposits standing in the name of minors, however, a suitable declaration stating that the loan is for the benefit of the minor, is to be furnished by the guardian.

The Bank will extend advance against term deposits subject to margin and interest spread stipulated from time to time as per Bank's Credit Policy.

22. INSURANCE COVER FOR DEPOSITS:

All deposits of our Bank will be 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 as and when requested. Maximum cover of Rs.5.00 lakh per depositor, bank as a whole is applicable.

23. STOP PAYMENT FACILITY:

The Bank will accept stop payment instructions for the cheques issued by the account holders. Such instructions should be submitted in writing by the account holder. Stop Payment instruction given by any one of the account holders in case of Joint operation, can also be accepted. Charges, as specified from time to time, will be recovered by the Bank from the account holder.

24. INOPERATIVE ACCOUNTS:

Accounts which are not operated for a period of two years will be classified as Inoperative in the interest of the depositor as well as the Bank. For classifying an account as inoperative, both the types of transactions, i.e., debit as well as credit transactions induced at the instance of customers as well as third parties would be considered. The customer can request the bank to activate the account for operating it after complying with the regulatory guidelines and after carrying out due diligence. Bank notifies such account holder/s before classifying an account as inoperative. The Bank will not levy penal charges for non-maintenance of minimum balance in inoperative accounts. There will not be any charge for activation of inoperative account. Interest on savings bank accounts shall be credited on regular basis even though it is inoperative account.

25. FINANCIAL INCLUSION:

With a view to achieving the objective of greater financial inclusion, RBI has advised all Banks to make available a Savings Bank Deposit Account that would make such accounts accessible to vast sections of the population from the unbanked areas.

The Bank has accordingly introduced the Basic Savings Deposit Account for the benefit of unbanked segment of the Society. These Account is meant to satisfy the banking needs of the unbanked, especially those who are coming under weaker sections of society.

These new Savings Account will have the following minimum common facilities:

- i. The Savings Bank Deposit Account will be considered as a normal banking service available to all.
- ii. This account will not have the requirement of any minimum balance
- iii. The services available in the account will include deposit and withdrawal of cash at bank branches 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 department
- iv. While there will be no limit on the number of deposits that can be made in a month, account holders will be allowed a maximum of four withdrawals in a month, including ATM withdrawal
- v. Facility of ATM card.

The above facilities will be provided without any charges. Further, no charge will be levied for non-operation/activation of the in-operative "Savings Bank Deposit Account".

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

Since the RBI has permitted UCBs to evolve other requirements including pricing structure for additional value-added services beyond the stipulated basic minimum services on reasonable and transparent basis and applied in a non-discriminatory manner, the Bank has added these features to the basic requirements while developing this product. The Bank has issued detailed circular instructions on the subject.

Full KYC norms are applicable to this Scheme.

RBI has further informed that if any savings account is opened on the basis of simplified KYC norms, then these accounts will be treated as "Small Account" and would be subject to the following stipulated conditions.

- i. The aggregate of all credits in a financial year does not exceed rupees one lakh
- ii. The aggregate of all withdrawals and transfers in a month does not exceed rupees ten thousand
- iii. The balance at any point of time does not exceed rupees fifty thousand

Aadhaar Payment Bridge System:

Aadhaar Payment Bridge System [APBS] is the payment system used to support direct cash transfer of Government subsidy. The Government, in co-ordination with the National Payment Corporation of India (NPCI) had rolled out direct cash transfer welfare schemes through member Banks.

Our Bank has now been now enrolled under the Aadhaar Payment Bridge System [APBS] with NPCI and the name of our Bank is displayed on NPCI site for NACH and APBS credit.

26. RESTRICTIONS ON OPENING OF CERTAIN TYPES OF DEPOSIT ACCOUNTS

(i) Deposit schemes with lock-in period in the Finance Bill of 2006, the government had announced Tax benefits to Bank Term Deposits which are of 5-year tenure u/s 80C of IT Act, 1961. The Bank's JP Tax Savings Deposit Scheme which is as per the prescribed sections of the IT Act, 1961 i.e. has a lock-in period of five years.

(ii) Minor's Account with Mother as Guardian

As minors cannot enter into a contract, they are allowed to open accounts with guardians. As per the Hindu Minority and Guardianship Act, 1956, the father alone can be the natural guardian of a Hindu minor. However, the Reserve Bank of India has visited the practical problems arising out of such compulsion and all banks are allowed to open accounts of minors with mother as the guardian. RBI vide Circular No. RBI/2025-26 dated April 21, 2025 (DOR.MCS.REC.17/01.01.003/2025-26) have revised the guidelines for opening and operation of accounts by minors. Accordingly, minors aged of 10 years & above can open and operate the account independently provided they can sign uniformly.

27. NOMINATION FACILITIES

- (i) The Act Provisions Nomination facility offered by the Bank is within the provision of Sections 45 ZA to 45 ZF of the Banking Regulation Act, 1949 which deals with the nomination facility that can be offered by banks.
- (ii) The Rules
The Co-operative Bank (Nomination) Rules, 1985 provide for:
 - a) Nomination forms for deposit accounts, articles kept in safe custody and safe deposit locker facility.
 - b) Forms for cancellation and variation of the nomination,
 - c) Registration of nominations and cancellation and variation of nominations, and matters related to the above.
- (iii) General Guidelines:
 - a) Bank will strictly comply with the provisions of Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) and Co-operative Bank (Nomination) Rules, 1985.
 - b) Nomination facility will be made available by the Bank to all types of deposit accounts, irrespective of the nomenclature used by the Bank.
 - c) The nomination facility will be offered in respect of the following banking facilities – Savings Account, Current Account (Proprietary Concern only), Term Deposit Account (in individual and in proprietary name), Safe Custody and Safe Deposit Lockers.
 - d) The Bank will generally insist that the person opening a deposit account makes a nomination. In case the person opening an account declines to fill in the nomination form, the Bank will explain the advantages of nomination facility to the customer. If the person opening the account still does not want to nominate, the Bank will ask his or her consent to the effect that he or she does not want to make a nomination. In case the person opening the account declines to give such a letter, the Bank will record the fact on the account opening form and proceed with opening of the account if otherwise found eligible.
 - e) Under no circumstances, the Bank will refuse to open an account solely on the ground that the person opening the account refused to nominate.
 - f) This procedure will be adopted in respect of deposit accounts in the name of Sole Proprietary concerns also.
 - g) The nomination facility on Term Deposit will be made account wise.
 - i) A stamp of “Nomination Registered” will be put on the passbook of Savings Bank Account and on deposit. The nomination given by the customer will be displayed in the Client Master in the system.
 - j) The Bank will acknowledge the nomination registered by way of a written acknowledgement of receipt of the instructions given by the accountholder irrespective of whether the same is demanded by the customer or not.
 - k) The Bank will inform the accountholder about the importance of nomination facility thereby giving adequate publicity to the same.

28. OPERATIONS IN ACCOUNTS

(i) Joint Accounts

Precautions in Opening Joint Accounts

While there are no restrictions on the number of account holders in a joint account, the Bank will examine every request for opening joint accounts very carefully. In particular, the purpose, nature of business handled by the parties and other relevant aspects relating to the business, and the financial position of the account holders, will be looked into before opening such accounts. Care will also be exercised when the number of account holders are large.

(ii) Monitoring Operations in New Accounts

- a. The Bank will take extra efforts to monitor operations in new accounts and while the primary responsibility for monitoring newly opened accounts will rest with the Branch Managers or the Managers of Deposit Accounts, the Bank will take precautions by providing the necessary MIS to the branches.
- b. The AML software will be loaded at all the branches which will generate alerts on exceptional transactions which need to be attended to by the branches on a day to day basis. If any transaction of suspicious nature is revealed, the Bank will enquire about the transaction from the account holder, and if no convincing explanation is forthcoming, these will be reported to the appropriate authorities.
- c. Caution will be exercised whenever cheques/ drafts for large amounts are presented for collection, or through RTGS/NEFT are received for credit of new accounts immediately/within a short period after opening of the account. In such cases, the genuineness of the instruments and the account holder will be thoroughly verified by the Bank. If necessary, the paying bank will also check with the collecting bank about the genuineness of any large value cheques/ drafts issued.
Demand Drafts (DDs)/Cheques for large amounts presented for collection will be verified under ultra violet lamps to safeguard against chemical alterations.
- d. The account payee cheques payable to third parties will not be collected.
- e. The Bank will accept account payee cheques/drafts/pay orders/bankers Cheque drawn for an amount not exceeding Rs 50,000/- only in the account of the members of a Co-operative Credit Society.
- f. Care will be exercised in collection of cheques for large amounts.
- g. The transactions put through in joint accounts will be scrutinized by the Bank periodically and action taken, if required in the matter. Care will be exercised to ensure that the joint accounts are not used for *benami* transactions.

(iii) Monitoring Operations in all Accounts

- a) As per RBI guidelines, a system of close monitoring of cash withdrawals for large amounts is put in place. Where third party cheques, drafts, etc. are deposited in the existing and newly opened accounts followed by cash withdrawals for large amounts, the Bank will keep a proper vigil over the requests of their clients for such cash withdrawals for large amounts.
- b) The other important areas in the payment of cheques wherein due caution will be exercised by the Bank Officials are - verification of drawer's signature, custody of specimen signature cards, supervision over issue of Cheque books and control over custody of blank Cheque books/leaves.

- c) In addition, due care will be exercised in regard to issue, custody and movement of cheques tendered across the counter and custody of all instruments after they are paid by the Bank.
- d) Depositors/ customers will be asked by the Bank to surrender unused Cheque books before closing/transferring the accounts. Also safe custody of specimen signature cards is of utmost importance, especially when operating instructions are changed and the changes will be duly verified by the official of the Bank.

(iv) Issue of Cheque Books

Fresh Cheque books will be issued only against production of duly signed requisition slips from the previous Cheque book issued to the party. In case the Cheque book is issued against a requisition letter, the drawer will be asked to come personally to the Bank or Cheque book will be sent to him/her/them under registered post directly, without being delivered to the bearer. The Bank will issue only Personalized Cheque book to the customer.

Guidelines for issuance of Cheque Book through the branch:

- a) Only one Cheque book will be issued at the time of account opening.
- b) There will be a ceiling on the maximum number of Cheque books to be issued at a time.
Savings Accounts – 2 Cheque books
Current Accounts – 5 Cheque books
- c) In case the customer has requested for more Cheque books at the branch over and above the prescribed limit, the same will be issued with the approval of the Branch Manager after due diligence.
- d) The next Cheque book/s will be issued only after the majority of the Cheque leaves of the earlier Cheque book are utilized.
- e) The Cheque book will be issued to the customers at the home branch.
- f) A proper record of the requests received from the customers will be maintained.
- g) If there is a change in address, the same will be informed by the customer to the home branch with valid and acceptable KYC documents.
- h) The signature of the account holder on the requisition slips will be strictly verified by the Bank.
- i) If the account holder does not collect the Cheque book within one month's time, bank will inform the account holder to collect the same and it will be clearly mentioned that the Cheque book will be destroyed, if the same is not collected within 30 days from the date of the letter/information.
- j) The customer can submit their Cheque book requisition slip at non-home branch & through mobile banking app.

Unclaimed Deposits and Inoperative Accounts

In view of the increase in the amount of unclaimed deposits with Bank year after year and the inherent risk associated with such deposits, the Bank will play a more pro-active role in finding the whereabouts of the account holders whose accounts have remained inoperative. The Bank will follow the instructions detailed below while dealing with inoperative/dormant accounts:

- a) A savings as well as current account will be treated as inoperative if there are no customer induced transactions in the account for over a period of two years.

b) The Bank will carry out an annual review of accounts in which there are no operations (i.e. no credit or debit other than credit of periodic interest or debit of service charges) for more than one year.

The Bank will approach the customers and inform them in writing that there has been no operation in their accounts and ascertain the reasons for the same. In case the non-operation in the account is due to shifting of the customers from the locality, they will be asked to provide the details of the new bank accounts to which the balance in the existing account could be transferred.

c) If the letters are returned undelivered, the Bank will immediately put them on enquiry to find out the whereabouts of the customers or their legal heirs in case they are deceased.

d) In case the whereabouts of the customers are not traceable, the Bank will consider contacting the employer / or any other person whose details are available with them. The Bank will also consider contacting the account holder telephonically in case his/her telephone number / Cell number has been furnished while opening the account.

e) In case a reply is given by the account holder giving the reasons for not operating the account, the Bank will continue classifying the same as an operative account for one more year within which period the account holder will be requested to operate the account. However, in case the account holder still does not operate the same during the extended period, the Bank will classify the same as an inoperative account after the expiry of the extended period.

f) For the purpose of classifying an account as 'inoperative' both the type of transactions i.e. debit as well as credit transactions induced at the instance of customers as well as third party will be considered. However, the service charges debited or interest credited by the Bank will not be considered in these transactions. There may be instances where the customer has given a mandate for crediting the interest in Fixed Deposit account to the Savings Bank account and there are no other operations in the Savings Bank account. Since the interest on Fixed Deposit account is credited in the Savings Bank accounts as per the mandate of the customer, the same will be treated as a customer induced transaction and the account will be treated as operative account as long as the interest on Fixed Deposit account is credited to the Savings Bank account. The Savings Bank account will be treated as inoperative only after two years from the date of the last credit entry of the interest on Fixed Deposit account.

g) The segregation of the inoperative accounts will be from the point of view of reducing the risk of frauds etc. However, the customer should not be inconvenienced in any way, just because his/her/they account has been rendered inoperative. The classification is there only to bring to the attention of dealing staff, the increased risk in the account. The transaction will be monitored at a higher level both from the point of view of preventing frauds and making a Suspicious Transactions Report. However, the entire process will remain un-noticeable by the customer.

h) Operation in such accounts will 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.

i) There will not be any charge for activation of inoperative account.

j) The Bank will also ensure that the monitoring of the transaction in such accounts will

be done for one year.

k) The amounts lying in inoperative accounts shall be properly audited by the internal auditors / statutory auditors of the Bank.

m) Interest on savings bank accounts will be credited on regular basis whether the account is operative or not.

n) If a deposit matures and proceeds are unpaid, the amount left unclaimed with the Bank will attract savings bank rate of interest. (simple rate).

o) Balance in Inoperative Accounts will be transferred to Reserve Bank of India under Depositor Education and Awareness Fund Scheme 2014 (DEAF) after completion of 10 year as Inoperative i. e from date/year of inclusion. Ref. RBI- BR Act 1949, Sub-section (1) and (5) of Section 26A of BR Act 1949.

Levy of Charges for non-maintenance of minimum balance: -

For deposit products like Savings Bank Accounts and Current Accounts, the Bank will normally stipulate certain minimum balances to be maintain as part of the terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract charges as specified by the Bank from time to time. Minimum balance charges on Saving Account on ongoing basis. If customer fails to maintain minimum balance as on any day in the Saving Account, system will automatically send SMS about non-maintenance of minimum balance to customer on same date to restore the balance in the account within a month from the date of notice (SMS). Penal Charges will be directly levied on proportionate basis to the extent of shortfall on the amount of difference between the actual balance maintain and the minimum balance as agreed upon at the time of opening of account or as per bank policy time to time.

Similarly, the Bank will also 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 will be given to the prospective depositor while opening the account. This schedule of charges will be displayed by the Bank on Customer Information Desk for customers and also on the website. Any change in service charges & fees shall be communicated to the customer 30 days in advance before effecting change.

Illustrative but not exhaustive list of objections where customers are not at fault regarding instrument and image based Cheque Clearing.

Under following codes charges shall not be levied to customers.

Sr. No.	Reason Code	Reason Description	Reason SubType
1	1	Funds insufficient	FIN
2	2	Exceeds arrangement	FIN
3	2	Normal extension	EXTN
4	3	Effects not cleared, present again	FIN
5	4	Refer to drawer	FIN
6	5	Kindly contact Drawer/Drawee Bank and please present again	FIN
7	10	Drawers signature incomplete	SIGN
8	11	Drawers signature illegible	SIGN
9	12	Drawers signature differs	SIGN

10	13	Drawers signature required	SIGN
11	14	Drawers signature not as per mandate	SIGN
12	15	Drawers signature to operate account not received	SIGN
13	16	Drawers authority to operate account not received	SIGN
14	17	Alteration require drawers authentication	SIGN
15	20	Payment stopped by drawer	FIN
16	21	Payment stopped by attachment order	FIN
17	22	Payment stopped by court order	FIN
18	23	Withdrawal stopped owing to death of account holder	FIN
19	24	Withdrawal stopped owing to lunacy of account holder	FIN
20	25	Withdrawal stopped owing to insolvency of account holder	FIN
21	30	Instrument post dated	TECH
22	31	Instrument out dated/stale	TECH
23	32	Instrument undated/without proper date	TECH
24	33	Instrument mutilated/requires Banks guarantee	TECH
25	34	Cheque irregularly drawn/amount in words and figures differ	TECH
26	35	Clearing House stamp/date required	TECH
27	36	Wrongly delivered/Not drawn on us	TECH
28	37	Present in proper zone	TECH
29	38	Instrument contains extraneous matter	TECH
30	39	Image not clear/present again	TECH
31	40	Present with document	TECH
32	41	Item Listed Twice	TECH
33	42	Paper not received	TECH
34	50	Account closed	FIN
35	51	Account transferred to another branch	FIN
36	52	No such account	FIN
37	53	Title of account required	FIN
38	54	Title of account wrong/incomplete	FIN
39	55	Account blocked (situation covered in 21-25)	FIN
40	60	Crossed to two banks	TECH
41	61	Crossing stamp not cancelled	TECH
42	62	Clearing stamp not cancelled	TECH
43	63	Instrument specially crossed to another bank	TECH
44	64	Amount in protective crossing incorrect	TECH
45	65	Amount in protective crossing required/illegible	TECH
46	66	Payees endorsement required	TECH
47	67	Payees endorsement irregular/requires collecting banks confirmation	TECH
48	68	Endorsement by mark/thumb impression requires attestation by Magistrate with seal.	TECH
49	70	Advice not received	TECH
50	71	Amount/Name differs on advice	TECH
51	72	Drawee banks funds with sponsor bank insufficient	TECH
52	73	Payees separate discharge to bank required	TECH
53	74	Not payable till 1st proximo	TECH
54	75	Pay order/cheque requires counter signature	TECH
55	76	Required information not legible/correct	TECH
56	80	Banks certificate ambiguous/incomplete/required	TECH

57	81	Draft lost by issuing office/confirmation required from issuing office	TECH
58	82	Bank/Branch Blocked	TECH
59	83	Digital Certificate Validation failure	TECH
60	84	Other reasons-connectivity failure	TECH
61	85	Alterations/Corrections on instruments are prohibited under CTS.	TECH
62	86	Fake/Forged/Stolen-Draft/Cheque/Cash Order/Interest Warrant/Dividend Warrant	TECH
63	87	Payee's a/c credited- Stamp Required	TECH
64	88	Other Reasons	TECH
65	92	Bank Excluded	TECH

(vi) Use of electronic mode of payment for large value transactions

a) Recognizing the importance of ensuring the safety and security of the payment systems, the Bank has put in place three modes of electronic payments i.e. Real Time Gross Settlement (RTGS) System, National Electronic Fund Transfer (NEFT) System and Electronic Clearing Service (ECS).

b) As per RBI guidelines, the Bank will ensure that large value payments of Rs.10 lakh and above between RBI regulated entities/market such as Bank, Primary Dealers, NBFCs, Money Market, Government Securities Market and Foreign Exchange Market will be mandatorily routed through the electronic payment mechanism.

c) In the case of RTGS/NEFT through Mobile Banking, the Bank has stipulated certain limits on the amount of transactions which are periodically revised. Presently the limits are as detailed below:

Saving Account

Particular	Existing Limit per day
NEFT	Rs.1.00 lakh Maximum up to Rs.10.00 lakh in a month
RTGS	Nil

Current /Overdraft facility Account

(vii) Accounts of Illiterate / Blind Persons

The Bank will open deposit accounts, other than Current Accounts, of Illiterate/Blind persons. The accounts of such persons will be opened provided he/she calls on the Bank personally along with two witnesses who are known to both the depositor and the Bank. Normally, no Cheque book/debit card/mobile banking facility is provided for such Savings bank account.

At the time of withdrawal / repayment of the deposit amount and / or interest, the account holder should affix his / her thumb impression or mark in the presence of the authorized officer who will verify the identity of the person, with a witness who is/are known to both the depositor and the Bank.

The Bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The Bank will explain the terms and conditions governing the account to the illiterate / blind person. No Debit Card will be issued to such accounts.

An Illiterate person (thumb impression) / Blind person **may open an account jointly with other person(s)**. No Cheque book/debit card/ mobile banking facilities will be issued to such accounts. The mode of operations for such joint accounts would be as follows:

Type of Account	Mode of Operations	E Services/ Cheque Book
Account opened by person Thumb impression – first holder Literate –second holder	Former or Survivor OR Jointly only	No Cheque Book/Debit card/ Mobile Banking
Account opened by person with Literate –first holder Thumb Impression –second holder	Jointly	No Cheque Book/Debit card/ Mobile Banking
Joint account in which both the a/c holders are with thumb impression	Jointly	No Cheque Book/Debit card/ Mobile Banking
More than two names and one of them with thumb impression and other two literates s	Jointly only	No Cheque Book/Debit card/ Mobile Banking

(viii) Operation of Bank Accounts by Old/Sick/Incapacitated Customers The old / sick / incapacitated account holder falls in the following two categories:

- a) An account holder who is too ill to sign a Cheque/cannot be physically present at the branch to withdraw money from his/her bank account but can put his/her thumb impression on the Cheque/withdrawal form, and
- b) An account holder who is not only unable to be physically present in the bank but is also not able to put his/her thumb impression on the Cheque/withdrawal form due to certain physical defect/incapacity.

The Bank will follow the procedure given below for operation in the accounts of old/ sick/ incapacitated customers:

- a) Wherever thumb or toe impression of the sick/old/incapacitated account holder is obtained, it will be identified by two independent witnesses known to the branch, one of whom will be a responsible bank official.
- b) Where the customer cannot even put his/her thumb impression and also will not be able to be physically present in the branch, a mark will be obtained on the Cheque/withdrawal form which will be identified by two independent witnesses, one of whom will be a responsible bank official.
- c) In such cases, the customer will be asked to indicate to the branch as to who would withdraw the amount from the Bank 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 branch will be asked to furnish his/her signature to the branch.
- d) In the case of a person who has lost both his/her hands, 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. It can be by means of a mark which the account holder

- can put, the mark being put by an instrument, in presence of a person who can/has to sign, mentioning his/her presence while the mark is put on..
- e) The National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999, allows appointment of legal guardians for persons with disability by the Local Level Committees set up under the Act. Hence a legal guardian so appointed can open and operate the bank account as long as he remains the legal guardian. Further provisions of Mental Health Act, 1987 also allows appointment of Guardian by District Courts.
 - f) The Bank will therefore rely upon the Guardianship Certificate issued either by the District Court under Mental Health Act or by the Local Level Committees under The National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 for the purposes of opening /operating bank accounts.

(ix) Receipt of Foreign Contributions by various Associations / Organizations in India under Foreign Contribution (Regulation) Act, 1976

- a) The Foreign Contribution (Regulation) Act, states that the associations having a definite cultural, economic, educational, religious and social programmer and receiving foreign contribution should get themselves registered with the Ministry of Home Affairs, Government of India and receive foreign contribution only through one of the branch of the bank.
- b) The Act also states that every association if not registered with the Central Government, should obtain prior permission of the Central Government before accepting any foreign contributions.
- c) There are also certain organizations of a political nature, not being political parties specified by the Central Government under Section 5(l) of the Act. These organizations require prior permission of the Central Government for accepting any foreign contribution.

In this regard, Bank will take the following precautions:

- Will afford credit of the proceeds of cheques/drafts representing foreign contribution only if the association is registered with the Ministry of Home Affairs, Government of India.
- Will insist on production of a communication from the Ministry of Home Affairs conveying prior permission of the Central Government for acceptance of specific amount of foreign contribution in case the association is not registered under the Foreign Contribution (Regulation) Act, 1976. Will not afford credit to the account of such associations as are not registered with the Ministry of Home Affairs separately for the purpose of accepting foreign contribution under the Foreign Contribution (Regulation) Act, 1976.
- Will not afford credit to the account of such associations as have been directed to receive foreign contributions only after obtaining prior permission of the Central Government.
- Will not allow the credit of the proceeds of the cheques/ demand drafts etc. to the organizations of a political nature, not being political parties (including their branches and units) unless a letter containing the prior permission of the Central Government under the Foreign Contribution (Regulation) Act, 1976 is produced by such organizations.
- Will note the registration number as conveyed by the Ministry of Home Affairs to the various associations in the relevant records in which the foreign contribution

accounts of associations are maintained to ensure that no unwanted harassment is caused to such associations.

- In case any Cheque/demand draft has been tendered to the Bank for realization of its proceeds and credit to the account of the association/organization by an association or organization which is not registered or which requires prior permission, as the case may be, the Bank will approach the Ministry of Home Affairs for further instructions. In no case the Bank will credit the account of association/organization of a political nature, not being a political party, as specified by the Central Government and of an unregistered association, unless the association/organization produces a letter of the Ministry of Home Affairs conveying permission of the Central Government to accept the foreign contribution.
 - Where prior permission has been granted, such permission is to accept only the specific amount of the foreign contribution which would be mentioned in the relevant letter. The Ministry of Home Affairs is invariably endorsing a copy of the order of registration or prior permission for each association/organization to the concerned branch of the bank through which the foreign contributions are to be received for credit to the Associations/ Organizations deposit account.
- d) The Bank will submit a Return furnishing details of the foreign contributions credited to the accounts of associations/ organizations on a half yearly basis for the period ending 30th September and 31st March every year as per the format given in the Annex II to Government of India, Ministry of Home Affairs within a period of two months from the close of the half year. To facilitate timely submission of half yearly Returns to the Government, the Bank will designate a 'Nodal Officer' at the Corporate Office who will be responsible for ensuring accurate and timely submission of Returns.

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.

29. SETTLEMENT OF CLAIMS IN RESPECT OF DECEASED DEPOSITORS: Settlement of claims in respect of deceased depositors will be process as per Death claim settlement policy of the bank.

30. UNCLAIMED DEPOSITS IN BANKS:

Reserve Bank of India (RBI) vide its circular No: DBOD. No. DEAF Cell.BC.101/30.01.002/2013-14 dated 21st March,2014 on the subject of “The Depositor Education and Awareness Fund Scheme 2014 Sec26A of the Banking Regulation Act, 1949” has instructed banks to transfer the following amounts to the DEAF Scheme with RBI:

- a. Any amount to the credit of any account in India which has not been operated upon for a period of ten years or
- b. Any deposit or any amount remaining unclaimed for more than ten years.
The perusal of the above reveals that even amounts outstanding against demand drafts, pay orders, sundry deposit accounts, inter-bank clearing adjustments, Security

Deposit received, Commission received [24] in advance, Margin money against issue of Letter of credit / Guarantee, Cheque sent for Collection, Parking accounts related to Bill desk, NFS, ECS Clearing settlement account, Difference in clearing, Un-reconciled credit balances on account of ATM transactions, unadjusted NEFT credit balances, etc. remaining unclaimed for more than ten years are to be transferred to "The Depositor Education and Awareness Fund" (DEAF).

Our Bank in accordance with the RBI guidelines is transferring the balances of saving accounts, current accounts, term deposit accounts not operated for more than 10 years and also demand drafts, pay orders, amounts lying in Suspense account, difference in Clearing, etc., to the DEAF Scheme since July 2014.

31. REDRESSAL OF COMPLAINTS AND GRIEVANCES

Depositors having any complaint / grievance with regard to services rendered by the Bank has a right to approach the authority (ies) designated by the Bank for handling customer complaints / grievances.

The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises. The Bank has set in place a structure for redressal of complaints both in terms of the authorities as well as the time norms for resolving the complaints.

These details have been spelt out in the Grievance Redressal Policy of the Bank which is displayed on the Bank's website and available with the Branch Manager for ready reference.

Failed ATM transaction in Deposit Accounts:

As per RBI guidelines, all failed ATM transactions in deposit accounts should be settled within 5 working days from the date of receipt of the customer complaints. Failure to re-credit the customer's account within 5 working days from the date of receipt of complaint will be liable for payment of compensation to the customer @ Rs 100/- per day by the issuing bank. The Bank has taken cognizance of the above and accordingly the following steps have been taken to implement the same.

- a) Notice necessary as per RBI guidelines, are prominently displayed at all the ATMs.
- b) ATM Complaint Form is kept at the branches for the customers to claim for ATM debited amount to the customer's account.
- c) All Branches have been informed by a circular about the RBI guidelines on failed ATM transactions and the procedure to be followed after the customer has applied for failed ATM transaction.

32. DEPOSIT MOBILISATION

(i) Deposit Collection Agents

The Bank will not pay any brokerage on deposits in any form to any individual, firm, company, association, institution or any other person. The Bank will not employ/engage any outside persons through firms/ companies for collection of deposits or for selling any other deposit linked products on payment of fees/ commission in any form or manner, except to the extent permitted vide Reserve Bank's Interest Rate Directives.

- (ii) Acceptance of Deposits by Unincorporated Bodies/ Private Ltd. Companies with 'Bank Guarantee' The Bank will not accept any deposits at the instance of private

financiers or unincorporated bodies under any arrangement, wherein the deposit confirmation advice can be issued in favor of the clients of private financiers. It also will not accept/allow authority by power of attorney, nomination otherwise for such clients receiving such deposits at maturity.

(iii) Deposit Collection Schemes floated by Private Organizations

The Bank will not be associated directly or indirectly with lottery schemes of organizations of any description as per the Chits and Money Circulation Schemes (Banning) Act, 1978 (No. 43 of 1978).

(iv) Acceptance of Deposits from other banks by Primary (Urban) Cooperative Banks (UCBs) in the nature of placement of deposits for investment purposes is NOT PERMITTED.

33. CONCENTRATION RISK:

Concentration Risk in a banking terms denotes the overall spread of a Bank in its Accounts. Generally, Concentration Risk is observed in case of Loan A/cs. However, collection of Large deposits from small no. of A/c's may also lead to Concentration Risk in Deposits.

In normal times, the deposit concentration may not pose a problem and instead prove to be profitable, but in unforeseen circumstances, sudden withdrawal of funds by the category of deposits can pose a serious challenge and therefore, there should be internal cap for accepting total bulk deposit from Single Client, particular sector; excluding Current A/c.

APPROVED BY THE BOD R.NO. & DATE: 12 (11) DTD. 08.05.2025.