



The Nasik Merchants Co-op Bank Ltd.

Deposit Policy 2026-27

By _____
Accounts Department



Accounts Department

DEPOSIT POLICY

I. POLICY APPROVAL.

Resolved in BoD Meeting.	
Date	Resolution No
27/03/2026	32

II. Period of Policy.

Period of Policy.
With effective from 01/04/2026 and will be reviewed every year in the month of March. However, will be modified, changed as & when needed.

III. Sign Off

Shri. Gurappa Savkar Assistant General Manager Chief Accountant	
Shri. Santosh Jadhav Chief Compliance Officer	
Shri. Trigun Kulkarni, Chief Executive Officer	

IV. Distribution.

01	All Branches
02	All HODs at HO

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DEPOSIT POLICY

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01. PREAMBLE.

- 01.01. One of the important functions of the Bank is to accept deposits from the public for the purpose of lending & or investment. Thus, deposits are the major resource and mainstay of a bank, and the main objective of a bank is to mobilize adequate deposits.
- 01.02. The policy document recognizes the rights of depositors and aims at dissemination of information about various aspects of acceptance of deposits, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, etc., for the benefit of customers.

02. OBJECTIVES OF THE POLICY.

- 02.01. This policy outlines the guiding principles in respect of various types of deposit of the Bank and terms and conditions governing the conduct thereof.
- 02.02. This policy will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights.
- 02.03. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.
- 02.04. This document is a broad framework under which the rights of common depositors are recognized.
- 02.05. To set detailed operational instructions on various deposit schemes and related services will be issued from time to time.
- 02.06. This policy reiterates its commitments to the individual customers as outlined in the Code of Bank's Commitment to Customers.

03. TYPES OF DEPOSIT ACCOUNTS.

The deposit products can be categorized broadly into the following types.

03.01. DEMAND DEPOSITS.

Demand Deposits mean a deposit received by the Bank which is withdrawable on demand.

03.02. SAVING BANK ACCOUNT.

- 03.01.01. "Savings Bank Account" means a form of interest-bearing 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, whether designated as "Savings Account", "Savings Bank Account", "Savings Deposit Account", "Basic Savings Bank Deposit Account (BSBDA)" or other account by whatever name called.
- 03.01.02. Abovementioned Accounts are designed to help the individual /personal customers to inculcate the habit of saving money and to meet their future requirement of money and will be opened for eligible person / persons and certain organizations / agencies as advised by Reserve Bank of India from time to time.
- 03.01.03. The amount can be deposited /withdrawn from these accounts by way of cheque/ATM/ Branches. It helps customers to keep minimum cash at home besides earning interest.
- 03.01.04. Failure to maintain stipulated minimum/ average balance in the account will attract levy of charges as specified by the Bank from time to time.
- 03.01.05. Similarly, the Bank may specify charges for issue of additional cheque books, additional statement of accounts, duplicate passbook etc.

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- 03.01.06. 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.
- 03.01.07. **BASIC SAVINGS BANK DEPOSIT ACCOUNT.**
The Bank offers a BSBDA Account with all the basic banking facilities with Zero Initial Pay-In and Zero balance account. Details about the product offering are available from all branches.
- 03.01.08. Passbook facility is available to all savings account holders free of cost.
- 03.02. **CURRENT ACCOUNTS.**
- 03.02.01. "Current Account" means a form of non-interest-bearing demand deposit where withdrawals are allowed at 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.
- 03.02.02. Current Accounts can be opened by individuals / proprietorship / partnership firms / LLP / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc. as advised by RBI from time to time.
- 03.02.03. Account Statements will be provided to all Current Account Holders periodically as per terms and conditions of opening of the account.
- 03.03. **TERM DEPOSITS.**
- 03.03.01. "**Term deposit**" means interest bearing deposit for a fixed period and will also include deposits such as Quarterly Interest payable Deposit, Monthly Interest payable Deposit / Half yearly Interest payable Deposit / Yearly Interest payable Deposit / Recurring / Cumulative / Annuity / Reinvestment deposits and Cash Certificates etc.
- 03.03.02. Term Deposits Accounts can be opened by individuals / proprietorship / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc. Bank has tailored various deposit schemes to suit the needs and expectations of investing people in every walk of life.
- 03.03.03. Tenor of Deposits: - The minimum tenor of the deposit will be seven days and maximum 10 years.
- 03.03.04. Size of Deposits: - Differential interest rates will be offered on bulk deposits provided that differential interest will not be applicable on deposit schemes framed based on the Bank Term Deposit Scheme, 2006.
- 03.03.05. Bank may offer term deposits without premature withdrawal option, provided that all term deposits accepted from individuals, held singly or jointly and Hindu Undivided Families for amount of Rs. 01.00 crore and above.
- 03.03.06. Bank will accept term deposits for up to 365 days at simple rate of interest.
- 03.04. **BULK DEPOSIT.**
- 03.04.01. "**Bulk Deposit**" means a single-rupee term deposit of ₹1 crore and above. The threshold amount may be revised from time to time as decided by the Reserve Bank of India (RBI).
- 03.04.02. The multiple deposits for one depositor in a single day irrespective of the tenor of deposits will also be treated as Bulk Deposit. It can be callable or non-callable depending upon the request of the customer and the limit thereof will be as decided by the RBI from time to time.
- 03.05. **NON-CALLABLE TERM DEPOSIT.**
"**Non-Callable Term Deposit**" means term deposits without premature closure facility, provided that all term deposits accepted from individuals held singly or jointly and the amount of limit thereof will be as decided by the RBI from time to time.

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04. INTEREST PAYMENT / RATES ETC NORMS.

- 04.01. Board of Directors / Delegated committee will decide the interest rates, tenor, etc. within the general guidelines issued by the Reserve Bank of India from time to time.
- 04.02. The rates will be uniform across all branches and for all customers and there will be no discrimination in the matter of interest paid on the deposits, between one deposit and another of similar amount, accepted on the same date, at any of its branches.
- 04.03. All transactions, involving payment of interest on deposits will be rounded off to the nearest rupee.
- 04.04. Deposits maturing on a Sunday / holiday / non-business working day.
- 04.04.01. If a term deposit is maturing for payment on a Sunday / holiday / non-business working day, bank will pay interest at the originally contracted rate on the original principal deposit amount for the Sunday / holiday / non-business working day, intervening between the date of the maturity of the specified term of the deposit and the date of payment of the proceeds of the deposit on the succeeding working day.
- 04.04.02. In case of reinvestment deposits and recurring deposits, banks will pay interest for the intervening non-business working day on the maturity value.

05. INTEREST RATE ON CURRENT ACCOUNT.

- 05.01. No interest will be paid on deposits held in current accounts, provided that balances lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern will 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.

06. INTEREST RATE ON SAVING DEPOSITS.

- 06.01. Interest on savings deposits will be calculated on a daily product basis.
- 06.01.01. Bank may set uniform interest rate on balance up to Rs. 01.00 lakh, irrespective of the amount in the account within this limit.
- 06.01.02. Bank may set differential rates of interest provided for any end-of-day savings bank balance exceeding Rs. 01.00 lakh.

07. INTEREST RATES ON TERM DEPOSITS.

- 07.01. **Tenor of Deposits:** - The minimum tenor of the deposit will be seven days and maximum 10 years.
- 07.02. **Size of Deposits:** - Differential interest rates will be offered on bulk deposits provided that differential interest will not be applicable on deposit schemes framed based on the Bank Term Deposit Scheme, 2006.
- 07.03. Bank may offer term deposits without premature withdrawal option, provided that all term deposits accepted from individuals, held singly or jointly and Hindu Undivided Families for amount of Rs. 01.00 crore and above.
- 07.04. **Payment of Interest on pre-mature withdrawal:** - The interest rates applicable on term deposits withdrawn before the maturity date will be as under: -
- 07.04.01. Interest will be paid at the rate applicable to the amount and period for which the deposit remained with the bank and not at the contracted rate.
- 07.04.02. No interest will be paid, where premature withdrawal of deposits takes place before completion of the minimum period, if specified.
- 07.05. The interest on term deposits is calculated by the Bank in accordance with the formula and conventions

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advised by Indian Banks' Association.

- 07.06. In case of monthly deposit scheme, the interest will be calculated for the quarter and will be paid monthly at discounted value.
- 07.07. The rate of interest on deposits will be prominently displayed on the branch premises. Changes, if any, with regard to the deposit schemes and other related services will also be communicated upfront and will be prominently displayed on Bank's website.
- 07.08. The Bank competes with interest based on the actual number of days in a year. In case the Deposit is spread over a leap and a non-leap year, the interest is calculated based on the number of days i.e., 366 days in a leap year & 365 days in a non-leap year.
- 07.09. The Bank has statutory obligation to deduct tax at source if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The Bank will issue a tax deduction certificate (TDS Certificate) for tax deduction. The depositor, if entitled to exemption from TDS, can submit declaration in the prescribed format at the beginning of every financial year and when a new deposit is booked.
- 07.10. **PREMATURE RENEWAL/EXTENSION OF TERM DEPOSIT.**
- 07.10.01. In case, all the depositor/s desires to renew the deposit by seeking premature closure of an existing term deposit unless otherwise prohibited under a specific deposit scheme, 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 up to residual maturity date of the original deposit.
- 07.10.02. While prematurely closing a term 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 on the date of deposit to the period for which the deposit remained with the bank, without any penalty.
- 07.11. **RENEWAL OF TERM DEPOSIT / OVERDUE TERM DEPOSITS.**
- 07.11.01. Depositors can give instructions at the time of opening the account, for mode of the payment on maturity proceeds, such as crediting in the account or for renewal of the deposit for the period of their choice.
- 07.11.02. In the absence of any instructions from depositor, the bank will auto-renew the deposit on due date for the same period for which the matured deposit was placed on prevailing interest rate.
- 07.11.03. If request for renewal is received after the date of maturity, such overdue term deposit will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 14 days from the date of maturity.
- 07.11.04. In respect of overdue term deposits renewed after 14 days from the date of maturity, interest for the overdue period will be paid at the rate of interest as applicable to savings account as on date of payment or the contracted rate of interest on the matured term deposit, whichever is lower.
- 07.12. **REPAYMENT OF TERM DEPOSIT.**
- 07.12.01. On maturity Term Deposits may be renewed or closed.
- 07.12.02. On closer, the maturity proceeds will be credited to the Account of the Deposit holder with the Bank
- 07.12.03. On closer, in case the deposit holder does not have an account with the Bank, the maturity proceeds will be paid by way of a Banker's Cheque / NEFT favoring the deposit holder.
- 07.12.04. No third-party payments are permitted.
- 07.12.05. Maturity proceeds cannot be paid in cash. Cash payment is permitted only if the maturity value does not exceed Rs.20, 000. Maturity proceeds cannot be paid in cash even when a depositor holds multiple

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deposits with varying maturity dates, and where the maturity proceeds of any or all of those multiple deposits shall be less than Rs. 20,000/- individually, since cumulative holding of the depositor is required to be considered, to determine whether cash payment can be made or not.

- 07.12.06. If Term Deposit accounts are opened with operating instructions "Either or Survivor" the signature of both the Depositors shall be obtained, in case the deposit is to be paid before maturity.

08. PAYMENT OF ADDITIONAL INTEREST ON DEPOSITS.

- 08.01. Bank will allow additional interest of one per cent per annum, over and above the rate of interest mentioned in the schedule of interest rates on savings or term deposits of banks staff and their exclusive Associations as well as on deposits of Managing Director who acts as the Chief Executive of the bank drawing regular salary from the bank, subject to the following conditions:

- 08.01.01. The additional interest is payable till the person continues to be eligible for the same and in case of his ceasing to be so eligible, till the maturity of a term deposit account.

- 08.01.02. Bank will offer higher rate of interest on term deposits to employees, provided by the first named.

- 08.01.03. In case of employees taken over pursuant to the scheme of amalgamation, additional interest is allowed only if the interest at the contractual rate together with the additional interest does not exceed the rate, which could have been allowed if such employees were originally employed by the bank. In the case of employees taken on deputation from another bank, the co-operative bank from which they are deputed may allow additional interest in respect of the savings or term deposit account opened with it during the period of deputation.

- 08.01.04. In the case of employees taking on deputation from another bank, the bank from which they are deputed may allow additional interest in respect of the savings or term deposit account opened with it during the period of deputation.

- 08.01.05. In the case of people taking on deputation for a fixed tenure or on a contract of a fixed tenure, the benefit will cease to accrue on the expiry of the term of deputation or contract, as the case may be.

- 08.01.06. Bank Employees Federations, of which bank employees are not direct members, will not be eligible for additional interest.

- 08.01.07. The additional interest may be paid after obtaining a declaration from the depositor concerning whether the monies deposited or which may be deposited from time to time into such account belong to the depositor.

- 08.01.08. The additional interest may be paid to the member or a retired member of the bank's staff, either singly or jointly with any member or members of his/her family; the spouse of a deceased member or a deceased retired member of the co-operative banks staff; and an Association or a Fund, members of which are members of the co-operative banks staff. Children (including minor) are not eligible for additional interest admissible to deceased members of the bank staff.

- 08.01.09. The additional interest facility is not offered on the term deposit standing in the name of an HUF or the Karta of the Hindu Undivided Family (HUF), even if the Karta is a senior citizen.

- 08.01.10. Bank will give their retired staff, who are senior citizens, the benefit of additional interest rates as admissible to senior citizens over and above the additional interest payable to them by virtue of their being retired members of the bank.

- 08.02. Bank will offer higher rate of interest on term deposits to senior citizens, provided be the first named.

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09. INTEREST ON OVERDUE TERM DEPOSITS.

09.01. If a Term Deposit matures and proceeds are unpaid, the amount left unclaimed, bank will pay interest as applicable to savings account or the contracted rate of interest on the matured Term Deposit, whichever is lower.

10. FLOATING RATE TERM DEPOSITS.

Floating rate domestic term deposits will be linked to a directly observable and transparent market determined external benchmark.

11. PERIODICITY OF PAYMENT OF INTEREST ON SAVINGS DEPOSITS.

11.01. Interest on savings deposits will be credited at quarterly or longer intervals.

11.02. Interest on savings bank accounts, including those frozen by the enforcement authorities, will be credited on regular basis irrespective of the operational status of the account.

12. INTEREST PAYABLE ON THE DEPOSIT ACCOUNT OF DECEASED DEPOSITOR.

12.01. The rate of interest on matured deposits standing in the name of a deceased individual depositor, or two or more joint depositors, where one of the depositors has died, will be subject to the conditions laid down in section 4 of this policy.

13. PENALTY ON PREMATURE WITHDRAWAL OF DOMESTIC TERM DEPOSIT.

13.01. The components of penalty will be clearly brought to the notice of the depositors at the time of acceptance of deposits.

13.02. In case of splitting the amount of term deposit at the request from the claimant/s of deceased depositors or Joint account holders, no penalty for premature withdrawal of the term deposit will be levied if the period and aggregate amount of the deposit do not undergo any change.

13.03. The Bank on request from a depositor, will allow withdrawal of term deposit before completion of the period of the deposit as per terms agreed upon at the time of placing the deposit unless otherwise prohibited under a specific deposit scheme (e.g. Non-Callable Deposits, Deposits under Section 80 C of IT ACT, etc.).

13.04. The present interest rate is 1.00% below the applicable rate for the actual period for which the deposit has remained with the bank as prevailing on the date of deposit and payable for the period for which the deposit actually remained with the Bank.

13.05. No interest will be paid, where premature withdrawal of deposits takes place before completion of the minimum period specified by RBI from time to time. (At present, it is minimum 7 days).

14. DIFFERENT CATEGORIES OF INDIVIDUALS.

14.01. MINORS' ACCOUNTS.

14.01.01. Savings Bank Account as well as Term Deposit Accounts including Recurring Deposits can be opened in the name of minor, known as Minors' Account, by natural guardian or guardian appointed by court (legal guardian) and the same can be operated by the guardian or by minor himself / herself, if he/she is above the age of 10 years.

14.01.02. It can also be opened in the name of a minor jointly with natural guardian or jointly with a major, where minor is represented by natural/Legal guardian.

14.01.03. On attaining the age of majority, the erstwhile minor should confirm the balance in his/her account; submit KYC documents and fresh specimen signature for all operational purposes.

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- 14.01.04. On attaining the age of majority debit transactions will not be allowed till completion of above-mentioned norms.
- 14.02. **ACCOUNT OF ILLITERATE PERSONS.**
- 14.02.01. The Bank may at its discretion open deposit accounts of illiterate people after observing all the formalities of the Bank for opening and operation of such accounts.
- 14.02.02. 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.
- 14.02.03. No cheque book facility is provided to illiterate customers.
- 14.02.04. 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 bank officer who should verify the identity of the person.
- 14.02.05. The Bank will explain the need for proper care and safekeeping of the passbook etc. given to the account holder.
- 14.02.06. ATM/Debit card can be issued to illiterate people provided bank should educate such customers about the ATM Debit Card, ATM PIN and risk associated with it.
- 14.03. **ACCOUNT OF BLIND / VISUALLY CHALLENGED PERSONS.**
- 14.03.01. The bank will open deposit account in the name of blind / visually challenged person after observing all the formalities of the Bank for opening and operation of such accounts.
- 14.03.02. Branches are advised to render all possible assistance to the visually challenged people for availing the various banking facilities.
- 14.03.03. 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 bank officer who should verify the identity of the person.
- 14.03.04. In case of blind people who are literate, ATM /Debit cards, cheque book, etc. facilities will be provided. The Bank official will explain the terms and conditions governing the account.
- 14.04. **ACCOUNT OF PERSONS WITH AUTISM, CEREBRAL PALSY, MENTAL RETARDATION & MULTIPLE DISABILITIES.**
- 14.04.01. Savings bank and term deposits can also be opened in the name of persons with autism, cerebral palsy, mental retardation and multiple disabilities by the legal guardian appointed by the District Court under Mental Health Act, 1987 or by the Local Level Committees set up under the National Trust for welfare of persons with autism, cerebral palsy, mental retardation and multiple disabilities under Disabilities Act, 1999.
- 14.05. **ACCOUNTS OF TRANSGENDER PERSONS.**
- 14.05.01. 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 will be accepted in the account opening form or other applicable forms.
- 14.05.02. All transgender customers will be treated equally to other male/female customers without any discrimination.
- 14.05.03. The salutation for transgender person is provided as "Mx" subject to the consent / declaration of the transgender person and the details will be accepted in the AOFs/ or other applicable forms as such.

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15. ADDITION OR DELETION OF THE NAME/S OF JOINT ACCOUNT HOLDERS

- 15.01. The bank may at the request of all the joint account holders allow addition or deletion of name/s of joint account holder/s if the circumstances so warrant or allow an individual depositor to add the name of another person as a joint account holder.
- 15.02. The first holder will not be deleted from any account, except in case of Death of Holder.

16. CUSTOMER INFORMATION.

- 16.01. The customer information collected from the customers will not be used for cross-selling services or products by the Bank, however, may be used with the consent of the account holder.

17. SECRECY OF CUSTOMER'S ACCOUNTS.

- 17.01. The Bank will not disclose details / particulars of the customer's account to a third person or party without the expressed or implied consent from the customer.
- 17.02. 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.

18. FOREIGN EXCHANGE SERVICES.

- 18.01. The Bank does not deal in foreign exchange business; does not accept deposits under any NRE / FCNR / Resident foreign currency (RFC) deposits.

19. ADVANCES AGAINST DEPOSITS.

- 19.01. 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.
- 19.02. 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.
- 19.03. The bank should not grant advances against term deposits maintained with other banks.
- 19.04. The advances lent against Bank's own term deposits will be in accordance with the extant Lending Policy Guidelines prevailing at the time of sanction of any such credit facilities.

20. SETTLEMENT OF DUES IN DECEASED DEPOSITOR'S ACCOUNT.

- 20.01. Separate policy formulated.

21. INSURANCE COVER FOR DEPOSITS.

- 21.01. 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.
- 21.02. The details of the insurance cover in force will be made available to the depositor.

22. INOPERATIVE ACCOUNTS AND DEAD.

- 22.01. Savings/Current Account which is not operated for a continuous period of more than 2 years by customer, excludes system generated transactions like credit interest/debit interest, will be treated as an Inoperative Account in the interest of the depositor as well as the Bank.

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- 22.02. The depositor can request the Bank to activate the account for operating it after complying with the conditions as per KYC norms.
- 22.03. All credits are permissible in inoperative accounts without changing the account status.
- 22.04. However, while allowing withdrawals due diligence will be ensured by the branch by ensuring the genuineness of transactions, verification of signature and identity etc.
- 22.05. While allowing withdrawals branches are required to obtain request letter from the account holders and ensure KYC compliance etc. as per extant guidelines.
- 22.06. Depositors' Education and Awareness Fund (D.E.A. Fund).
- 22.06.01. Any account which has not been operated upon for a period of ten years or any deposit remaining unclaimed for more than ten years is transferred to D.E.A. Fund with RBI.
- 22.06.02. The customer / depositor can claim from the bank his/her deposit or operate his/her account anytime even though the amount in the account/the deposit has been transferred to RBI, provided the prescribed procedure is followed.
- 22.06.03. As per the RBI direction interest for the period between the date of transfer of amount to D.E.A. Fund & settlement shall be paid as advised by RBI from time to time.
- 23. REDRESSAL OF COMPLAINTS AND GRIEVANCES.**
- 23.01. Depositors having any complaint / grievance with regard to services rendered by the Bank have a right to approach authority (ies) designated by the Bank for handling customer complaint / grievances.
- 23.02. The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises.
- 23.03. The branch officials will provide all required information regarding procedure for lodging the complaint.
- 23.04. In case the depositor does not get response from the Bank within one month from date of complaint or he is not satisfied with the response from the Bank, he has a right to approach Banking Ombudsman appointed by the Reserve Bank of India.
- 24. STANDING INSTRUCTIONS.**
- 24.01. Standing instructions can be given to the Bank for transfer/remittance of funds from one account to other account(s) maintained in the same branch, any other branch of the bank.
- 25. DIRECT DEBIT.**
- 25.01. The Bank offers Electronic Clearing Service (ECS) / Automated Clearing House (ACH) facility for effecting periodic payments by "direct debit" to the customer's account.
- 25.02. Details of ECS/ACH facility are available at all the branches.
- 26. STOP PAYMENT FACILITY.**
- 26.01. The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, as specified, will be recovered.

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27. PROHIBITIONS AND EXEMPTIONS.

- 27.01. Bank shall not pay any remuneration or fees or commission or brokerage or incentives on deposits in any form or manner to any individual, firm, company, association, institution or any other person except:
- 27.01.01. Commission paid to agents employed to collect door-to-door deposits under a special scheme.
- 27.01.02. Remuneration paid to Business facilitators or Business Correspondents.
- 27.01.03. Incentives granted to staff members as approved by the Reserve Bank of India from time to time.
- 27.02. Bank shall not offer prize / lottery / free trips (in India and / or abroad), etc., or any other initiative having element of chance for mobilizing deposits.
- 27.03. Bank shall not resort to unethical practices of raising resources through agents / third parties to meet the credit needs of the existing / prospective borrowers or to grant loans to the intermediaries based on the consideration of deposit mobilization.
- 27.04. Bank shall not issue any advertisement / literature soliciting deposits from public highlighting only the compounded yield on term deposits without indicating the actual rate of simple interest offered by the bank for the particular period. Simple rate of interest per annum for the period of deposit should be indicated invariably.
- 27.05. Bank shall not accept interest-free deposits other than in current accounts or pay compensation indirectly.
- 27.06. Bank shall not Accept deposits from / at the instance of private financiers or unincorporated bodies under any arrangement which provides for either issue of deposit receipt/s favoring client/s of private financiers or giving of an authority by power of attorney, nomination or otherwise, for such clients receiving such deposits on maturity.
- 27.07. Bank shall not grant advances against term deposits maintained with other banks.
- 27.08. Bank 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 (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. Create any fund to be utilized for charitable purposes in consultation with the depositors.) 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 as under-
- 27.08.01. Primary Agricultural Credit Society which is being financed by the co-operative bank.
- 27.08.02. Khadi and Village Industries Boards.
- 27.08.03. Agriculture Produce Market Committees.
- 27.08.04. Societies registered under the Societies Registration Act, 1860 or any other corresponding law in force in a State or a Union Territory.
- 27.08.05. Companies licensed by the Central Government under Section 8 of Companies Act, 2013 or Section 25 of Companies Act, 1956 or under the corresponding provision in the Indian Companies Act, 1913 and permitted, not to add to their names the words 'Limited or the words 'Private Limited.

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- 27.08.06. Institutions other than those mentioned above and whose entire income is exempt from payment of Income-tax under the Income-Tax Act, 1961.
- 27.08.07. Government departments / bodies / agencies in respect of grants/ subsidies released for implementation of various programmes / Schemes sponsored by Central Government / State Governments subject to production of an authorization from the respective Central / State Government departments to open savings bank account.
- 27.08.08. Development of Women and Children in Rural Areas (DWCRA).
- 27.08.09. Self-help Groups (SHGs), registered or unregistered, which are engaged in promoting savings habits among their members.
- 27.08.10. Farmers Clubs - Vikas Volunteer Vahini – VVV.
- 27.09. Exemptions. The provisions in the above paragraphs shall not be applicable to:
- 27.09.01. A deposit received by the co-operative bank,
- 27.09.02. from the institutions permitted to participate in the Call / Notice / Term Money Market both as lenders and borrowers.
- 27.09.03. for which it has issued a participation certificate;
- 27.09.04. Payment of interest on delayed collection of outstation instruments like cheques, drafts, bills, telegraphic/mail transfers, etc.

28. SERVICE CHARGES.

- 28.01. Updated service & fees will be displayed at the Branch premises or will be available with the Branch Manager.
- 28.02. Any change in service & fees will be communicated one month in advance to all customers before effecting the change.
- 28.03. If the customer fails to maintain required minimum balance in his/her account, charges will be levied.

29. ACCOUNT OPENING AND OPERATION OF DEPOSIT ACCOUNTS.

- 29.01. The account opening forms and other material will be provided to the prospective depositor by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and or for record. Bank official opening the account, will explain the procedural formalities and provide necessary clarification sought by the prospective depositor when he / she approaches for opening a deposit account.
- 29.02. The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI and or such other norms or procedures adopted by the Bank.
- 29.02.01. 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.
- 29.02.02. 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.
- 29.02.03. In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively declaration in Form No. 60 or 61 as specified under the Income Tax Act / Rules.

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- 29.03. The Bank will not open any new account where identity of customer matches with banned entities, such as individual and or organizations of terrorists.
- 29.04. Bank may specify charges for issue of cheque books, additional statement of accounts, duplicate passbook, folio charges, maintaining of minimum/ average balance 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 or from time to time as the case may be. This charge schedule is also available with Bank on the Customer Information Board as well as at the branch counter and at the Bank's official website.
- 29.05. The bank is committed to provide basic banking services to all sections of the society. Banking services will be offered to them through Basic Savings Bank Deposit Accounts (BSBDA) and these Savings accounts will be opened with relaxed customer acceptance norms as per regulatory guidelines. According our Bank has introduced Basic SB Account for benefit of unbanked segment of the society. The details of which are provided in KYC policy of the Bank and also on website.
- 29.06. 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 fulfil statutory obligations will result in partial freezing and subsequently total freezing of the account after due notice is provided to the customer.
- 29.07. 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.
- 29.08. The maximum number of joint holders is restricted to 4. The existing accounts may continue and for self-help group accounts there is no limit for joint account holders. For non-relationship joint account holders; declaration regarding purpose of account is mandatory.
- 29.09. The Joint Account opened by more than one individual can be operated by single individual or by more than one individual as either or survivor, Former or Survivor/s, Former or Survivor/s, Later or Survivor/s, anyone or survivor and jointly.
- 29.09.01. The mandate for operating the account can be modified with the consent of all account holders.
- 29.09.02. The above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. In case of joint Fixed Deposits with a survivorship clause, for premature withdrawal, the signatures of both the depositors will have to be obtained or bank may allow premature withdrawal of term deposits to the surviving depositor/s without seeking concurrence of legal heirs of the deceased deposit holder, provided all the depositors have given a specific joint mandate for the said purpose at the time of opening the account or any time subsequently during the tenure of the deposit.
- 29.10. At the request of the depositor, the Bank will register mandate / registered power of attorney given by him authorizing another person to operate the account on his behalf.
- 29.11. 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 any written instructions about the disposal of the term deposit, the Bank reserves the right at its discretion to renew the deposit along with accrued interest thereon at prevailing rates of interest for a similar tenor of the deposit which has matured.

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29.12. **NOMINATION FACILITY.**

- 29.12.01. Bank offers nomination facility to all deposit accounts opened by the individual and to a sole proprietary concern account.
- 29.12.02. Multiple Nominee: Deposit account holder can nominate up to four individuals successively or simultaneously. No nomination is allowed in favour of company, firm, trust, HUF etc.
- 29.12.03. There is no need of nominee to have blood relation.
- 29.12.04. Nomination can be made in favour of a minor also subject to other major individual being named appointee(s) during the minority period.
- 29.12.05. Nominee's right arises only after the death of all the depositor/s.
- 29.12.06. With the request and consent of the depositor, the name of nominee will be mentioned on the pass book or term deposit receipt.
- 29.12.07. If any one does not want to nominate, then specific declaration / letter / Noting on account opening form stating that he/she does not want to make nomination will be obtained. However, No branch will deny opening the account solely on the ground that the customer opening the account refused to nominate.
- 29.12.08. Nomination so made can be cancelled or changed by the account holder/s at any time with the consent of all account holder/s.
- 29.12.09. The nominee, in the event of death of depositor / all depositors would receive the balance outstanding in the account as a trustee of legal heirs.
- 29.13. The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor.
- 29.14. Bank may not accept any deposit for a period longer than 10 years, except in terms of order of the competent courts or in the case of minors where interests of minors are involved, provided bank is convinced that it is necessary to do so.

RULES FOR NOMINATION

Nomination facility is available for Share, all deposit accounts, safe deposit lockers, articles kept in safe custody, and deposits held in the name of a sole proprietorship concern. Nomination may be made only in respect of deposits held in the individual capacity of the depositor and not in any representative capacity, such as a holder of an office or in a fiduciary role. Accordingly, for example, nomination cannot be made for accounts held in the name of a Hindu Undivided Family (HUF).

Successive or Simultaneous Nomination has been introduced as under:

A) Successive Nomination

1. When nominations are made in favor of one or more individuals not exceeding four, only one nomination shall remain effective at a time, based on the order of priority specified. In this case, if "Successive Nomination" is selected, multiple nominees (not exceeding four) may be recorded, with each being assigned a 100% share. The nomination shall become effective in the following sequence:
 - i. The nomination of the first nominee shall be effective if he/she survives the account holder(s).
 - ii. The nomination of the second nominee shall become effective only upon the death of the first nominee.
 - iii. The nomination of any subsequent nominee shall become effective only upon the death of all nominees appearing before him/her in the prescribed order of nomination.

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2. If no order of priority is specified, the nominees shall be deemed to have been nominated in the sequence in which their names appear in the nomination form.
(B) Simultaneous Nomination
3. Then a nomination is made simultaneously in favor of more than one person, it shall be effective in favor of all such nominees in the proportion specified. The following conditions shall apply:
 - i. The nomination shall not be made in favor of more than four people.
 - ii. The nomination must clearly specify the percentage share of the deposit amount allotted to each nominee.
 - iii. The nomination shall cover the entire amount of the deposit.
4. If any nominee dies before receiving his/her share of the deposit from the bank, the nomination in respect of that nominee shall become ineffective. The portion of the deposit that was allocated to the deceased nominee shall be treated as if no nomination had been made for that specific share. Accordingly, the Bank shall settle the claim for that portion of the deposit in accordance with the procedures applicable to accounts without a nomination.
(C) Either Simultaneous or Successive nominations is allowed for deposit accounts.
(D) Successive nomination is applicable in the Safe Custody Article / Safe Deposit lockers.
(E) Process of Registration of Nomination:
 - Registration of Nomination through Branch:

30. REVIEW AND VALIDITY OF DEPOSIT POLICY.

- 30.01. This policy will be reviewed on an annual basis with the next review due in March 2027.
- 30.02. Any changes to this policy in the interim period will be incorporated as & when required.
- 30.03. There has been no change in the deposit policy this year compared to last year.

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