

2022-23



**[POLICY ON DEPOSITS 2022-23]**  
Version 10.0

## Document version control

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10		Sl. No	Existing guidelines	Details of amendments / new guidelines
		1	<p>Mobile banking Per day transaction limit is ₹ 1,00,000 w.e.f 08.09.2017.</p> <p>(Page No.13, Point No.3.12)</p>	<p>TMB M Connect application (Old Mobile Banking App)&amp; TMB MBank application (New Mobile Banking App)</p> <p>Transaction limit Per day:</p> <p>RTGS-₹5 lakhs/NEFT-₹5 lakhs/Credit less-₹5000/-</p> <p>IMPS-₹5 lakhs (inclusive of instant pay of ₹1 lakh to unregistered payee)</p> <p>Within TMB (Self A/c)- ₹10 lakhs</p> <p>Within TMB(Third party-Registered/unregistered)- ₹10 lakhs</p> <p>Total ₹35.05 lakhs per day. wef.01.10.2021</p> <p><b>(Note:</b> Our Committee of Executive may be</p>

			permitted to fix the mobile banking transaction limit as recommended by our IT Department from time to time.)	
		2	<p>SMS push alert services All savings bank account customers who have registered for SMS alert services are charged ₹10 per quarter.w.e.f.03.07.2017</p> <p>(Page No.12, Point No.3.11)</p>	No SMS charges (Rs.10/- + GST per Quarter collected previously) for all the savings accounts w.e.f 01.05.2021.
		3	<p>NIL</p> <p>(Page No.20, Point No.4.23)</p>	<p>Account maintenance charge for the services offered over the counter in addition to the existing service charges as detailed below is introduced afresh w.e.f 01.05.2021.</p> <p>Account Maintenance charges of Rs.30+GST per quarter will be collected, where the Branch transaction is more than three over the counter in a quarter for the accounts without Debit card or Cheque Book</p> <p>Account Maintenance charges of Rs.40+GST per quarter will be collected, where the Branch transaction is more than three in a quarter for the accounts</p>

				<p>without debit card and cheque book.</p> <p>Account Maintenance charges of Rs.50+GST per quarter will be collected, where the Branch transaction is more than three in a quarter for the accounts with Debit card and Cheque Book.</p> <p>All debit and credit transactions carried out through Digital channels are excluded for calculation of number of free transactions</p> <p><b>Exemptions:</b></p> <ul style="list-style-type: none"> <li>•Senior Citizen accounts.</li> <li>• Accounts maintained at Rural branches. <ul style="list-style-type: none"> <li>• Accounts maintained at branches where Onsite ATM / CRM is not available.</li> </ul> </li> <li>• Not applicable for SB Premium and Royal in case Average balance is above Rs.15000 during the quarter.</li> </ul>
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Next Review Date:

The document should be reviewed every year.

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## **Policy on deposits**

### **1. Preamble**

One of the important functions of the bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the banking system. The depositors and their interests form the key area of the regulatory framework for banking in India and this has been enshrined in the Banking Regulation Act, 1949. The Reserve Bank of India is empowered to issue directives / advices on interest rates on deposits and other aspects regarding conduct of deposit accounts from time to time. With liberalization in the financial system and deregulation of interest rates, banks are now free to formulate deposit products within the broad guidelines issued by RBI.

This policy document outlines the key features of various deposit products and related banking services offered by the bank. The document aims at providing of information on aspects related to acceptance of deposits, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts etc. It is expected that this document will impart greater transparency and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this policy, the bank reiterates its commitments to individual customers outlined in Code of Banks Commitment to Customer adopted by the banks. This document is a broad framework under which the rights of common depositors are recognized.

### **2. Know Your Customer (KYC) Guidelines**

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

The branches shall follow the appropriate know your customer policies, procedures and internal control mechanism designed to

- i. Establish and document the true identity and address of the customers who maintain / establish relationships, open accounts or conduct business transactions
- ii. Obtain background information on existing and / or new customers
- iii. Safeguard the bank from the risks of doing business with any individual or entity whose identity cannot be determined
- iv. Protect the bank from the risks of having business relationships with any individual or entity who refuses to provide information or who has provided

information that contains significant inconsistencies which cannot be resolved after due examination.

#### Identification through documents provided by the customers

The bank shall establish customers' identity (true names, residential and mailing address) with the help of certain official documents as may be provided by the customer concerned in original

The bank will not rely upon ration card as a document to establish one's identity.

Photograph of the customer and any one of the documents for identity proof along with any one of address proof documents will be obtained for opening accounts of individuals.

Check lists – KYC documents to be obtained from different customers and for different activities based on customer profiling as follows:

Constitution	Documents to be obtained
Account of Individual - BSBDA Account 1. Simple Account (SSS A/C) 2. Small Account (SSSS A/C) 3. SBFIN 4. SBJDY under PMJDY	<u>For DBT beneficiaries</u> 1. Aadhaar Number 2. Form No.60
	<u>For Non- DBT beneficiaries</u> 1. Any of the Officially Valid Document (OVD) 2. Form No.60
Account of Individual – other than BSBDA Accounts.	<u>For DBT beneficiaries</u> 1. Aadhaar Number 2. Permanent Account Number (PAN)
	<u>For non- DBT beneficiaries</u> 1. Any of the Officially Valid Document (OVD) 2. Permanent Account Number (PAN)
Account of Individual – Current Account	1. Any of the Officially Valid Document (OVD). 2. Permanent Account Number (PAN) and any of the following:  i. GSTIN registration certificate. ii. Certificate /License issued by the Municipal Authorities under Shop & Establishment Act. iii. Certificate / Registration document issued by Professional Tax Authorities. iv. License issued by the registering authority like

Constitution	Documents to be obtained
	<p>Certificate of Practice in the name of individual issued by any of the following professional body incorporated under a statute.</p> <ul style="list-style-type: none"> <li>• Institute of Chartered Accountants of India</li> <li>• Institute of Cost Accountants of India</li> <li>• Institute of Company Secretaries of India</li> <li>• Indian Medical Council</li> <li>• Food and Drug Control Authorities</li> <li>• Institutions/associations like bar council and Institute of valuers.</li> </ul> <p>v. Registration/License document issued by the Central Government/ State Government Authority/ Department.</p>
Account of Minor	<ol style="list-style-type: none"> <li>1. Any of the Officially Valid Document (OVD) in the name of minor.</li> <li>2. Permanent Account Number (PAN)-in the name of minor.</li> <li>3. Any of the Officially Valid Document (OVD) in the name of parent/guardian</li> <li>4. Permanent Account Number (PAN) in the name of parent/guardian</li> </ol>
Joint Account	<ol style="list-style-type: none"> <li>1. Any of the Officially Valid Document (OVD) for all the joint Account Holders.</li> <li>2. Permanent Account Number (PAN) in respect of all the joint account holders</li> </ol>
HUF - Account	<ol style="list-style-type: none"> <li>1. Joint Family Statement</li> <li>2. PAN in the name of HUF</li> <li>3. Any of the Officially Valid Documents (OVDs) for Kartha and Co – parceners</li> <li>4. Permanent Account Number (PAN) in respect of Kartha and Co- parceners</li> </ol>
Self Help Group (Women)	<ol style="list-style-type: none"> <li>1. Required documents to establish the existence of such an entity/SHG.</li> <li>2. Resolution</li> <li>3. (a) Any of the Officially Valid Documents for POA&amp;</li> <li>(b) PAN in respect of the office bearers who have been authorized to transact on its behalf.</li> </ol>

Constitution	Documents to be obtained
Self Help Group- other than women	<ol style="list-style-type: none"> <li>1. Required documents to establish the existence of such an entity/SHG.</li> <li>2. Resolution</li> <li>3. PAN in the name of entity</li> <li>4. (a) Any of the Officially Valid Documents for POA &amp; (b) PAN in respect of the office bearers who have been authorized to transact on its behalf.</li> </ol>
Account of a Company	<ol style="list-style-type: none"> <li>1. Certificate of Incorporation</li> <li>2. Certificate of Commencement of Business</li> <li>3. Memorandum and Articles of Association;</li> <li>4. A resolution from the Board of Directors and power of attorney granted to person/s to transact on its behalf;</li> <li>5. PAN in the name of company</li> <li>6. GSTIN / UIN</li> <li>7. List of Directors</li> <li>8. (a) Any of the Officially Valid Documents (OVDs) &amp; (b) PAN in respect of all directors</li> <li>9. (a) Any of the Officially Valid Documents (OVDs) &amp; (b) PAN in respect of the person/s holding an attorney to transact on its behalf.</li> </ol>
Account of a Proprietary concern	<ol style="list-style-type: none"> <li>1. Any of the Officially Valid Documents (OVDs)</li> <li>2. Permanent Account Number (PAN) (as applicable to an individual) for the proprietor. And any two of the following in the name of Proprietary Concern: <ol style="list-style-type: none"> <li>i) GSTIN / UIN</li> <li>ii) Registration Certificate (in the case of a registered concern);</li> <li>iii) Certificate / License issued by the Municipal Authorities under Shop &amp; Establishment Act;</li> <li>iv) Certificate / Registration Document issued by Professional Tax Authorities;</li> <li>v) License issued by the Registering Authority, like Certificate of Practice issued in the name of proprietary concern by any</li> </ol> </li> </ol>

Constitution	Documents to be obtained
	<p>professional body incorporated under a statute.</p> <p>vi) The Complete Income Tax Return (not just the acknowledgment) in the name of the sole proprietor where the firm's income is reflected.</p> <p>vii) Utility bills such as electricity / water and landline telephone bills in the name of the proprietary concerns.</p> <p>The illustrative list of documents covered under point no. v is as below:</p> <p>a) License issued by the Registering authority like Certificate of Practice issued by</p> <ul style="list-style-type: none"> <li>• Institute of Chartered Accountants of India</li> <li>• Institute of Cost Accountants of India</li> <li>• Institute of Company Secretaries of India</li> <li>• Indian Medical Council</li> <li>• Food and Drug Control Authorities</li> <li>• Institutions/associations like bar council and institute of valuers.</li> </ul> <p>b) Registration / Licensing document issued in the name of the proprietary concern by the Central Government or State Government Authority/ Department.</p> <p>c) IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT.</p> <p>The branches have the discretion to accept only one of those documents as activity proof where they are satisfied that it is not possible to provide two such documents by the prospective customers, in such cases, the Branch Head/Officer would have to undertake Contact Point Verification, collect such information as would be required to establish the existence of such firm, confirm, clarify themselves that the business activity is being carried out at the address furnished in the customer profile by the proprietary concern and produce Contact Point Verification Certificate (in the absence of the additional OVD for business/activity proof) duly</p>

Constitution	Documents to be obtained
	signed by the branch official in the format prescribed in the Annexure- 9 which is attached with KYC/AML Policy 2017-18 with a view to adhere KYC/AML compliance stipulated by RBI without deviation.
Account of a partnership firm	<ol style="list-style-type: none"> <li>1. Registration Certificate,</li> <li>2. Partnership Deed</li> <li>3. PAN in the name of firm.</li> <li>4. GSTIN / UIN</li> <li>5. (a) Any of the Officially Valid Documents (OVDs) &amp; (b) PAN in respect of all the partners of the firm</li> <li>6. (a) Any of the Officially Valid Documents (OVDs) &amp; (b) PAN in respect of the person/s holding an attorney to transact on its behalf.</li> </ol>
Account of a Limited Liability Partnership (LLP)	<ol style="list-style-type: none"> <li>i. Certificate of registration.</li> <li>ii. Limited Liability Partnership agreement.</li> <li>iii. Letter of authority for opening and operating account granted to the authorized signatories.</li> <li>iv. List of designated partners.</li> <li>v. PAN in the name of LLP.</li> <li>vi. GSTIN / UIN.</li> <li>vii. (a) Any of the Officially Valid Documents (OVDs) for POA &amp; (b) PAN in respect of all designated partners.</li> <li>viii. (a) Any of the Officially Valid Documents(OVDs) for POA &amp; (b) PAN in respect of authorized signatories to transact on its behalf.</li> </ol>
Account of Trust & Foundation/ Society/Club	<ol style="list-style-type: none"> <li>1. Registration Certificate</li> <li>2. Trust Deed</li> <li>3. PAN In the name of Trust/ Society/Club.</li> <li>4. (a) Any of the Officially Valid Documents (OVDs )for POA&amp; (b) PAN in respect of all trustees of the Trust/ Office Bearers of Society/Club</li> <li>5. (a) Any of the Officially Valid Documents (OVDs) for POA &amp; (b) PAN in respect of the person/s holding a Power of Attorney to transact on its</li> </ol>

Constitution	Documents to be obtained
	behalf.
Account of Unincorporated Association (or) Body of Individuals	<ol style="list-style-type: none"> <li>1. Resolution of the Managing Body of such association or Body of Individuals</li> <li>2. Power of Attorney granted to a person/s to transact on its behalf</li> <li>3. PAN in the name of Association/Body of Individuals</li> <li>4. (a)Any of the Officially Valid Documents (OVDs) for POA &amp; (b) PAN in respect of Office Bearers</li> <li>5. (a)Any of the Officially Valid Documents( OVDs) for POA&amp; (b)PAN in respect of the person/s holding an Attorney to transact on its behalf</li> <li>6. Such Information as may be required by the bank to collectively establish the legal existence of such an association or Body of Individuals.</li> </ol>
Accounts of Foreign Nationals	<p><u>Photograph</u> A recent passport size colour photograph</p> <p><u>Photo Identification proof</u></p> <ol style="list-style-type: none"> <li>a) The passport</li> <li>b) Permanent Account Number (PAN) Card issued by the Income Tax PAN Services Unit, Income Tax Department, Government of India.</li> </ol> <p><u>Address Proof</u> - A self-attested copy of</p> <ol style="list-style-type: none"> <li>a) The certificate from the Indian Embassy stating the contact address of the customer</li> <li>b) The letter from Employer / Certificate from Embassy of the Country of Origin or any appropriate legal authority certifying the local address in India</li> <li>c) The Valid Work Permit (VISA) when it is a standalone document and not included in the passport</li> <li>d) Driving License</li> <li>e) Resident Permit / Government issued identity card</li> <li>f) The Other Bank Statement – not older than 3</li> </ol>

Constitution	Documents to be obtained
	months, required for a period of 3 months with at least 2 self-induced transaction, no bounced cheque reflecting in the statements.
<b>JURIDICAL PERSONS</b> (Juridical Persons such as Government or its Departments, Societies, Universities and Local Bodies like Village Panchayats, Town Panchayats, Municipal Corporations etc.,)	1. Required documents to establish the legal existence of such an entity/juridical person. 2. Power of Attorney granted to a person/s to transact on its behalf 3. (a) Any of the Officially Valid Documents (OVDS) for POA & (b) PAN in respect of the person/s holding a power of attorney to transact on its behalf.

Two separate documents need not be insisted

To ease the burden on the prospective customers in complying with KYC requirements for opening new accounts

- a) If the address on the document submitted for identity proof by the prospective customer is same as that declared by him/her in the account opening form, the document may be accepted as a valid proof for both identity and address
- b) If the address indicated on the document (officially valid document) submitted by the customer differs from the current address mentioned in the account opening form a separate proof of address should be obtained. In such cases, a self-declaration for local address can be obtained from the customer which is to be confirmed by submitting positive confirmation certificate by the branch official after verification.

### 3. Types of deposit accounts

While various deposit products offered by the bank are assigned different names the deposit products can be categorized broadly into the following types. Definition of major deposits schemes are as under

3.1 Demand deposits means a deposit received by the bank which is withdraw able on demand

3.2 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

3.3 Term deposit means a deposit received by the bank for a fixed period withdraw able only after the expiry of the fixed period and include deposits such as recurring /

double benefit deposits / short deposits / fixed deposits / monthly income certificate / quarterly income certificate etc.

3.4 Notice deposit means term deposit for specific period but withdraw able on giving at least one complete banking days' notice

3.5 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

3.6 Withdrawals in account can be by way of cheques, withdrawal forms, through the use of ATMs, by means of electronic transfer through internet, by use of biometric cards, by giving standing instructions to the bank, ECS instructions or through any other means which may come into usage after giving due notice on the bank's website.

3.7 Deposits in account can be made by way of cash, cheques, electronic transfers, ECS and through any other means which may come into usage after giving due notice on the bank's website.

3.8 Different deposit schemes and products

Based on customer's need, market conditions, competition and other driving forces bank is presently offering various products under five deposit schemes which are listed below

Schemes	Product
Savings bank	1. TMB Savings bank account (Anywhere bank account)
	2. TMB Classic Salary savings bank account
	3. TMB Premium savings bank account
	4. TMB Dynamic Youth savings bank account
	5. TMB Royal savings bank account
	6. TMB Visa savings bank account
	7. TMB Santhosh savings bank account
	8. TMB Simple savings bank account
	9. TMB Small savings bank account
	10. TMB Student savings bank account
	11. TMB Mahila Subha savings bank account
	12. TMB Little Super Star savings bank account
Current deposit	13. TMB Ordinary current account (Anywhere bank account)
	14. TMB Super Flexi current account (3-in-1 Silver/New Gold/Diamond current account (special anywhere bank account))
Fixed deposit	15. TMB fixed deposit
	16. TMB Tax Savings deposit (Malligai)

	17. TMB 20:20 deposit
	18. TMB 777 deposit
Recurring deposit	19. TMB recurring deposit
	20. TMB Kids recurring deposit
	21. TMB Navarathnamala deposit
	22. TMB Siranjeevee recurring deposit
Reinvestment Plan (RIP)	23. TMB Muthukkuvial deposit
	24. TMB Tax Savings deposit – (Mullai)
	25. TMB cash certificate
	26. TMB Pearl deposit
	27. TMB Porkuvial deposit
	28. TMB Valarnidhi Cash Certificate

To cater the needs of all segment of the customers, market requirement and regulatory instructions the bank may at its discretion formulate tailor made deposit products suited for cross section of the customers with due approval of the Board and may be launched from time to time.

### 3.9 Non-resident accounts

Non-resident Indians / persons of Indian origin can open deposit accounts viz. Non-Resident Ordinary Rupee account (NRO), Non-Resident (External) Rupee account (NRE), Foreign Currency Non-Resident (Bank) account (FCNR(B) with any of the B and C category authorized dealer branches of the bank.

In addition to prescribed NRI account opening form and two passport size recent photographs of the depositor, following documents are required to be submitted to open non-resident account.

1. Photocopy of relevant pages of current passport of the customer with name, address, photograph, signature, date of birth, date and place of issue, expiry date and stamp regarding stay outside India. **(Passport should not be an expired one)**
2. Photocopy of resident visa/work permit/employment visa/current visa or any other proof of non-resident Indian status. **(Visa should not be an expired one).**
3. Address proof for overseas address. For NRI to indicate the overseas residential address, any one of the following documents may be obtained.
  - a) Passport copy issued in the foreign country with address
  - b) Resident card issued by the Government of the respective country of residence
  - c) Overseas bankers statement (up to three months old)
  - d) Driving license **issued in foreign country**

The branch should obtain telephone/mobile/fax number, email id and local address of the depositor for easy and faster communication. The Branch should also obtain FATCA Declaration and CRS Forms.

### 3.10 Internet banking – TMB e-connect

The bank has launched internet banking with the name TMB e-connect for individual as well as for corporate customers of all the branches of the bank having the following major services.

1. Account enquiry
2. Statement of accounts
3. Cheque status (issued and deposited) and stop cheque facility
4. Fund transfer to self or linked accounts
5. Fund transfer to other bank accounts (RTGS/NEFT)
6. Fund transfer to third party account within the bank
7. Profile and password maintenance
8. Internet banking activity enquiry
9. Utility bill / credit card bill payment
10. Opening of term deposits accounts online (SB customers ₹ 10 lakhs per transaction limit and CA customers ₹ 25 lakhs per transaction limit)

The Internet banking users are created on the basis of customer ID maintained in Finacle system and hence all accounts (Savings, current, cash credit, overdraft, term deposit and loan) under it will be available for access. The internet banking users will be able to avail the services only after completion of the activation process. It is mandatory for the customers to change the password supplied by the bank while logging in for the first time.

The maximum per day transaction limit for various current and savings bank accounts is as under

	Retail value	Retail high value	NRI accounts	Staff
Scheme	All SB a/cs other than SB Royal	Ordinary CA, OD, CC, Spl anywhere CA and SB Royal	₹ 10 lakhs	No Limit
Transaction limit per day	₹ 15 lakhs	₹ 35 lakhs		

The transaction limits include (Self as well as third party transfer / payment gateway services / online tax payments / NEFT / RTGS) transactions added altogether per day.

### 3.11 SMS banking

The bank provides three types of value added services under SMS banking as detailed below

- 1) SMS push alert services (introduced from 31.03.2008)
- 2) SMS pull services (introduced from 13.02.2014)
- 3) Missed call services (introduced from 26.09.2014)

Except the push alert service the remaining two services are provided at free of cost for all types of customers.

#### SMS push alert services

Customers will receive SMS in respect of the following events in their mobile number registered with the bank.

- End of day balance if there is any change in balance
- Transaction alerts for all ATM/debit card transactions/net banking transactions and one time passwords
- Alerts for transactions of ₹ 5000 and above and when cheques for ₹ 1 lakh and above is received in inward clearing
- Deposit due date reminder
- Loan installment alert
- Inward cheque return
- OD/CC renewal reminder

For current account customers the SMS alert charges are ₹20 per quarter. No SMS charges (Rs.10/- + GST per Quarter collected previously) for all the savings accounts w.e.f 01.05.2021.

#### SMS pull services

Customer has to send a simple SMS to (9282112225) to get the balance anytime, anywhere as under

Customers having only one operative account registered for SMS banking alert facility	Customers to send TMB BAL
Customers having more than one operative account registered for SMS banking alert facility	Customers to send TMB BAL XXXXXX XXXXXX – Last 6 digits of the account number.

#### Missed call services

- Customers should call the number 09211937373 from their registered mobile number. Call will get disconnected automatically after 6 seconds
- No charge will be deducted for the customer by their mobile operator
- Available balance for up to 5 accounts will be sent as SMS response

### 3.12 Mobile banking

Mobile banking is provided to all the customers of the bank. Mobile Banking can be used by the customer to conduct banking operations / transactions on his TMB accounts from his mobile phone. **Per day transaction limit is ₹ 35.05 lakhs (as per list given below)** With TMB m-banking customer can access account information, transfer funds, recharge prepaid mobile number, DTH recharge etc., Mobile banking helps the customer to do banking while on the move directly through his mobile phone. He can access information and conduct transactions on his TMB Bank accounts with the help of his mobile phone anywhere, anytime.

TMB M Connect application (Old Mobile Banking App)&  
TMB MBank application (New Mobile Banking App)

Transaction limit Per day:

RTGS-₹5 lakhs/NEFT-₹5 lakhs/Credit less-₹5000/-

IMPS-₹5 lakhs (inclusive of instant pay of ₹1 lakh to unregistered payee)

Within TMB (Self A/c)- ₹10 lakhs

Within TMB(Third party-Registered/unregistered)- ₹10 lakhs

Total ₹35.05 lakhs per day. wef.01.10.2021

Details of service available in m-banking

- Balance inquiry
- Mini statement
- Funds transfer
- Cheque book request
- Value added services (Mobile recharge and DTH recharge)
- Deposit account opening

**(Note:** Our Committee of Executive may be permitted to fix the mobile banking transaction limit as recommended by our IT Department from time to time.)

### 3.13 Online deposits

Opening and closure of deposits online has been enabled for FD / RD / MKD / TMB Tax Savings deposit / TMB Valarnidhi Cash Certificate. Customers of the bank who have registered their email id can avail the facility. Auto renewal facility is available for FD and MKD deposits.

### 3.14 Accidental insurance cover on deposit schemes

The bank offers free personal accidental insurance cover on certain deposit schemes such as TMB SB Premium, TMB Dynamic Youth savings account, TMB Royal savings bank account and Gold and Diamond category customers of TMB Super Flexi current account. The bank reserves the right to offer free accidental insurance facility on any other deposit scheme or withdraw the facility on any deposit scheme at any time.

#### **4. Account opening and operation of deposit accounts**

##### **4.1**

- a) The bank before opening any deposit account will carry out due diligence as required under know your customer (KYC) guidelines issued by RBI, anti-money laundering rules and regulations. The bank shall obtain only such information to meet with KYC, prevention of money laundering or any other statutory requirements. In case any additional information is asked for it will be sought separately and the bank shall explain the reason for obtaining such additional information. Providing such information will be voluntary unless required by law. The information will be kept confidential unless required by law enforcing agency / banking regulator.
- b) The bank will provide the account opening forms which will contain details of essential information required to be furnished and documents to be produced for verification and/or for record for meeting the KYC requirements.
- c) Customers will be asked to submit documents in respect of KYC at periodic intervals to enable the bank to update its records as required.
- d) The bank shall explain the procedural formalities and provide necessary clarifications sought by the prospective customer while opening a deposit account.
- e) The bank shall give the most important terms and conditions (MITC) governing the deposit facility the customer desires to avail.
- f) At the time of opening of the account the bank shall make available the details of the insurance cover in force under the insurance scheme subject to certain limits and conditions offered by the Deposit Insurance and Credit Guarantee Corporation of India (DICGC).

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

4.2 The bank is committed to offer a basic savings bank account which will offer the following minimum common facilities to the customers at free of cost. These guidelines inter-alia include

- (a) This account shall not have the requirement of any minimum balance
- (b) The services available in the account will include deposit and withdrawal of cash at bank branch as well as ATMs, receipt/credit of money through electronic

payment channels or by means of deposit/collection of cheques drawn by Central/State Government agencies and departments

(c) 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 withdrawals

(d) Facility of ATM card or ATM-cum-debit card

BSBDA-Small Accounts (when opened on the basis of simplified KYC the account is treated as BSBDA-Small account) offered to the customers would be subject to the following conditions

- i. Total credits in such accounts should not exceed one lakh Rupees in a year
- ii. Maximum balance in the account should not exceed fifty thousand Rupees at any time
- iii. The total of debits by way of cash withdrawals and transfers will not exceed ten thousand Rupees in a month
- iv. Foreign remittances cannot be credited to small accounts without completing normal KYC formalities
- v. Small accounts are valid for a period of 12 months initially which may be extended by another 12 months if the person provides proof of having applied for an officially valid document.

4.3 The account opening forms and other material would be provided to the prospective depositor by the bank. The same will contain details of information to be furnished and documents to be produced for verification and or for record it is expected of the bank official opening the account to explain the procedural formalities and provide necessary clarifications sought by the prospective depositor when he approaches for opening a deposit account.

4.4 The regulatory guidelines require banks to categorize customers based on risk perception and prepare profiles of customers for the purpose of transaction monitoring. Inability or unwillingness of a prospective customer to provide necessary information / details could result in the bank not opening an account.

4.5 Inability of an existing customer to furnish details required by the bank to fulfill statutory obligations could also result in closure of the account after due notice[s] is provided to the customer.

4.6

a) For deposit products like savings bank account and current account the bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the bank from time to time. For saving bank account the bank may also place restrictions on number of transactions, cash withdrawals etc., for a given period. Similarly the bank may specify charges for issue of cheque books, additional statement of accounts,

duplicate pass book, folio charges etc. All such details regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be communicated to the prospective depositor while opening the account.

b) Interest for SB Account is calculated on daily balance method. Interest will be credited once in every 3 months as given below.

Interest payment duration	Date of Interest Payout
First quarter – April to June	1 <sup>st</sup> July
Second quarter – July to September	1 <sup>st</sup> October
Third quarter – October to December	1 <sup>st</sup> January
Fourth quarter – January to March	1 <sup>st</sup> April

The changes in interest rates on Savings Bank accounts would be effective as per the decisions taken by ALCO from time to time.

Since SB account is meant for the purpose of savings, any transactions made by the account holders beyond their personal earnings and of business nature will pave way to withhold the payment of interest to those accounts as desired by the Bank on the date from which the transactions are carried out with prior intimation to the account holders. Further, those customers shall be advised to convert their account into current account.

4.7 Savings bank accounts can be opened for eligible person / persons and certain organizations / agencies (as advised by RBI from time to time).

4.8 Current accounts can be opened by individuals / partnership firms / private and public limited companies / HUFs / specified associates / societies / trusts, department of authority created by Government [Central and State], limited liability partnership etc.

4.9 Term deposit accounts can be opened by individuals / partnership firms / private and public limited companies / HUFs / specified associates / societies / trusts, department of authority created by Government [Central and State], limited liability partnership etc.

4.10 While opening a deposit account due diligence process is to be exercised to identify the customer by obtention of recent photograph, verify the proof of identity and proof of address, satisfying about his/her occupation and source of income.

4.11 In addition to the due diligence requirements under KYC norms the bank is required by law to obtain permanent account number (PAN) or alternatively declaration in revised form no. 60 as specified under the Income Tax Act / Rules.

4.12 Deposit accounts can be opened by an individual in his own name (status - known as account in single name) or by more than one individual in their own names (status - known as joint account). The accounts can be opened in any of the following modes

- Single
- Joint
- Joint (Either or Survivor)
- Joint (Former or Survivor)
- Joint (Latter or Survivor)

4.12.1 SB account can also be opened by a minor represented by guardian or jointly with a major, where minor is represented by natural guardian. Minors above the age of 10 will be allowed to open and operate SB accounts individually subject to the condition that the minor should be able to put a unique signature on his own. ATM cum debit card, cheque book, pass book, internet banking facility and mobile banking facility will also be provided to the minor account holder. However there will be restrictions on the limits of usage per day with reference to debit card, internet banking and mobile banking. However, no overdraft will be granted to these minors.

4.13 TMB Simple / Small Savings Bank Account (Basic Saving Bank Deposit Account) is available to all customers without the requirement of any minimum balance to be maintained. All the basic common banking facilities are provided to customers without any charges. The customers can get the details at the time of opening the account.

4.14 Operation of joint account - The joint account opened by more than one individual can be operated by single individual or by more than one individual jointly. The mandate for operating the account can be modified with the consent of all account holders. The savings bank account opened by minor jointly with natural guardian / guardian can be operated by natural guardian only.

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

4.15.1 Either or Survivor - If the account is held by two individuals say, A and B, the final balance along with interest if applicable will be paid to survivor on death of anyone of the account holders.

The repayment of deposit on maturity can be made after duly discharging the deposit receipt by any one of the joint depositors. In case the deposit is claimed before maturity it can be allowed only after getting the deposit receipt discharged by all the joint depositors.

In case one of the joint depositors expires before maturity date of deposit the repayment cannot be made to the survivors without the concurrence of the legal

heirs of the deceased joint holder. The above condition would not be applicable in case of payment to survivor on maturity.

4.15.2 Anyone or Survivor/s - If the account is held by more than two individuals say A, B and C, the final balance along with interest if applicable will be paid to the survivor, on death of the other two account holders.

The above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. This mandate can be modified by the consent of all the account holders.

4.15.3 Former or Survivor/s - Former alone can withdraw the matured deposit amount when both the depositors are alive. Signatures of both the depositors are necessary in case of deposit is claimed before maturity.

In case the former expired before maturity date of deposit the survivor can withdraw the deposit on maturity. If one of the depositors is deceased before maturity of deposit the repayment of deposit cannot be made to the survivor without the concurrence of the legal heirs of the deceased joint account holder.

4.15.4 Latter or Survivor - If the account is held by two individuals say A and B the final balance along with interest if applicable will be paid to B on death of A. Similarly in case of death A it will be paid to B on or after the due date of deposit.

The above mandate for opening joint accounts/disposal of balances become operational from the date deposit account is opened. This mandate can be modified by the consent of all the account holders

4.15.5 Non-resident Indians[NRI] are allowed to open NRE / FCNR [B] account jointly with their resident close relative [relative as defined in section 6 of The Companies Act, 1956] on former or survivor basis.

The resident close relative shall be eligible to operate the account as a power of attorney holder in accordance with extant instructions during the life time of NRI / PIO account holder.

Individual resident is permitted to include non-resident close relatives as a joint holder in their resident bank accounts on former or survivor basis. However, such non-resident close relatives shall not be eligible to operate the account during the life time of the resident account holder.

4.16 At the request of the depositor the bank will register mandate / power of attorney given by him authorising another person to operate the account on his behalf.

4.17 The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity.

In absence of such mandate the bank will seek instructions from the depositor/s as to the disposal of the deposit by sending 15 days' notice prior to the maturity date of term deposit. In case the bank still do not receive any instruction from the depositor the bank will renew the deposit excluding deposits like tax savings deposits, recurring deposit, special deposit schemes like TMB Double etc., for the same period of time as the matured deposit at the prevailing rate of interest.

4.18 Nomination facility is available on all deposit accounts opened by the individuals. Nomination is also available to a sole proprietary concern account. Nomination can be made in favour of one individual only. Nomination so made can be cancelled or changed by the account holder/s any time. Nomination can be modified by the consent of account holder/s. Nomination can be made in favour of a minor also.

4.19 Bank recommends that all depositors should avail nomination facility. The nominee in the event of death of the depositor/s would receive the balance outstanding in the account as a trustee of legal heirs. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.

4.20 Generally the bank will invariably issue passbook to all savings bank account holders and statement of accounts to all current account holders. Normally a statement of account will be issued on monthly basis to a current account holder without any cost. Internet banking user can download the statement of account at free of cost. The passbook will invariably contain (i) full address of the branch (ii) telephone number of the branch (iii) customer care telephone number (iv) brief intelligible particulars in respect of details of credit entries with instrument number and name of the drawee branch and details of debit entries with instrument number and payee's name. Details of ECS, NEFT and RTGS transactions will be indicated with name of the remitter in case of credit and name of the payee in case of debit entries. The bank shall indicate the branch's MICR Code and IFS Code in passbooks and statements of accounts.

4.21 The deposit accounts may be transferred to any other branch of the bank at the request of the depositor without any cost.

4.22 The minimum balance to be maintained in the savings bank account will be displayed in the branches.

For deposit products like savings bank account and current account or any other type of deposit account the customer will be informed

- i. about the minimum balance to be maintained as part of terms and conditions governing operation of such accounts
- ii. about charges which will be levied in case of failure to maintain the minimum balance in the account by customer. Details of the charges will be included in the tariff schedule

- iii. 30 days in advance of any change in minimum balance to be maintained. During this notice period the bank will not charge the customer for non-maintenance of such higher minimum balance prescribed.

Levy of charges for non-maintenance of minimum balance in ordinary savings bank accounts shall be subject to the following guidelines

- i. In the event of a default in maintenance of minimum balance/average minimum balance as agreed to between the bank and the customer, the bank will notify the customer clearly by SMS/email/letter etc. that in the event of the minimum balance not being restored in the account within a month from the date of notice penal charges will be applicable.
- ii. In case the minimum balance is not restored within a reasonable period which shall not be less than one month from the date of notice of shortfall penal charges may be recovered under intimation to the account holder.
- iii. The penal charges are directly proportionate to the extent of shortfall observed. In other words the charges is a fixed percentage levied on the amount of difference between the actual balance maintained and the minimum balance as agreed upon at the time of opening the account.
- iv. The bank will ensure that the balance in the savings account does not turn into negative balance solely on account of levy of charges for non-maintenance of minimum balances.

#### 4.23 Charges

- a. Specific charges for issue of cheque books, additional/duplicate statement of accounts, duplicate passbook, copies of paid cheques, folio charges, debit / ATM card, verification of signature, return of cheque, change in mandate or style of account, closure of savings bank / current accounts etc., will be included in the tariff schedule. Concessions or relief given will not be withdrawn during the original validity period of the concession/relief.
- b. Upgradation of deposit accounts (except in those products where auto-upgradation is inbuilt like TMB Super Flexi current account)
- c. Account maintenance charge for the services offered over the counter in addition to the existing service charges as detailed below is introduced afresh w.e.f 01.05.2021.

(All debit and credit transactions carried out through Digital channels are excluded for calculation of number of free transactions)

In case the account meets the terms for upgradation the bank shall upgrade the account only after obtaining consent in writing from the account holder or through any other mode or where consent is obtained through authenticated electronic means after necessary validation.

## 5. Interest payments

5.1 Interest shall be paid on saving account at the rate decided by the bank from time to time calculated on daily product basis as per Reserve Bank of India guidelines. However, term deposit interest rates are decided by the bank within the general guidelines issued by the Reserve Bank of India from time to time.

5.2 In terms of Reserve Bank of India directives interest shall be calculated at quarterly intervals on term deposits and paid at the rate decided by the bank depending upon the period of deposits. In case of monthly deposit scheme the interest shall be calculated for the quarter and paid monthly at discounted value. The interest on term deposits is calculated by the bank in accordance with the formulae and conventions advised by Indian Banks' Association.

5.3 The rate of interest on deposits will be prominently displayed in the branch premises. Changes if any with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed.

5.4 The bank has statutory obligation to deduct tax deducted at source (TDS) at the applicable rate if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The bank will issue a tax deduction certificate (TDS certificate) for the amount of tax deducted. The depositor if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year. The customers have to necessarily submit form 15G / 15H in duplicate to the branches every year where they have deposits. The declaration filed in form 15G and 15H u/s 197A shall not be valid unless the person filing the declaration furnishes his/her PAN in such declaration. In case of failure to do the same tax is deducted at the rate mentioned in the relevant provisions of the IT Act or at the rate in force or at the rate of 20% whichever is higher. The bank will issue the requisite certificate within the stipulated period if the bank deducted tax from interest paid / accrued on deposits. The bank will indicate the tax deducted if any on interest on term deposits credited to savings / current account in the passbook / statement of account.

5.5 Acknowledgement by branches at the time of submission of form 15-G / 15-H

Banks are not required to deduct TDS from depositors who submit declaration in form 15G/15H under Income Tax Rules, 1962.

With a view to protect interest of the depositors and for rendering better customer service branches should give an acknowledgment at the time of receipt of form 15G/15H by returning one copy of the form 15G / 15H to the customers as acknowledgement for having received the form 15G / 15H. This will help in building a system of accountability and customers will not be put to inconvenience due to any omission on part of the branch.

## 5.6 Timely issue of TDS certificate to customers

With a view to protect the interests of the depositor and for rendering better customer service the branches should provide TDS certificate in form 16 A to their customers in respect of whom the branches (banks) have deducted tax at source. The bank shall provide form 16A to the customers well within the time frame prescribed under the Income Tax Rules.

## 6. Minors' accounts

6.1 A minor can open savings bank account and the same can be operated by the natural guardian or by minor himself / herself if he/she is above the age of 10 years and can sign uniformly. The account in the name of minor can also be opened jointly with guardian with mode of operation of jointly with the parent / guardian or singly by parent / guardian.

6.2 On attaining majority the erstwhile minor should confirm the balance in his/her account and if the account is operated by the natural guardian / guardian, fresh specimen signature of erstwhile minor duly verified by the guardian would be obtained and kept on record for all operational purposes. The bank shall intimate the date on which the minor becomes major.

### 6.3 Opening accounts in the name of minors with mothers as guardians

The bank shall allow to open minor accounts (fixed and savings only) with mother as guardian, whenever such requests are received by it subject to the condition that the minor's account opened with mother as guardian is not allowed to be overdrawn and that they always remain in credit.

The facility of allowing opening of minor accounts with mother as guardian may be extended to recurring deposit accounts also subject to precautions mentioned above.

## 7. Account of illiterate persons / blind persons and mentally challenged people and those with disabilities like autism, mental retardation, cerebral palsy and multiple disabilities

7.1 Account of illiterate persons / blind persons - The bank may at its discretion open deposit accounts other than current accounts of an illiterate person / blind persons. The account of such persons may be opened provided he/she calls on the bank personally along with a witness who is known to both the depositor and the bank. Normally no cheque book facility is provided for such savings bank account. At the time of withdrawal / repayment of deposit amount and/or interest the account holder should affix his / her thumb impression or mark in the presence of the authorized officer who should verify the identity of the person. The bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The bank official shall explain the terms and conditions governing the account to the

illiterate person / blind persons. The bank shall not discriminate while opening such accounts for blind and follow the guidelines of RBI time to time.

7.2 Mentally challenged people and those with disabilities like autism, mental retardation, cerebral palsy and multiple disabilities

The accounts can be opened and operated by the legal guardian as long as he remains the legal guardian of mentally challenged people and those with disabilities like autism, mental retardation, cerebral palsy, and multiple disabilities. The bank will accept the Guardianship Certificate issued either by the District Court under Mental Health Act or by the local committees for the purpose of opening and operating accounts. In case of doubt care may be taken to obtain proper legal advice.

### **8. Addition or deletion of the name/s of joint account holders**

The branch may, at the request of all the joint account holders, allow the addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder. Under any circumstance the principal depositor (first named depositor) name should not be deleted. However in no case should the amount or duration of the original deposit undergo a change in any manner in case the deposit is a term deposit.

#### NRE / FCNR-B / FCNR Plus deposits

Joint accounts can be opened by two or more NRIs and / or PIOs or by a NRI / PIO with a resident relative (as defined in section 2(77) of the Companies Act 2013) on Former or Survivor basis. However during the lifetime of the NRI / PIO account holder the resident relative can operate the account only as a power attorney holder.

#### RFC deposits

Joint accounts can be opened by two or more NRIs and / or PIOs or by a NRI / PIO with a resident relative (as defined in section 2(77) of the Companies Act 2013) on Former or Survivors basis. However during the lifetime of the NRI / PIO account holder the resident relative cannot operate the account.

#### NRO deposits

NRO accounts may be held jointly with residents on Former or Survivor basis. NRIs and PIOs may hold NRO account jointly with other NRIs and PIOs.

### **9. Customer information**

The customer information collected from the customers shall not be used for cross selling of services or products by the bank or its subsidiaries / affiliates. If the bank proposes to use such information it will seek with the consent of the account holder.

## 10. Secrecy of customer's accounts

The bank shall not disclose details / particulars of the customer's account to a third person or party without the expressed or implied consent from the customer. However there are some exceptions viz. disclosure of information under compulsion of law where there is a duty to public to disclose and where interest of the bank requires disclosure.

## 11. Changing the account

- If the customer is not satisfied with the current / savings account he has opened the customer can approach the bank to switch to any of the other accounts within 14 days of making the first payment into the account. Alternatively the customer can also claim for refund of the amount which will be paid to the customer along with any interest it may have earned.
- If the customer decides to close the current / savings account the account will be closed within three working days after receiving the instructions from the customer subject to the customer completing all the formalities and submitting all the required documents.
- If the customer wants to transfer the account to another branch, without obtaining any fresh proofs the account will be transferred to another branch within three working days on the basis of a self declaration from the customer for the new address. However the customer has to submit the documentary proof of the new address within a time span of 6 months.

## 12. Intimation before maturity date

The bank will intimate the depositors of term deposits that do not have any disposal instructions at maturity by post, courier, email or SMS at the registered contact details of the depositor at least 15 days prior to the date of maturity of the deposit.

Further an SMS alert is also sent to customers after the closure of the deposit account to the mobile number of the customer which is registered for availing SMS alert facility.

## 13. Payment of fixed deposits on due date

Term deposits are due for repayment on due date as per the period mentioned at the time of acceptance of deposits. If due date falls on a holiday or a Sunday, payment is due on the next working day. If fixed deposit receipt has been issued to the depositor such fixed deposit receipt should be presented for payment duly discharged by the person(s) in whose favour the receipt was issued. If payment is needed in cash, the discharge shall be over a revenue stamp of ₹ 1 (minimum) for amounts over ₹ 5000 (**maximum permitted cash payment is up to**

₹10,000). In case of credit to depositor's account with the bank the discharge over revenue stamp is not required. The fixed deposit receipt itself duly discharged shall be treated as a debit voucher.

#### 14. Renewal of term deposits

All new fixed deposits shall be placed under auto renewal mode for the original period of the deposit unless contrary instructions such as auto closure are provided by the depositors any time prior to the date of maturity and as per the mode of operation of the account.

Exceptions to the above are

- Non-individual deposits
- Deposits of ₹ 10 million and above
- Deposits where fixed deposit receipt has been issued and are jointly held
- Tax saver fixed deposits
- Recurring deposits
- TMB Valarnidhi Cash Certificate

In case of auto renewal as the case may be interest rate prevailing on the date of auto renewal shall be applicable. For traditional fixed deposit the principal deposit amount shall be renewed, while for cumulative fixed deposit the entire maturity proceeds shall be renewed.

#### 15. Repayment of term/fixed deposits

The bank will not insist on the signatures of both the depositors to allow repayment of money in fixed/term deposits when the deposit account is opened with operating instructions (sometimes called repayment instructions) Either or Survivor / Former or Survivor.

1. If fixed/term deposit accounts are opened with operating instructions Either or Survivor the signatures of both the depositors need not be obtained for payment of the amount of the deposits on maturity. However, the signatures of both the depositors may have to be obtained in case the deposit is to be paid before maturity. If the operating instruction is Either or Survivor and one of the depositors expires before the maturity no pre-payment of the fixed/term deposit may be allowed without the concurrence of the legal heirs of the deceased joint holder. This however would not stand in the way of making payment to the survivor on maturity.
2. In case the mandate is Former or Survivor, the Former alone can operate/withdraw the matured amount of the fixed/term deposit when both the depositors are alive. However the signature of both the depositors may have

to be obtained in case the deposit is to be paid before maturity. If the former expires before the maturity of the fixed/term deposit the Survivor can withdraw the deposit on maturity. Premature withdrawal would however require the consent of both the parties when both of them are alive and that of the surviving depositor and the legal heirs of the deceased in case of death of one of the depositors.

3. If the joint depositors prefer to allow premature withdrawals of fixed/term deposits also in accordance with the mandate of Either or Survivor / Former or Survivor as the case may be the bank will permit premature withdrawals provided they have given a specific joint mandate from the depositors for the said purpose and the deposit scheme in which they placed the deposit permits premature closure. In other words, in case of term deposits with Either or Survivor / Former or Survivor mandate the bank will allow premature withdrawal of the deposit by the surviving joint depositor on the death of the other only if there is a joint mandate from the joint depositors to this effect.
4. The joint deposit holders may be permitted to give the mandate either at the time of placing fixed deposit or anytime subsequently during the term / tenure of the deposit. If such a mandate is obtained the bank shall allow premature withdrawal of term / fixed deposits by the surviving depositor without seeking the concurrence of the legal heirs of the deceased joint deposit holder. It is also reiterated that such premature withdrawal would not attract any penal charge.
5. When a fixed deposit account is opened in the joint names of two depositors on Either or Survivor basis and the said joint depositors already have a savings bank account in their names jointly on Either or Survivor instructions, the proceeds of the matured fixed deposit can be credited to the joint savings bank account already opened in the bank. There is no need for opening a separate savings bank account in the name of the first depositor for crediting the proceeds of the fixed deposit.

## **16. Payment of interest on accounts frozen by branches**

Branches are at times required to freeze the accounts of customers based on the orders of the Law Enforcement Authorities. As per RBI guidelines the bank will follow the procedure detailed below in the case of term deposit accounts frozen by the enforcement authorities

- i. A request letter may be obtained from the customer on maturity. While obtaining the request letter from the depositor for renewal branch should also advise him to indicate the term for which the deposit is to be renewed. In case

the depositor does not exercise his option of choosing the term for renewal branch may renew the same for a term equal to the original term.

- ii. No new receipt is required to be issued.
- iii. Renewal of deposit may be advised by registered letter / speed post / courier service to the concerned Government department under advice to the depositor. In the advice to the depositor the rate of interest at which the deposit is renewed should also be mentioned.
- iv. If overdue period does not exceed 14 days on the date of receipt of the request letter, renewal may be done from the date of maturity. If it exceeds 14 days banks may pay interest for the overdue period from the date of maturity to till the date of renewal at the applicable rate as per the bank policy. Further with regard to the savings bank accounts frozen by the enforcement authorities the bank will continue to credit the interest to the account on a regular basis.

### **17. Premature withdrawal of term deposit**

The bank on written request from the depositor at its discretion may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. While prematurely closing the deposit before the original maturity date the bank will pay the interest applicable for the period for which the deposit remained with the bank less penalty as may be fixed by the Bank from time to time. There is no penal interest for premature closure of bulk deposits of ₹1 crore and above after 14 days of deposits. For premature closure of TMB 20:20 deposits 0.50% penal interest will be charged on the rate applicable for the period for which the deposit remained with the bank. The bank shall intimate the depositor about the applicability of penalty in case of premature withdrawal at the time of accepting the deposit.

### **18. Premature renewal of term deposit**

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account the bank will permit the renewal at the applicable rate on the date of renewal provided the deposit is renewed for a period longer than the balance period of the original deposit. While prematurely closing a deposit for the purpose of renewal interest on the deposit for the period it has remained with the bank will be paid at the rate applicable to the period for which the deposit remained with the bank and not at the contracted rate.

### **19. 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 would be applied on the renewed deposit. 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 the interest rate applicable as on the due date provided such request is received within 14 days from the date of maturity. In respect of overdue deposits renewed after 14 days from the date of maturity interest for the overdue period will be calculated from the date of maturity to the date of renewal at the prevailing rate of interest applicable for 15 days term deposits and credited with the original maturity amount and then open it as a fresh term deposit with applicable rate of interest for further period of renewal.

## **20. Advances against term deposits**

The bank may consider request of the depositor/s for loan / overdraft facility against term deposits duly discharged by the depositor/s on execution of necessary security documents on subsequent date not on the date of opening the deposit. The bank may also consider loan against deposit standing in the name of minor. However a suitable declaration stating that loan is for the benefit of the minor is to be furnished by the depositor - applicant.

## **21. Settlement of dues in deceased deposit account**

### **21.1 Accounts with survivor/nominee clause**

a. In the case of a deposit account of a deceased depositor where the depositor had utilized the nomination facility and made a valid nomination or where the account was opened with the survivorship clause (either or survivor or anyone or survivor or former or survivor or latter or survivor) payment of the balance in the deposit account to the survivor(s) or nominee of the deceased deposit account holder will be made provided

- i. the identity of the survivor(s)/nominee and the fact of the death of the account holder is established through appropriate documentary evidence
- ii. there is no order from the competent court restraining the bank from making the payment from the account of the deceased

In such cases payment to the survivor(s) or nominee of the deceased depositors will be made without insisting on production of succession certificate, letter of administration or probate etc., or obtaining any bond of indemnity or surety from the survivor(s) or nominee irrespective of the amount standing to the credit of the deceased account holder.

b. The survivor(s) / nominee would be receiving the payment from the bank as a trustee of the legal heirs of the deceased depositor i.e., such payment shall not affect the right or claim which any person may have against the survivor(s) / nominee to whom the payment is made.

c. The payment made to the survivor(s) / nominee subject to the foregoing conditions would constitute a full discharge of the bank's liability.

d. In case of term deposits with Either or Survivor / Former or Survivor mandate premature withdrawal on death of one of the depositors of the deposit by the surviving joint depositor/s will be permitted only if there is a mandate from all the depositors to this effect.

#### 21.2 Accounts without the survivor/nominee clause

In case where the deceased depositor had not made any nomination or for the accounts other than those styled as either or survivor (such as single or jointly operated accounts) the bank will adopt a simplified procedure for repayment to the legal heir(s) of the depositor keeping in view the imperative need to avoid inconvenience and undue hardship to the common person. Keeping in view the risk management policy, the bank will fix a minimum threshold limit up to which claims in respect of the deceased depositors could be settled without insisting on production of any documentation other than a letter of indemnity.

#### 21.3 Time limit for settlement of claims

The bank will settle the claims in respect of deceased depositors and release the payments to survivor(s) / nominee within a period not exceeding 15 days from the date of receipt of the claim subject to the production of proof of death of the depositor and suitable identification of the claimant(s) to the bank's satisfaction.

#### 21.4 Premature termination of term deposit accounts

In the case of term deposits the bank will incorporate a clause in the account opening form itself to the effect that in the event of the death of the depositor premature termination of term deposits would be allowed. The conditions subject to which such premature withdrawal would be permitted would also be specified in the account opening form. Such premature withdrawal would not attract any penal charge.

#### 21.5 Treatment of flows in the name of the deceased depositor

In order to avoid hardship to the survivor(s) / nominee of a deposit account the bank will obtain appropriate agreement / authorization from the survivor(s) / nominee with regard to the treatment of pipeline flows in the name of the deceased account holder. In this regard the bank will consider adopting either of the following two approaches

i. The bank could be authorized by the survivor(s) / nominee of a deceased account holder to open an account styled as estate of \_\_\_\_\_, the deceased where all the pipeline flows in the name of the deceased account holder could be allowed to be credited provided no withdrawals are made

or

ii. The bank could be authorized by the survivor(s) / nominee to return the pipeline flows to the remitter with the remark account holder deceased and to intimate the survivor(s) / nominee accordingly

The survivor(s) / nominee / legal heir(s) could then approach the remitter to effect payment through a negotiable instrument or through electronic transfer in the name of the appropriate beneficiary.

## **22. Interest payable on term deposit in deceased account**

22.1 In the event of death of the depositor before the date of maturity of deposit and amount of the deposit is claimed after the date of maturity the bank shall pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment the bank shall pay simple interest at the applicable rate obtaining on the date of maturity for the period for which the deposit remained with the bank beyond the date of maturity as per the bank's policy in this regard.

22.2 However in the case of death of the depositor after the date of maturity of the deposit the bank shall pay interest at savings deposit rate from the date of maturity till the date of payment.

## **23. Insurance cover for deposits**

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

## **24. Stop payment facility**

- a. The bank will accept stop payment instructions from the customers in respect of cheques issued by them. On receipt of the instructions an acknowledgement will be issued to the customer and take action provided these cheques have not already been cleared.
- b. Charges if any will be levied on such requests as indicated in the tariff schedule.
- c. The bank will compensate the customer as per the compensation policy of the bank in case a cheque is paid subsequent to the receipt of stop payment instructions.

## **25. Inoperative/dormant accounts**

Accounts which are not operated for a period of 2 years will be transferred to a separate dormant / inoperative account status in the interest of the depositor as well as the bank. The bank shall inform the customers three months before their accounts be treated as inoperative / dormant accounts.

- The customer will be informed at the time of opening the account itself the circumstances under which the account will be classified as inoperative / dormant. The customer will be informed three months before his account is classified as inoperative / dormant

- An SMS / email will be sent to the customer advising that the account has been classified as inoperative / dormant
- The joint account holder/s will also be notified about the account being classified as inoperative / dormant
- The customer will also be informed the procedure to be followed to activate the account
- No charges will be levied merely because the account is inoperative / dormant
- No charges will be levied for activation of the inoperative account

## **26. Closure/freezing of the account**

The bank reserves the right to close or freeze the accounts of the depositor after due notice to the customers for reasons which may include, but not limited to, the following

1. In case any of the documents furnished towards identity and address proof are found to be fake/forges/defective
2. In case fraudulent/forged/fake cheques/bank drafts or any such instruments are attempted to be cleared/cleared through the accounts
3. In case of frequent return of inward/outward cheques in the account
4. Any false /misleading information given or suppression of any material fact
5. Detection of the name of the account holder in prohibitory list
6. Unsatisfactory conduct of the account in terms of volume/type of transactions non-maintenance of minimum balance etc., and non-intimation of change in communication address leading to customer's whereabouts being unknown.

Under normal circumstances the bank will not close the account without giving at least 30 days notice indicating the reasons for such closure. In such cases customer will be required to make alternate arrangements for cheques already issued by them and desist from issuing any fresh cheques on such account.

## **27. Closure of the account requested by the customer**

When the customer desires to close the account a written request under the recorded signature of the customer addressed to the base branch should be sent by the customer accompanied with the passbook (if issued) and all unused cheque leaves. The debit card/ATM card issued in the account also should be surrendered. In case of partnership firm and joint account the letter of request should be signed by all the partners and all the account holders respectively. In case of limited companies a board resolution authorizing closure of the account is required. If the customer so desires the passbook (if issued) with amply branded as account closed may be retained by the customer. The balance standing to the credit of such account with interest will be paid to the customer.

## **28. Accounts of physically impaired person**

A physically impaired person may open an ordinary savings bank account in his sole name or jointly with other person(s). The bank at its discretion may open deposit accounts other than current accounts. The account of such person may be opened provided he/she calls on the bank personally along with a witness who is known to both the depositor and the bank. Guardianship certificate issued either by the District Court under Mental Health Act, 1987 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 is required for the purpose of opening / operating accounts.

## **29. Accounts of visually impaired person**

A visually impaired person may open an ordinary savings bank account in his sole name or jointly with other person(s). The bank at its discretion may open deposit accounts other than current accounts of visually impaired person. The account of such person may be opened provided he/she calls on the bank personally along with a witness who is known to both the depositor and the bank. The signature of the witness to this effect will be obtained in the account opening form. Visually impaired persons can open cheque book operated accounts after fulfilling the requirement of the bank.

## **30. Redressal of complaints and grievances**

Depositors having any complaint / grievance with regard to services rendered by the bank has a right to approach authority (ies) designated by the bank for handling customer complaint / grievances. The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises. The branch officials shall provide all required information regarding procedure for lodging the complaint. In case the depositor does not get response from the bank within 30 days from date of complaint or he is not satisfied with the response received from the Bank he has a right to approach Banking Ombudsman appointed by the Reserve Bank of India.

## **31. Regulatory Inclusion**

The guidelines issued by regulatory authorities from time to time will form part of this policy and will be deemed to be incorporated in the policy as and when such guidelines are made applicable.

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