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DEPOSIT POLICY 2026-27

संसाधन विभाग,

Resources Department

RESOURCES · MOBILISE · RETAIN

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संसाधन विभाग
प्रधान कार्यालय, कोलकाता / Head Office, Kolkata
Resources Department

POLICY CUSTODIAN

Policy Title :	**Deposit Policy 2026-27**
Vertical :	Resources Department
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POLICY REVIEW & REVISION

Review Frequency :	Annual
Last Reviewed on :	31.05.2025
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Approval Path :	1. Product and Policy Clearance Committee (PPCC) 2. Operation Risk Management Committee (ORMC) 3. Risk Management Committee of The Board (RMCB) 4. Board
Supersedes earlier Circular/ Policy :	Deposit Policy 2025-26

POLICY VERSION CONTROL

Version Number	Version Date	Remarks
CHO/RESOURCES/11/2026-27	23.06.2026	Policy was last updated on 31.05.2025. This subject Deposit Policy 2026-27 will supersede earlier deposit policy 2025-26.

Summary of Changes in Deposit Policy 2026-27

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26	40	45. Liabilities Products/Process Approval Authorities . 5 Decision for Entering MOU (Non Commercial) 7 Integration
27		Annex-II (Draft- Letter to Customer(s) who are no longer eligible to maintain a Current Account or OD A/c)
28		Annex-III Interest Rate on Deposits
29		Annex- IV Prohibition and Exemption

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PART - B Policy On Accepting Bulk Deposits & Loan/Advances Against Bulk Deposits

Sl. No.	Page No.	Modification
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2	5	IX. Overdue Interest & Concession/Waiver of Penal Interest:
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PART C Policy On Green Deposits

Sl. No.	Page No.	Modification
1	4	2. Regulatory Reference: The Reserve Bank of India vide Master Direction RBI/DOR/2025-26/172 DOR.SFG.REC.91/30.01.021/2025-26 dated 28.11.2025 on "Reserve Bank of India (Commercial Banks - Climate Finance and Management of Climate Change Risks) Directions, 2025", wherein it has issued directives on **"Framework for Acceptance of Green Deposits"** and directed the Bank to place a comprehensive Board Approved Policy on Green Deposits.
2	5	1. Denomination, Interest Rates and Tenor of Deposits
3	10	13. Uses/Deployment of Green Proceeds for Green Activities/Projects
4	10	13.1 Eligibility Criteria and List of Eligible Green Activities/Projects and Exclusions:
5	12	13.3 Timeline for Deployment of Proceeds:

Part – D Policy on Non-residents Deposits & Residents Foreign Currency Deposits (Addition)

Part – E Policy on Overseas Centres (Addition)

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यूको बैंक / UCO BANK संसाधन विभाग Resources Department प्रधान कार्यालय, कोलकाता / Head Office, Kolkata

1. PREAMBLE

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

This policy document on deposits outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the accounts in light of the new regulations of RBI and various provisions introduced by other govt. bodies. The document recognizes the rights of the depositors and aims at dissemination of information for the benefit of customers with regard to various aspects of acceptance of deposits from members of public, conduct and operations of various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc. It is expected that this document will impart greater transparency in dealing with customers and create awareness among customers of their rights. The ultimate objective is that the customer will get the services they are rightfully entitled to receive without demand.

While adopting this policy, the Bank reiterates its commitment to customers outlined in the Bankers' Fair Practice Code of Indian Banks' Association. This document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions on various deposit schemes and related services are in place. Any amendments to the existing guidelines, if warranted and operational guidelines on new products will be issued from time to time.

2. Types of Deposit Accounts

The Bank offers various deposit products, which can be broadly categorized into following types of deposit schemes:

- "Demand Deposit" means a deposit received by the Bank which is withdrawable on demand.
- "Domestic Rupee Deposits" mean rupee deposits maintained in India in the form of current account, savings deposit or term deposit.
- "Daily Product" means the interest applied on the end of day balance.
- "Savings Deposit" means a form of interest bearing demand deposit which is a deposit account whether designated as 'Savings Account', 'Savings Bank Account','Savings Deposit Account', 'Basic Savings Bank Deposit Account (BSBDA)' or other account by whatever name called which is subject to the restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by a bank during any specified period.
- "Term Deposit" means an interest-bearing deposit received by a bank for a fixed period and shall also include deposits such as Recurring / Cumulative / Annuity /Reinvestment deposits and Cash Certificates.

- "Bulk Deposit" means Single Rupee term deposits of 3 crore and above.
- "Current Account" means a form of non-interest-bearing demand deposit where from withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and shall also be deemed to include other deposit accounts which are neither Savings Deposit nor Term Deposit.
- "Overseas Deposits" means a deposit received by the Bank's overseas branches as defined under point 47 of Part A of this Policy.
- "FCNR(B) Account" means a Foreign Currency Non-Resident (Bank) account referred to in Foreign Exchange Management (Deposit) Regulations, 2016, as amended from time to time.
- "NRE Account" means a Non-Resident External deposit account referred to in Foreign Exchange Management (Deposit) Regulations, 2016, as amended from time to time.
- "NRO Account" means a Non-Resident Ordinary deposit account referred to in Foreign Exchange Management (Deposit) Regulations, 2016, as amended from time to time.
- "Reinvestment deposits" refers to those deposits where interest (as and when due is reinvested at the same contracted rate till maturity which is withdrawable with the principal amount on maturity date.
- "RFC Account" means a Resident Foreign Currency account referred to in Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2016, as amended from time to time.

Details of the above types of deposits are dealt in the Policy.

3. Account Opening and Operation in Deposit Accounts

At the time of opening an account, branches will adhere to the due diligence process to implement the concept of "Know Your Customer" (KYC) guidelines as per the customer acceptance policy of the Bank and strictly adhere to the RBI directives in order to fulfill the obligation and responsibility cast upon the bankers under the Prevention of Money Laundering Act, 2002 and subsequent amendments/instructions issued thereof. As per regulatory guidelines of PMLA, customers are to be risk-categorized for transaction monitoring and thus unwillingness or inability of a prospective customer to provide necessary information/documents could result in the branch not opening an account. If the decision to open an account of a prospective depositor requires clearance at next higher level, reasons for any delay in opening the account will be communicated to him/her and the final decision of the bank will be conveyed at the earliest to him / her.

Inability of an existing customer to furnish details required by the branch for periodical updation of customer profile to fulfill statutory obligation could also result in closure of the account after due notice(s) is provided to the customer.

The due diligence process involves the following:

- Establishing the identity of the person.
- Verification of address of the prospective account holder.
- Satisfying about his occupation and normal source of income.

- Obtaining recent photograph of the person opening/ operating the account.
- As per KYC/AML guidelines, obtaining introduction is not a part of due diligence process. So, the introduction is not required, if the customer satisfies all other requirements under KYC/AML guidelines.

Obtaining identification document for every customer is mandatory, and introduction by a third party is not a substitute for KYC documentation, except for the relaxation permitted by the RBI in case of persons belonging to low-income group in rural, semi-urban and urban areas subject to certain conditions, such as "Basic Savings Bank Deposit Account (BSBDA)" under financial inclusion. Socially disadvantaged people who are not capable of producing identity/address proof documents can open the account by providing, identity/address proof or introduction of reputed known persons of the locality, subject to restricted banking operations to the extent decided by bank from time to time.
In addition to the due diligence requirements under KYC norms, branches are required by law to obtain AADHAAR Number, Permanent Account Number (PAN) or General Index Register (GIR) Number or alternatively declaration in Form No 60 as specified under the Income Tax Act/Rules.

The prospective account holder should properly fill in the Customer Profile Form (first time or during updation of profile) and Account Opening Form (without leaving any blank space). The said form contains details of information and documents to be produced for verification and/or for record. The branch officials will help the prospective account holder in explaining procedural formalities and giving necessary clarifications regarding the Account Opening Form. The details of information to be furnished in the Account Opening Form and Customer Profile Form contain mandatory as well as optional information. The prospective customer will have to furnish mandatory information, and the optional information may be furnished in case he/she wishes to do so.

Service Charges

The Bank shall levy service charges, as approved by the **Board.** The applicable service charges will be prominently displayed in the branch premises one month advance from its effective date and also on the Bank's website in advance for awareness of the customers.

For deposit accounts, the Bank will stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain the prescribed minimum balance in Savings Bank and Current Account will attract levy of penalty charges as specified by Bank from time to time. For Savings Bank account, the Bank may also place restrictions on number of withdrawals during a given period. Service charges for issuance of cheque book, additional/duplicate statement of accounts, folio, entry charges, ATM/Debit Card charges, verification of signatures, return of cheques, change in mandate or style of account etc. will be recovered from time to time as applicable. Rules and regulations for conduct of accounts and schedule of service charges will be communicated to the prospective account holder at the time of opening of account. If any change is to be affected immediately as per directions of RBI/Govt. of India, such changes will be effective accordingly.

Savings Bank accounts can be opened by eligible person(s) and certain organizations/agencies (as approved by Reserve Bank of India/ Govt. of India) from time to time.

Current Accounts can be opened by Individuals, Partnership Firms, Private and Public limited Companies, HUFs, Specified Associates, Trusts, Societies, Departments of Authority created by Government (Central or State), Limited Liability Partnership, etc.

Term Deposit Accounts can be opened by Individuals, Partnership Firms, Private & Public Limited Companies, HUFs, Specified Associates, Societies, Trusts, Departments of Authority created by Government (Central or State), Limited liability partnership, etc.

The 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 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 organisations / agencies listed in Schedule - I.

Explanation: 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.

Exemption : This has reference to the section 43(8) of RBI (interested Rate on Deposit) Directions 2025 (issued vide Reserve Bank Master Direction RBI/DOR/2025-26/153; DOR.SOG(SPE.).REC.72/13.03.00/2025-26 dated 28.11.2025 where in under Schedule-1 the allowed non individual entities for opening of Saving accounts are mentioned. (List of schedule-1 is enclosed).

Schedule - I

(1)	Primary Co-operative Credit Society which is being financed by the bank.
(2)	Khadi and Village Industries Boards.
(3)	Agriculture Produce Market Committees.
(4)	Societies registered under the Societies Registration Act, 1860 or any other corresponding law in force in a State or a Union Territory except societies registered under the State Co-operative Societies Acts and specific state enactment creating Land Mortgage Banks.
(5)	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'.
(6)	Institutions other than those mentioned in section 43(8) and whose entire income is exempt from payment of Income-tax under the Income-Tax Act, 1961.
(7)	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.
(8)	Development of Women and Children in Rural Areas (DWCRA).
(9)	Self-help Groups (SHGs), registered or unregistered, which are engaged in promoting savings habits among their members.
(10)	Farmers' Clubs – Vikas Volunteer Vahini – VVV.

Deposit Accounts can be opened by an individual (known as account in single name) or by two or more individuals (known as joint account).

Modes of Deposit/ Withdrawals:

Deposits in account can be made by the way of cash, cheques, electronic transfers (RTGS, IMPS, UPI), ECS or through any other means such as Internet/Mobile Banking which may come into usage after giving due notice by the Bank on its website.

Withdrawals from an account may be made by the way of Cheques, Withdrawal forms, ATMs, Point of Sale (POS) machines, Electronic transfers such as Internet Banking, Biometric cards, Standing Instructions given to the Bank, ECS (Electronic Clearing Service) and any other methods introduced by the Bank in the future, after giving due notice on the Bank's website.

Operation in deposit accounts of Minors:

Savings Bank Account and Term Deposit Account can be opened in the name of Minors of any age (known as Minor's Account) by natural guardian or guardian appointed by court (legal guardian). Moreover, Savings Bank and Term Deposit Account can be opened by mother as guardian even if the natural guardian (father) is alive subject to following conditions:

An undertaking will be submitted by the mother stating that: -

- Money belongs to her and the same is deposited in the minor's account for the benefit of minor.
- The account will always remain in credit and will not be allowed to be overdrawn under any circumstances.
- Only cash transactions will be allowed, and cheques/dividend warrants etc. drawn in the name of minor will not be accepted.
- Minors above the age of 10 years will also be allowed to open and operate Savings Bank Account independently. However, no overdraft will be granted to these minors.
- The Banks are free to offer additional banking facilities like internet banking, ATM/debit cards, cheque book facility, etc. to the minor account holders' basis their risk management policy, product suitability and customer appropriateness.

Term deposit account can be opened for a period of not more than 10 years. However, exception will be made in terms of an order of a competent court in case of Minor where interest of Minor is involved and for creation of fund such as sinking fund/ amortization fund etc.

3.1. Customer Identification

RBI instructions on KYC/AML for opening of accounts are to be followed strictly by all Branches. In respect of documents that are to be obtained from the customers – detailed guidelines are given in Annex I.(updated)

The customer identification procedure including Video Customer Identification Procedure (V-CIP), Customer Due Diligence Procedure, Enhanced Due Diligence Procedure, Customer Risk Categorization and Periodic Updation of KYC etc. shall be guided by KYC AML Policy of the Bank, amended from time to time.

3.2. Opening of Current Accounts – Need for Discipline

Pursuant to the provisions of the recent RBI direction on opening current accounts, vide RBI/2025-26/141 dated December 11, 2025 (DOR.CRE.REC.347/07-02-001/2025-26), the Bank shall open current accounts for customers whose aggregate banking system credit exposure is below ₹10 crore, without restriction. However, this will be subject to compliance with all internal policy guidelines of the Bank for opening of current accounts.

Key Provisions in this Direction:

1. Cash Credit Accounts (91B)

- CC accounts are linked to the borrower's Current Assets.
- Banks may sanction cash credit facilities as per needs of the customer, without any restrictions under this Chapter.

2. Current & OD Accounts (91C–91F)

(a) Exposure less than ₹10 crore in Banking system: Banks may maintain current/OD accounts, as per needs of the customer, without any restriction.

Note: Banking system – it includes Commercial Banks (Small Finance Banks, Local Area Banks and Regional Rural Banks, but excluding Payments Banks), Urban Co-Operative Banks and Rural Co-operative Banks (State Co- operative Banks and Central Co-operative Banks).

Exposure: It means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

(b) Exposure ₹10 crore or more in Banking system:

(i) Bank must have minimum 10% share in system's aggregate exposure OR aggregate fund-based exposure to the borrower.

(ii) If no/only one bank meets the criteria → two largest lending Bank may maintain current accounts or OD accounts.

(iii) If only one bank has exposure → borrower may choose one more bank (with NOC).

(iv) If no SCB meets the criteria → borrower may choose an SCB (with NOCs from all lending Banks).
(v) Non eligible Lending Bank → may maintain collection accounts only.
(vi) Bank may include additional covenants in their loan agreements as per their policies.

3. Collection Accounts (91F)

(i) Used mainly for receipts of inflows.
(ii) Funds must be remitted to designated CC/current/OD account within 2 working days.
(iii) OD disbursement routed only via designated account.

4. Exemptions (91G–91H)

(i) Accounts under FEMA 1999, statutory/regulator mandated accounts, and regulated entities.
(ii) Banks may maintain routing accounts or specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: Financial sector regulator includes RBI, SEBI, IRDAI, and PFRDA.

(a) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.
(b) Transactions in such exempted accounts shall be used only for the permitted purposes and surplus funds shall be remitted to the designated account.

(iii) Accounts of integration such as Corporates/Govt. Dept./PSUs/Institutions for routing transactions/aggregation, distribution of collection & payments. (Example Bank has recently engaged with BEE as a Nodal Bank for implementation of ADEETIE (Assistance in Deploying Energy Efficient Technologies in Industries and Establishments) scheme, SATHI (Seed Authentication, Traceability and Holistic Inventory) by ministry of Agriculture and Farmer's Welfare. This type of account will be opened with approval from SPAC followed by ORMC and shall comply to the following conditions:

(a) Transaction shall be limited for specified purpose(s).
(b) Cash transaction, debits at the discretion of customers, and issuance of instruments like electronic card and cheque books shall not be permitted in such accounts.
(c) Surplus funds if any, in such accounts shall be remitted to the designated account.

While permitting opening of Current A/c under exemption item (iii), it must be ensured that these accounts are not used as substitutes for Current accounts, or employed to circumvent restrictions, or misused for activities such as fund diversion or fraud.

5. Compliance Monitoring (91I–91K)

(i) RBI advised Banks must review accounts on regular basis at least once every half year.

(ii) If eligibility changes (exposure more than ₹10 crore, share falls, withdrawn/Non availability of NOC):

(a) Notify the customers concerned promptly and in any case within one month from the date of observing ineligibility, that the account must either be converted to a collection account or closed. (Annexure iv attached)
(b) The conversion or closure process, as the case may be , shall be completed within three months of observing such ineligibility.
(c) Accounts shall be flagged in CBS and monitored at both borrower and account level.

6. Other Provisions (91L–91O)

(i) Accounts only for authorised business activities.
(ii) No pass through for third parties unless licensed. However such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond the scope.
(iii) Unlicensed entities barred from deposits/payment services.
(iv) Robust Monitoring systems to detect misuse.
(v) Term loans preferably remitted directly to the beneficiary's account (s) or for the specified end use, rather than routing the funds through the borrower's account.

Implementation: Effective from April 1, 2026.

3.3. Change in Name on Account of Marriage or Otherwise

RBI has clarified that "A document shall be deemed to be an 'Officially valid document' even if there is a change in the name subsequent to its issuance, provided it is supported by a marriage certificate issued by the State Government or Gazette notification, indicating such change of name"

It will be in order for the branches to accept a copy of marriage certificate issued by State Government or Gazette notification indicating change in the name of a person together with a copy of the "Officially valid document" from the prospective customers as well as existing customers for the following purposes:

a) While establishing an account-based relationship.
b) While undergoing periodic updation exercise.

3.4. Extension of Alternative Delivery Channels to Savings Bank & Current Deposit account holders

The branches offer choice of electronic channels such as ATM, Internet Banking, Mobile Banking including SMS banking facility to customers for conducting their banking transactions. Wherever such electronic facilities are offered as a part of the basic account/product, branches should obtain specific consent of the customers after explaining the risk associated for availing the facility.

4. Operations in the Account

Current Deposit account will be operated by cheque only and for this purpose cheque book will be issued to the account holder. In case of Savings Bank account, it will be operated either by cheque or a withdrawal form. The bank may prescribe different minimum balance criteria for issuance of cheque book in savings bank account. In the ordinary course of business, maximum of two cheque books of 25 leaves each to savings bank customer and four cheque books of 50 leaves each to current account customers will be issued at a time. Any request for cheque books in large number disproportionate to their immediate and short-term business requirements will be enquired into by the branch officials and will be acceded to in case of genuine requirements only.

Personalised cheque books will be provided to customers having account number and name(s) pre-printed on it.

A Savings Bank and Current Deposit account opened in joint names of two or more individuals will be operated as per the mandate given by the account holders such as either-or survivor/anyone or survivor(s)/former or survivor/by all/by any two jointly, etc. The mandate for operating the account can be modified with consent of all the account holders jointly.

A deposit account opened in joint names of two or more persons will also have a mandate for disposal of balance in the account on the date of maturity and/or on the death of one or more joint account holders. In case of premature closure of Term Deposit standing in joint names, the request should be signed by all the depositors jointly. The mandate given can be modified during the tenure of account with the consent of all joint account holders. These mandates are given as under:

* Either or Survivor: if the account is in the name of two individuals say A&B, the final balance along with interest, if applicable will be paid to either of account holder i.e. A or B or to the survivor on death of any of the account holders.
* Anyone or Survivor(s): If the account is in the name of more than two individuals say A, B & C, the final balance along with interest if applicable, will be paid to any one of the account holders i.e. A or B or C if all of them are alive or to the survivor(s) on the death of any of the A/c Holders on verification of proof of death of the depositor.
* Former or Survivor; If the account is in the name of two individuals say A&B, the final balance along with interest if applicable, will be paid to the former and to the survivor on death of anyone of the account holders.
* Operated Jointly: Account which has operational instructions "operated jointly", the operations and all the instructions in this account shall be accepted under joint signatures of all account holders.

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

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 the absence of such mandate, the bank will seek instructions from the depositors as to the disposal of deposit by sending intimation before 15 days of the maturity date of term deposit. In case of absence of any instruction deposit will be treated as an auto renewal deposit and would be renewed for a similar period except in the case of special deposit scheme.

At the request of the depositor, branches will register mandate/power of attorney given by him / her authorizing another person to operate the account on his / her behalf.

In general, Pass Book will be provided by the branches to depositors for SB A/c and statement of account to Current Deposit A/c holders periodically as per terms and conditions of opening the account.

Cash, Cheques, Dafts, Dividend and Interest Warrants, Bills and other Negotiable Instruments are accepted for collection and credited to Current Deposit and Savings Bank account. All deposits made by the depositor will be accompanied by pay-in-slip prescribed by the Bank. The deposits made at the counter shall be acknowledged by means of 'Received' stamp of the bank under the full signature of an official of the branch/computer generated receipt. The depositor has an option to deposit Negotiable instruments in the drop-box wherever provided, in which case no acknowledgement will be given. The depositors will, however, ensure that cheques dropped in a drop-box are crossed in favour of UCO Bank. Customers can also tender the cheques at the counter and obtain acknowledgment on the pay-in-slips.

The deposit account may be transferred from one branch of the Bank to another branch on receipt of a written application from the depositor unless expressly prohibited under the rules of the schemes.

4.1. Addition/Deletion of Names of Joint Account holders and Splitting Of Deposit of Deceased Depositors

Branches 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.

In case of splitting of 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 shall be levied if the period and aggregate amount of the deposit do not undergo any change.

5. NOMINATION FACILITY:

All deposit accounts opened by the individual/s and sole proprietor can avail of the nomination facility whereby the person nominated by them would be entitled upon death of the depositor(s) to receive from the Bank, the amount standing to the credit in current deposit, savings bank and term deposit accounts.

Nomination can be made in favour of up to four (4) nominees (individual) in an account. Depositors can choose between two primary ways viz. Simultaneous Nomination and Successive Nomination. Depositor/s can make or cancel or change the nomination at any time during the currency of the account. In case of Joint accounts nomination or variation of nomination should be made by all depositors jointly. Nomination can be made in favour of a minor also and in such case; the depositor/s will have to appoint another person who is not a minor to receive the amount on behalf of the minor.

The nomination facility is intended to facilitate expeditious settlement of claims by Banks upon death of a deceased customer and to minimize hardship faced by the family member. A bank shall offer nomination facility in deposit accounts.

The nomination by the depositor, or as the case may be, all the depositors together, in respect of a deposit held by the Bank to the credit of one or more individuals, may be made in favour of one or more individuals, but not exceeding four, either successively or simultaneously.

The Bank recommends that all depositors avail of the 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 the legal heirs.

Branches shall encourage all depositor-customers of the Bank to avail nomination facility. For this purpose, they will be informed the advantages of the nomination facility while opening a deposit account. In case the customer declines for nomination a letter to that effect is to be obtained from him.

The depositor has the discretion of getting nominee's name printed on the passbook/term deposit receipt.

Only thumb impression of Account holder in various Nomination forms (Bank Deposits, Safe Custody, Safety Lockers) needs to be attested by witness. Signature of Account holder in various Nomination forms (Bank Deposits, Safe Custody, Safety Lockers) need not be attested by witness.

Branches should give wide publicity and provide guidance to deposit account holders on the benefits of nomination facility and the survivorship clause. Despite the best efforts in this regard, branches might still be opening single deposit accounts without nomination.

Keeping in view the above, branches should generally insist that the person opening a deposit account makes a nomination. In case the person opening an account decline to fill in nomination, the branch should explain the advantages of nomination facility. If the person opening the account still does not want to nominate, the branch should ask him to give a specific letter to the effect that he does not want to make a nomination. In case the person opening the account declines to give such a letter, the branch should record the fact on the account opening form and proceed with opening of the account if otherwise found eligible. Under no circumstances, branch should refuse to open an account solely on the ground that the person opening the account refused to nominate.

Rules stipulate that nomination shall be made only in favour of individuals. As such, a nominee cannot be an Association, Trust, Society or any other Organization or any office-bearer thereof in his official capacity. In view thereof any nomination other than in favour of an individual will not be valid.

In the case of a joint deposit account the nominees right arise only after the death of all the depositors.

The Bank shall offer nomination facility in deposit accounts in accordance with the Ministry of Finance; Department of Financial Services vide its gazette notification no. CG-DL-E-27102025-267177 dated 27.10.2025 & RBI notification no. RBI/2025-26/95 DOR.MCS.REC.59/01.01.003/ 2025-26 dated 27.10.2025.

For details, reference to be made on Circular No. CHO/OSD/59/2025-26 dated 31.10.2025 issued by OSD Department, H.O, amended from time to time.

5.1. Acknowledgement of Nomination

In terms of Rules 2 (9), 3 (8) and 4 (9) of the Banking Companies Nomination (Rules), 1985, it is required to acknowledge in writing to the depositor(s) / locker hirers (s) the filing of the relevant duly completed Form of nomination, cancellation and / or variation of the nomination.

Branches should strictly comply with the provisions of Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985 and acknowledge the receipt of the duly completed form of nomination, cancellation and / or variation of the nomination. Such acknowledgement should be given to all the customers irrespective of whether the same is demanded or not.

5.2. Registering the Nomination

In terms of Rules 2 (10), 3 (9) and 4 (10) of the Banking Companies (Nomination) Rules, 1985, the Bank is required to register in its books the nomination, cancellation and / or variation of the nomination. The branches should accordingly take action to register nominations or changes therein, if any, made by their depositor(s) / hirers.

Incorporation of the legend "Nomination Registered" in passbook, deposit receipt etc. and indicating the Name of the Nominee in Pass Books / Fixed Deposit Receipts: -

When a customer of the Bank has availed himself of nomination facility, the same may be indicated on the passbook so that, in case of death of the account holder, his relatives can know from the passbook that the nomination facility has been availed of by the deceased depositor and take suitable action. The Bank will introduce the practice of recording on the face of the passbook the position regarding availment of nomination facility with the legend "Nomination Registered". This will be done in the case of term deposit receipts also.

Further, in addition to the legend "Nomination Registered", Branches should also indicate the name of the Nominee in the Pass Books / Statement of Accounts / FDRs, in case the customer is agreeable to the same.

5.3. Separate Nomination for Savings Bank Account and Pension Account

Nomination facility is available for Savings Bank Account opened for credit of pension. Banking Companies (Nomination) Rules, 1985 are distinct from the Arrears of Pension (Nomination) Rules, 1983 and nomination exercised by the pensioner under the latter rules for receipt of arrears of pension will not be valid for the purpose of deposit accounts held by the pensioners with banks for which a separate nomination is necessary in terms of the Banking Companies

(Nomination) Rules, 1985 in case a pensioner desires to avail of nomination facility.

5.4. Customer Guidance and Publicity Educating Customers on the Benefits of Nomination / Survivorship Clause

- The nomination facility is intended to facilitate expeditious settlement of claims in the accounts of deceased depositors and to minimise hardship caused to the family members on the death of the depositors. The banks should endeavor to drive home to their constituents the benefit of nomination facilities and ensure that the message reaches all the constituents by taking all necessary measures for popularising the nomination facility among their constituents.
- To Popularise the nomination facility, publicity will be launched, including printing compatible message on cheque books, pass-book and any other literature reaching the customers as well as launching periodical drives. Small slip indicating the availability of nomination facility may be inserted in the cheque books and pass books and in current account statements.
  A specimen format of the slip is given below: -

Nomination facility available for-
1) Deposits
2) Safe Deposit Vault
Please make use of it. For Details, please enquire at the Branch.

6. BASIC SAVINGS BANK DEPOSIT ACCOUNT (BSBDA)

'Basic Savings Bank Deposit Account' is offered to all the customers with the following minimum common facilities; free of charge, without imposing any requirement for maintaining a minimum balance:

(1) Deposit of cash
(2) Receipt of money through any electronic channel or deposit / collection of cheques.
(3) No limit on number and value of deposits that can be made in a month.
(4) ATM Card or ATM-cum-Debit Card. Further, no charges shall be levied towards annual fee, either at the time of issuance or renewal.
(5) Cheque book with minimum 25 cheque leaves per year.
(6) Internet and mobile banking facility.
(7) Passbook or monthly statement of account in lieu of passbook, either in print or by email, as per request of the account holder. Further, issuance of a continuation passbook, on exhaustion of the pages in the previous passbook, shall not attract any charge.
(8) Maximum 10 numbers of withdrawals will be allowed in a month with a cap of 4 withdrawals through ATM (done either at the Bank's own ATM or another bank's ATM) & with a cap of 6 cash withdrawals at branch and BC point.
(9) Digital payment transactions excluding ATM transactions, i.e., Point of Sale transfers, NEFT, RTGS, UPI, IMPS, etc., shall not be counted as withdrawals for this purpose. The charges on digital payment transactions shall be in accordance with guidelines issued by Department of Payment and Settlement Systems, Reserve Bank /

National Payments Corporation of India / Government of India, as applicable.

(10) The facilities of ATM / ATM-cum-Debit card or internet / mobile banking or cheque book shall be offered to a customer provided he / she requests for the same through physical or digital channels, whether at the time of opening the account or subsequently. The Bank shall not insist that a customer necessarily avails these facilities while opening and/or operating the BSBD account.

(11) The Bank shall provide additional facilities beyond the above minimum in a BSBD account, with or without charges, in a non-discretionary and non-discriminatory manner with transparent disclosure to the customer. However, while doing so, the bank shall not require the customer to maintain a minimum balance in the BSBD account. The availment of such additional facilities shall be at the option of the customer.

(12) Opening and operation of BSBD accounts is subject to the instructions on Know Your Customer (KYC)/Anti Money Laundering (AML) guidelines issued by the Reserve Bank of India from time to time.

(13) BSBD accounts opened by or operated on behalf of minors shall be subject to the instructions contained in this Policy.

(14) The Bank, while opening a BSBD account, shall not impose any requirement of an initial minimum deposit.

(15) A customer is permitted to convert his / her existing savings bank account to a BSBD account. The Bank shall convert the existing savings bank account to BSBD account within seven days of receipt of request in writing from the customer for such conversion. Such an option shall also be provided to customers through digital channels.

(16) The holder of a BSBD account shall not be eligible to open another BSBD account in the Bank or any other bank. Accordingly, before opening a new BSBD account or converting an existing savings bank account to a BSBD account, the Bank shall obtain a declaration from the customer that he / she does not have a BSBD account in any bank.

Other Terms and Conditions:

In addition to the normally stipulated guidelines, following terms and conditions be also strictly adhered to:

- All normal rules relating to nomination would also be applicable in this account.
- 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 channel or by means of deposit/collection of cheques drawn by Central/State Government agencies and department.
- No charges will be levied for non-operation/activation of in-operative Basic Savings Bank Deposit Account.
- The Bank shall offer additional features of banking facilities with applicable charges as per Schedule of Non-credit charges latest being 2024-25 and amended from time to time, without requiring minimum balance.

6.1. BSBD SMALL ACCOUNTS – Reduced KYC Procedure

Those persons who do not have any of the 'official valid documents' can open 'small accounts' with the Bank. A 'Small Account' means a savings account where:

1. The aggregate of all credits in a financial year does not exceed **Rs.1 Lakh**.
2. The aggregate of all withdrawals and transfers in a month does not exceed **Rs.10,000.**
3. Balance at any point of time does not exceed **Rs.50,000**.

However, Government grants, welfare benefits and payment against procurements shall not be considered in the above list.

The customers having small accounts to be made aware that if, at any point of time, the balances in all his / her accounts with the Bank taken together exceed Rs.50,000/- or total credit in all the accounts exceeds Rs.1lakh, no further transaction will be permitted until full KYC procedure is completed. An undertaking to this effect be obtained from the customer at the time of opening the account itself.

In order to avoid any inconvenience to the customers, the Branches should notify to the customer for submission of appropriate documents when the balances reach Rs.40,000/- or the total credit in a year reaches Rs.80,000/- for completion of full KYC procedure.

4. Further, small accounts are subject to the following conditions:
   i) The bank shall obtain a self-attested photograph from the customer.
   ii) The designated officer of the bank certifies under their signature that the person opening the account has affixed their signature or thumb impression in their presence.

When the individual is a prisoner in a jail, they shall affix their signature or thumbprint in the presence of the officer-in-charge of the jail and the said officer shall certify the same under his signature. The account shall remain operational only if the prisoner annually submits the proof of address that the officer in-charge of the jail issues.

iii) Stipulated monthly and annual limits on aggregate of transactions and balance requirements in such accounts should not be breached, before it allows a transaction to take place.

iv) The account shall remain operational initially for a period of 12 months which the Bank can extend for a further period of 12 months, provided the account holder applies and furnishes evidence of having applied for any of the OVDs during the first 12 months of the opening of the said account with the entire relaxation provisions to be reviewed in respect of the said account after twenty-four months

v) The small account shall be monitored and when there is suspicion of money laundering of financing of terrorism or other high-risk scenarios, the identity of client shall be established through the production of officially valid documents.

vi) The foreign remittance shall not be allowed to be credited into the small account unless the identity of the customer is fully established through the production of officially valid documents.

vii) KYC verification once done by one branch / office of the Bank shall be valid for transfer of the account to any other branch / office of the same bank, provided the Bank has already completed the full KYC verification for the account concerned and the same is not due for periodic updation.

5. In order to ensure uninterrupted access to essential banking services, opening of BSBD Small account for persons displaced from calamity-hit areas lacking identification/personal records will be done.
All features of BSBD small Account mentioned in the above para will be applicable.

7. INOPERATIVE ACCOUNTS (DORMANT ACCOUNT)

A Saving/ Current Account shall be treated as inoperative, if there are no 'Customer induced transactions' in the account for a period exceeding two (2) years.

In case of term deposits, the 2-year period shall be reckoned after the date of maturity.

For all guidelines on Inoperative accounts such as Classification of Inoperative Accounts, Operational guidelines & Follow up, Prior notice on classification of the Account as In-Operative, Segregation of In-operative accounts and Activation of Inoperative Accounts etc., refer to "Policy on unclaimed Deposit for FY 2025-26" (vide circular CHO/OSD/11/2025-26 dt. 02.05.2025) issued by OSD Department H.O and amended from time to time.

8. MINOR'S ACCOUNTS:

Minors of any age may be allowed to open and operate savings and term accounts through his/ her natural or legal guardian. They are also be allowed to open such accounts with mother as guardian whenever such requests are received by the Bank, subject to safeguards that such accounts are not allowed to be overdrawn and it should always remain in credit.

Savings Bank account in the name of minors under guardianship will be operated by the guardian only for the minor's benefit. However, a minor on completion of the age of 10 years and who is able to read and write will be permitted to operate the account without reference to the guardian.

Further, a minor on completion of the age of 10 years & below 18 years of age and who can read and write will be permitted to operate a saving and term deposit account. Such account will be opened in the sole name of the minor. The nomination would be available as per applicable guidelines issued by OSD department and amended from time to time.

The Bank has introduced three general schemes for minor self-operated (viz SB105, SB113, SB114) and a specified scheme with additional features/benefits in the title of 'UCO Rising Star-SB135".

On Attaining the age of majority fresh operating instructions and specimen signature of the account holder shall be obtained and kept on record. Moreover, if the account is operated by the guardian, the balance shall be got confirmed. An advance action, the erstwhile minor should confirm the balance in his/her account.
One month prior to attaining majority, system generated notification will be sent through email and SMS to the minor's registered email ID/Mobile number with an advance to visit Base Branch for the following actions:

(i) Submission of updated KYC Documents
(ii) Balance confirmation in the A/c
(iii) Scheme up-gradation

Two reminder notifications will be sent to visit the Base Branch, 15 days and 1 day prior to the Date of attaining majority.

Accounts of minors, whether operated independently or through a guardian, are not allowed to be overdrawn and that these always remain in credit balance.

Customer Due Diligence for opening of deposit accounts of minors shall be in accordance with KYC AML policy, amended from time to time.

9. Account of Visually Impaired/Challenged Persons:
The Bank provides banking facilities to visually challenged persons in the matter of opening an account. Visually challenged persons are permitted to open the accounts either singly/jointly with any person of his/her choice whom he/she considers reliable and who may be competent to contract and should not be visually impaired person. However, mode of operation in such accounts will be "Former or Survivor" and the visually impaired person shall be 1st named account holder. The rules of business, terms and conditions are to be read out by the branch in the presence of a witness known to the branch. Cash payment to a visually impaired person is to be made in the presence of a witness known to the branch and a branch official other than paying cashier.

Branches should ensure that all the banking facilities such as cheque book facility including third party cheques, ATM facility, Net banking facility, locker facility etc. are invariably offered to the visually challenged without any discrimination, as they are legally competent to contract.

Branches to render all possible assistance to the visually challenged for availing various banking facilities.

In addition to the above, magnifying glasses should also be provided by all bank branches for the use of persons with low vision, wherever they require for carrying out banking transactions with ease. The branches should display at a prominent place notice about the availability of magnifying glasses and other facilities available for persons with disabilities.

10. Savings Bank Account of Old / Incapacitated Persons:

With a view to enabling the old/sick/ incapacitated account holders to operate their bank accounts, branches may follow the under noted procedure.

- Wherever thumb or toe impression of such customers is obtained on the cheque / withdrawal slip, the same should be identified by two independent witnesses, known to the Bank, one of whom should be an Officer of the branch.
- Whenever the customer cannot even put his / her thumb impression, toe impression may be taken in lieu of thumb impression.
- "Branches should ensure opening of account of a person who lost both his/her hands. For such persons who may be able to sign by other means is to be accepted. In case, such person is not able to sign, toe impression or a 'mark' may be obtained being put by an instrument which has had a physical contact with the person who has to sign. The above mentioned sign or mark as the case may be is to be accepted for opening of account and making transactions in the account.
- In this connection, the Supreme Court has held in AIR 1950 – Supreme Court, 265 that there must be physical contact between the person who is to sign and the signature can be by means of a mark. This mark can be placed by the person in any manner. It could be the toe impression also."
- The customer should also be asked to indicate to the branch as to who would withdraw the amount from the branch on his/her behalf and he/she should provide a letter of authorization in that regard, which should also be witnessed by two independent witnesses one of whom should be an officer of the branch.
- Such authorized representative shall have to put his signature on the reverse of cheque / withdrawal slip in token of having received the amount along with his acknowledgement in this regard.
- Any medical certificate received / submitted in this connection will be additional evidence but not a substitute to the procedure, detailed above.

11. Account of Persons with Autism, Cerebral Palsy, Mental Retardation & Multiple Disabilities:

Savings Bank and Term Deposits accounts can 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/ The Mental Healthcare Act, 2017- (as amended from time to time), 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(as amended from time to time). Legal Guardian, so appointed, will furnish an indemnity cum undertaking bond duly stamped as per the local law in force along with Guardianship Certificate.

12. Accounts of Transgender Persons:

Persons claiming to be transgender and who need to open account or to do any banking transaction will be categorized as "Third Gender" and the details shall be accepted in AOFs/ or other applicable forms as such. The salutation of such person shall be "Mx". All transgender customers shall be treated equally to other male/female customers without any discrimination.

13. Account of Illiterate Person:

Branches allow illiterate persons to open Savings Bank and Term Deposit accounts and for this purpose his thumb impression along with photo is obtained on the account opening form. All types of accounts except Current Account are permitted to be opened in the name of illiterate person.

Rules of the Bank regarding opening and operation of the account and also the contents of Bank Account Opening Form shall be explained to the depositor at the time of opening of the account. A declaration shall be obtained from such prospective accountholder along with that of a witness, acceptable to the Branch, stating that the contents of the Account Opening Form and account rules have been translated in the language known to the depositor(s) and have been explained to him and fully understood by him/her/them. No cheque book facility is provided for such savings account, and branch will explain the need for proper care & safe keeping of passbook etc. to the account holder.

14. Ease In Banking Facility for Senior Citizens and Differently Abled Persons Including Those Who are Visually Challenged: Door-Step Banking

As per RBI guidelines on Responsible business conduct, dated 28/11/2025. The Bank shall offer doorstep banking services on pan India basis and Board approved framework shall be developed for determining the nature of branches/ centres, where these services will be provided mandatorily and those where it shall be provided on best efforts basis.

For details, refer to Bank's Policy on Doorstep Banking (FY2025-26) issued by Marketing Department, H.O, amended from time to time.

15. Customer Information:

The optional information to be furnished in the account opening form will not be used by the Bank, its subsidiaries, and affiliates for cross selling of services or products of the Bank unless specifically permitted.

15.1. Collecting Information from Customers for Cross-Selling Purposes:

At the time of opening of accounts of the customers, Branches are required collect certain information including few personal information.

In this connection, the Committee on Procedures and Performances Audit on Public Services (CPPAPS) observed that the information collected from the customer was being used for cross-selling of services of various products and also for the products of subsidiaries and affiliates. Sometimes, such information was also provided to other agencies. As branches are aware, the information provided by the customer for KYC compliance at the time of opening an account is confidential divulging any details thereof for cross selling or any other purpose to outside agencies other than authorized by branch/ bank, would be in breach of customer confidentiality obligations. The information collected from the customer for the purpose of opening of account should be treated as confidential and any details thereof should not be divulged for cross selling or any other purposes. Branches are required to ensure that information sought from the customer is relevant to the perceived risk, is not intrusive, and is in conformity with the guidelines issued in this regard.

Wherever it is desired to collect any information about the customer for a purpose other than KYC requirements, it should not form part of the account opening form. Such information may be collected separately, purely on a voluntary basis, after explaining the objectives to the customer and taking his express approval for the specific uses to which such information could be put. Branches should strictly ensure compliance with their obligations to the customer in this regard.

16. Secrecy of Customer's Accounts:
The bankers' obligation to maintain secrecy arises out of the contractual relationship between the banker and customer. Branches shall not divulge any customer information to third parties except under circumstances described below:

- Where disclosure is under compulsion of law i.e. when called upon by competent court of law, by Income Tax Officers, by police authorities, under statutory obligations, by central excise and central custom authorities, etc.
- Where there is duty to the public to disclose
- Where interest of bank requires disclosure and
- Where the disclosure is made with the express or implied consent of the customer.

17. Intra-Bank Deposit Accounts Portability:
KYC once done by one Branch of the Bank shall be valid for the transfer of the account within the Bank as long as full KYC has been done for the account concerned. The customer should be allowed to transfer his account from one branch to another branch without insisting on fresh proof of address and on the basis of a self-declaration from the account holder about his / her current address, subject to submitting proof of address within a period of six months. Periodical updation of KYC data would continue to be done by branch as per prescribed periodicity.

18. Operations In Term Deposits:
Definition of Term Deposits

1. **Bulk deposit:**

The term 'Bulk Deposit' has been defined by the Reserve Bank of India, vide its Circular RBI/DOR/2025-26/172 DOR.SFG.REC.No.91/30.01.021/2025-26 dated 28.11.2025, as "single Rupee Term Deposit of Rs.Three (3) Crore and above. Rupee Term Deposits will include domestic term deposits as well as term deposits under NRO and NRE accounts."
(Enclosure: "Policy on Accepting Bulk Deposits & Loan/Advances against Bulk Deposits" as Part-B.)

2. **Normal Term Deposit:**

Term deposit below Rs.Three (3) Crore is termed as Normal Term Deposit.

3. **Callable and Non-Callable Deposits:**

Within the Bulk Deposits, the Bank shall introduce various products with specific features such as callable and non-callable Fixed Deposits for specific target customer segments based on the Bank's requirement of funds. Relatively higher interest rates will be offered by ALCO/IC for non-callable Fixed Deposits. However, no-premature withdrawal will be allowed for such Fixed Deposits, except in the event death of the Depositor (Single/ Joint)/ bankruptcy/ winding up /directions by court/ regulators/ receiver/liquidator, premature withdrawal will be allowed & interest will be paid as per the card rate for fixed deposits for the period for which the fixed deposit was actually run.

(Enclosure: "Policy on Accepting Bulk Deposits & Loan/Advances against Bulk Deposits").

18.1. Tenor & Minimum Amount Under Normal Term Deposit

The minimum amount of deposit under the General TD scheme is Rs. 1000/ -, but for option of payment of interest at monthly interval the minimum amount of deposit is Rs.10,000/-.

(a) The minimum period of deposit is 7 days.

(b) The maximum period of deposit is 120 months.

Note : However, under the order of court/tribunal the period of deposit may be accepted beyond 120 months.

c) If the period of deposit is less than six months, it is expressed in terms of days, and the entire amount of interest is to be paid in lumpsum at maturity.

d) If the period of deposit is 6 months and above, it is expressed in terms of months and at the option of the depositor the interest may be paid at quarterly/monthly intervals.

18.2. Advances against Deposits

The Branches 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. Branches 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 / guardian. KYC to be thoroughly checked before granting advances against deposits.

18.3. Issue of Term Deposit Receipt

Branches shall issue Term deposit receipt indicating therein full details, such as, date of issue, period of deposit, due date, applicable rate of interest, etc. Each term deposit receipt shall carry a system-generated distinctive number.

Precautions for Issuing of Duplicate Fixed Deposit Receipt:

- If the original FDR is misplaced / lost, the duplicate thereof shall be issued with an express endorsement on the same that it has been issued in lieu of Original FDR (specify the number / account) after the same was reported lost/misplaced. Corresponding entry shall be made in the ledger of the account concerned including the electronic ledger.

- At the time of issuance of duplicate FDR, the deposit holders shall be required to execute indemnity Bond(s), which be appropriately stamped under the relevant State Laws. Stamp Duty shall be borne by the depositor concerned.
- The Bank shall issue necessary Circular to all the branches to mark caution against the lost FDR.
- Where the original Fixed deposit Receipt, which has been reported lost / misplaced, is held by more than one person jointly, the request for issuance of duplicate FDR shall be made jointly by them, the indemnity bonds shall be executed by each of such joint holders and the proceeds of the FDR, in case of pre-mature encashment, shall be credited to a joint account held by such holders either maintained with our Bank or any other bank.
- Besides an indemnity bond, an undertaking from the beneficiary shall be taken. In the undertaking, the beneficiary shall specifically and in certain terms declare the following:
  - Date of loss/misplacement of Original FDR.
  - Circumstances, in which such loss/misplacement took place.
  - All efforts, as are expected from a reasonable and prudent person, to locate the original FDR have been exhausted.
  - Matter has been reported to the branch at the earliest possible instance.
  - The original FDR was misplaced from the possession/control of the beneficiary or that of some third party.
  - The original FDR has not been pledged or delivered or handed over to any third party as a primary/collateral security or for any other purpose.
  - In case the original FDR is located after the loss has been reported to the Branch, the same shall be immediately handed over to the Branch.
  - This undertaking is in addition to and not in derogation of the indemnity bond executed by the beneficiary.
  - The beneficiary understands that the undertaking constitutes a crucial document for the purpose of the bank's decision to issue a duplicate FDR and make payment there under.
  - The undertaking should be appropriately stamped under the relevant and applicable state laws. Charges whereof shall be borne by the depositor(s).

18.4. Timely Issue of TDS Certificate to Customer:

With a view to protecting the interests of the depositor and for rendering better customer service, Branches are required provide TDS Certificate in Form 16A, to their customers in respect of deducted Tax at source. Branches are advised to provide Form 16A to the customers well within the time-frame prescribed under the Income Tax Rules.

19. Standalone Term Deposit:

Standalone term deposit (i.e., term deposit which is not linked to any savings/current bank account) is opened by bank only after proper identification of the customer with full KYC compliance and with due diligence.

Deposits can be accepted in cash (upto Rs.50000/-), if depositors do not maintain any saving /current account), Cheque, Demand Draft, Account transfer, NEFT/RTGS transfer in collection account. For repayment of maturity amount, bank may pay in cash (upto Rs.20000/-), Manager's Cheque, Demand Draft, Account transfer, NEFT/RTGS transfer.

20. Flexible Fixed Deposit:

Flexible Fixed Deposit Scheme combines the feature of higher rate of interest with the feature of easy liquidity associated with a Saving Bank/ Current Deposit. It has the advantage of high flexibility to the depositor in terms of the provision of premature withdrawals of deposited amount depending upon necessity without affecting the rate of interest or maturity date of the remaining part of the deposit. Detailed features of Flexible Fixed Deposit Scheme is issued vide circular no. CHO/RESOURCES/12/2024-25 dated 03.07.2024.

21. UCO NSCCL E-FDR Fixed Deposit Scheme:

To garner the electronic term deposits business from clearing members/ participants of NSE Clearing Limited, the Bank has introduced the 'UCO NSCCL E-FDR' fixed deposit scheme. (Refer to circular Vide CHO/Resources/08/24-25 Dated 14.05.2024)

22. UCO ICCL E-FDR Fixed Deposit Scheme:

To garner the electronic term deposits business from clearing members of Indian Clearing Corporation Limited (ICCL), our bank has introduced the, 'UCO ICCL EFDR' deposit scheme. (Refer to Circular vide CHO/Resources/24/25-26 Dated 02.01.2026).

23. UCO GREEN DEPOSIT Scheme:

The Reserve Bank of India vide Master Direction RBI/DOR/2025-26/153 DOR.SOG(SPE).REC.72/13.03.00/ 2025-26 dated 28.11.2025 has issued directives on "Framework for Acceptance of Green Deposits", as per which the Bank is required to place a comprehensive Board-approved Policy on Green Deposits.

Green deposit refers to an interest-bearing deposit, received by a Regulated Entity for a fixed period and the proceeds of which are earmarked for being allocated towards green finance.

A separate Policy as approved by Board in this regard is attached as Part-C.

24. Digital Term Deposit:

(a) Fixed Deposits which are opened digitally, customers have option to download the Fixed Deposit Receipt from E-mail. No, physical FDR Receipt will be issued from branch in case of digital term deposit.

(b) Term deposit which are opened digitally can be closed by digitally, similarly if term deposit opened physically at branch, the same cannot be redeemed through digital modes such as internet banking, mobile banking.

25. Recurring Deposit:

Recurring Deposit means that term deposit account where a specified sum is deposited regularly in each month during the entire tenure of account, as would be agreed by the depositors at the time of opening of account, But withdrawals from the accounts are not allowed within the specified tenure of the account. Upon completion of the specified period, the account holder receives back the principal amount and interest.

25.1. Types of Recurring Deposit:

UCO Bank offers 3 product-schemes, namely:

(a)Normal Recurring Deposit Scheme (TD-108):
A basic savings plan to invest small amounts of money every month and end up with a large fund on maturity to meet their future contingencies with scheme period upto 10 years.

(b)UCO Sowbhagya Flexi Recurring Deposit Scheme (RDUSS):
Features of a Normal Recurring Deposit Plan with the flexibility of varying monthly instalments offering add-on benefits both for business class as well as working population whose monthly income is not fixed but still desire to do monthly savings in the form of Recurring Deposit with scheme period upto 60 months.

(c)UCO Sanchayika Flexi Recurring Deposit Scheme (RDUSW):
Features of a Normal Recurring Deposit Plan with the flexibility of varying monthly instalments offering add-on benefits like PAIS for Women depositors in the form of Recurring Deposit with scheme period upto 60 months.

25.2. Eligibility for Opening of RD Account:

Normal Recurring Deposit and 'UCO Sowbhagya' RD Account can be opened

- by individual in his own name
- by more than one individual in their joint names, who will be the beneficiaries either jointly or anyone or more among them or the survivor or the survivor of them
- on behalf of a minor by his natural guardian or by a guardian appointed by court.
- In the name of minor singly provided he/she attained the age of 10 years and can read and write.
- In the name of clubs, societies, associations, educational institutions, trusts, firms, partnerships provided they are registered and joint companies
- By an illiterate person to be operated by his thumb impression.

'UCO Sanchayika' Flexi RD Account can be opened only by for NTB / ETB Individual **Female** customers.

- 'UCO Sanchayika' Flexi RD can be opened by Resident Indian Female above 18 years of age.
- In the name of minor girl singly, provided she attained the age of 10 years & can read and write.
- On behalf of a minor girl, represented by their Natural Guardians or Guardians appointed by Court.

- In case of Joint account first applicant (primary holder) must be Female.

25.3. Period of Deposit

For Normal Recurring Deposit, the minimum period being 12 months and the maximum 120 months; period of deposit should be in multiple of 3 months.

For 'UCO Sowbhagya' and 'UCO Sanchayika' RD Accounts, minimum and maximum deposit period is 12 months and 60 months respectively. Deposits Period shall be in blocks of 12 months, 24 months, 36 months, 48 months and upto 60 months.

25.4. Pattern of Deposit

Normal Recurring Deposit Account can be opened with minimum monthly instalment of Rs. 50/- or any amount in excess of Rs. 50/- but may be in multiple of Rs. 5/-. There is no restriction on maximum monthly instalment.

UCO Sowbhagya' RD Accounts can be opened with a-

- Minimum deposit amount of Rs. 100/- and thereafter in multiples of Rs. 100/-.
- Minimum one instalment with no limit on number of deposits per month, however, the maximum amount that the depositor can remit in a month shall not exceed 10 times of the initial deposit subject to a maximum of Rs. 2 crore in a month.

UCO Sanchayika' Flexi RD accounts can be opened with a-

- Minimum deposit amount of Rs. 2000/- and thereafter in multiples of Rs. 500/-.
- Minimum one installment with no limit on number of deposits per month.
- No maximum monthly deposit ceiling. However, maximum deposit in an account per transaction will be less than Rs. 2.00 crore.

25.5. Penalty Rules on Late payment of RD Instalments:

Penalty rules for late payment of RD instalment in case of Normal Recurring Deposit (Scheme-TD108) are as follows:

- The account holder should pay the installments for any month on or before the last working day of that month.
- In case of late payment of installments/ skipped installments, penalty should be charged from the account holder for each month of default only at the following rate.

Monthly Installment	Penal Charges
Upto Rs. 10000/-	@ Rs. 2/- per Rs. 100/- per month
Above Rs. 10000/-	Rs. 200 per month

- Penal charges so arrived at are to be rounded off to nearest rupee.
- However, the maximum amount of penalty for late payment of instalments in any such RD accounts will be restricted to the lower of the following (a & b):

(a) Penalty charges for actual default as per penalty clause above.

(b) Accumulated interest amount in the RD account at maturity.

- Maximum penalty amount to be charged in any account must not reduce the payable amount below the principal amount, i.e in no case the penal charges for late payment should be more than accumulated interest amount of RD account at maturity.
- No waiver of penalty even if advance instalments are deposited along with arrear instalments.

In case of **'UCO Sowbhagya'** and **'UCO Sanchayika'** RD accounts, one month default, no penalty, however, if no amount is deposited during the second month & onwards, the installments should be deemed to have fallen in arrears, the Bank shall impose a penalty of Rs. 100/- for each month of default. Penalty shall not be levied if installments are in default intermittently for more than one month provided the default is not for two consecutive months.

25.6. Rate of Interest

Rate of Interest on recurring deposits will be determined by bank's domestic card rate for normal term deposit (less than Rs. 3 crore) issued time to time and calculated on a daily product basis & compounded quarterly. The applicable interest rate will be decided by both the amount of monthly basic instalments and tenure of deposit, irrespective of the cumulative deposit amount in RD account.

25.7. Premature Payment/ Foreclosure of RD Accounts

- A Recurring Deposit Account can be allowed to be closed by account holder before the expiry of the stipulated period.
- In the event of a premature withdrawal of a normal recurring deposit account, the rate of interest payable will be one percent (1%) less than the interest applicable for the period for which the deposit has remained with the bank, calculated on a simple basis.
- For 'UCO Sowbhagya' and 'UCO Sanchayika' RD Account, if a depositor desires to close the RD account prematurely, or the account is discontinued and instalments cease to be remitted for continuous period of 6 months, for any reason, the amount of instalments already paid will be repaid in one lump-sum along with interest for instalments deposited with rate applicable on domestic Term Deposit Scheme with penalty clause for the period run.

Period of Premature Closure	Penal Charge on applicable interest rate
Within 12 months	1%
After 12 months	0.5%

- The applicable rate of interest will be determined on the rates prevailing on the date the account was closed.
- Interest on such deposit will be calculated on a simple basis.
- In case of premature closure before 12 months of its opening, an additional service charge of Rs. 100/- and Rs 200/- for of 'UCO Sowbhagya' and UCO Sanchayika Flexi RD account respectively will be recovered.

25.8. Privileges for Senior Citizens / Staff / Ex-staff:
These categories of account h ers will be eligible for additional rate of interest (ROI) over and above applicable ROI relevant to Banks Term Deposit (below Rs. 3 crore).

25.9. Payment of Maturity Proceeds:

- The maturity will be at the end of the term and interest will be calculated till the maturity date only at the contracted rate.
- After the date at maturity, the account will not be renewed.
- Payment of overdue interest will be made according to the terms and conditions as applicable for existing Recurring Deposit Scheme of the Bank.

25.10. Overdue Recurring Deposit

- A Recurring deposit should be classified under "Overdue Recurring Deposit", if it remains unpaid after the due date.
- On maturity, RD account has to be transferred to Overdue/ Recurring Deposit to properly classify the deposit under demand liability instead of term liability.
- The maturity proceeds of an overdue recurring deposit can be treated at par with other overdue term deposits for the purpose of payment of overdue interest.

25.11. Loans against Recurring Deposit:
Loans shall be granted against RD account and the interest will be charged as per Loan policy issued time to time.

25.12. Tax Deducted at Source (TDS) applicability:
TDS will be deducted as per income tax rules.

25.13. Nomination: Nomination facility is available.

25.14. Transfer of RD Account:
Transfer of RD Accounts between Bank's branches are allowed.

26. Settlement Of Dues in Deceased Depositor Account:
Settlement of dues in deceased depositor account along with interest will be governed by the Bank's "Policy for Settlement of Claims in respect of Deceased Account Holders".

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

Payment of balance outstanding in the account of such person shall be made to the nominee / legal heirs against their claim on production of document as prescribed by the bank evidencing occurrence of such incident and identity of the claimant.

However, in view of the imperative need to avoid inconvenience and undue hardship to common person, claim in respect of missing persons upto Rs.1 lac or otherwise specified by the Bank from time to time may be settled only on the basis of following documents - a) FIR b) Non-traceable Report issued by Police Authorities c) Letter of Indemnity.(Refer circular No. CHO/OSD/83/23-24 dated 31.03.24 page no 61-62.)

28. Insurance Cover for Deposits:

All deposits of the Bank are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGCI) subject to certain limits and conditions as under (DICGC ACT,1961), as per which each depositor of the Bank is currently insured upto a maximum of Rs. 5,00,000/- (Rupees Five Lakhs) for both principal and interest amount held by him/her in the same right and same capacity as on the date of liquidation/cancellation of the Bank's license or the date on which the scheme of amalgamation/ merger/ reconstruction comes into force.

The DICGCI insures all deposits such as savings, fixed, current, recurring, etc. deposits except the following types of deposits:

1. Deposits of foreign Governments.
2. Deposits of Central/State Governments.
3. Inter-bank deposits.
4. Any amount due on account of and deposit received outside India
5. Any amount, which has been specifically exempted by DICGCI with the previous approval of Reserve Bank of India.

Note: Subject to any changes under DICGCI will be as per RBI guidelines.

A Bank shall disclose in the annual report that deposit insurance premium as applicable was paid to DICGC within the prescribed timelines.' In case the bank has not paid as per the required timelines, the same shall also be disclosed. (RBI/DOR/2025-26/243 DOR.ACC.REC.NO.438/21/21.04.018/2025-26, dated 16/03/2026, w.e.f 01/04/2026)

29. Stop Payment Facility:

The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, Charges leviable for this purpose, as specified will be recovered.

30. Closure Of Account:

- Branch on receipt of a written request from the account holder close the account after obtaining the unused cheque leaves, if any. The Branch may also close any account with prior intimation to the account holder in case the prescribed minimum balance is not maintained or, in its opinion the account is not properly conducted or any other reason. Before doing so, the branch is obliged to assign the reasons in writing or through any other mode of communication for closing the account.

- If an existing customer is unable to furnish details required under statutory obligations (KYC/AML guidelines) as mentioned, bank may close such account(s) after giving due notice to the customer.

31. Bank's General Lien:

Branch has the right to retain all the goods or any property (which is in its possession, and which includes credit balance in the deposit account) of the depositor until all the claims, if any of the Bank as the holder of such properties are satisfied in full. The right of lien is conferred to the Banker under Sec.171 of Indian Contract Act.

32. Redressal Of Complaints and Grievances:

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

33. Cheque Books:

33.1. Issuing Large Number of Cheque Books:

Branches may issue cheque books with larger number of leaves if a customer demands the same and also ensure that adequate stocks of such cheque books are maintained to meet the requirements of the customers. Appropriate care should be taken while issuing large number of cheque books. It should be done in consultation with the Controlling Office.

33.2. Writing The Cheques in Any Language

All cheque forms should be printed in Hindi and English. The customer may, however, write cheques in Hindi, English or concerned regional language of the State.

33.3. Dispatching The Cheque Book by Courier

The procedure of disallowing depositors to collect the cheque book at the branch and insisting on dispatching the same by courier after forcibly obtaining a declaration from the depositor that a dispatch by the courier is at depositor's risk is an unfair practice. Therefore, Branches should refrain from obtaining such undertakings from depositors and ensure that cheque books are delivered over the counters on request to the depositors or his authorized representative.

Delivery of cheque book at the doorstep of customer on Demand through postal department (Registered/Speed Post). The demand for delivery of cheque book at residence can be raised.

a) through his/her e-mail id registered with bank
b) By registering with bank's M-Banking/E-banking/Telebanking services.
c) through authorized representative with duly signed request letter.

33.4. Acceptance of Cheques Bearing a Date as Per National Calendar (Saka Samvat) for Payment

Government of India has accepted Saka Samvat as National Calendar with effect from 22 March 1957 and all Government statutory orders, notifications, Acts of Parliament, etc. bear both the dates i.e., Saka Samvat as well as Gregorian Calendar. An instrument written in Hindi having date as per Saka Samvat calendar is a valid instrument. Cheques bearing date in Hindi as per the National Calendar (Saka Samvat) should, therefore, be accepted for payment, if otherwise in order. Branches can ascertain the Gregorian calendar date corresponding to the National Saka calendar in order to avoid payment of stale cheques.

33.5. Issue of Multicity Cheques / Payable at All Branches

In order to bring efficiency in the cheque clearing, it has been advised to issue only "payable at par" / "multi-city" CTS 2010 Standard cheques to all eligible customers without extra charges with appropriate Board approved risk management procedures based on risk categorization of accounts and not to charge the savings bank account customers for issuance of CTS-2010 standard cheques when they are issued for the first time.

33.6. Stale or Post-Dated Cheques:

Before making the payment on cheques drawn on Current Deposit and Saving Bank accounts, Branch will ensure that the cheque is neither stale i.e., more than 3 months old nor postdated i.e., bearing a future date.

34. Passbooks / Statement of Accounts:

34.1. Entries In Passbooks / Statement of Accounts:

- Constant attention by the branches is to be ensured for entry of correct and legible particulars in the pass books and statement of accounts. It should be ensured that brief, intelligible particulars are invariably entered in passbooks / statement of account.

- Entries in depositors' passbooks / statements of accounts are often shown as "by clearing" or "by cheque". Further, it is observed that in the case of Electronic Clearing System (ECS) and RBI Electronic Fund Transfer (RBIEFT), details are not generally provided even though brief particulars of the remittance are provided by the receiving bank. In some cases, computerized entries use codes which just cannot be deciphered. With a view to avoiding inconvenience to depositors, such inscrutable entries in passbooks / statement of accounts should be avoided and it should be ensured that brief, intelligible particulars are invariably entered in passbooks / statement of account.

34.2. Updating Passbooks:

- Customers may be made conscious of the need on their part to get the passbook updated regularly and employees may be exhorted to attach importance to this area.

- Wherever passbooks are held back for updating, because of large number of entries, paper tokens indicating the date of its receipt and also the date when it is to be collected should be issued.

- It is sometimes observed that customers submit their passbooks for updation after a very long time. In addition to the instructions printed in the passbook, whenever a passbook is tendered for posting after a long interval of time or after very large number of transactions, a printed slip requesting the depositor to tender it periodically should be given.
- Bank has installed some Self- Service Kiosks for cash deposit and passbook printing on pan India Basis. Self-Service passbook printer is a fully automatic passbook printer Kiosk using which customers can print their passbook on their own without any branch intervention.
- Bank also facilitated to view your passbook via UCO m-passbook.

34.3. Address / Telephone Number of The Branch in Pass Books / Statement Of Accounts:
Branches are advised to ensure that full address / telephone number of the branch is invariably mentioned on the passbooks / statement of accounts issued to the account holders.

34.4. Maintenance of Savings Bank Pass Books – Precautions:
Negligence in taking adequate care in the custody of savings bank pass books facilitates fraudulent withdrawals from the relative accounts. A few precautions in this regard are given below:

- Branches should accept the pass books and return them against tokens.
- Pass books retained with the branches for updation should be held in the custody of named responsible officials.
- While retaining the pass books with the branch, they should be held under lock and key overnight and not left in open unattended on the counter.

34.5. Providing Monthly Statement of Accounts:

- Branches may ensure that they adhere to the monthly periodicity while sending statement of account.
- The statements of accounts for current account holders may be sent to the depositors in a staggered manner instead of sending by a target date every month. The customers may be informed about staggering of the preparation of these statements. Statements may be provided by mails as per the request OR made available on mobile.
- Inspecting Officers to carry out sample check at the time of internal inspection of branches to verify whether the statements are being dispatched in time.

34.6. Printing Of MICR Code and IFSC Code on Passbook / Statement of Account
The Magnetic Ink Character Recognition (MICR) code is necessary for all Electronic Clearing Service (ECS – Credit and Debit) transactions and the Indian Financial System Code (IFSC) is a pre-requisite for National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) transactions. At present, this information is made available on the cheque leaf along with the IFSC, Code of the branch. These are also to be provided in all passbooks / statements of accounts.

35. Transfer of Account from One Branch to Another

Instructions of a customer for transfer of his account to another office should be carried out immediately on receipt of, and in accordance with his instructions. It should be ensured that along with the balance of the account, the relative account opening form, specimen signature card, standing instructions, etc., or the master sheets wherever obtained, are also simultaneously transferred, under advice to the customer. No Account should be transferred to another branch within six months of opening of account. When the account is to be transferred out of the zone, having balance of above Rs.10 lacs permission of Zonal Head is required.

The account transfer form with the enclosures may be handed over to the customer in a sealed cover if he so desires for delivery at the transferee office / branch. However, the transferee office should also be separately supplied with a copy of the account transfer letter along with copies of forms for comparing with originals.

When an office receives an enquiry from a customer regarding the receipt of his account on transfer from another office it should take up the matter with the transferor office by electronic means, in case it has not received the balance of the account and/or other related papers even after a reasonable transit time of not more than a week.

36. Minimum Balance Requirement:

At the time of opening of the Savings/ Current accounts, branches should inform their customers in a transparent manner, the requirement of maintaining minimum balance and levying of charges, etc., if the minimum balance is not maintained.

Any charge levied subsequently should be transparently made known to all depositors in advance with one month's notice. The branches should inform, at least one month in advance, the existing account holders of any change in the prescribed minimum balance and the charges that may be levied if the prescribed minimum balance is not maintained.

Levy penal charges for non-maintenance of minimum balances in any inoperative account are not permitted.

The scale of QAB/AQB charges for Regular Savings accounts & MAB/AMB charges for Regular Current accounts are subject to change and circulated from time to time by the OSD Department, H.O.

The Bank shall have the full discretion to decide on the type of average balance required to be maintained each month or each quarter and it can also amend from time to time the average balance for any current/ savings deposit schemes.

Savings Account - Maintenance Of Monthly/ Quarterly Average Balance (MAB/QAB)

Customers are required to maintain Monthly/ Quarterly average balance in their savings accounts and levying of charges, etc., if the stipulated minimum balance or average balance is not maintained.

Charges and penalties linked to shortfall in Quarterly Average Balance (QAB) in the accounts are waived for Rural and semi urban branches.

SB Pension/ Sr Citizen account (with/ without cheque facility): Senior citizen or Pensioner saving accounts can be operated at zero balance (don't need to maintain a minimum balance)with /without cheque facility.
However, Average balance for savings schemes (such as Suvidha Salary, SB Tierised, Aparajita, Shaurya & Shoorveer, Asha, GIG, etc) will prevail as per such special schemes.

Current Account - Maintenance Of Monthly/ Quarterly Average Balance (MAB/QAB)
Customers are required to maintain Monthly/ Quarterly average balance in their current accounts and levying of charges, etc., if the stipulated minimum balance or average balance is not maintained.
However Average Balance for schematic schemes under current accounts (such as UCO Business & Business Plus, Care, Care Plus, Jayalakshmi, Aarambh, etc), will prevail as per such special schemes.

36.1. Levy of Penal Charges:
Levy of penal charges on non-maintenance of minimum balance in CASA accounts shall be subject to the following guidelines:

- In the event of a default in maintenance of minimum balance, the bank should 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.
- 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.
- The penal charges should be directly proportionate to the extent of shortfall observed. In other words, the charges should be a fixed percentage levied on the amount of difference between the actual balance maintained and minimum balance as agreed upon at the time of opening of account.
- It should be ensured that the balance in the CASA account does not turn into negative balance.

37. Remittance of Funds for Value of Rs.50,000/- and Above:
Branches should ensure that any remittance of funds by way of demand drafts/mail transfers / telegraphic transfers or any other mode and issue of traveler's cheques / RTGS / NEFT / IMPS /UPI for value of Rs 50,000 /- and above is affected only by debit to the customer's account or against cheques or other instruments tendered by the purchaser and not against cash payment. In the current scenario, where the integrity of the financial system in general and the banking channels in particular is of paramount importance, breach of these guidelines is a matter of serious regulatory concern in view of the wide-ranging ramifications. Any violation of these instructions will be viewed seriously.

38. Acceptance of Cash Over the Counter:
Banking, by definition, means acceptance of deposits of money from the public for the purpose of lending and investment. As such, banks cannot design any product which is not in tune with the basic tenets of banking. Further,

incorporating such clauses in the terms and conditions which restrict deposit of cash over the counters also amounts to an unfair practice.

Branches are therefore advised to accept cash over the counters from all their customers who desire to deposit cash at the counters.

39. Safe Deposit Lockers:

This facility is not offered through all bank branches and wherever the facility is offered, allotment of safe deposit vault will be subject to availability and compliance with other terms and conditions attached to the service. Safe deposit lockers may be hired by an individual (being not a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts etc. Nomination facility is available to individual(s) holding the lockers singly or jointly. Where two or more individuals hire the safe deposit locker with mode of operation stipulated as "Jointly", nomination can be made in favor of one or more persons. There can be as many nominees as there are locker hirers. That is, the number of nominees cannot exceed the number of hirers. Joint locker holders can give mandate for access to the lockers in the event of death of one of the holders on the lines similar to those for deposit accounts. In the absence of nomination or mandate for disposal of contents of locker, the bank will release the contents of locker to the legal heirs against indemnity on the lines as applicable to deposit accounts.
For details, reference to be made on Circular No. CHO/OSD/15/2026-27 dated 30.04.2026 issued by OSD Department, H.O, amended from time to time.

40. Service at the Counters

40.1. Changes in Banking Hours

Uniform Banking hours of Bank Branch will be implemented by all public sector banks after publishing the same in the local media in accordance with the notification by respective SLBC's of the state.

a. Different district of the State can have different timings but the same should be notified and published properly for public convenience.
b. Banks located in residential and commercial places in the same district can have different timings.
c. Branches having Mandi operations or any specific area branches requiring special timings may be notified as per public convenience.

40.2. Commencement / Extension of Working Hours

Commencement of employees' working hours 15 minutes before commencement of business hours could be made operative by banks at branches in metropolitan and urban centers. This should be implemented taking into account the provisions of the local Shops and Establishments Act.
The branch managers and other supervising officials should, however, ensure that the members of the staff are available at their respective counters right from the commencement of banking hours and throughout the prescribed business hours so that there may not be any grounds for customers to make complaints.

It should be ensured that no counter remains unattended during the business hours and uninterrupted service is rendered to the customers. Further, branches should allocate the work in such a way that no Teller counter is closed during the banking hours.

All the customers entering the banking hall before the close of business hours should be attended to.

40.3. Extended Business Hours for Non-Cash Banking Transactions

Banks should extend business hours for banking transactions other than cash, up till one hour before close of the working hours.

The following non-cash transactions should be undertaken by banks during the extended hours, i.e., up to one hour before the close of working hours:

a) Non-voucher generating transactions:
- Issue of pass books/statement of accounts;
- Issue of cheque books;
- Delivery of term deposit receipts/drafts;
- Acceptance of share application forms;
- Acceptance of clearing cheques;
- Acceptance of bills for collection.

b) Voucher generating transactions:
- Issue of term deposit receipts;
- Acceptance of cheques for locker rent due;
- Issue of travelers cheques;
- Issue of gift cheques;
- Acceptance of individual cheques for transfer credit.

Such non-cash transactions to be done during the extended business hours should be notified adequately for information of the customers.

Branches in urban/metropolitan center can have evening counters at their existing premises for providing facilities to the public beyond the normal hours of business so as to bring about improvement in customer service. It is necessary that in such cases the transactions conducted during such extended hours of business are merged with the main accounts of the branch where it is decided to provide the aforesaid facilities.

The above branches should give due notice to their constituents about the functions to be undertaken during the extended banking hours through local newspapers, as also by displaying a notice on the notice board at the branch(es) concerned. Further, as and when the hours of business of any of the branches are extended, the clearing house concerned should be informed.

41. Accepting Standing Instructions of Customers

Standing instructions should be freely accepted on all current and savings bank accounts. The scope of standing instructions service should be enlarged to include payments on account of taxes, rents, bills, school / college fees, licenses, etc.

42. Rounding Off of Transactions

All transactions, including payment of interest on deposits/charging of interest on advances, should be rounded off to the nearest rupee i.e., fractions of 50 paise and above shall be rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored. However, it should be ensured that cheques/drafts issued by clients containing fractions of a rupee are not rejected or dishonored by them.

43. Code Of Bank's Commitment to Customers

Branches should follow various provisions of the Code of Bank's Commitment to Customers, implementation of which is monitored by the Banking Codes and Standards Board of India (BCSBI).

44. Clarification on Operational Matters

MD & CEO and in his absence Executive Director is authorized to issue clarifications on all operational matters relating to this Policy. Bank also reserves the right to modify policy issues from time to time.

45. Liabilities Products/Process Approval Authorities

Sl No.	Product/ Process	Approval Authority
1	New/ Modifications in existing Process.	The process will be placed before System and Procedure Committee. If required by the System and Procedure Committee that operational risk is involved, the same will be placed to Operational Risk Management Committee for approval with specific changes.
2	New/ modifications in existing Products (Savings, Current & Term Deposit Account).	The product will be placed for approval in System and procedure committee followed by Operational Risk Management Committee. Products and services which are to be obtained from outside vendor, financial approval will be sought from appropriate committee as per non- lending power.
3	New/ modifications in existing all Deposit Products (related to change of rate of interest) and Special Term deposit scheme (related to maturity and ROI)	The product will be placed before Asset and Liability Committee for approval.
4.	Inclusion of New Guidelines of RBI	Whenever new guidelines or modifications are introduced by RBI/Government, will be circulated by the Resources Department for ORMC/CRMC as case may be. These guidelines will be reverberated in the policy at the time of review along with other

Sl No.	Product/ Process	Approval Authority
		modifications/ new inclusions proposed by Resources Department. The Draft Policy will be approved by ORMC before submission to Board for approval.
5.	Decision for entering MOU (Non-Commercial)	In the present business scenario MOU/Tie up/Agreement is an integral part with select clients like Corporate/ Govt./ Govt. Agencies/ Institutions for new business/ technology integrations/ concepts. In such instances, On Boarding/ Selection shall be decided by CGM/GM/Vertical Head of Resources Department. Half yearly note on details of MOU/Tie up/Agreement entered along with expected Business will be placed in BRC-GM for its information.
6.	Signing of MOU	Vertical Head (General Manager/ Deputy General Manager) will execute the MOU and/or will authorize Zonal Manager to execute the MOU on case-to-case basis with outside agency regarding any new business/ technology /concept which is required as a part of business development. Every MOU will be vetted by HO-Law department through Resources department at Head Office.
7.	Integration	Bank has integrated client/institution/customers IT system through APIs, Payment gateway, Software Development, Dashboard/MIS, Reconciliation, etc. Such integration may be customer/ industry specific. The existing integration shall be considered as a product feature on the same will be utilised to promote onboarding of new customers. In present business environment, client/institution/customers prefer selection of specific services such as waiver of fees or concession of charges/AMC to fintech for the integration etc. In such instances Bank may develop required integration in-house or may avail services from non-empaneled fintech company based on the fact that such fintech company are rendering services to the client/institution/customer. In these cases, Bank may directly collaborate

Sl No.	Product/ Process	Approval Authority
		with the fintech of the choice of the client/institution/customers. Now for availing services AMC charge or payment to the institution. For availing such services, a Joint Note for approval to BRC-CGM will be placed by Resources Department along with DIT operations/ DIT Projects & Product development/ TMO as per applicability. Post approval from BRC-CGM committee.

46 VALIDITY AND REVIEW OF THE POLICY

Policy shall be reviewed every year. The policy shall remain effective till further review. Approval path for review of the subject policy will be as under.

Review Frequency:	Annual
Review Authority:	Board
Approval Path:	1. Product and Policy Clearance Committee (PPCC) 2. Operation Risk Management Committee (ORMC) 3. Risk Management Committee of The Board (RMCB) 4. Board

Note: Investment Committee is authorized to incorporate any changes necessitated in the "Policy on Accepting Bulk Deposits & Loan/Advances against Bulk Deposits" for the interim period up to the next review, due to regulatory pronouncements made during the validity period of the policy. However, subsequent upon such modifications, the same should be incorporated, validated and ratified through the above approval path of Deposit Policy

"Move: Mobilize: Retain"

Annexure – I

Customer KYC/ Due Diligence Procedure: Features to be verified and documents that may be obtained from customers

Sl No	Customer Type	Documents to be obtained for CDD/KYC
1.	**Individuals**	i) PAN or Form-60 as defined in Income Tax rules, 1962 as amended from time to time. ii) One recent Photograph iii) A certified copy of any OVD containing details of identity & address iv) Such other documents pertaining to the nature of business of financial status as decided by the branch. Few such documents are listed hereunder: • Utility bill which is not more than two months old of any service provider (Electricity, Telephone, Postpaid Mobile phone, Piped gas, Water bill) • Property or Municipal tax receipt • Pension or family pension payment order(PPOs) issued to retired employees by Government Departments or Public Sector undertakings, if they contain the address • Letter of allotment of Accommodation from employer issued by Central Govt. departments, Statutory Regulatory Bodies, PSUs. SCBs, FIs & listed companies. Similarly Leave &License agreements with such employers allotting official accommodation. • The customer shall submit OVD with current address within a period of three months of submitting the documents specified above, if address is not updated in OVD's. **A document shall be deemed to be on "Officially valid documents" even if there is a change in the name subsequent to its issuance, provided it is supported by a marriage certificate issued by the State Government or a Gazette notification, indicating such change of name. [Ref: RBI notification No. DBR.AML.BC.N0.46/14.01.001/ 2015-16 dated 29.10.2015]**
2.	Individuals (NRI and PIO) as defined in FEMA NRI - Non Resident Indian	Original Certified Copy of OVD certified by any one of the following may be obtained • Authorised official of overseas Branches of Scheduled Commercial Bank registered in India • Branches of overseas bank with whom Indian Banks have relationship

Sl No	Customer Type	Documents to be obtained for CDD/KYC
	PIO - Persons of Indian Origin	• Notary Public abroad • Court Magistrate • Judge • Indian Embassy/Consulate General in the country where the non-resident customer resides • Where the OVD presented by a foreign notional does not contain the details of address, in such case the documents issued by the Government departments of foreign jurisdictions and letter issued by the Foreign Embassy or Mission in India shall be accepted as proof of address.
3.	Accounts of companies	i) Certificate of Incorporation ii) Memorandum and Articles of Association iii) PAN of the Company iv) A Resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf; v) KYC documents applicable for individuals of all the Authorized Signatories including PAN/Form No.60 to be obtained. vi) KYC documents Relating to Beneficial Owner the managers, officers or employees, as the case may be, holding an attorney to transact on the company's behalf . vii) The names of the relevant persons holding senior management position; and viii) The address of the registered office and the principal place of its business, if it is different
4.	Accounts of Registered partnership firms	i) Registration certificate; ii) Partnership deed; and iii) PAN of the Partnership Firm iv) KYC documents applicable for individuals of the person holding an attorney to transact on its behalf. v) KYC documents relating to Beneficial Owner the managers, officers or employees, as the case may be, holding an attorney to transact on its behalf vi) The names of all the partners. vii) The address of the registered office and the principal place of its business, if it is different.
5.	Accounts of trust & foundations	i) Registration Certificate; ii) Trust Deed; and iii) PAN of the Trust iv) Power of Attorney granted to transact on its behalf v) KYC documents applicable for individuals of the person holding an attorney to transact on its behalf. vi) KYC documents relating to Beneficial Owner the managers, officers or employees, as the case may be, holding an attorney to transaction on its behalf.

Sl No	Customer Type	Documents to be obtained for CDD/KYC
		vii) The name of the beneficiaries, trustees, settler and authors of the trust. viii) The address of the registered office of the trust.
6.	**Accounts of Unincorporated association or body of individuals (includes Unregistered Trusts, Partnership Firm, Societies)**	i) Resolution of the managing body of such association or body of individuals; ii) Power of Attorney granted to him to transact on its behalf; iii) PAN iv) KYC documents applicable for individuals of the person holding an attorney to transact on its behalf. v) Such information as may be required by the Bank to collectively establish the legal existence of such an association or body of individuals vi) KYC documents relating to Beneficial Owner the managers, officers or employees, as the case may be, holding an attorney to transact on its behalf
7.	**Accounts of Proprietorship concerns**	1. OVDs including PAN/FORM No.60 in respect of the proprietor containing identity and address to be obtained. 2. In addition to the above, any two of the following documents as a proof of business acclivity in the name of proprietary firm shall also be obtained: i) Registration certificate (in the case of a registered concern) ii) Certificate/License issued by the Municipal Authorities under Shop & Establishment Act iii) Sales and income tax returns iv) CST/ VAT/GST certificate(**Provisional/Final**) v) Certificate/Registration document issued by Sales Tax/Service Tax/Professional Tax Authorities vi) IEC (importer Exporter Code) issued to the proprietary concern by the office of DGFT/License/ certificate of practice issued in the name of the proprietary concern by any professional body in corporate under a statute. vii) The complete income Tax Return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/acknowledged by the income Tax Authorities. viii) Utility bills such so electricity, water and landline telephone bills.
8.	**Accounts of Self-Help Groups (SHG)**	i) KYC verification of all the members of self-help groups (SHGs) is not required while opening the savings bank accounts of the SHG. ii) KYC verification of only the officials of the SHGs would suffice.

Sl No	Customer Type	Documents to be obtained for CDD/KYC
		iii) Customer Due Diligence (CDD) of all the members of SHG may be undertaken at the time of credit linking of SHGs. (As per RBI Circular (RBI/I2O21-22/I0DOR.AML.BC.No.I/14.01.001/2021-22 dated 01st April 2021) iv) KYC documents relating to Beneficial Owner the managers, officers or employees, as the case may be, holding an attorney to transact on its behalf.
9.	**Accounts of Juridical persons such as Govt. or its Departments, Societies, Universities, and Local Bodies like Village Panchayat etc.**	Certified copy of the following documents to be obtained: i) Document showing name of the person authorised to act on behalf of the entity. ii) PAN/Officially Valid Documents(OVDs) for proof of identity and address in respect of the person holding a power of attorney to transact on its behalf. iii) Such documents as may be required by the Bank to establish the legal existence of such an entity/ juridical person and (DBR.AML.BC.No.18/I 4/.01.001/2016-17 dated 08.12.2016)

List of Officially Valid Documents (OVD)

1. Passport
2. Voter's Identity Card issued by the Election Commission of India
3. Driving license
4. Job card issued by NREGA duly signed by an officer of the State Government
5. letter issued by the National Population Register containing details of name and address
6. Proof of possession of Aadhaar Number

(Letter to be issued on Bank Letter head)

Annexure-II

(Draft- Letter to Customer(s) who are no longer eligible to maintain a Current Account or OD A/c)

Date:

Place:

<Name of the Entity/Borrower>
<Name of the Authorised Person>
<Address >

Sub: Your Current/OD Account - <A/c No.> No longer eligible to continue.

In the regular review it is observed that the same subject account maintained with us, is no longer eligible to continue, due to the following reason,

1. Increase in exposure of Banking system up to or beyond the specified threshold of Rs. 10 crore.
   or
2. Due to changes in the share of aggregate exposure or aggregate fund-based exposure in the Banking system.
   or
3. Due to non-availability of NOC from lending Bank(s).

(Please strike through the inapplicable clause mentioned above)

Based on the aforesaid, You are advised to convert the said account as collection account, within 2 months from the date of this letter. In the event of non-conversion (above said), the account will be closed on expiry of the specified date, and the balance available shall be sent to the latest available communication address registered within the Bank.

An earliest response in the matter will be highly appreciated.

Thank You!
Yours faithfully

Branch Head
<Branch Name>

INTEREST RATE ON DEPOSITS

Annex-III

A. Interest Rate on Domestic Deposits

Branches will pay interest on Savings Bank and Term Deposit accounts at the rate prescribed by the Bank from time to time, within the general guidelines issued by RBI. In case of Term Deposits, interest will be calculated at quarterly or longer rest except in case of monthly interest payment scheme, where interest is paid monthly at discounted value. The interest on term deposit is calculated in accordance with the formulae and conventions advised by Indian Banks' Association.

Asset and Liability Committee (ALCO) of the Bank is the competent authority to decide rate of interest of SB Deposit and Term Deposit.
As per the Master Direction issued by RBI for Commercial Banks on Interest Rate on Deposits, 2025 vide RBI/DOR/2025-26/153 DOR.SOG(SPE).REC.72/13.03.00/2025-26 dated 28.11.2025, the Bank shall adopt and follow a general guideline on interest rate framework as given below:

1. The interest rates offered on deposits shall be uniform across all branches and for all customers and there shall be no discrimination in the matter of interest paid on the deposits, between one deposit and another deposit of similar amount, accepted on the same date, at any of its offices.
2. Interest rates payable on deposits shall be strictly as per the schedule of interest rates disclosed in advance.
3. The Bank shall maintain the bulk deposit interest rate card in its Core Banking System to facilitate supervisory review.
4. The rates shall not be subject to negotiation between the depositors and the Bank.
5. The interest rates offered shall be reasonable, consistent, transparent, and available for supervisory review / scrutiny as and when required.
6. **Deposits maturing on non-business working day:**
   (i) If a term deposit is maturing for payment on a non-business working day, the Bank shall pay interest at the originally contracted rate on the original principal deposit amount for the 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.
   (ii) In case of reinvestment deposits and recurring deposits, the Bank shall pay interest for the intervening non-business working day on the maturity value.
7. **Consequence of transfer of branch of a bank to another bank:**

Deposit accounts transferred from one bank branch to another bank branch on account of takeover of bank branches in rural and semi-urban centres shall adhere to the following conditions:

(i) Deposit accounts shall deemed to be transferred to the new bank and will continue to be governed by the terms of contract agreed to between the customer and the bank branch that is being taken over.
(ii) The same rate of interest shall be payable till maturity on such transferred deposits, as was payable at the time of takeover of the branch.

1. **Interest Rate on Domestic Current Account:** No interest shall be paid on deposits held in current accounts as per RBI norms. Provided that balances lying in current account standing in the name of a deceased individual depositor or sole proprietorship concern shall attract interest from the date of death of the depositor till the date of repayment to the claimant(s) at the rate of interest applicable to savings deposit as on the date of payment.

2. **Interest rate on Domestic Saving Deposit:** In the case of Savings Bank deposits, interest will be calculated as per RBI norms on daily product basis and credited to the account on quarterly basis.
1) A uniform interest rate shall be set on balance up to Rupees one lakh irrespective of the amount in the account within this limit.
2) Differential rates of interest may be provided for any end-of-day savings bank balance exceeding Rupees one lakh.

In derivation from the above guidelines currently Bank is following: In the case of Savings Bank deposits, interest will be calculated as per RBI norms on daily product basis and credited to the account on quarterly basis.
1) A uniform interest rate shall be set on balance up to Rupees ten lakh irrespective of the amount in the account within this limit.
2) Differential rates of interest may be provided for any end-of-day savings bank balance exceeding Rupees ten lakh.

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

3. **Interest rate on Domestic Term Deposits:**
Interest rates on term deposits shall vary only on account of one or more of the following reasons:

(1) **Tenor of deposits:** The Bank shall have the freedom to determine the maturity / tenor of the deposit subject to the condition that minimum tenor of the deposit offered shall be seven (7) days.
(2) **Size of deposits:** Differential interest rate shall be offered only on bulk deposits. Provided that differential interest shall not be applicable on deposit schemes framed on the basis of the Bank's Term Deposit Scheme, 2006. Provided also that differential interest shall not be applicable on deposits received under the Capital Gains Accounts Scheme, 1988 by the Bank.
(3) **Non-availability of premature withdrawal option:** The Bank shall have the freedom to offer term deposits without premature withdrawal option, provided that all term deposits accepted by the Bank from individuals (held singly or jointly) for amount of rupees one (1) crore and below shall have premature withdrawal facility.

4. **Interest Payable on the Domestic Deposit Account of Deceased Depositor**
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, shall be as per Annex- III on interest rate on deposits and subject

to the conditions laid down in paragraph of these Directions.

5. **Display of Rate of Interest on Deposits:** The rate of interest on deposits will be prominently displayed in the Branch premises as also on the Bank's website. Any change in the deposit rates shall also be prominently displayed in the branch premises/on the Bank's website.

6. **Interest on Overdue Term Deposits:** If a Term Deposit (TD) matures and proceeds are unpaid, the amount left unclaimed with the Bank shall attract rate of interest as applicable to saving account or the contracted rate of interest on the matured TD, whichever is lower.

7. **Tax Deducted at Source (TDS):** Branches are required to deduct income tax at source on interest paid/ accrued on the deposit, as per the Income Tax regulations and at rates in force at the relevant time. A certificate of Income Tax deducted will be issued in the prescribed form. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format 15 G (For General Depositor) or 15 H (For Senior Citizens) at the beginning of every financial year. The depositors shall furnish PAN along with form 15G/15H. Failure to furnish PAN will result in deduction of TDS at the rate as advised by Income Tax department. The provision of IT Act shall be explained to the customer at the time of opening of Term Deposit Account.

8. **Form 15-G / 15-H - Acknowledgement to Customers:** It is not required to deduct TDS from depositors who submit declaration in Form 15-G/15-H under Income Tax Rules, 1962. However, it has been observed that despite submission of Form 15-G/15-H by customers, branches are deducting tax at source, at times, causing inconvenience to customers resulting in a number of complaints. Such instances arise because either the forms are misplaced, or a track is not kept of forms received in the branches.

With a view to protecting interest of the depositors and for rendering better customer service, branches to give an acknowledgment to the customers at the time of receipt of Form 15-G/15-H. 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 branches.

9. **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 enforcement authorities. In such cases the procedure detailed below has to be followed.

- A request letter may be obtained from the customer on maturity. While obtaining the request letter from the depositor for renewal, branches 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, branches may renew the same for a term equal to the original term.
- No new receipt is required to be issued. However, suitable note may be made regarding renewal in the deposit account.
- Renewal of deposit may be advised by registered letter / speed post / courier service to the Government department concerned under advice to the

depositor. In the advice to the depositor, the rate of interest at which the deposit is renewed should also be mentioned.

- If overdue period does not exceed 14 days on the date of receipt of the request letter, renewal may be done from the date of maturity. If it exceeds 14 days, branches may pay interest for the overdue period as per the policy and keep it in a separate interest free sub-account which should be released when the original fixed deposit is released. This sub-account also to be kept under frozen status.
- Interest on Savings Bank accounts, including those frozen by the enforcement authorities, shall be credited on regular basis irrespective of the operational status of the account.

10. Payment of Additional interest on domestic deposits

(a) 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 the Bank's staff and their exclusive associations as well as on deposits of Managing Director & CEO, Executive Director or such other Executives appointed for a fixed tenure, subject to the following conditions:

I. 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 the term Deposit.
   Managing Director & CEO, Executive Director are entitled for additional interest of 1% per annum, over and above the rate of interest mentioned in the schedule of interest rates on Saving Bank or Term deposits, even after the expiration of their tenure in the Bank.

II. In case of employees taken over pursuant to the scheme of amalgamation, the 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.

III. In any of the employees of the Bank is seconded to another bank on deputation, the bank will allow additional interest in respect of the Savings Bank or Term Deposit account opened with the Bank during the period of deputation.

IV. In the case of persons taken on deputation for a fixed tenure or on a contract of a fixed tenure, the benefit will cease to accrue on the expiration of the term of deputation or contract, as the case may be.

V. Bank Employees' Federations, in which bank employees are not direct members, shall not be eligible for additional interest.

VI. The additional interest is permitted to be paid on the following deposits after obtaining a declaration from each of the depositor concerned, to the effect:
   - that the monies deposited or which may be deposited from time to time into such account belong to the depositor: -

   a. member or a retired member of the bank's staff, either singly or jointly with any member or members of his/her family; or
   b. the spouse of a deceased member or a deceased retired member of the bank's staff; and
   c. An association or a fund, members of which are members of the Bank's staff.

(b) The Bank shall provide resident Indian senior citizens, higher and fixed rate of interest as compared to normal deposits of any size, provided that this 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 resident Indian senior citizen.

(b) The Bank shall give its resident Indian retired staffs, 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 Banks' staff.

11. Premature Withdrawal of Term Deposits

Branches on request from the depositor, at their discretion, may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank issues separate instructions regarding penal rate payable for premature withdrawal of term deposit from time to time. The Branches shall make the depositors aware of the applicable rate along with the deposit rate. In case of premature withdrawal (foreclosure) of overdue renewed Term deposit, interest paid in excess of saving rate for overdue period shall be recovered at the time of closing the account.

For payment before maturity all the joint account holders have to discharge the term deposit.

The existing rule of premature repayment of term deposits where the effective rate of interest payable to the depositor on premature withdrawal of term deposit is the rate applicable on the date of deposit for the period for which the deposit has actually remained with the bank subject to penalty as under:

Deposit Amount	Penalty
Less than Rs. 3 Crore	1% less than the applicable rate for which the deposit was held by the Bank as on the date of deposit or present rate whichever is lower.
Term Deposit of Rs. 3 Crore and above	1% less than the applicable rate at the time of deposit for the actual period deposit remained with the bank.
Flexible Fixed Deposit (FFD)	No penalty in the form of reduction in applicable interest rate will be levied for such premature withdrawals. But, interest on the amount of premature withdrawal will be applicable for the period for which the amount remained with the Bank and the applicable interest rate would be same as was prevailing for such period at the time of depositing the amount.

This provision would also apply to Deposits made by staff members.

No interest shall be paid, where premature withdrawal of deposit takes place before completion of the minimum period i.e 7 days of deposit.
The components of penalty shall be clearly brought to the notice of the depositors at the time of acceptance of deposits. If not, no penalty shall be levied.

12. Premature Renewal of Term Deposits:

In case the depositor desires to renew the deposit by seeking premature closure of an existing term deposit account, branches will permit the renewal at the applicable rate on the date of renewal, provided the deposit is renewed for a period equal to or longer than the balance period of the original deposit. While prematurely closing a deposit for the purpose of renewal cum extension, 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.

13. Renewal Of Overdue Term Deposits:

When a term deposit is renewed on maturity, the interest rate for the renewal period specified by the depositor as applicable on the date of maturity would be applied. If request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 14 days from the date of maturity. In respect of overdue deposits renewed after 14 days from the date of maturity, the term deposit shall be renewed from the date of request by the depositor and interest for the overdue period will be paid at the rates decided by the Bank from time to time.

It is decided that in exceptional cases where a term deposit remains overdue for a period more than ten years, and customer desires to renew it for a further period equal to or more than the overdue period, branch will accept such request and will renew the FDR for a period for more than ten years. The rate of interest payable on such FDR for the overdue period shall be the rate of interest for the highest time bucket as ruling on the date of maturity or on the date of renewal whichever is lower. The rate of interest for the renewed period will be the rate of interest for the highest time bucket as ruling on the date of renewal. Premature closure of such renewed overdue FDR will be governed by the provision as laid down under other relevant heads of this policy.

14. Autorenewal of Term Deposit:

1. Depositor can select the auto renewal option while opening the terms deposits digitally or at subsequent stages before maturity. A request letter may also be obtained from the customer for renewal in the branch. One time mandate/ declaration in prescribed format should be obtained from the depositor at the time of opening of term deposit account. In case, the customer wishes to make changes in the tenure or amounts, etc. of the term deposit, the same is allowed and in such case, a fresh mandate/ written request with modified instructions should be obtained.
2. Term deposit which are going to be mature or auto-renewed, SMS is sent to the depositors, intimating about impeding due date of maturity of the term deposit.
3. The additional rate to senior citizen would be payable on new deposit or on renewal of Fixed Deposit. If a person is holding a Fixed Deposit and during the currency of deposit, the depositor attains the age of 60 years, the additional rate would be allowed on renewal/ enhancement of period/ split of Term Deposit unless specified in dedicated scheme.

4. Tenor of the deposit at the time of auto-renewal will be same as original tenor. However, when the cumulative auto renewal tenor of a term deposit is exceeding 120 months, then the next auto renewal after completion of 10 years from the date of original opening will only be applied for customers having valid 'KYC' as per their risk profile.

15. <u>Automatic renewal of term deposit on due date</u>

Unless there are specific instructions to the contrary, term deposits will be renewed for the same tenure as was for the matured Term Deposit and rate of interest would be as prevailing on due date subject clause mentioned in 19.5 (d). The Term Deposit Receipt renewed under Automatic Renewal would be given to the customer upon submission of original Term Deposit duly discharged.

B. Interest Rate on Non-Residents

Rupee Deposits of Non-Residents is dealt in Part D policy on Non-residents Deposits & Residents Foreign Currency Deposits in Para c.1.a.

C. Interest Rate on Foreign Currency Deposits

Foreign Currency Deposits under FCNR(B) scheme is covered under Part-D of Deposit Policy in Para c.2.a.

Annex-IV

Prohibitions and Exemptions

Prohibitions

A bank shall not:

(1) 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:

(i) commission paid to agents employed to collect door-to-door deposits under a special scheme.

(ii) commission paid to Direct Selling Agents / Direct Marketing Agents as part of the outsourcing arrangements by a bank.

(iii) remuneration paid to Business Facilitators or Business Correspondents.

(2) Offer prize / lottery / free trips (in India and / or abroad), etc., or any other initiative having element of chance for mobilising deposits. However, inexpensive gifts costing not more than 250/- which is the amount prescribed by the Indian Banks' Association (IBA) as part of the Ground Rules and Code of Ethics framed by them, may, at a bank's discretion, be given to depositors at the time of accepting deposits.

(3) Resort to unethical practices of raising of 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 mobilisation.

(4) 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.

(5) Accept interest-free deposit other than in current account or pay compensation indirectly.

(6) Accept deposits from / at the instance of private financiers or unincorporated bodies under any arrangement which provides for either issue of deposit receipt(s) favouring 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.

(7) Grant advances against term deposits maintained with other banks.

(8) Open a savings deposit account in the name of Government departments /bodies depending upon budgetary allocations for performance of their functions / Municipal Corporations or Municipal Committees / Panchayat Samitis / State Housing Boards / Water and Sewerage / Drainage Boards / State Text Book Publishing Corporations / Societies / Metropolitan Development Authority / State /District Level Housing Co- operative Societies, etc., or any political party or any trading / business or professional concern, whether such concern is a proprietary or a partnership firm or a company or an association and entities other than individuals, Karta of HUF and organisations / agencies listed in SCHEDULE- I.

Explanation 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.

Note: Savings Bank account cannot be opened in the name of a private entity for implementation of the Government funding schemes.

(9) Create any fund to be utilised for charitable purposes in consultation with the depositors.

Exemptions

The provisions in the above paragraphs shall not be applicable to:

(1) A deposit received by a bank:
   (i) from the institutions permitted to participate in the Call / Notice / Term Money Market both as lenders and borrowers.
   (ii) for which it has issued a participation certificate.
   (iii) under the Capital Gains Accounts Scheme, 1988 for banks, framed by the Government of India in pursuance of sub-section (2) of Section 54, subsection (2) of Section 54B, sub-section (2) of Section 54D, sub-section (4) of Section 54F and sub-section (2) of Section 54G of the Income-Tax Act, 1961.
   (iv) under the Certificate of Deposit Scheme for commercial banks.

(2) Payment of interest on delayed collection of outstation instruments like cheques, drafts, bills, telegraphic / mail transfers, etc.

SCHEDULE- I

i. Primary Co-operative Credit Society which is being financed by the bank.
ii. Khadi and Village Industries Boards.
iii. Agriculture Produce Market Committees.
iv. Societies registered under the Societies Registration Act, 1860 or any other corresponding law in force in a State or a Union Territory except societies registered under the State Co-operative Societies Acts and specific state enactment creating Land Mortgage Banks.
v. 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'.
vi. Institutions other than those mentioned in paragraph 43(8) and whose entire income is exempt from payment of income tax under the Income-tax Act, 1961.
vii. 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 authorisation from the respective Central / State Government departments to open savings bank account.
viii. Development of Women and Children in Rural Areas (DWCRA).
ix. Self-Help Groups (SHGs), registered or unregistered, which are engaged in promoting savings habits among their members.
x. Farmers' Clubs – Vikas Volunteer Vahini – VVV.

PART -B

POLICY ON ACCEPTING BULK DEPOSITS & LOANS/ADVANCES AGAINST BULK DEPOSITS

(2026-27)

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UCO BANK Honours your trust

Policy Certification

Title **POLICY ON ACCEPTING BULK DEPOSITS & LOANS/ADVANCES AGAINST BULK DEPOSITS(2026-27)**

Owned By:	**Treasury and Investment Department**
Prepared By:	**Treasury and Investment Department**
Approved By:	**Board**
Effective From:	**01.04.2026**
Validity	**One (1) Year -FY 2026-27**

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POLICY ON ACCEPTING BULK DEPOSITS & LOANS/ADVANCES AGAINST BULK DEPOSITS

I. 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. Therefore the depositors and their interest form the key area of the Regulatory Framework of Banking in India and this has been enshrined in the Banking Regulation Act, 1949. With liberalization in the financial system and deregulation of interest rates on term deposits, Banks are now free to formulate deposit products within the broad guidelines issued by RBI.

As defined by the RBI, a single term deposit with the amount of Rs 3 crore and above is to be treated as Bulk Deposit.

Ministry of Finance (MoF), Department of Financial Services (DFS) in their letter F.No.10/33/2014/VIG/PK dated 17th August, 2015, advised all the Public Sector Banks in respect of precautions to be taken while dealing with Bulk Deposits by formulating a separate Bulk Deposit Policy in order to protect the interest of Customers as well as Banks.

This Policy on Bulk Deposits outlines the guiding principles in respect of accepting & monitoring Bulk Deposits and granting of Loans / Advances against such Bulk Deposits.

II. DEFINITION OF BULK DEPOSIT

The term 'Bulk Deposit' has been defined by the Reserve Bank of India, vide Notification RBI/2024-25/40 DoR.SPE.REC.No.24/13.03.00/2024-2025 dated 07/06/2024 as "single Rupee Term Deposit of Rs. 3 crore and above. Rupee Term Deposits will include domestic term deposits as well as term deposits under NRO and NRE accounts."

III. SCOPE AND APPLICABILITY:

The Policy shall be applicable to all the Branches / Zonal Offices /Corporate Departments at Head Office of the Bank in respect of all the DepositAccounts falling under the category of "Bulk Deposit".

In addition to this Policy, all Branches/Offices are required to be guided by and comply with all the extant rules / provisions of Deposit Policy of the Bank issued by Head Office, Resources Department; Loan Policy Document issued by Head Office, Risk Management Department; Bank's Manual ofInstructions; Guidelines issued by Head Office, Treasury & International Department vide Circular No. H.O(T&I)/37/2014-15 dated 23.04.2014 and other Guidelines issued from time to time by the Bank as well as RBI.

IV. ACCOUNT OPENING AND OPERATIONAL GUIDELINES

a) For accepting Bulk Deposits, aggregating to Rs 5 crore or above from a single customer on a single day, Branches so authorised, shall obtain prior permission from Treasury Branch, Mumbai through their respective Zonal Offices.

b) Before opening any Bulk Deposit account, **Due Diligence** is required to be carried out meticulously as required under **"Know Your Customer" (KYC)** guidelines issued by RBI and such other norms or procedures stipulated by the Bank from time to time as applicable in all the Deposit Accounts.

c) While accepting Bulk Deposits, the Account Opening Form / Specimen Signature Card etc. are to be signed in the presence of Branch Officials only. In case of valued customers, the Branch Official may visit Office/Residence of the prospective depositor/existing depositor.

d) No Bulk Deposit should be split into smaller deposit receipts to circumvent the guidelines contained in this Policy. Also it is prohibited to provide interest rate benefit to any customer by splitting the Bulk Deposit of that customer into retail Deposits. Further, any single Bulk Deposit should not be split amongst two or more Branches of the Bank. However, the Bulk Deposits in favour of Courts or under Court orders are exempted from this requirement.

In case multiple deposits are received on the single day from the same customer for the same tenure, the applicable interest rate on each of them shall be as applicable to aggregate amount.

Illustration: A customer deposits Rs. 100 crores and requested for 10 FDRs of Rs. 10 crores each with identical maturity date. In this case, the interest rate for each of the ten FDR shall be the rate applicable for a FDR of Rs. 100 crores.

e) In case of all Fixed Deposits, a confirmatory letter in the form of a 'Thank you' letter is to be sent by the Branch to the Beneficiary through Post with Self Addressed and Stamped Envelope marked to Bank. Moreover, HO-DIT shall place a system of sending email and SMS to the beneficiary immediately upon opening of the account. Branches should mandatorily obtain Official Email ID and Mobile No. of the Customers at the time of account opening and also ensure to enter the details in Finacle system.

f) Fixed Deposit Receipt should be given/sent only to the Depositor /Person authorised by the Depositor against their due acknowledgment.

g) In case of all Bulk Deposits, personal visit to the Customer's Office and meeting one of the authorized signatory (ies) are required to be done by the Bank Officials as under:

Sl. No	Amount of Bulk Deposits	Visiting Executive Designation	Periodicity from the Date of Opening
1.	≥Rs. 3 crore but <Rs. 5 crores	Second In Command or ABH	On the Same Day
2.	≥Rs. 5 crores but <Rs. 10 crores	Branch Head / Second Line Officer	On the Same Day
3.	≥ Rs. 10 crores but ≤ Rs. 100 crores	Zonal Head / DyZonal Head In case of FCC/MCU, in place of Zonal Head / Dy. Zonal Head, it will be replaced by respective controlling office.	On the Same Day in same Centre and within 3 days in all other Places. However, Branch Head/Officer to visit on same day in other places.
4.	>Rs. 100 crores	Zonal Head / in case of his absence, Dy. Zonal Head In case of FCC/MCU,in place of ZonalHead / Dy. Zonal Head, it will be replaced by respective controlling office.	On the Same Day in same Centre and within 7 days in all other Places. However, Branch Head/Officer to visit on same day in other places.

Proper record of such visit (as per Annexure I) should be maintained.

Exemptions:

1. Whenever Bulk Deposits are received from the holders of existing regular Current /Savings / CC / 'OD Accounts (at least for 6 months) which are KYC Complied, the visits, as mentioned above, are optional.
2. Renewal of existing KYC Complied Term Deposits upto it's maturity value may be exempted from visits.
3. In cases, where a visit has already been conducted at the time of acceptance of an earlier bulk deposit, a fresh visit shall not be required for subsequent deposits. However, in cases where the amount of subsequent depsit warrants a visit by higher-level officials, such visit shall be undertaken by the appropriate authority in accordance with the above guidelines

Note:

In case new account is opened recently (less than six months old) and request for a Fixed Deposit of Rs 3 crores and above comes from the customer, then visit procedure shall be carried out.

h) The Bulk Deposits which are from outside the Zone concerned, the Branches shall obtain prior permission from their respective Zonal Offices with proper justification for accepting such Deposits. In such cases, a comprehensive Due Diligence on Depositor in respect of KYCis also to be carried out.

i) **Duplicate Deposit Receipts**: No duplicate Deposit Receipt for Bulk Deposits to be issued at the Branch Level. Permission for the same should be obtained from respective Zonal Heads by the Branches concerned. In case of FCC/MCU Branches, it will be obtained from respective controlling office. Besides, precautions for issuing of duplicate Fixed Deposit Receipts as enumerated in the Bank's Deposit Policy 2023-24 (formulated by HO; Resources Department and circulated vide Circular No. CHO/RESOURCES/06/23-24 dated 30.11.2023) are to be strictly adhered to while issuing duplicate Deposit Receipts.

V. INTEREST RATE ON BULK DEPOSITS:

Differential rates of interest for the deposits of the same maturity will be applicable only for deposits of Rs 3 crore and above. The Investment Committee-ED of the Bank, will have the discretion to fix/revise the deposit rates, as and when required, on the basis of the market feedback provided by the Treasury Branch, Mumbai and taking into consideration asset-liability position of the Bank. IC-ED may consider offering differential rate of interest for different quantum of deposits of Rs 3 crore and above. Investment Committee-ED may also revise the time buckets, for which differential rates are offered for the same amount of deposit.

The Bulk Deposit Card Rates so fixed by IC-ED, should be reported to ALCO for **noting/information**. The schedule of interest rates, as and when revised, should be hosted on the Bank's website for information of the public, in general. Treasury Branch, Mumbai on receipt of IC Minutes, would circulate the Deposit Rates to Branches, Zonal Offices as well as Head Office - Department of Information Technology for updating the rates in Core Banking System (CBS). Interest paid to depositors should be as per the schedule (Card Rate)and shall not be subject to negotiation between the Depositor and the Bank.

VI. CALLABLE AND NON-CALLABLE DEPOSITS:

Within the Bulk Deposits, the Bank shall introduce various products with specific features such as callable and non-callable Fixed Deposits for specific target customer segments based on the Bank's requirement of funds. Relatively higher interest rates may be offered by ALCO/IC for non-callable Fixed Deposits. However, no-premature withdrawal will be allowed for such Fixed Deposits, except in the event death of the Depositor (Single/ Joint)/ bankruptcy/ winding up /directions by court/ regulators/ receiver/liquidator, premature withdrawal will be allowed & interest will be paid as per the card rate for fixed deposits for the period for which the fixed deposit was actually run.

VII. PREMATURE WITHDRAWAL OF CALLABLE BULK DEPOSITS:

Premature withdrawal of callable bulk deposits (Rs 3 crore and above) will be allowed with penalty for premature withdrawal. Branches may, however, accept deposit waiving premature payment penalty, with the permission of Investment Committee-ED of the Bank to be obtained at the time of accepting the deposits.
Further, in respect of deposits from Govt. Agencies, Public Sector Undertakings or Public Sector Enterprises, Universities and Courts, Investment Committee-ED may allow waiver of premature penalty at any time before closure of the deposit. However, partial withdrawal of Bulk Deposit is not allowed.

Branches may advise the customers to inform about such premature withdrawal of bulk deposit of Rs 100 crores and above in advance which is at least one (1) working day.

The Penal interest Rate on premature withdrawal of deposits would be one percent (1%) less than the applicable rate at the time of deposit for the actual period the deposit remained with the Bank. Depositors should be made aware of the applicable penal rate along with the deposit rate.

Investment Committee-ED* of the Bank will have the discretion to grant **complete waiver of penal interest on premature withdrawal to all depositors.**

*In the absence of ED-1, ED-2 will be the chairman of the Investment committee-ED. In the absence of both the Executive Directors, the senior most General Manager present in the meeting will be the Chairman of the Committee.

VIII. PAYMENT OF INTEREST ON DEPOSITS MATURING ON SUNDAY/HOLIDAY:

In respect of a deposit maturing for payment on a Sunday or a holiday, the Bank shall pay interest at the originally contracted rate on the deposit amount for the Sunday/holiday, from the expiry date of the deposit and the date of payment of the deposit on the succeeding working day.

IX. OVERDUE INTEREST & CONCESSION/WAIVER OF PENAL INTEREST:

If a Term Deposit (TD) matures and proceeds are unpaid/deposit is not renewed, the amount left unclaimed with the Bank shall attract rate of interest as applicable to savings account or the contracted rate of interest on the matured TD, whichever is lower and payable at the time of closure of the deposit.

As such for seeking any concession or waiver on penal interest for premature withdrawal, Zonal Offices may approach Treasury & Investment, at the time of accepting deposit (**except for the relaxations allowed as per Section VII above**), which will, in turn, will submit the same before Investment Committee-ED and will convey the decision of the Investment Committee accordingly.

X. LOANS/ADVANCES AGAINST BULK DEPOSITS:

In case of advance against Bulk Deposits, all measures relating to Due Diligence must be carried out. Execution of documents and discharge of Term Deposits should be done in the presence of Branch officials. A confirmatory letter in the form of a 'Thank you' letter intimating the opening of Loan/Overdraft account to be sent by the Branch to the Depositor through Post. HO-DIT shall put in place a system of sending email and SMS to the depositor as an alert immediately at the time of opening of Loan account on registered mobile no. and Official email address.

Branches should thoroughly verify genuineness of the Original Fixed Deposit Receipt issued by them before entertaining any Loan/Overdraft facility against such Deposits in order to protect Depositor's as well as the Bank's interest.
In respect of sanctions falling under the DLP of ZLCC, the Zonal Head/Dy. Zonal Head should talk to the depositor/authorized signatory concerned and record the same in sanction note also.

Disbursement of proceeds of Loan/Overdraft against Deposits in Third-Party accounts is prohibited.

The disbursement of proceeds of Loan/Overdraft is required to be routed only through a running Bank Account in the name of the Depositor and should not be remitted directly any third party. Cash disbursement should not be allowed directly from the Loan/Overdraft account.

However, Third Party Loans (i.e. lending to a third party against securities of Principal - Depositor) may be sanctioned taking all the precautions mentioned in the Credit Risk Exposure Policy and Manual of Instructions. Third Party Loans should be disbursed through Borrower's Bank account only.

No Loan/Advance should be granted to an individual, if the deposit is in the name of:

- ✓ Partnership Firm
- ✓ Limited Liability Partnership
- ✓ Trust/Society
- ✓ Club/Association of Persons
- ✓ HUF
- ✓ Company
- ✓ Any other Incorporated Body

Process Note: Before sanctioning of any Loan/Overdraft against Bulk Deposit, a Process Note duly approved by authorised officials is to be kept along with application form, under-lien deposit receipt and other applicable documents duly executed as per the Bank's Manual of Instructions. A Proforma of Process Note isenclosed as Annex -II.

XI. MONITORING & CONTROL:

A system of offsite monitoring shall be put in place by Head Office, Operations & Services Department in consultation with Head Office, Department of InformationTechnology, with the alerts to be generated for large value transactions in all Bulk Deposit accounts by putting in place a dedicated desk for monitoring Bulk Deposits.

Zonal Offices are required to ensure monitoring of all the transactions of Rs.2 crore and above in the Branches under their respective jurisdiction. Zonal Offices shall also ensure Quarterly Review of all Bulk Deposit accounts by the respective Branches within their jurisdiction.

Middlemen/Agents should be completely avoided for mobilising Bulk Deposits but also for granting Loans/Overdrafts against such Deposits.

Head Office, Audit & Inspection Department shall include scrtutiny of Bulk Deposits and Loans/Advances against such Bulk Deposits in the Terms of Reference(TOR) of Concurrent Auditors / Statutory Auditors.

XII. ROLE OF STAFF & STAFF ACCOUNTABILITY:

All the designated Branches and their officials are advised to ensure strict compliance with the provisions of this Policy.

XIII. Validity of Rates

In case of bulk deposits of Central/State Govt. Agencies, Public Sector Undertakings or Public Sector Enterprises, Judicial Courts and Universities, the branches concerned will obtain the rate of interest to be offered from Head of Treasury. Such the rates would be valid for 10 working days from the date of quotation provided by the branch.

Any bulk deposit received during the validity of period provided to such customer, the rate will be revised in the CBS, based on the approval received from Treasury.

Annex - I. Format of Visit Report for Bulk Deposit Account
Annex -II. Loan Process Note
Annex-III. Non-Callable Deposit Scheme - Features

Annexure -I

VISIT REPORT FOR BULK DEPOSIT ACCOUNT

NAME OF THE BRANCH WITH SOL ID	
NAME OF ZONE	
DATE OF VISIT	
NAME OF THE DEPOSITOR	
ADDRESS OF THE DEPOSITOR*	
NEAREST LANDMARK	
NAME OF THE DEPOSITOR/ AUTHORISED SIGNATORIES WHOM THE BANK OFFICIAL(S) MET.	
AMOUNT OF DEPOSIT PER RECEIPT (IN WORDS AS WELL AS IN FIGURES)	
FRESH/RENEWAL	
AMOUNT & PURPOSE OF LOAN (IN WORDS AND IN FIGURES)	
DATE OF DEPOSIT	
PERIOD OF DEPOSIT	
RATE OF INTEREST ON DEPOSIT	
DATE OF MATURITY	
IN CASE OF LOAN/OD, VERIFICATION W.R.T. CONFIRMATION OF BORROWER FOR HAVING APPLIED FOR LOAN.	
OBSERVATIONS / REMARKS OF THE VISITING OFFICIAL(S)	

Place Visited by the Official(s)

DATE:

PLACE:

Signature
Name:
Designation:
Emp No.

Annexure – II

Process Note

Loan/Overdraft against Term Deposit of Rs 1 Crore and above

A Details of the Depositor

1. Name of the Depositor
2. Customer ID
3. Constitution
4. Address (Residence / Registered Office)
5. Name(s) of the Proprietor / Partners /Directors
6. Whether complied with the KYC and AML as per RBI/Bank's internal guidelines
7. List of KYC Documents obtained (duly verified from original)

B Details of the Borrower (In case of Third Party Loans)

1. Name of the Borrower
2. Customer ID (If any)
3. Constitution
4. Business Activity
5. Address (Residence / Registered Office)
6. Name(s) of the proprietor / partners / Directors
7. Whether complied with the KYC and AML as per RBI/Bank's internal guidelines
8. List. of KYC Documents obtained (duly verified from original)
9. Relationship with the Depositor

C Details of Term Deposits

FDR No.	Date of Opening	Amount of Deposit	Rate of Interest	Maturity Date
	TOTAL			

D Check list

1. Amount of Loan/Overdraft applied for **(Letter of Request to be obtained from the Original Depositor)**
2. Margin (%)
3. Purpose of Loan/Overdraft
4. Period
5. In case of Third Party Loan, whether Letter of Authority from the Depositor has been Obtained
6. Date of Board Resolution (for corporate Borrower}
7. Details of existing credit facility with our Bank (if any)
8. Irregularity observed in above (if any)
9. Rate of Interest
10. Due date of Loan Repayment (on or before the earliest maturity date of FDRs)
11. Visit Report to be enclosed

E Other special Terms &Conditions(on documentation/disbursement)

a)	
b)	
c)	
d)	

NOTE: Loan Proceeds should not be credited directly to the Third Party Account or in Cash.

Loan Deptt./Branch Recommendation:

Assistant Manager/Manager/Senior Manager

Branch Head

Date:

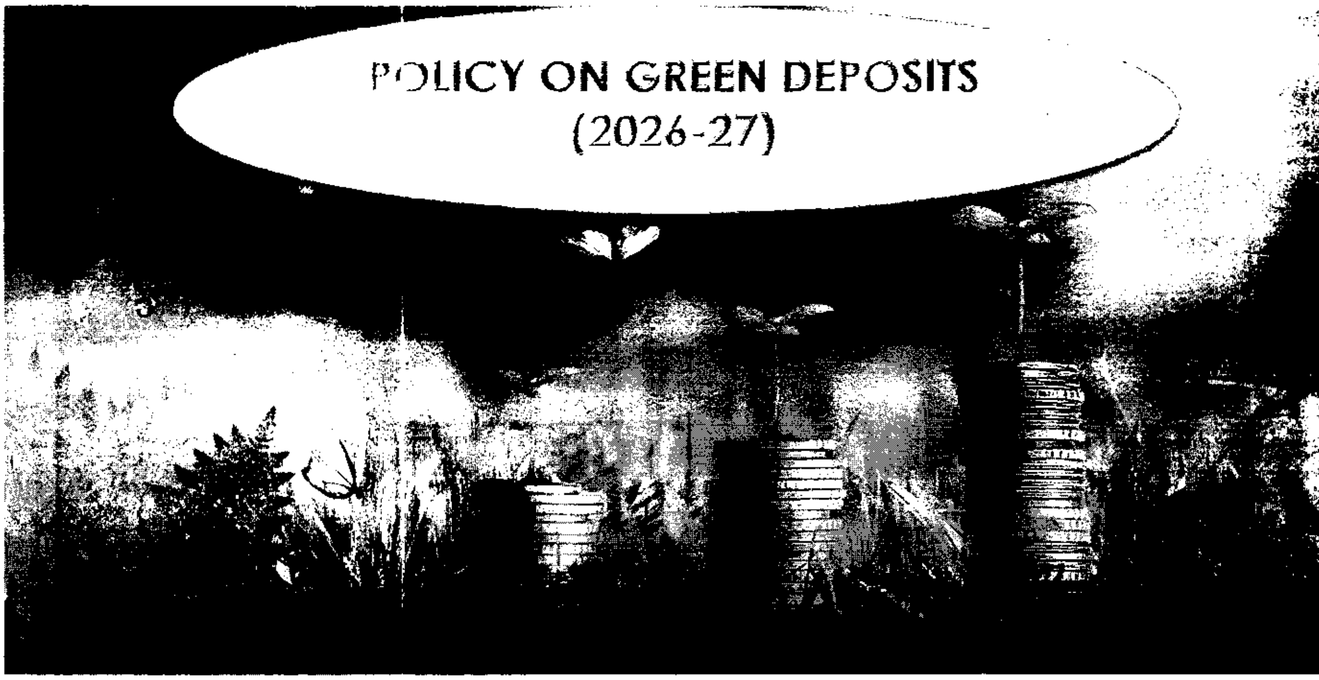
Annexure -III

Non-Callable Deposit Scheme

PARAMETERS	FEATURES
Eligibility	Individual (singly or jointly) with others Minor who have attained the age of 10 years and above in his own name on giving proof of age Proprietorship/Partnership Firm, Commercial Organization, Company /Corporate Body HINDU Undivided Family Association, Club, a Society, Trust or Religious/Charitable or Educational Institutions Municipality or Panchayat, Government or Quasi-Government Body. Illiterate and blind persons can also open the account.
Deposit Amount	Single deposit of above Rs. 3 Cr. and above
Period of Deposit	**For Deposit from above Rs.3 Cr. to Rs. 10 Cr.-(As per rates circulated by Treasury Branch, Mumbai)** **Maturity Option**: For any period from 7 days to 60 months. **For Deposit above Rs. 10 Cr. (As per rates circulated by Treasury Branch, Mumbai)** **Maturity Option**: For any period from 7 days to 2 Yr.
Interest	Card Rate as per guidelines issued by Treasury Branch, Mumbai from time to time.
Conversion	Conversion option is not available under the scheme.
Auto Renewal	No auto renewal should be allowed and auto closure should be marked in the system.
Premature Withdrawal/ Part Withdrawal / Extension in the period of deposit	No premature withdrawal/ part withdrawal/ extension are permitted under the scheme, in any case, except in case of death of the Depositor (Single/ Joint)/ Bankruptcy/ winding up /directions by court/ regulators/ receiver/liquidator, Premature withdrawal is allowed & interest to be paid shall be as per the card rate for normal deposit for the period for which FD has run.
Advances/Overdraft facility	The option of Demand Loan/ Overdraft facility shall be available as per discretion of the bank & the existing guidelines.

PART -C

POLICY ON GREEN DEPOSITS (2026-27)



यूको बैंक / UCO BANK संसाधन विभाग Resources Department प्रधान कार्यालय, कोलकाता / Head Office Kolkata

Policy Certification

Title	POLICY ON GREEN DEPOSITS 2026-27
Owned By:	Resources Department & Risk Management Department
Prepared By:	Resources Department & Risk Management Department
Reviewed By:	Board
Effective From	01.04.2026
Validity	1 Year (FY 2026-27)

SECTION- A: Policy on Acceptance of Green Deposits

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SECTION- A: POLICY ON ACCEPTANCE OF GREEN DEPOSITS

1. Purpose / Objective of the Policy:

In recent times, there has been an increase in focus of the Indian financial system to move towards green financing. Green finance means lending to and/or investing in the activities/projects that contribute to climate risk mitigation, climate adaptation and resilience, and other climate-related or environmental objectives - including biodiversity management and nature-based solutions. As stated by the Reserve Bank of India (RBI), the financial sector can play a pivotal role in mobilizing resources and their allocation thereof in green activities/ projects.

A key mode of green finance that has progressively gained traction is 'green deposit'. Green deposit refers to an interest-bearing deposit, received by a bank for a fixed period and the proceeds of which are earmarked for allocation towards green finance.

A key mode of green finance that has progressively gained traction is 'Green Deposit'.

2. Scope of the Policy:

This policy document on green deposits outlines the guiding principles in respect of formulation of green deposit products offered by the Bank and terms and conditions governing the conduct of the green deposits and forms part of UCO Bank's Policy on Deposits for FY2025-26. This policy shall be applicable to the Bank's domestic operations.

3. Regulatory Reference:

The Reserve Bank of India vide Master Direction RBI/DOR/2025-26/172 DOR.SFG.REC.91/30.01.021/2025-26 dated 28.11.2025 on "Reserve Bank of India (Commercial Banks - Climate Finance and Management of Climate Change Risks) Directions, 2025", wherein it has issued directives on **"Framework for Acceptance of Green Deposits"** and directed the Bank to place a comprehensive Board Approved Policy on Green Deposits.

Any Subsequent Guidelines of RBI / Government issued from time to time on Green Deposits will automatically form part of the Policy for the interim period till the next review.

Further, if and when the regulator changes any interest rate structure, the same may be implemented with the permission of ALCO and placed to Board for Approval.

4. Policy Statement and Details & Resources: -

4.1. Definitions related to "Green Deposit"

a. "**Green Deposit**" means an interest-bearing cumulative/ non-cumulative deposits for a fixed period denominated in Indian rupees, and the proceeds of which are earmarked for being allocated towards green finance. Since Green Deposits are to be accepted for fixed term in the form of term deposits hence Savings and Current categories of Green Deposits are not allowed.

b. "**Green Finance**" means lending to and/or investing in the activities/projects meeting the requirements prescribed in Policy for Climate Finance and Management of Climate Change Risks that contributes to climate risk mitigation, climate adaptation and resilience, and other climate-related or environmental objectives - including biodiversity management and nature-based solutions.

c. "**Green Washing**" means the practice of marketing products/services as green, when in fact they do not meet requirements to be defined as green activities/projects.

d. "**Term Deposit**" means a deposit received by the Bank for a fixed period withdrawable normally after the expiry of fixed period and includes deposits such as Fixed Deposit, Recurring Deposit, Deposit Certificate etc.

e. "**Retail Green Deposit** "means Single Rupee term deposit of less than Rs.3 crore.

f. "**Bulk Green Deposit**" means Single Rupee term deposit of Rs. 3 crores and above.

g. "**Individual**" means a natural person.

h. "**Member of the Bank's staff**" means a person employed by the Bank on a regular basis, whether full-time or part-time, and includes a person recruited on probation or employed on a contract of a specified duration or on deputation and an employee taken over in pursuance of any scheme of amalgamation but does not include a person employed on casual basis.

i. "**Family**" includes members as mentioned in the Bank's Service/Staff Regulations.

j. "**Retired member of the Bank's staff**" means an employee retiring whether on superannuation or otherwise as provided in the Bank's Service/Staff Regulations.

5. Denomination, interest rates and tenor of deposits

The Bank shall formulate the green deposit scheme denominated in Indian Rupees based on the RBI guidelines.

(i) The Bank shall issue green deposits as cumulative / non-cumulative deposits.

(ii) On maturity, the green deposits shall be renewed or withdrawn at the option of the depositor.

(iii) The green deposits shall be denominated in Indian Rupees only.

(iv) The tenor, size, interest rate, and other terms and conditions as specified in the Reserve Bank of India (Commercial Banks - Interest Rate on Deposits) Directions, 2025, as amended from time to time, shall also be applicable to green deposits, mutatis mutandis.

Explanation:

(1) It is not mandatory for the Bank to raise green deposits, but in case it intends to raise green deposits from their customers they should follow the "Framework for acceptance of Green Deposits".

(2) The extant guidelines enumerated above do not permit the bank to offer differential rate of interest on green deposits.

(3) The bank shall pay interest on green deposits to its customers as per agreed terms and conditions and aforesaid directions irrespective of allocation / utilisation of proceeds.

(4) With respect to premature withdrawal of green deposits, while there is no restriction, the bank shall adhere to the aforesaid directions. Further, premature withdrawal shall not have any bearing on the activities / projects undertaken using the proceeds of green deposits.

(5) The deposits raised under the framework are covered by Deposit Insurance and Credit Guarantee Corporation (DICGC) in accordance with the Deposit Insurance and Credit Guarantee Corporation Act, 1961 and the regulations framed thereunder, as amended from time to time.

Specific Green Deposit products (amount, interest rate, tenor etc.) shall be designed/modified by Resources department for mobilizing the green deposit in consultation with ALCO.

6. Redressal of Complaints and Grievances

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

7. Information to Green Depositors:

The Bank's policy relating to opening and maintenance of green deposits and the various charges on such green deposits and the revisions in such policy and the charges, will be communicated to the depositors in the following manner:

- The terms and conditions for opening a green deposit and the charges if any, that will be levied on the green deposit will be given in the green deposit opening form for the information of the depositors before opening the green deposit.
- In case of any revision, the revised policy / requirements and revised charges will be displayed in a prominent place in all branches.
- Additionally, depositors will be informed about the revised policy / requirement / charges either through press releases or advertisement in print media and / or by displaying in the Bank's website, giving 30 days' notice to customers which is required as per RBI norms.
- In case where the changes are on green deposit of regulatory requirements, 30 days' prior notice to customers will not be given by the Bank.
- All green deposit interest rates will be displayed at a prominent place in all branches.

8. Information regarding Products and Services:

Complete information regarding products and services, minimum balance requirements, interest rates and service charges besides the terms and conditions applicable to them will be made available in a transparent manner through the following methods as per the choice of the customer viz.,

- By sending SMS or emails
- Through electronic or print media
- Display on the Bank's website
- Display on the Notice

SECTION- B: GREEN DEPOSIT- LENDING/ INVESTING FRAMEWORK

9. Structure of the Framework

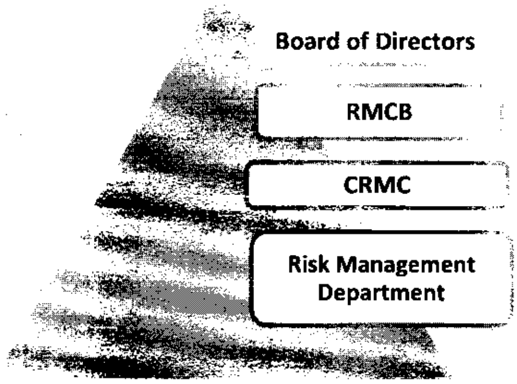
As part of the broader sustainability strategy, the Bank has established this Green Deposit Lending Framework, which aims at providing its clients with access to financing that helps them to pursue the necessary transition to an environmentally sustainable future and to ensure that Bank's commitment and beliefs towards ESG have been put into practice with this Framework.

Green Financing established in terms of this framework will be offered as an investment towards activities/projects meeting the requirements mentioned in this document below, which contribute to climate risk mitigation, climate adaptation and resilience, and other climate-related or environmental objectives. Financing to these prescribed activities/ projects shall be by means of proceeds from the Bank's Green Deposit products.

The Green Deposit Lending Framework is line with Master Direction RBI/DOR/2025-26/172 DOR.SFG.REC.91/30.01.021/2025-26 dated 28.11.2025 on "Reserve Bank of India (Commercial Banks - Climate Finance and Management of Climate Change Risks) Directions, 2025", wherein it has issued directives on **"Framework for Acceptance of Green Deposits"** and shall be guided by the ESG Policy of the Bank, wherever applicable, for the aspects which are not covered under this framework.

Amendments or changes, if any, in this Framework shall be reviewed annually and approved by the Board of Directors/ RMCB through CRMC, which shall be the final approving authority in this regard.

10. GOVERNANCE STRUCTURE FOR GREEN DEPOSIT LENDING/ INVESTING FRAMEWORK



11. ROLES AND RESPONSIBILITIES:

11.1 Roles & Responsibilities of The Board of Directors

- To ensure that Regulatory and GOI guidelines pertaining to Green Avenues (deposits and financing products) are implemented in the Bank as and when timelines are prescribed.
- To set well defined goals and objectives for achieving milestones as and when announced by the GOI, in the path of sustainability by exploring avenues like Green Deposits and Green Deposit Financing.
- Approval of the Bank-level Green Deposit Policies, Green Financing Framework Strategies, Initiatives, Disclosures and Stakeholder Engagement and delegation of Green deposit financing related powers as per Loan Policy Documents.
- To oversee/ review the progress made under Green Deposit Lending Framework based on management information, as well as updates on major policy initiatives and developments concerning climate-related

and environmental issues.

11.2 Roles & Responsibilities of Risk Management Committee of Board

- To oversee the risks and opportunities emanating from the Green avenues (green deposit products and financing) and assess the actual and potential impact made by the Bank after financing in such avenues.
- To exercise effective oversight on risk management & controls and ensure that sufficient internal / external expertise is available for managing the financial risks arising from these Green deposit and green financing products.
- To oversee the Impact Assessment of Green-based products (deposits and financing) through the policy frameworks and ensure that such policies/frameworks are in line with the vision of the Bank.
- To guide formulation of green avenues-related policy, strategy, objective-setting, and performance monitoring.
- To provide guidance on external disclosures, controls and measures pertaining to Green deposits and its financing for having a strong assurance.
- To evolve & frame the Green Deposit Policy and Green Deposit Lending Framework based on the regulatory /GOI guidelines and further changes.
- To set and approve targets for key parameters linked to the green deposit financing activities stated in the Green Deposit policy and its Financing Framework.
- To identify the roles and responsibilities of each of the stakeholder Wings in formulating the Bank's Green Deposit policy & lending framework and training requirements.
- To review the timely implementation of Green Deposit Policy and Green Deposit lending framework in the Bank.
- To work with innovative ideas and deliberate in detail the feasible solutions to overcome the hurdle of implementing Green based policy frameworks.
- Identifying opportunities, target setting for improvement in the areas of green-based products and analyzing the Impact Assessment of Green deposit financing activities.
- To evaluate and review strategies and business opportunities for promoting green deposits and its financing culture among customers so as to align the Bank's sustainable goals with national priorities of sustainable growth.

11.3 Roles & Responsibilities of Credit Risk Management Committee

- Responsible for the implementation of the Green Deposit Lending policy /strategy approved by the Board/RMCB.
- Monitor the risk on a bank wide basis and ensure compliance.

- Recommend to the Board, for approval of Green Deposit Policy.

12. SOURCING OF GREEN FUNDS

The following will be responsibilities of nodal Wings for Green Deposit Policy and Lending Framework:

12.I. Resources Department - Nodal Department for Green Deposit policy

a) Designing of Green Deposit Products.
b) Taking approval for the products from various Committees as per the extant guidelines of the Bank.
c) Approval of Pricing from ALCO for Green Deposits.
d) Implementation of the products in the IT system including appropriate MIS.
e) Maintenance of master data on green deposits mobilised and their allocation details.
f) Setting annual targets for green deposit mobilization.
g) Annual review of the Green Deposits policy, modifications in policy on green Deposits in coordination with Risk Management Department.

12.2. Corporate Credit Department – Nodal Department for Green Lending Framework

a) Identifying green activities/projects, obtaining approval for allocating funds.
b) Deciding the applicable spread for the lending.
c) Monitoring & reporting of Sources and Uses of Green funds by coordinating with Risk Management Department.

13. USES/ DEPLOYMENT OF GREEN PROCEEDS FOR GREEN ACTIVITIES/PROJECTS

An amount corresponding to the net proceeds from the Green Deposit Instrument shall be used to finance the Bank's Green Assets Portfolio as per this Policy. The portfolio shall be composed of both loans to and investments in corporations, assets, or projects that support the transition to a clean, energy-efficient, and environmentally sustainable global economy and are in line with the requirements of this Framework.

The Bank is allowed to offer overdraft facility to customers against Green Deposits subject to the instructions contained in the Reserve Bank of India (Commercial Banks – Credit Risk Management) Directions, 2025. Specific product in this regard (with Interest Rate, Margin, etc.) shall be designed by the owner department with approval of CRMC, ALCO. **The unallocated proceeds shall be kept invested in Level I High Quality Liquid Assets up to a maximum original tenure of one year (T-Bills).** The Bank shall have discretion to finance in excess of the funds sourced through Green Deposits, duly following the extant guidelines in this regard.

13.1 Eligibility Criteria and list of eligible Green Activities/Projects and exclusions:
Processing units while assessing the project proposals shall provide justification for

considering/ not considering the project under green finance as per the criteria specified for this purpose. Processing units, while providing Go/ No Go to the proposal, shall examine and validate whether the proposal falls under any of the green finance categories or not.

Further, with upcoming market developments and after the establishment of Indian Green Taxonomy, deployment of the proceeds from Green Deposits shall be based on the same. In the intervening time, the Bank will allocate the proceeds raised through green deposits towards the following list of green activities/projects which encourage energy efficiency in resource utilisation, reduce emission of carbon dioxide and other greenhouse gases, promote climate resilience and/or adaptation and improve natural ecosystems and biodiversity.

Explanation:

(i) The green activities / projects financed in terms of this Policy can be classified under priority sector if they meet the requirements laid down in Priority Sector Lending (PSL) guidelines of RBI [Master Directions - Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2025 dated March 24, 2025], as amended from time to time.

(ii) Investment by the Bank in Sovereign Green Bonds (SGrBs) are covered under this Policy

13.2 Eligible Green Activities/ Projects:

Sl. No.	Sector	Description
1	Renewable Energy	• Solar/wind/biomass/hydropower energy projects that integrate energy generation and storage • Incentivizing adoption of renewable energy.
2	Energy Efficiency	• Design and construction of energy-efficient and energy- saving systems and installations in buildings and properties. • Supporting lighting improvements (e.g. replacement with LEDs). • Supporting construction of new low-carbon buildings as well as energy-efficiency retrofits to existing buildings. • Projects to reduce electricity grid losses
3	Clean Transportation	• Projects promoting electrification of transportation. • Adoption of clean fuels like electric vehicles including building charging infrastructure.
4	Climate Change Adaptation	• Projects aimed at making infrastructure more resilient to impacts of climate change.
5	Sustainable Water and	• Promoting water efficient irrigation systems. • Installation/ upgradation of wastewater infrastructure

	Waste Management	including transport, treatment and disposal systems • Water resources conservation. • Flood defense systems.
6	Pollution Prevention and Control	• Projects targeting reduction of air emissions, greenhouse gas control, soil remediation, waste management, waste prevention, waste recycling, waste reduction and energy/ emission-efficient waste-to- energy
7	Green Buildings	• Projects related to buildings that meet regional, national or internationally recognized standards or certifications for environmental performance.
8	Sustainable Management of Living Natural Resources and Land Use	• Environmentally sustainable management of agriculture, animal husbandry, fishery and aquaculture. • Sustainable forestry management including afforestation/ reforestation. • Support to certify organic farming. • Research on living resources and biodiversity protection.
9	Terrestrial and Aquatic Biodiversity Conservation	• Projects relating to coastal and marine environments. • Projects related to biodiversity preservation, including conservation of endangered species, habitats and ecosystems

Exclusions:

- Projects involving new or existing extraction, production and distribution of fossil fuels, including improvements and upgrades; or where the core energy source is fossil-fuel based.
- Nuclear power generation.
- Direct waste incineration.
- Alcohol, weapons, tobacco, gaming, or palm oil industries.
- Renewable energy projects generating energy from biomass using feedstock originating from protected areas. Feedstock primarily includes Sewage, manure, wastewater, bagasse, biomass, wood pellets, etc.
- Landfill projects.
- Hydropower plants with installed capacity larger than 25 MW.

13.3 Timeline for Deployment of proceeds:

The proceeds accepted via Green Deposits during the Financial Year (from the date of first green deposit product launch) will be utilized for financing to/ investing in Green Activities/ Projects listed under Para 13.2. Further, temporary allocation of these proceeds which are pending their allocation to the eligible activities/ projects, **shall be only in liquid instruments up to a maximum original tenure of one year.**

The Bank shall track the liability under green deposit and allocation of these funds. The report shall be forwarded to ALM wing of the Bank for onward submission to the ALCO.
The details of the investment made in liquid instruments at yearly interval as per this Policy shall be submitted to the ALCO.

The financing framework, does not envisage any penalty for non-allocation of proceeds towards eligible green activities / projects, it shall be subject to supervisory review.

A copy of this Policy shall be made available on the website of the Bank along with the opinion of external reviewer (appointed from time to time).

13.4 Selection of Green Projects

Selection of Green Activities / Projects, out of those listed in the Para 13.2 above shall be made, provided the project is eco-friendly, technically feasible and economically viable. Further, the projects should conform to the relevant provisions of the Loan Policy and Credit Risk Management Policy of the Bank.

13.5 Appraisal of Green Projects

Appraisal of Green Projects for the purpose of lending/investing shall be done as per the ongoing practice (like other projects), duly adhering to Loan Policy, Credit Risk Management Policy, Delegation of Powers and other lending policies of the Bank.

At the time of processing the proposals to be financed through Green Deposits, corporates' sustainability practices and justifications of impacts to be made through Green financing facilities provided by the Bank should be clearly stated in the appraisal note.

13.6 Lending/ Investing in Green Projects

The feasible projects may be considered by the Corporate Credit Department/ Treasury Department for financing to/investing in such eligible projects duly following a scrupulous appraisal process, out of the allocated funds. Corporate Credit Department shall maintain a database of credit flow to such projects.
The Loan/ Investment Products shall bear a flag/ identifier in CBS separately as Green/Sustainable Finance to enable generation of MIS through suitable reports. The necessary changes are to be done by the DIT.

13.7 Pricing of Green Finance

The loan pricing shall be done as per the extant guidelines in this regard. The pricing of loans lent/ investment made in excess of Green Deposits, if any, shall be done based on the similar way of other projects duly following the relevant policies/guidelines.

14. TARGET & MONITORING

The Resources Department:

- Shall create an exclusive Pooled Account / GL in respect of lending/ investments made utilizing funds raised via Green Deposits and set business targets in this regard, based on the Green Deposit sourcing strategy.
- Database for both sourcing & deployment of green deposits shall be maintained on ongoing basis and the required MIS reports shall be developed in the IT systems.
- The Activity/ Project wise targets may be assigned to the Credit Wings concerned and the outstanding position of Sources & Uses shall be updated on regular basis.

15. EXTERNAL VERIFICATION/ ASSURANCE/IMPACT ASSESSMENT

The allocation of funds raised through green deposits by the Bank during a financial year shall be subject to an independent Third-Party Verification/ Assurance/Impact Assessment, which shall be done through external agency on an annual basis.

The Bank shall engage experienced and reputable domestic/ international agencies for external review of the financing framework, third party verification/ assurance and impact assessment of the green activities/ projects.

The Third-Party Verification/ Assurance/Impact Assessment Report of the Bank shall, at the minimum, cover the following aspects:

- Use of the proceeds to be in accordance with the eligible green activities/ projects indicated in the Para 13.2 above.
- Policies and Internal Controls including, inter-alia, project evaluation and selection, management of proceeds, and validation of the sustainability information provided by the borrower to the Bank and Reporting and Disclosures.

16. IMPACT ASSESSMENT

The Bank with the assistance of external firms shall assess the impact of the funds lent for or invested in green finance activities/ projects through an Impact Assessment Report.

An illustrative list of Key Performance indicators (KPI) is given in the Annex-1 to this policy. This will be finalized in consultation with external agencies to be appointed in terms of section 15 above.

Risk Management Department will place a memorandum before Board on the outcome of Third-Party Verification/Assurance and Impact Assessment.

17. REPORTING & DISCLOSURES

The Resources Department and Risk Management Department shall jointly place review report before the Board of Directors within three months of the end of the financial year covering following:

(a) Amount raised under green deposits during the previous financial year.

(b) list of green activities/ projects to which proceeds have been lent/ invested, along with a brief description of each project.

(c) The amounts allocated to the eligible green activities/ projects.

(d) A copy of the Third-Party Verification/ Assurance Report and the Impact Assessment Report.

(e) For requirements related to disclosures in annual financial statements, the Bank shall refer to the Annex-2 as given in the Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025.

Annex-1

ILLUSTRATIVE LIST OF IMPACT INDICATORS

Eligible Project Category	Impact Indicators- Examples
Renewable Energy	Total Renewable Capacity (in MWh)
	Energy generated per year (MWh)
	GHG emissions avoided per year (measured in tonnes CO2 equivalent, tCO2e)
Waste Management	Waste diverted from landfill per year (tonnes)
Clean Transportation	GHG emissions avoided per year (tCO2e)
	New clean transportation infrastructure built (km)
	Number of electric or low emission vehicles produced
Energy Efficiency	Energy savings per year (MWh)
	GHG emissions avoided per year (tCO2e)
Afforestation/ Reforestation	GHG emissions reduced/ Carbon Sequestration achieved (measured in tCO2e)

Annex-2

PORTFOLIO-LEVEL INFORMATION ON THE USE OF FUNDS RAISED FROM GREEN DEPOSITS

(Amounts in Rs. crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative*
Total Green Deposits raised (A)			
Use of Green Deposit Funds**			
(1) Renewable Energy			
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			
Total Green Deposit Funds allocated (B= Sum of 1 to 9)			
Amount of Green Deposit Funds not allocated (C=A-B)			
Details of the temporary allocation of Green Deposit proceeds pending their allocation to the eligible Green Activities/ Projects			

*This shall contain the cumulative amount since the bank started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. Further, the actual amount of green deposits raised during the year and use of such funds shall be given under this disclosure.

**Under each category, a bank may provide sub-categories based on the funds allocated to each sub-sector. For example, the bank may provide sub-categories like solar energy, wind energy, etc. under 'Renewable Energy'.

POLICY ON

NON-RESIDENT DEPOSITS

&

RESIDENTS' FOREIGN CURRENCY DEPOSITS

Policy Certification

Title	POLICY ON NON-RESIDENT DEPOSITS & RESIDENTS FOREIGN CURRENCY DEPOSITS (2026-27)
Owned By:	International Department
Prepared By:	International Department
Approved By:	Board
Effective From:	01.04.2026
Validity	One (1) Year -FY 2026-27

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SECTION A: DEFINITION

A. Resident Indian:

As per section 2(v) of FEMA 1999 a person resident of India means-

(i) A person residing in India for more than 182 days during the course of preceding financial year but does not include:

A) A person who has gone out of India or who stays outside India, in either case
   a. for or taking up employment outside India, or
   b. for carrying on business or vacation outside India, or
   c. for any other purpose, in such circumstances as would indicate his intention to stay outside India for an uncertain period.

B) A person who has come to stay in India, in either case, otherwise than
   a. for or taking up employment in India, or
   b. for carrying on business or vocation in India, or
   c. or any other purposes, in such circumstances as would indicate his intention to stay in India for an uncertain period.

(ii) Any person or body corporate registered or incorporated in India.

(iii) An office, branch or agency in India owned or controlled by a person resident outside India.

(iv) An office, branch or agency outside India owned or controlled by a person resident in India.

B. Non Resident Indian:

Non Resident Indian means a person resident outside India who is a citizen of India or is a person of Indian origin. For example:

(i) Indian citizen proceeding abroad for employment/business/vocation or any other purposes for indefinite period of stay outside India.

(ii) Indian citizen working abroad on assignment with Foreign Government, Government agencies, International/Multi-national agencies like UNO, IMF, IBRD etc. and

(iii) Officials of the Central/State Government/PSUs deputed abroad on assignment.

A Person of Indian Origin (PIO) is a citizen of any other country other than Bangladesh and Pakistan in case:

(a) He/ She at any time held an Indian passport or either of his/her parents or any of his/her grandparents were a citizen of India by virtue of constitution of India or Citizenship Act 1955.

(b) A person who is a spouse of an Indian citizen or a person referred to above(a).

Special provision for Students

Indian students staying abroad would be treated as Non-residents. They would be eligible for all the facilities available to non-residents under FEMA, educational and other loans availed of by students as resident in India would be allowed to continue.

SECTION B: NON-RESIDENT ACCOUNTS

C. Types of account:

Following type of accounts can be opened by NRIs and PIOs.

1. Rupee Account:

a. Non-resident external (NRE) Rupee account
b. Non-resident ordinary (NRO) Rupee account
c. Special Non Resident Rupee Account (SNNR)

2. Foreign Currency Account:

a. Foreign Currency Non-Resident Bank Account (FCNR-B)
b. UCO Dollar Plus Account (w.e.f.15.12.2011)

Procedure for opening non-resident account (General):

(a) KYC procedure is required to be followed scrupulously.
(b) To use the prescribed application form along with an undertaking from the account holder to the effect that he/she will inform the Bank about his/her change of residential status.
(c) To obtain necessary documentary evidence (details given in our account opening form which is also available in our website)
(d) Accounts should be opened by the non-residents themselves under their signature and not through any holder of 'Power of Attorney'.
(e) Opening of NRO/NRE/FCNR accounts in the names of individuals/entities of Bangladesh/ Pakistan nationality/ownership requires prior approval of Reserve Bank. However, NRO accounts of Individual/s of Bangladesh nationality can be opened without the approval of RBI subject to the individual(s) holding a valid visa and valid residential permit issued by Foreigner Registration Office (FRO)/ Foreign Regional Registration Office (FRRO) concerned.
(f) Obtention of FATCA/CRS declaration is mandatory.

Further, citizens of Bangladesh/Pakistan belonging to minority communities in those countries, namely, Hindus, Sikhs, Buddhists, Jains, Parsis and Christians residing in India and who have been granted Long Term Visa (LTV) or whose application for LTV is under consideration, are permitted to open only one NRO account with an AD bank in India subject to the conditions mentioned in Notification No. FEMA 5(R)/2016-RB dated April 01, 2016, as updated from time to time. The opening of such NRO accounts with the Bank will be subject to reporting of the details of the accounts opened by the Bank to the Ministry of Home Affairs (MHA) on a quarterly basis as instructed, vide AP (DIR Series) Circular No. 28 dated March 28, 2019.

C.1.a. NRE Rupee Account:

Account will be maintained in Indian rupees. Balances held in the NRE account are freely repatriable. Accrued interest income and balances held in NRE accounts are exempt from Income tax.

1. Types:
   NRIs and PIOs can open following types of accounts in Indian Rupees
   a. Saving Bank
   b. Current Account
   c. Recurring Deposit
   d. Term Deposit for a minimum period of 1 year

2. Rate of Interest:
   Interest rates offered by the Bank on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.
   a) NRE Current Accounts: Nil
   b) NRE Term Deposits: Interest rates offered to NRE Term deposits cannot be higher than those offered to comparable domestic rupee deposits.
   c) NRE Savings Accounts: The interest rate on NRE savings account is same as applicable to domestic savings deposits.

   In terms of the regulatory guidelines issued in this regard, the Bank shall not allow any benefit of additional interest rate on any type of deposits of non-residents.

3. Joint Account:
   Joint account can be opened with non-residents who are persons of Indian nationality or of Indian origin. Non-resident Indians (NRIs) are also permitted to open NRE/ FCNR (B) account with their resident close relatives (relative as defined in Section 6 of the Companies Act,1956) as a joint holder(s) 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 the NRI/PIO account holder.

4. Permitted credits:
   a. Proceeds of remittance to India in any permitted currency – TCs/Personal cheques/ Bank Draft instruments may be expressed in Indian Rupee for which the reimbursement is required to be received in foreign currency), and other permissible credits as per extent Manner of Receipts and Payments Regulation
   b. TCs and DDs standing/endorsed in the name of the account holder and issued outside India. [In case of TCs, Currency Declaration Form (CDF) shall be obtained, wherever applicable].
   c. Proceeds of the foreign currency notes tendered by the account holder during his during his temporary visit to India provided the amount was declared in CDF form wherever applicable. The notes are to be tendered to Bank in person by the account holder himself.
   d. Transfer from other NRE/FCNR Account.
   e. Accrued interest in NRE/FCNR account.
   f. Interest on government securities, dividends on units of mutual funds provided those securities/units were purchased to the debit of account holder's NRE/FCNR account or out of inward remittances through normal banking channels.
   g. Sale proceeds of government securities/units of mutual funds sold on a recognized exchange in India provided the securities/units were purchased to the debit of account holder FCNR/NRE account or out of remittances received outside India.

h. Refund of debenture/ share subscription to new issues of Indian companies provided the subscription was paid to the debit of NRE/FCNR a/c of the account holder or by remittance from outside India through normal banking channel.
i. Refund of application/earnest money together with interest made by the house building agency (net of IT) provided the original payment was made out of NRE/FCNR account of the account holder or remittance from outside India through normal banking channel.
j. Proceeds of policies denominated in foreign currency or rupee policies, where premiums were paid from NRE/FCNR accounts can be credited to NRE/FCNR account without approval of RBI.
k. Any other credit if covered under general or special permission granted by RBI.
l. Current incomes like rent, dividend, pension, interest etc may be credited to NRE account provided bank is satisfied that the credit represents current income of the account holder and the income tax thereon has been deducted /paid/provided for, as the case may be.

5. Permitted debits:
   a. Local disbursement, remittances outside India, transfer to NRE/FCNR accounts of the account holder or any other persons eligible to maintain such account.
   b. Investment in shares/securities/CPs/immovable properties in India provided such investment is covered under regulation made or general or special permission granted by RBI.
   c. Any other transaction if covered under general or special permission granted by RBI.

6. Repatriation:
   Free repatriation of deposit amount & interest permitted without the approval of RBI.

7. Change of Status:
   In case the account holder changes his/her residential status from non-resident to resident, NRE account should be re-designated as resident account or may be transferred to RFC account at the option of the depositor.

   Contracted rate of interest shall be allowed till maturity of Term deposits, if desired by the depositor/s even after his/her/their return to India for permanent settlement.

8. Nomination:
   Nomination facility is available. Nominee can be a resident or a non-resident. For resident nominees the payment should be made in Indian Rupee. Application from a resident nominee for remittance of funds outside India for meeting the liabilities, if any, of the deceased account holder or for similar other purpose, should be forwarded to the Reserve Bank for consideration.

9. Tax:
   Presently interest on NRE deposit is free of income tax / other applicable taxes .

10. Operation by Power of Attorney (PA) holder:

The account should be opened by the non-resident account holder himself and not by the holder of the power of attorney (PA) in India.

PA holder can operate the account for local payments only. A PA holder is not permitted to repatriate fund outside India or to make payment by way of gift to a resident or transfer funds to another NRE account. PA holder can make remittance to the account holder himself through normal banking channel.

11. Special series cheques:
    For easy identification special series cheques may be issued with proper stamping 'NRE Account'.

12. Overdue Deposits:
    Overdue up to 14 days
    When the overdue period from the date of maturity till the date of renewal (both days inclusive) does not exceed 14 days, the rate of interest payable on the amount of deposit renewed shall be the lower of the interest rate prevailing on the date of maturity or on the date of renewal.

    Overdue for more than 14 days
    If the depositor places the entire amount of overdue deposit or a portion thereof as a fresh NRE term deposit, the interest rate applicable for the overdue period on the amount so placed as a fresh deposit will be at a simple rate and equal to the rate of interest applicable to the minimum period of deposit (currently 1 year) as prevailing on the date of maturity of the old deposit.

    The Bank will recover the interest so paid for the overdue period if the deposit is withdrawn before completion of minimum period prescribed under the scheme, after renewal.
    Note: In order to avoid such complications it is better to have automatic renewal agreement with the customer. The deposits will be renewed automatically for identical period unless otherwise specifically instructed before the due date. This has already been incorporated in the declaration of our new prescribed account opening form.

13. Premature Withdrawal:
    Premature Closure

    1. For any premature closure of FCNR (B)/ NRE Term deposits within one year, no interest will be paid as per the extant regulatory guidelines.
    2. In case of premature withdrawal of FCNR (B)/NRE Term deposits after one year from the date of deposit, interest payable on the deposit will be 1% less than the rate of interest prevailing at the time of deposit for the period the deposit has actually been with the Bank.
    3. Where periodical payment of interest is given, the excess interest over and above the entitlement of the depositor, as per item No. 2 above, if already paid, must be adjusted from the principal at the time of premature closure.

Premature Extension

1. For any premature extension of FCNR (B)/NRE Term deposits within one year, no interest will be paid.
2. In case of premature extension of FCNR (B)/NRE Term deposits after one year from the date of deposit, interest payable on the deposit will be equal to the rate of interest prevailing at the time of deposit for the period the deposit has actually been with the Bank without any penalty.
3. Where periodical payment of interest is given, the excess interest over and above the entitlement of the depositor, as per item No. 2 above, if already paid, must be refunded by the depositor or adjusted from the principal at the time of premature extension.
4. In case of premature extension, the deposit will be treated as a fresh deposit and the date of such premature extension will be reckoned as the date of deposit for calculating the maximum period.

Penalty on Premature Withdrawal of Non-Resident External (NRE) Deposits

1. No penalty shall be levied for premature withdrawal of NRE term deposits for conversion into RFC account and any premature closure of NRE Term deposits within one year, no interest shall be paid as per the extant regulatory guidelines.
2. Penalties for premature withdrawal shall be levied for conversion of NRE deposit into FCNR(B) deposit and *vice versa*.
3. Deposit accounts transferred from one bank branch to another bank branch on account of takeover of bank branches in rural and semi-urban centres shall adhere to the following conditions: deposit accounts shall be deemed to be transferred to the new bank and will continue to be governed by the terms of contract agreed to between the customer and the bank branch that is being taken over

14. Interest payable on deposit of a deceased depositor:
In case of term deposit standing in the name/s of:
a. deceased individual depositor.
b. Two or more depositors when one of the depositor has died

The interest will be paid in the following manner:

a. At the contacted rate on the maturity of the deposit.
b. In the event of payment of deposit being claimed before the maturity date, the Bank will pay applicable rate of interest for the period the deposit actually remained with the Bank without charging any penalty.

In the event of death of the depositor before the date of maturity but the amount claimed after the date of maturity the Bank shall pay the contacted rate till the date of maturity. From the date of maturity till the date of payment the Bank shall pay simple interest at the applicable rate operative on the date of maturity.

However, in case of death of depositor after the date of maturity the Bank shall pay interest at savings bank rate operative on the date of maturity from the date of maturity till the date of payment.

If on the request of the claimants, the banks splits the amount of deposit, it will not be construed as premature withdrawal provided the period and the aggregate amount of deposit do not undergo any change.

In case the deposit is lying in current account in the name of deceased individual depositor the interest will be paid at savings bank rate from the date of death of the depositor to the date of payment.

In case the claimant(s) of an NRE term deposit account of a deceased depositor are residents, the deposit on maturity shall be treated as a domestic rupee term deposit and interest shall be paid for the subsequent period at a rate applicable to a domestic term deposit of similar maturity.

15. Loans against NRE Rupee Fixed Deposits:
   1. Rupee loans in India are allowed to depositor / third party without any ceiling subject to usual margin requirements.
   2. Foreign Currency Loan in India / outside India is allowed to depositor / third party without any ceiling subject to usual margin requirement. (Rs. 1 crore ceiling on loan amount prescribed earlier was removed as per AP (DIR Series) Circular No. 44 dated 12.10.2012. The term "Loan" shall include all types of fund based / non-fund based facilities).

16. Forward Cover:
The facility of forward cover is available to the depositor excepting current account and savings account deposit. Such contract once cancelled cannot be rebooked.

17. Prohibition on Marking Lien
The Bank shall not mark any type of lien, direct or indirect, against NRE saving deposits.

C.1.b. <u>Non-Resident Ordinary (NRO) Account:</u>

(a) Any person resident outside India (as per Section 2 (w) of FEMA, 1999), is permitted to open and maintain NRO account for the purpose of putting through *bona fide* transactions denominated in Indian Rupees, not involving any violation of the provisions of FEMA, Rules and Regulations made there under.

(b) Opening of accounts by individuals/ entities of Pakistan nationality/ ownership and entities of Bangladesh ownership requires prior approval of the Reserve Bank.

(c) Opening of accounts by individual/s of Bangladesh nationality may be allowed subject to satisfying itself that the individual/ s hold a valid visa and valid residential permit issued by Foreigner Registration Office (FRO)/ Foreigner Regional Registration Office (FRRO) concerned.

1. Types of Account
NRO accounts may be opened / maintained in the form of current, savings, recurring or fixed deposit accounts. Rate of interest applicable to these accounts and guidelines for opening, operating and maintenance of such accounts shall be in accordance with directives/instructions issued by the Bank from time to time.

2. Currency of Deposit
Indian Rupee

3. Joint Accounts
Accounts are permitted to be held jointly with residents/non-residents.

4. Permissible Credits:
(i) Proceeds of remittances from outside India through normal banking channels received in any permitted currency.
(ii) Any foreign currency, which is freely convertible, tendered by the account holder during his temporary visit to India. Foreign currency exceeding USD 5000 or its equivalent in the form of cash should be supported by currency declaration form. Rupee funds should be supported by encashment certificate, if they represent funds brought from outside India.
(iii) Transfers from rupee accounts of non-resident banks.
(iv) Legitimate dues in India of the account holder. This includes current income like rent, dividend, pension, interest, etc.
(v) Sale proceeds of assets including immovable property acquired out of rupee / foreign currency funds or by way of legacy /inheritance.
(vi) Resident individual may make a rupee gift to a NRI/PIO who is a close relative of the resident individual [close relative as defined in Section 6 of the Companies Act, 1956] by way of crossed cheque /electronic transfer. The amount shall be credited to the Non-Resident (Ordinary) Rupee Account (NRO) a/c of the NRI / PIO and credit of such gift amount may be treated as an eligible credit to NRO a/c. The gift amount would be within the overall limit prescribed under the Liberalised Remittance Scheme (LRS) for a resident individual.
(vii) Resident individual may lend to a Non-resident Indian (NRI)/ Person of Indian Origin (PIO) close relative [means relative as defined in Section 6 of the Companies Act, 1956] by way of crossed cheque/electronic transfer, subject to conditions within the overall limit prescribed under the Liberalised Remittance Scheme available for a resident individual. The loan amount should be credited to the NRO a/c of the NRI /PIO. Credit of such loan amount may be treated as an eligible credit to NRO a/c.

5. Permissible Debits:
(i) All local payments in rupees including payments for investments in India subject to compliance with the relevant regulations made by the Reserve Bank.
(ii) Remittance outside India of current income like rent, dividend, pension, interest, etc. in India of the account holder.

(iii) Remittance up to US dollar one million, per financial year (April- March), for all bona fide purposes, to the satisfaction of the Bank.

(iv) Transfer to NRE account of NRI within the overall ceiling of USD one million per financial year subject to payment of tax, as applicable.

(v) Remittance of Assets

a. Remittance of Assets by a Foreign National of Non- Indian Origin

A citizen of a foreign state, not being a citizen of Nepal or Bhutan or a Person of Indian Origin (PIO), who –

(i) has retired from an employment in India, or

(ii) has inherited assets from a person referred to in sub-section (5) of Section 6 of the FEMA; or

(iii) is a widow resident outside India and has inherited assets of her deceased husband who was an Indian citizen resident in India, may remit an amount, not exceeding USD one million per financial year out of the balances in the account, on production of documentary evidence in support of acquisition, inheritance or legacy of assets by the remitter, subject to payment of taxes as prescribed by Central Board of Direct Taxes from time to time.

b. Remittance of assets by an NRI/PIO

(i) NRI/PIO may remit an amount, not exceeding USD one million per financial year, out of the balances held in NRO accounts / sale proceeds of assets / the assets in India acquired by him by way of inheritance / legacy on production of documentary evidence in support of acquisition, inheritance or legacy of assets by the remitter, subject to payment of taxes as prescribed by CBDT from time to time.

(ii) NRI/PIO may also, within the overall limit of US dollar one million, as stated above, remit sale proceeds of assets acquired under a deed of settlement made by either of his parents or a close relative (as defined in Section 6 of the Companies Act, 1956) and the settlement taking effect on the death of the settler, on production of the original deed of settlement, subject to payment of taxes as prescribed by CBDT from time to time.

c. Assets acquired in India out of Rupee funds

NRI/PIO may remit sale proceeds of immovable property purchased by him as a resident or out of Rupee funds as NRI/PIO, without any lock-in-period, subject to the above limit of USD 1 million, per financial year.

d. Restrictions

(i) The remittance facility in respect of sale proceeds of immovable property is not available to citizens of Pakistan, Bangladesh, Sri Lanka, China, Afghanistan, Iran, Nepal and Bhutan.

A person or his successor who has acquired immovable property in accordance with Section 6(5) of FEMA, 1999 cannot repatriate sale proceeds of such property outside India except with prior permission of the Reserve Bank.

(ii) The facility of remittance of sale proceeds of other financial assets is not available to citizens of Pakistan, Bangladesh, Nepal and Bhutan.

(vi) Foreign nationals of non-Indian origin on a visit to India
NRO (current/savings) account can be opened by a foreign national of non-Indian origin visiting India, with funds remitted from outside India through banking channel or by sale of foreign exchange brought by him to India. The balance in the NRO account may be converted by the Bank into foreign currency for payment to the account holder at the time of his departure from India provided the account has been maintained for a period not exceeding six months and the account has not been credited with any local funds, other than interest accrued thereon. In case the account has been maintained for a period more than six months, applications for repatriation of balance will have to be made by the account holder concerned on plain paper to the Regional Office concerned of the Reserve Bank.

8. Grant of loans / overdrafts by the Bank to account holders and third parties
   (i) Loans to non-resident account holders and to third parties may be granted in Rupees by the Bank against the security of fixed deposits subject to the following terms and conditions:
      (i) The loans shall be utilised only for meeting borrower's personal requirements and/or business purpose and not for carrying on agricultural/plantation activities or real estate business or for relending.
      (ii) Regulations relating to margin and rate of interest, as stipulated by Reserve Bank, from time to time, shall be complied with.
      (iii) The usual norms and considerations as applicable in the case of advances to trade/industry shall be applicable for such loans/facilities granted to third parties.

   (ii) The Bank may permit overdraft in the account of the account holder subject to its commercial judgement and in compliance with the interest rate etc. directives.

9. Change of residential status of account holder
(a) From Resident to Non-resident
(i) When a person resident in India leaves India for a country (other than Nepal or Bhutan) for taking up employment or for carrying on business or vocation outside India or for any other purpose indicating his intention to stay outside India for an uncertain period, his existing account should be designated as a Non- Resident (Ordinary) Account.
(ii) Foreign nationals who come to India on employment and become residents in terms of section 2(v) of FEMA, 1999 and are eligible to open/hold a resident savings bank account are permitted to re- designate their resident account maintained in India as NRO account on leaving the country after their employment to enable them to receive their legitimate dues subject to certain conditions.

(b) From Non- resident to Resident

NRO accounts may be re-designated as resident Rupee accounts on return of the account holder to India for taking up employment, or for carrying on business or vocation or for any other purpose indicating his intention to stay in India for an uncertain period. Where the account holder is only on a temporary visit to India, the account should continue to be treated as non-resident during such visit.

10. Treatment of loans /overdrafts in the event of change in the residential status of the borrower.

In case of a person who had availed of loan or overdraft facilities while resident in India and who subsequently becomes a person resident outside India, the Bank may, at its discretion and commercial judgement, allow continuance of the loan/ overdraft facilities. In such cases, payment of interest and repayment of loan may be made by inward remittance or out of legitimate resources in India of the person concerned.

11. Payment of funds to Non-resident nominee

The amount due/payable to non-resident nominee from the NRO account of a deceased account holder shall be credited to NRO account of the nominee with an Authorised dealer / bank in India.

12. Operation of NRO account by Power of Attorney holder

The Bank shall allow operations on an NRO account in terms of a Power of Attorney granted in favour of a resident by the non-resident individual account holder provided such operations are restricted to:

(i) All local payments in Rupees including payments for eligible investments subject to compliance with relevant regulations made by the Reserve Bank; and
(ii) Remittance outside India of current income in India of the non-resident individual account holder, net of applicable taxes.
(iii) The resident Power of Attorney holder is not permitted to repatriate outside India funds held in the account other than to the non-resident individual account holder himself nor to make payment by way of gift to a resident on behalf of the non- resident account holder or transfer funds from the account to another NRO account.

13. Facilities to a person going abroad for studies

Persons going abroad for studies are treated as Non-Resident Indians (NRIs) and are eligible for all the facilities available to NRIs. Educational and other loans availed of by them as residents in India will continue to be available to them as per FEMA Regulations.

14. Tax

Interest portion is taxable as per Indian Income Tax Act. TDS is levied at as per applicable rate (which changes from time to time) plus surcharge on interest earned, concession if any is subjected to double tax avoidance agreement with certain countries.

15. Nomination
Nomination facility is available. Nominee could be resident or non-resident and in case of non-resident nominee, amount would be credited to the NRO account of the non-resident with an AD bank in India.

C.2.a. Foreign Currency Non-Resident account (FCNR-B)

1. Designated Currencies:
As per the recent RBI notification (RBI/2011-12/225-A.P (DIR Series) Circular No.36 dated October 19, 2011) the Bank is permitted to accept FCNR (B) deposits in any permitted currency. Permitted currency for this purpose would mean a foreign currency which is freely convertible as defined in terms of Regulation 2(v) of FEMA 14/2000-RB dated May 3, 2000, as amended from time to time.
In line with the regulatory guidelines, as above, the Bank shall accept FCNR(B) deposits in the following ten currencies: US dollar (USD), Pound sterling (GBP), Euro (EUR), Japanese yen (JPY), Canadian dollar (CAD), Australian dollar (AUD), Singapore dollar (SGD), Hong Kong dollar (HKD), Swedish kroner (SKE) and Swiss franc (CHF). If the remittance is received in a currency other than the ten designated currencies, as above, it should be converted into any of the designated currencies as per the choice of the depositor.

2. Type of Account: Term Deposit only in the form of FDR (Recurring deposit is not allowed).

3. Tenor: Minimum 1 year – Maximum 5 years.

4. Amount: Minimum US$ 2000 or equivalent.

5. Joint Accounts:
Joint account can be opened with non-residents who are persons of Indian nationality or of Indian origin. Non-resident Indians (NRIs) are also permitted to open NRE/ FCNR (B) account with their resident close relatives (relative as defined in Section 6 of the Companies Act,1956) as a joint holder(s) 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 the NRI/PIO account holder.

6. Nomination: Permitted. Nominee may be resident or non-resident.

7. Repatriability: Principal and interest are freely repatriable.

8. Rate of Interest:
The present ceiling prescribed by RBI on rate of interest is corresponding ARR/currency swap rate of corresponding currency and maturity. (The present ceiling prescribed by RBI on rate of interest is ARR/Swap rate plus 250 bps of corresponding currency for1 year to less than 3 years maturity and ARR/ SWAP plus350 basis points for 3 to 5 year maturity.)

Presently Head Office International Department is entrusted with the responsibility of determining the rate of interest of such deposits. Head Office International Department shall issue necessary notifications in this regard on monthly basis to the branches.

9. Manner of payment of interest:
   (i) The interest on the deposits accepted under the scheme should be paid on the basis of 360 days to a year.
   (ii) The interest on FCNR (B) deposits should be calculated and paid at intervals of 180 days each and thereafter for the remaining actual number of days. However, the depositor will have the option to receive the interest on maturity with compounding effect.
   (iii) Pursuant to the regulatory guidelines issued in this regard, the Bank shall not pay additional interest rate of one percent per annum to the Bank's staff on deposits under FCNR (B) accounts.
   (iv) Interest shall be credited to a new FCNR (B) account or an existing /new NRE/NRO account in the name of the account holder, at his option.
   (v) In respect of a term deposit maturing for payment on a Saturday/Sunday or a holiday or a non-business working day; banks shall pay interest at the originally contracted rate on the deposit amount for the Saturday / Sunday / holiday / non-business working day intervening between the date of expiry of the specified term of the deposit and the date of payment of the proceeds of the deposit on the succeeding working day. No interest is payable if the deposit is not kept with the bank for a minimum period of one year.

10. Change of residential status:
    The depositor/s will have to undertake to intimate the Bank about his return to India permanently immediately on arrival to India.

    Contracted rate of interest till maturity of such deposit shall be allowed if desired by the depositor/s even after his/her/their return to India for permanent settlement.

    Premature withdrawal will be subject to penal provision.

    The Bank shall pay interest at the time of conversion of FCNR-B to RFC account even if the same has not run for a minimum period, subject to the condition that the rate of interest should not exceed the rate payable on savings bank deposit held under RFC account scheme.

11. Tax: Presently interest on FCNR (B) deposit is exempted from Indian income tax.

12. Permitted Credits:
    Proceeds of remittances in India in any permitted currency through normal banking channel Proceeds of personal cheques, T/C, Bank Draft tendered. In case of TC, CDF is to be submitted whenever required and TCs, DDs should be standing/ endorsed in the name of the account holder and they are issued outside India.

Proceeds of foreign currency note tendered by the account holder personally to the Bank and wherever applicable CDF is also required.

13. Transfer from other NRE/FCNR Accounts:
Accrued interest
a) Proceeds of policies denominated in foreign currency or rupee policies, where premiums were paid from NRE/FCNR accounts can be credited to NRE/FCNR account without approval of RBI.
b) Interest on government securities, dividends on units of mutual funds provided those securities/units were purchased to the debit of account holders/NRE/FCNR account or out of inward remittances through normal banking channels.
c) Sale proceeds of government securities/units of mutual funds sold on a recognized exchange in India provided the securities/units were purchased to the debit of account holder FCNR account or out of remittances received outside India.
d) Refund of debenture/share subscription to new issues of Indian companies provided the subscription was paid to the debit of NRE/FCNR a/c of the account holder or by remittance from outside India through normal banking channel.
e) Refund of application/earnest money together with interest (net of IT) provided the original payment was made out of NRE and FCNR account of the account holder or remittance from outside India through normal banking channel.

14. Permitted debits:
i) Local disbursement
ii) Remittances outside India
iii) Transfer to NRE, FCNR account of the account holder or to any other person eligible to maintain such account
iv) Investment in shares/ securities/CP of an Indian company or for purchase of immovable property in India provided such investment/purchase is covered by the regulations made or general/special permission granted by RBI. Any other transaction if covered under that general or special permission granted by RBI.

15. Mandate / PA:
The facility of appointing mandate/PA holder is not allowed in case of FCNR (B) deposit.

16. Payment of interest on overdue FCNR (B) deposit:
(1) If the period from the date of maturity till the date of renewal (both days inclusive) does not exceed 14 days, the rate of interest payable on the amount of the deposit so renewed shall be the appropriate rate of interest for the period of renewal as prevailing on the date of maturity or on the date when the depositor seeks renewal, whichever is lower.
(2) In all other cases of renewal, interest rates for the overdue period on the renewed amount shall be determined by treating it as a fresh term deposit.
(3) If, after renewal, the deposit is withdrawn before completion of the minimum stipulated period under the Scheme, the bank shall recover the interest paid for the overdue period, i.e., period beyond the original date of maturity.

17. Interest payable on deceased deposit:
In case of deceased depositor the interest will be paid in the following manner:

a. At the contracted rate on the maturity of deposit.
b. In the event of the payment of the deposit being claimed before the maturity date the Bank will pay interest at the applicable rate for the period the deposit actually remains with the Bank without charging any penalty.
c. In the event of death of the depositor before the date of maturity of deposit and the amount of deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate till the date of maturity and from the date of maturity to the date of payment the Bank will pay the simple interest rate at the applicable rate operating on the date of maturity, for the period for which the deposit remain with the Bank beyond the date of maturity.
d. In the event of death of depositor after the date of maturity of the deposit, the Bank shall pay interest at the contracted rate till the date of maturity and for the period beyond the date of maturity the Bank will pay savings bank rate as applicable for RFC deposit a/c from the date of maturity till the date of payment.
e. In case the claimants are residents, the maturity proceeds shall be converted into Indian Rupees on the date of maturity and interest shall be paid for the subsequent period at the rate applicable to a domestic term deposit of similar maturity

18. Premature withdrawal of deposit
The Bank, on receiving a request from the depositor in this regard, shall permit premature withdrawal of deposit under the scheme. In such cases, the Bank will levy a penalty of 1% for such premature withdrawal. In other words, the interest will be paid 1% below the applicable rate for the period for which the deposit remained with the Bank. However, there should not be any negative interest for this purpose e.g. rate of interest for 2 years deposit at time of opening the account was 0.90% for premature payment of a deposit for 3 years after 2 years, the interest component may be taken as zero and not -0.1%. In case the premature withdrawal takes place before the completion of the stipulated minimum period (presently one year) no interest is payable.

Penalty on Premature Withdrawal of Foreign Currency Deposits

Penalty shall be levied on premature withdrawal of FCNR(B) deposits
(i) when the depositors return to India for permanent settlement.
(ii) for conversion of FCNR(B) deposits into NRE deposits or *vice versa*.

In case of splitting of the amount of term deposit at the request from the claimant(s), no penalty for premature withdrawal of the term deposit shall be levied if the period and aggregate amount of the deposit do not undergo any change.

No penalties shall be levied in the case of premature conversion of balances held in FCNR(B) deposits into RFC Accounts by Non-Resident Indians on their return to India.

Deposit accounts transferred from one bank branch to another bank branch on account of takeover of bank branches in rural and semi-urban centres shall adhere to the following conditions: deposit accounts shall deemed to be transferred to the new bank and will continue to be governed by the terms of contract agreed to between the customer and the bank branch that is being taken over

19. Partial Withdrawal:
Partial withdrawal is possible subject to pre-mature withdrawal penalty on the withdrawn amount.

20. Special Rate of Interest:
The Bank shall not discriminate in the matter of payment of interest on deposit between one deposit and another accepted on the same day for the same maturity, whether such deposits are accepted at the same branch or at different branches of the Bank.

21. Forward Cover:
Forward cover is permitted for both cross currencies and Indian Rupee. Forward contract once cancelled cannot be rebooked.

22. Other important features of the Scheme:
    i) Transfer of funds from the existing NRE accounts to FCNR (B) accounts and *vice versa*, of the same account holder, is permissible. However, the conversion of FCNR (B) deposits into NRE deposits or *vice versa* before maturity will be subject to the penal provision relating to premature withdrawal.
    ii) Conversion of FCNR (B) Accounts of the Returning Indians into RFC Account penalty is waived. Penal provision in the case of premature conversion of balances held in FCNR (B) deposits into Resident Foreign Currency Accounts by Non-Resident Indians on their return to India would not be applicable.
    iii) Conversion of FCNR(B) Accounts of the Returning Indians into RFC Accounts/Resident Rupee Accounts – Payment of interest The Bank shall pay interest at the time of conversion of FCNR (B) Account into RFC/ Resident Rupee Account even if the same has not run for a minimum maturity period at the rate of interest payable on savings bank deposits held under RFC Account Scheme.

23. No Brokerage/Commission/Fee etc.:
The Bank shall not pay any brokerage, commission or incentives on deposits mobilized under FCNR (B) Scheme in any form to any individual, firm, company, associations, institution or any other person.

The Bank shall not employ/engage any individual, firm, company, association, institution or any other person for collection of deposit or for selling any other deposit linked products on payment of remuneration or fees or commission in any form or manner.

24. Loan against FCNR(B) Deposits: Up to any amount subject to advance value of FCNR (B) Deposit.

C.2.b UCO Dollar Plus Account:

In order to mobilize more NRI deposits, the Bank has introduced a new product – "UCO Dollar Plus" which is beyond the conventional NRE, NRO & FCNR deposits and is an attractive deposit scheme, in compliance with the FEMA guidelines.

The new Scheme, UCO Dollar Plus will offer FCNR(B) rate of interest for One Year as circulated by International Banking Department, at every month-end, for NRIs with the following salient features:

(1) The period of deposit will be 1 year only.
(2) The deposit will only be in US dollar and minimum amount will be US$10,000/- under FCNR (B) Deposit Scheme.
(3) The deposit can be by transferring from the existing NRE A/C or from REMITTANCE FROM ABROAD.
(4) The maturity proceeds will be paid in Indian Rupee.
   - ⇒ Charges for booking forward contract to be waived.
   - ⇒ In case of premature withdrawal, applicable interest will be paid (if premature in less than one year no interest will be paid), but branches should recover booking/cancellation charges, swap cost and other charges, as per rules.
   - ⇒ Loan against the deposit is permitted subject to applicable terms and conditions.
   - ⇒ A request letter in the format as per Annexure should be obtained for booking the forward contract.
   - ⇒ As the maturity proceeds are to be paid in Indian Rupee only, branches should clearly mention the same in the Fixed Deposit Receipt, if forward cover is taken on the date of Deposit.
(5) At the time of opening the deposit account, the customer may simultaneously book a forward contract with delivery date coinciding with maturity date for converting the maturity proceeds of the deposit into Indian Rupees. Forward premium may be obtained from Treasury Branch, Mumbai.
(6) In case, the Depositor anticipates a favourable movement in exchange rate; customer may exercise the option of forward cover at a later date during the currency of the Deposit for the remaining period, coinciding with the Date of Maturity.
(7) If the Depositor does not exercise the option of forward cover at any point of time till maturity, the Deposit amount with interest would be converted at the market TT Buying rate prevailing on the date of maturity and paid in equivalent Indian Rupees.
(8) An irrevocable undertaking to this effect (6 & 7) should be obtained at the time of taking deposit, signed by all the depositors (proforma furnished as ANNEX V).

As the forward rates fluctuate daily and interest on FCNR deposits on a monthly basis, branches cannot quote any firm rate for the product in advance, as per the system stated above.

NRI customer may exercise one option by giving undertaking (as per Annex given below as per circular no. ID: IBD/1748/2011-12 dated 15.12.2011) in regard to fixing an exchange rate by way of forward foreign exchange cover. If the customer exercises this option, written instructions duly signed through e-mail are required to be obtained from the customer upon which the Bank shall obtain forward foreign exchange cover and intimate maturity value in rupees accordingly. This shall be done as per the extant forward contact guiltiness of the Bank

C.2.c Special Non Resident Rupee Account (SNNR)

(a) A person resident outside India, having business interest in India, may open a Special Non-Resident Rupee Account (SNRR account), with the Bank in India or its branch outside India for the purpose of putting through permissible current and capital account transactions with a person resident in India in accordance with the rules and regulations framed under the FEMA, 1999 and for putting through any transaction with a person resident outside India. Explanation: A unit in an International Financial Services Centre (IFSC) under section 18 of the Special Economic Zones Act, 2005 may open an SNRR account with an authorised dealer in India (outside IFSC) for its business related transactions outside IFSC.

(b) The SNRR account shall carry the nomenclature of the specific business for which it is in operation. The Bank shall maintain separate SNRR Account for each category of transactions or a single SNRR Account for a person resident outside India engaged in multiple categories of transactions provided it is able to identify/ segregate and account them category-wise.

(c) The operations in the SNRR account shall not result in the account holder making available foreign exchange to any person resident in India against reimbursement in rupees or in any other manner.

(d) The SNRR account shall not bear any interest.

(e) The debits and credits in the SNRR account shall be specific/ incidental to the business proposed to be done by the account holder.

(f) The Bank shall ensure that the balances are commensurate with the business operations of the account holder.

(g) All the operations in the SNRR account should be in accordance with the provisions of the FEMA, 1999, rules and regulations made thereunder.

(h) The tenure of the SNRR account shall be concurrent to the tenure of the contract / period of operation / the business of the account holder.

(i) The balances in the SNRR account 14in India shall be eligible for repatriation.

(j) Transfers from any NRO account to the SNRR account are prohibited.

(k) All transactions in the SNRR account in India will be subject to payment of applicable taxes in India.

(l) SNRR account in India may be designated as resident rupee account on the account holder becoming a resident.

(m) The amount due/ payable to non-resident nominee from the account of a deceased account holder 1having the SNRR account in India, shall be credited to NRO/NRE account of the nominee with an authorised dealer/ authorised bank in India or by remittance through normal banking channels.

(n) The transactions in the SNRR accounts shall be reported to the Reserve Bank in accordance with the directions issued by it from time to time.
(o) Opening of SNRR accounts by Pakistan and Bangladesh nationals and entities incorporated in Pakistan and Bangladesh requires prior approval of Reserve Bank.

The Salient Features of SNRR Accounts under compliance guidelines enclosed as Annex- VI

The differences between SNRR account and NRO account is enclosed as Annex-VII

D. <u>Other matters relating to Non-Resident Accounts</u>

Prevention of Frauds in Non-Resident Accounts:

For this purpose, Branches and other offices shall strictly adhere to the guidelines and other instructions already issued by the Bank in respect of non-resident accounts, as given below:

General Instructions:

The branches and all other offices shall observe the stipulated safeguards so as to protect the interest of both the Bank and the Bank's NRI depositors. Additionally, the following additional safeguards should also be followed by branches/offices:

(a) Obtain all requisite details relating to high value deposit accounts, both domestic as well as non-resident accounts.
(b) Ensure balancing of books at monthly intervals.
(c) Zonal Offices should take immediate steps if and when information relating to suspected fraudulent transactions is received by them.
(d) Zonal Offices should enquire about the problems, if any, faced by the concurrent auditors in auditing the branches and indicate to them in clear terms the expectations of the management from the auditors while auditing branches.
(e) Zonal Offices should immediately examine staff accountability and take appropriate action for the lapses/irregularities noticed, if any.
(f) Internal/Concurrent Auditors and Inspecting Officers should also critically evaluate the internal systems in place and identify and report gaps and loopholes together with suggestions for elimination of the same.

(i) Acceptance of Deposits:

Branches/offices should avoid accommodating unknown parties/brokers/agents who approach them with promises to mobilize deposits/business for the Bank. The branches/offices should also ensure that the following additional precautions are taken while accepting deposits from NRIs

(a) Deposit receipts should invariably be sent by registered post to the NRI depositors at the address given in the application/account opening form.
(b) The deposit receipt should not be handed over to agents/middlemen/third party.

(c) The branch should ensure that the complete postal address of the NRI depositor has been furnished in the account opening form. The branch should exercise special care if the address is incomplete or only a post box number has been furnished.

It would not be in order for branches/offices to employ/engage outside persons even through firms/companies for collection of Non-Resident deposits or for selling any other deposit linked products on payment of fees/commission in any form or manner.

ANNEXES:

- ANNEX-I: Features of various Deposit Schemes available for Non-Resident Indians
- ANNEX-II: Documents required for Fund transfer from NRO Account to NRE Account.
- ANNEX-III: Request Letter for funds transfer from NRO Account to NRE Account in lieu of Cheque.
- ANNEX-IV: Documents required for Outward Remittances from NRO Account
- ANNEX-V: Proforma - An irrevocable undertaking on point (6 & 7) of UCO Dollar Plus Account.
- ANNEX-VI : Salient Features of SNRR Accounts compliance guidelines.
- ANNEX- VII: Differences between SNRR account and NRO account.

SECTION C: RESIDENT FOREIGN CURRENCY ACCOUNTS

E. FOREIGN CURRENCY ACCOUNTS BY RESIDENT INDIAN

Following types of accounts can be opened by the Residents in India.

E (a). Account of Foreign Embassy:
E (b). Foreign currency account in India by shipping and airlines companies:
E (c). Foreign currency account by a unit located in SEZ (Special Economic Zone):
E (e). Resident Foreign Currency (RFC) Account:
E (f). Resident Foreign Currency Domestic (RFC-D) Account:
E (g). Exchange Earners' Foreign Currency Account (EEFC):
E (h). Exporters Foreign Currency Account (EFC A/c):
E (i). Diamond Dollar Account (DDA):

E (a). Account of Foreign Embassy:

Foreign embassy officials who are foreign nationals (both diplomatic and non-diplomatic staff) are eligible to maintain foreign currency account in India.

E (b). Foreign currency account in India by shipping and airlines companies:

Foreign airlines/shipping companies or their agents are permitted to open foreign currency accounts with banks for meeting the local expenses in India.

E (c). Foreign currency account by a unit located in SEZ (Special Economic Zone):

A unit in SEZ can open a foreign currency account with the Bank –

1. All foreign exchange received by the unit are credited to such account.
2. No foreign exchange purchased in India against rupee shall be credited to the account without permission from RBI.
3. The fund held in the account is to be used for *bona fide* trade transactions.

4. Fund held with this account shall not be lent or made available to any person in India not being an unit in SEZ.
   Balances in the account shall be exempted from restrictions imposed under schedule III except items 3 & 4 (i.e. remittances under gift and donations).

E (d). Temporary Foreign currency account:

The Bank is permitted to open temporary foreign currency account of the organizers of international seminars/conferences/conventions etc. in India subject to the organizers obtaining the prior approval from the concerned ministry of Government of India for conduct of the relevant event including invitation to foreign participation.

Permitted Credits:
All inward remittances, drafts, registration fees, sponsorship fees, donations etc

Permitted Debits:
1. Payment to foreign invitees in relation to travel, honorarium, hotel charges etc.
2. Refund of registration fees to foreign delegates.
3. Unutilized sponsorship/donation amount.
4. Bank charges.
5. Conversion of fund into Indian Rupee.

Note:
The account should be closed immediately after the event.

E (e). Resident Foreign Currency (RFC) Account:

RFC account is specially meant for returning Indians after staying abroad for not less than 1 year (to be verified from documentary evidence like passport etc.) A person resident in India may open, hold and maintain with an Authorised Dealer in India a Resident Foreign Currency (RFC) Account to keep their foreign currency assets which were held outside India at the time of return can be credited to such accounts.

Permitted credits:
1. To retain their savings in foreign currency in RFC account out of foreign exchange received or acquired by him
2. Proceeds of FCNR (B)/NRE deposits credited to RFC account.
3. Earnings from/out of dividends/sale proceeds of assets left abroad.
4. Pension of any other superannuation or other monetary benefits from the employer outside India.
5. Proceeds of life insurance policy claims/maturity/ surrender values settled in foreign currency from an insurance company in India permitted to undertake life insurance business by the Insurance Regulatory and Development Authority.

Types of Account:
Savings, Current or Term Deposit accounts.

Permitted Currency and minimum amount:
Account can be opened in US dollar, Pound sterling, Euro, Japanese yen, Canadian dollar and Australian dollar.

Minimum amount will be US$ 1,000/ or its equivalent.

Fund utilization:
The funds in RFC account are free from all restrictions regarding utilisation of foreign currency balances including any restriction on investment outside India.

Nomination:
Nomination is allowed. In case of non-resident nominees outside remittances are allowed. But if the nominee is a resident RBI permission is required for remitting the fund abroad.

Note:
Balance in RFC account may be allowed to be credited to NRE/ FCNR (B) account at the request of the depositor consequent upon change of his/her status from resident to non-resident.

E (f). Resident Foreign Currency Domestic (RFC-D) Account:

Residents are permitted to open/hold and maintain with an authorized dealer resident foreign currency domestic account.

Type of Account:
Current account only and shall not bear any interest.

Currency and minimum amount:
Accounts can be opened in USD, GBP, Euro and Japanese yen.

Minimum balance US$500/-, GBP 325/-, Euro 500/- and JPY 60,000/-. There will be no upper limit for balances held in these accounts.

Cheque Book:
Cheque Book facility is available.

Cash withdrawals – Branches will permit cash withdrawal in foreign currency at its discretion only where the account is maintained and has sufficient currency note in that particular currency (The account-holder should be apprised about this point at the time of opening the account).

Permitted Credits:
Foreign exchange acquired by resident from the sources given below can be credited to RFC (D) account.

a. On a visit to any place outside India, by way of payment of services not arising from any business or anything done in India.

b. From any person not resident to India who is visiting India, as honorarium/gift/services rendered or in any settlement of lawful obligation.
c. By way of honorarium/gift while on a visit to any place outside India.
d. By way of unspent amount of foreign exchange acquired by the account holder from an authorized person for travel.
e. By way of foreign exchange earned and/or gifts received from close relatives (as defined in Companies Act) and repatriated to India through normal banking channel.

Permitted Debits:
The account may be debited for payments made towards permissible current and capital account transactions.

Joint Account:
With resident Indian (who are eligible to open such account) Permitted.

Nomination: Permitted.

Designating Branches for opening of RFC (D) account:
General Manager /Vertical Head, IBD shall designate branches to open/maintain RFC (D) account based on recommendation from Circle Heads/ Zonal Managers.

E (g). Exchange Earners' Foreign Currency Account (EEFC):

Exchange Earners' Foreign Currency Account (EEFC) is an account maintained in foreign currency with an Authorised Dealer. It is a facility provided to the foreign exchange earners, including exporters, to credit 100 per cent of their foreign exchange earnings to the account, so that the account holders do not have to convert foreign exchange into Rupees and *vice versa*, thereby minimizing the transaction costs. All categories of foreign exchange earners, such as individuals, companies, etc. who are resident in India, may open EEFC accounts SEZ Units cannot open EEFC Accounts. SEZ Developers can open EEFC Accounts. EEFC account holders are permitted to access the forex market for purchasing foreign exchange only after utilizing fully the available balances in the EEFC accounts. Accordingly ADs are required to obtain a declaration, while selling foreign exchange to their EEFC account holders.

Type:
EEFC accounts shall only in Current Account category. No interest is payable on EEFC accounts. Cheque facility is available for operation of the EEFC account. No credit facility to be allowed against such deposits (both fund and non-fund based).

There is no restriction on withdrawal in Rupees of funds held in an EEFC account. However, the amount withdrawn in Rupees shall not be eligible for conversion into foreign currency and for re-credit to the account.

Joint Account:

Resident individuals have been permitted to include resident close relative (s) as defined in the Companies Act, 1956 as a joint holder (s) in this EEFC bank Account. However, they shall not be eligible to operate the account during the life time of the resident account holder.

Permitted Credits:

i) Inward remittance through normal banking channels, other than remittances received on account of foreign currency loan or investment received from abroad or received for meeting specific obligations by the account holder.
ii) Payments received in foreign exchange by a 100 per cent Export Oriented Unit or a unit in (a) Export Processing Zone or (b) Software Technology Park or (c) Electronic Hardware Technology Park for supply of goods to similar such units or to a unit in Domestic Tariff Area.
iii) Payments received in foreign exchange by a unit in the Domestic Tariff Area for supply of goods to a unit in the Special Economic Zone (SEZ).
iv) Payment received by an exporter from an account maintained with an authorised dealer for the purpose of counter trade. (Counter trade is an arrangement involving adjustment of value of goods imported into India against value of goods exported from India in terms of the Reserve Bank guidelines).
v) Advance remittance received by an exporter towards export of goods or services.
vi) Payment received for export of goods and services from India, out of funds representing repayment of State Credit in US dollar held in the account of Bank for Foreign Economic Affairs, Moscow, with an authorised dealer in India.
vii) Professional earnings including directors' fees, consultancy fees, lecture fees, honorarium and similar other earnings received by a professional by rendering services in his individual capacity.
viii) Re-credit of un-utilized foreign currency earlier withdrawn from the account.
ix) Amount representing repayment by the account holder's importer customer, of loan/advances granted, to the exporter holding such account and
x) The disinvestment proceeds received by the resident account holder on conversion of shares held by him to ADRs/GDRs under the Sponsored ADR/GDR Scheme approved by the Foreign Investment Promotion Board of the Government of India.

Permitted Debits:

i) Payment outside India towards a permissible current account transaction [in accordance with the provisions of the Foreign Exchange Management (Current Account Transactions) Rules, 2000] and permissible capital account transaction [in accordance to the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000].
ii) Payment in foreign exchange towards cost of goods purchased from a 100 percent Export Oriented Unit or a Unit in (a) Export Processing Zone or (b) Software Technology Park or (c) Electronic Hardware Technology Park.
iii) Payment of customs duty in accordance with the provisions of the Foreign Trade Policy of the Central Government for the time being in force.
iv) Trade related loans/advances, extended by an exporter holding such account to his importer customer outside India, subject to compliance with the Foreign

Exchange Management (Borrowing and Lending in Foreign Exchange) Regulations, 2000.

v) Payment in foreign exchange to a person resident in India for supply of goods/services including payments for airfare and hotel expenditure.

Forward Contract:
Forward contract is available but once such contract is made it cannot be cancelled but can be rolled over. The balances in the account sold forward by the account holders have to remain earmarked for delivery.

Repayment of Packing Credit Advance:
EEFC funds are permitted to be utilized by the exporters to repay pre-shipment advances where it is availed of in Rupee or foreign currencies to the extent of the exports have actually taken place. While allowing utilization of this facility, the bank shall advise the exporters to adhere to the current exchange control requirements for exports with regard to realization of export proceeds.

E (h). Exporters Foreign Currency Account (EFC A/c):

1. A person resident in India, being an exporter who has undertaken a construction contract or a turnkey project outside India or who is exporting services or engineering goods from India on deferred payment terms may open, hold and maintain a Foreign Currency Account with the Bank outside India, provided that –

a) approval are required under the Foreign Exchange Management (Export of goods and services) Regulations, 2015 has been obtained for undertaking the contract/ project/ export of goods or services, and
b) the terms and conditions stipulated in the letter of approval have been duly complied with.

A person resident in India, being an exporter, may open, hold and maintain a Foreign Currency Account with the Bank outside India, for realisation of full export value and advance remittance received by the exporter towards export of goods or services. Funds in this account shall be utilised by the exporter for paying for its imports into India or repatriated into India within a period not exceeding the end of

(a) three months in case of accounts maintained with banks in an International Financial Services Centre; or

(b) next month for all other jurisdictions;

from the date of receipt of the funds after adjusting for forward commitments, provided that the realisation and repatriation requirements as specified in the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015.

1. Participants in international exhibition/ trade fair have been granted general permission for opening a temporary foreign currency account abroad. Exporters may

deposit the foreign exchange obtained by sale of goods at the international exhibition / trade fair and operate the account during their stay outside India provided that the balance in the account is repatriated to India through normal banking channels within a period of one month from the date of closure of the exhibition / trade fair and full details are submitted to the Bank.

2. A person, resident in India, being a project / service exporter may open, hold and maintain a foreign currency account with a bank outside or in India subject to the standard terms and conditions in the according to Regulation 4 of the Foreign Exchange Management (Foreign Currency Account by a Person Resident in India) Regulations,2015 under FEMA10/2000-RB Project Export Memorandum (PEM).

E (i). Diamond Dollar Account (DDA):

The firms and companies dealing in purchase and sale of rough or cut and polished diamonds / precious metal jewellery plain, minakari and / or studded with / without diamonds and /or other stones , with a track record of at least 2 years in import / export of diamonds / coloured gemstones / diamond and coloured gemstones with studded jewellery / plain gold jewellery and having an average annual turnover of Rs.3 crores and above during the preceding three financial years (licensing year is from April to March) are permitted to transact their business through their Diamond Dollar Account. There should not be more than 5 such accounts opened by any entity in India.

The Bank shall consider applications received for opening of DDA submitted to it by firms and companies **who comply with the eligibility criteria stipulated in Foreign Trade policy as per Schedule II of FEMA 10(R) RBI.**

ANNEX-I

Features of various Deposit Schemes available for Non-Resident Indians (NRIs)

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
Who can open an account	NRIs (individuals/ entities of Bangladesh/ Pakistan nationality / ownership require prior approval of RBI)	NRIs (individuals/ entities of Bangladesh/ Pakistan nationality/ ownership require prior approval of RBI).	Any person resident outside India (other than a person resident in Nepal and Bhutan). Individuals / entities of Pakistan nationality/ ownership, entities of Bangladesh/ ownership and erstwhile Overseas Corporate Bodies require prior approval of the Reserve Bank.
Joint account	In the names of two or more non-resident individuals provided all the account holders are persons of Indian nationality or origin; 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	In the names of two or more non-resident individuals provided all the account holders are persons of Indian nationality or origin; 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	May be held jointly with residents.

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
	with extant instructions during the life time of the NRI/PIO account holder.	instructions during the life time of the NRI/PIO account holder.	
Nomination	Permitted	Permitted	Permitted
Currency in which account is denominated	Any permitted currency i.e. a foreign currency which is freely convertible	Indian Rupees	Indian Rupees
Repatriability	Repatriable	Repatriable	Not repatriable except for the following: i) All current income and ii) up to USD 1(one) million per financial year (April-March), by NRI/PIO.
Type of Account	Term Deposit only	Savings, Current, Recurring, Fixed Deposit	Savings, Current, Recurring, Fixed Deposit
Period for fixed deposits	For terms not less than 1 year and not more than 5 years.	From one to three years, However, banks are allowed to accept NRE deposits above three years from their Asset-Liability point of view.	As applicable to resident accounts.
Rate of Interest	(i) With effect from March 1, 2014, deposits of 1 year to less than 3 year maturity, interest shall be paid within	With effect from March 1, 2014, interest rates offered by banks on NRE deposits cannot be higher than those offered by them on	Banks are free to determine their interest rates on savings deposits under Ordinary Non-

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
	the ceiling rate of LIBOR/ SWAP rates plus 200 basis points. (ii) deposits of 3-5 years maturity, interest shall be paid within the ceiling rate of LIBOR/SWAP rates plus 300 basis points On floating rate deposits, interest shall be paid within the ceiling of SWAP rates for the respective currency /maturity plus 200 bps/ 300 BPS as the case may be. For floating rate deposits, the interest reset period shall be six months.	comparable domestic rupee deposits.	Resident (NRO) Accounts. However, interest rates offered by banks on NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.
Operations by Power of Attorney in favour of a resident by the non-resident	Operation in the account in terms of Power of Attorney is restricted to withdrawals for permissible local payments or remittance to the account holder himself	Operation in the account in terms of Power of Attorney is restricted to withdrawals for permissible local payments or remittance to the	Operations in the account in terms of Power of Attorney is restricted to withdrawals for permissible local payments in rupees, remittance of current

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
account holder	through normal banking channels.	account holder himself through normal banking channels.	income to the account holder outside India or remittance to the account holder himself through normal banking channels. Remittance to the NRI/ PIO account holder is subject to the ceiling of USD 1 (one) million per financial year.
Loans			
a. In India			
(i) to the Account holder	Permitted without any ceiling subject to usual margin requirements.	Permitted without any ceiling subject to usual margin requirements.	Permitted subject to the extant rules 3
(ii) to Third Parties	Permitted without any ceiling subject to usual margin requirements.	Permitted without any ceiling subject to usual margin requirements.	Permitted, subject to conditions 4.
b. Abroad			
(i) to the Account holder	Permitted	Permitted	Not Permitted
(ii) to Third Parties	Permitted	Permitted	Not Permitted
c. Foreign Currency Loans in India			

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
(i) to the Account holder	Permitted without any ceiling subject to usual margin requirements.	Permitted without any ceiling subject to usual margin requirements.	Not Permitted
(ii) to Third Parties	Permitted without any ceiling subject to usual margin requirements	Permitted without any ceiling subject to usual margin requirements.	Not Permitted
Purpose of Loan			
a. In India			
(i) to the Account holder	i) Personal purposes or for carrying on business activities * ii) Direct investment in India on non-repatriation basis by way of contribution to the capital of Indian firms / companies. iii) Acquisition of flat / house in India for his own residential use. (Please refer to para 9 of Schedule 2 to FEMA 5).	i) Personal purposes or for carrying on business activities.* ii) Direct investment in India on repatriation basis by way of contribution to the capital of Indian firms / companies. iii) Acquisition of flat/ house in India for his own residential use. (Please refer to para 6(a) of Schedule1 to FEMA 5).	Personal requirement and / or business purpose.*
(ii) to Third Parties	Fund based and / or non-fund based facilities for personal purposes or for carrying on	Fund based and / or non-fund based facilities for personal purposes or for carrying on business	Personal requirement and / or business purpose *

Particulars	Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR (B) Account]	Non-Resident (External) Rupee Account Scheme [NRE Account]	Non-Resident Ordinary Rupee Account Scheme [NRO Account]
(1)	(2)	(3)	(4)
	business activities *. (Please refer to Para 9 of Schedule 2 to FEMA 5).	activities *. (Please refer to Para 6(b) of Sch. 1 to FEMA 5)	
b. Abroad			
To the account holder and Third Parties	Fund based and / or non-fund based facilities for Bonafide purposes.	Fund based and / or non-fund based facilities for Bonafide purposes.	Not permitted.
* The loans cannot be utilised for the purpose of on-lending or for carrying on agriculture or plantation activities or for investment in real estate business.			

Note:

a. When a person resident in India leaves India for Nepal and Bhutan for taking up employment or for carrying on business or vocation or for any other purpose indicating his intention to stay in Nepal and Bhutan for an uncertain period, his existing account will continue as a resident account. Such account should not be designated as Non-resident (Ordinary) Rupee Account.

b. Authorised Dealers (ADs) may open and maintain NRE / FCNR (B) Accounts of persons resident in Nepal and Bhutan who are citizens of India or of Indian origin, provided the funds for opening these accounts are remitted in free foreign exchange. Interest earned in NRE / FCNR (B) accounts can be remitted only in Indian rupees to NRIs and PIO resident in Nepal and Bhutan.

c. In terms of Regulation 4(4) of the Notification No.FEMA.5/2000-RB dated May 3, 2000, ADs may open and maintain Rupee accounts for a person resident in Nepal and Bhutan.

d. AD Category – I banks and authorized banks may credit the proceeds of account payee cheques/ demand drafts / bankers' cheques, issued against encashment of foreign currency to the NRE account of the NRI account holder where the instruments issued to the NRE account holder are supported by encashment certificate issued by AD Category-I / Category-II.

e. AD Category – I banks and authorised banks may permit remittance of the maturity proceeds of FCNR (B) deposits to third parties outside India, provided the transaction is specifically authorised by the account holder and the Authorised Dealer is satisfied about the Bonafide of the transaction.

1. NRI means a person resident outside India who is a citizen of India or is a person of Indian origin [Regulation 2 (vi) of Notification FEMA 5/2000-RB dated May 3, 2000, viz. Foreign Exchange Management (Deposit) Regulations, 2000].
2. In terms of A.P. (DIR Series) Circular No. 82 dated February 11, 2013 Authorised banks are permitted to open NRO account of individual/s of Bangladesh nationality without the approval of the Reserve Bank subject to conditions.
3. Subject to usual norms as are applicable to resident accounts, for personal purposes or for carrying on business activities except for the purpose of relending or carrying on agricultural / plantation activity or for investment in real estate business.
4. Subject to conditions such as (i) the loans shall be utilised only for meeting borrower's personal requirements and/ or business purpose and not for carrying on agricultural/ plantation activities or real estate business, or for relending, (ii) Regulations relating to margin and rate of interest as stipulated by the Reserve Bank from time to time shall be complied with and (iii) The usual norms and considerations as applicable in the case of advances to trade/industry shall be applicable for such loans/ facilities.
5. Overseas Corporate Body (OCB) means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under Foreign Exchange Management Regulations.

ANNEX-II

Documents required for fund transfer from NRO account to NRE account:

As per RBI guidelines, NRIs are allowed to repatriate or transfer funds to NRE SB account within the limit of USD 1 million per financial year from self NRO SB account. In case of transfer of INR funds from NRO SB to NRE SB account under USD 1 million, below are the documents:

1. Cheque/Letter for funds transfer from NRO to NRE savings account dully signed by the customer
2. FEMA Declaration
3. Documentary evidence of source of funds
4. Form 15CB: Obtain form 15CB from Chartered Accountant
5. Form 15CA

STEPS TO BE FOLLOWED TO UPLOAD FORM 15CA ONLINE:

(1) Login to: https://eportal.incometax.gov.in
(2) Go to e-filling log in page
(3) Input user ID (PAN of Remitter) and password
(4) After login, go to sub option: E file - Prepare and Submit Online Form (other than ITR)
(5) Select form type -15CA
(a) Instructions are given to fill the 15CA form
(b) The online form is available in two parts -Part A and Part B
(c) Complete the respective applicable PART either PART A or PART B
(6) Once the Form 15CA is filled, verify and submit
(7) Go to My account-My Returns/Forms. It will show all the returns and the Forms submitted.
(8) Click on the 15CA form and take a print along with acknowledgement Slip.
(9) Form 15CA duly printed should be signed by Remitter and submitted to Bank in duplicate.

Note: Form 15CA & 15CB Formats are available in Chapter -5 Remittances

Important Notes

1. It is mandatory to have NRO SAVINGS Bank and NRE Saving Bank account with UCO Bank to avail transfer of funds facility under USD 1 million Schemes.
2. Customer should choose only one Authorised dealer at a time to avail facility of USD 1 million.
3. All documents should be signed by respective account holder who is availing this facility.

ANNEX- III

Request Letter for funds transfer from NRO Account to NRE Account in lieu of Cheque

Date:

To,
The Manager
UCO Bank
....
....

Dear Sir /Madam,

Subject - Transfer of funds from NRO TO NRE under USD 1 million Scheme:

As per RBI circular ref no. A .P. (DIR Series) Circular no. 117 dated 7/5/2012, I request you to debit my NRO SB account number .... with Rs.. and credit to NRE SB account number ....

These funds represent ....
....
....

I hereby declare that the transfer of funds done is within my overall limit of USD 1 million dollars per financial year as per extant RBI rules and regulations.

Thanking you,

Yours truly,

....
Name and Signature of account holder

FEMA Declaration
(To be completed by the applicant for transfer of funds from NRO to NRE account)

I. Details of the applicant -
A. Name :
B. Address :
C. NRO Account No. :
D. Nationality :

II. Details of the Transfer required -
A. Amount (in Rupees) :
B. Source of Funds :

C. NRE Account No. :

I, ________________________________ declare that:-

- The above amount is eligible for repatriation in accordance with the provisions of Foreign Exchange Management Act of India, 1999
- The total amount of foreign exchange utilized and Rupee funds transferred to my NRE account, during this financial year including this application is within USD 1 million (US dollar One Million only) annual limit prescribed by Reserve Bank of India for the said purpose.

I / We also declare that the transaction, the details of which are specifically mentioned in the application above, does not involve and is not designed for the purpose of any contravention of evasion of the provision u/s 10 (5) chapter III FEMA 1999 or any rule, regulation, notification, direction or order made there under. I /We also hereby agree and undertake to give such information / documents as will reasonably satisfy you about this transaction in terms of the above declaration. I/ We also understand that if I / We refuse to comply with any such requirement or make only unsatisfactory compliance there with, the bank shall refuse in writing to undertake the transaction and shall if, it has reason to believe that any contravention / evasion is contemplated by me / us report the matter to Reserve Bank of India. I / We further declare that the undersigned has / have the authority to give this declaration and undertaking on behalf of the account holder. [For Power of Attorney holders]

I hereby declare that the above details are true.

Date:

Name: ....

Signature: ....

ANNEX-IV

Document Required for Outward Remittance From NRO A /c

1. Application form for Outward Remittance from NRO Account
2. Form A 2
3. Source of Funds Proof
4. Form 15CB
5. Form 15CA

ANNEX-V

Proforma - An irrevocable undertaking on point (6 & 7) of UCO Dollar Plus Account

c) I/We ....wish to convert the maturity proceeds of my/our FCNR Deposit A/c No........................ maturing on .... to Indian Rupees. Accordingly, please arrange to book a forward contract for USD .... being maturity value of the deposit.
OR

d) I/We ....have placed USD...........in FCNR Deposit A/c No. .... Maturing on ....we would exercise the option to book a forward contract for USD............at a later date, coinciding with maturity date, which will be intimated to you by me/us. I/We agree that maturity proceeds of deposit will be paid only in Indian Rupees.
OR
e) I/We irrevocably undertake that in case the Bank could not receive any instruction from me / us for booking forward contract, during the currency of the deposit, Bank is at liberty to convert the maturity proceeds at the existing market rate on date of maturity and remit the proceeds in equivalent Indian Rupees.

I/We understand that premature withdrawal of deposit will necessitate cancellation of the forward contract. I/We agree to pay the cancellation charges, swap cost and any other charges out of the above deposit of .... in case I/We request you for cancellation of the forward contract, at any time during the period/of the contract.

(Strike out whichever is not applicable)
Place:
Date: Signatures

1......................
2.....................

ANNEX- VI

The Salient Features of SNRR Accounts under compliance guidelines

Transactions through SNRR A/c	AD bank shall ensure compliance with various FEMA provisions as contained in the FEMA or the Rules or Regulations framed thereunder or directions issued thereunder in respect of all such transactions involving SNRR accounts. A. Payments initiated to the debit of SNRR Accounts: While handling INR payments to the debit of SNRR A/c favouring a person resident in India, AD Bank shall ensure that the transaction is communicated as SNRR transaction (including purpose code and country details, if applicable) to the recipient bank, either through electronic means or manually. B. Payments received for credit to SNRR Accounts: AD Bank holding SNRR account shall ensure that any domestic inward remittance received for credit to SNRR account should be confirmed as SNRR transaction as at A above.
FEMA compliance for trade transactions	A. For Debit to SNRR A/c (for onward credit domestically) In case of receipt of Export proceeds by an Indian party by debit to SNRR account of the overseas buyer: As in case of any inward remittance received for export payment, the AD bank handling the export documents shall ensure compliance with all export related rules/regulation/ guidelines prescribed under FEMA and shall be responsible for performing due diligence of the overseas client and related FEMA compliances. Further, it shall, while transferring the funds to the AD bank of the Indian exporter (beneficiary's bank), provide complete KYC purpose of remittance, currency and amount of remittance, name and account number of the beneficiary etc. so as to enable the latter to close the entries in EDPMS with the respective remittance. B. For Credit to SNRR A/c (received from a domestic account) In case of payment for Imports by an Indian party by credit to the SNRR account of the overseas seller: In case of any outward remittance sent for import payment, the AD bank handling import documents and remitting funds (Importer's Bank) shall ensure compliance with all related import rules/regulations/guidelines prescribed under FEMA. It shall also

	communicate all details related to the importer as required by the AD bank maintaining the SNRR account of the overseas client. Similarly, in case of ECB, Trade credits, foreign investments, etc., the designated AD bank maintaining the resident customer's A/c will be responsible for ensuring compliance with FEMA provisions, including issuance of FIRC, wherever applicable. Further, the banks involved in the transaction shall be responsible for sharing of the details of the transactions on similar lines as above.
A2 Reporting Requirement	A2 reporting is required for domestic transaction involving remittance overseas including credit to an SNRR Account
FETERS Reporting Responsibility	AD bank holding SNRR account shall follow the reporting procedure as applicable to other INR Vostro accounts held by it. Please also refer to A.P. (DIR Series) Circular No. 25 March 20, 2019 on Compilation of R-Returns: Reporting under FETERS. A. Any credit / debit to / from an SNRR account from / to an offshore account of the non-resident entity holding the SNRR account will be reported under AD bank transfer. B. Any credit / debit to / from an SNRR account from / to a domestic (Indian) party will be reported basis underlying transaction (import, export, Trade Credit, services, ECB, etc).
ACU guidelines	Trade transactions with ACU countries are governed by Regulation 3(1) (A) and Regulation 5(1)(A) of Notification FEMA 14 (R), as amended from time to time and are to be settled under ACU mechanism or as defined therein. Therefore, transactions between ACU countries shall be kept distinct and separate and settled as per extant instructions outside the SNRR arrangement.
Interest Earning	No interest can be earned on SNRR balances or through term deposit

ANNEX- VII

Differences between SNRR account and NRO account:

Feature	SNNR Account	NRO Account
Who can Open	Any person resident outside India, having a business interest in India for putting through bona fide transactions in rupees. Opening of SNRR accounts by Pakistan and Bangladesh nationals and entities incorporated in Pakistan and Bangladesh requires prior approval of Reserve Bank.	Any person resident outside India for putting through bona fide transactions in rupees. Individuals/ entities of Pakistan nationality/ origin and entities of Bangladesh origin require the prior approval of the Reserve Bank of India. However, a citizen of Bangladesh/Pakistan belonging to minority communities in those countries i.e. Hindus, Sikhs, Buddhists, Jains, Parsis and Christians residing in India and who has been granted LTV or whose application for LTV is under consideration, can open one NRO account with an AD bank subject to the conditions mentioned in Notification No. FEMA 5(R)/2016-RB dated April 01, 2016, as updated from time to time.
Type of Account	Non-interest bearing	Current, Savings, Recurring or Fixed Deposit; Rate of interest – as per guidelines issued by Department of Regulation
Permissible Transactions	Debits and credits specific/ incidental to the business proposed to be done by the account holder	Credits: Inward remittances, legitimate dues in India, transfers from other NRO accounts and any amount received in accordance with the Rules/Regulations/Directions under FEMA, 1999. Debits: Local payments, transfer to other NRO accounts, remittance of current income, settlement of charges on International Credit Cards
Tenure	Concurrent to the tenure of the contract / period of operation / the business of the account holder	No such restrictions on tenure.
Repairability	Repatriable	Not repatriable except for current income; and remittances by NRIs/ PIOs up to US$ 1 million per financial year in accordance with the provisions of FEMA 13(R).

PART - E

POLICY ON
Overseas Centres
(2026-27)

POLICY ON OVERSEAS CENTRES

1. **Scope:**
This Deposit Policy is framed for Overseas Centre to provide a structured framework for mobilisation, classification, pricing, management and reporting of deposits.

The policy is aligned with:
Broad principles of Reserve Bank of India (RBI) guidelines on deposits and balance sheet classification. Regulatory requirements of Host country regulations. Internal risk management, liquidity and ALM objectives of the Bank.

2. **Regulatory Framework:**
The policy is guided by:-

2.1.Host country guidelines:
As per Monitory Authority of Singapore Notification 649, Guidelines on definition of a "Deposit", In determining whether a product is a "deposit", the Authority would consider whether:
(i) The principal amount invested in a product is repaid in full i.e. the person issuing the product ("the issuer") is under an obligation to return to the investor the full value of the principal at maturity;
(ii) The repayment of the principal amount is in cash. Payment of the interest portion may either be in cash or any other asset class.
However, a product would not be considered a "deposit" where the repayment of the principal amount is in any other asset class, such as shares or bonds;
(iii) The product is repaid in full if held to maturity. In this regard, the Authority recognizes that a product may still be considered a "deposit" despite the fact that an early withdrawal by the investor may result in the investor recovering a sum that is less than the full principal value.
(iv) However, where a product is terminated early by the issuer due to the exercise of any rights of the issuer under any agreement with the investor, or any other circumstances within the issuer's control, the product would not be considered a deposit unless the investor recovers, at the minimum, the full value of the principal.

Singapore centre will follow MAS/RBI Guidelines (Whichever is stringent) while classifying deposit. Bank will also classify this as overseas deposit.
HKMA Banking Ordinance (Cap. 155): Under the three-tier system of Deposit taking Institution of HKMA(Comprises of Licensed Banks, Restricted Licensed Banks and Deposit Taking Companies), the bank operates as an Authorized Institution (AI). All borrowings, including interbank, must comply with the general definition of a "deposit" under the Ordinance— means a loan of money—
a. at interest, at no interest or at negative interest; or
b. repayable at a premium or repayable with any consideration in money or money's worth;

Hongkong centre will follow the HKMA guidelines/RBI Guidelines (Whichever is stringent) while classifying deposit. Bank will also classify this as overseas deposit.

2.1. RBI Master Directions / Circulars on Commercial Banks- Financial Statements: Presentation and Disclosures directions 2025:

Deposit of Branches outside India:

a. Interest payable on deposits which is accrued but not due shall not be included but shown under other liabilities.
b. Matured term deposits shall be treated as demand deposits.
c. Deposits under special schemes shall be included under term deposits if they are not payable on demand. When such deposits have matured for payment, they shall be shown under demand deposits.
d. Deposits from Bank will include deposits from the Banking system in India, co-operative Banks, funding from foreign banks which may or may not have presence in India, from money market non-callable in nature.
e. A Bank shall disclose by way of a footnote to this schedule , the amount of deposits against which the lien is marked out of the total deposits(For Current and Previous years)

3. Classification of Deposits:

Deposits at Overseas Centre shall broadly be classified into:

3.1. Customer Deposits
3.2. Interbank Deposits

3.1. Customer Deposits:

Customer deposits shall include deposits accepted from:

(1) Corporates (Resident / Non-resident)
(2) Financial Institutions (non-banking)
(3) Government / Quasi-government entities (where permitted)

Customer deposits may be:

(a) Current Accounts (Demand Deposits)
(b) Fixed / Term Deposits
(c) Call / Notice Deposits (where applicable)

3.2. Interbank Deposits:

Deposits from Bank will include deposits from the Banking system in India, co-operative Banks, funding from foreign banks which may or may not have presence in India, from money market which have a fixed tenure and non-callable in nature.

Customer Deposit and Interbank Deposit as defined above shall be reported as deposits in line with RBI balance sheet classification.

Interbank funding (Bankers' Acceptance [BA]/Term borrowing) supported by a loan contract shall not be treated as Interbank Deposit.

4. Pricing of Deposits:

Deposit pricing shall be market-aligned and competitive.

यूको बैंक / UCO BANK
मानव संसाधन विभाग
Human Resources Department
प्रधान कार्यालय, कोलकाता / Head Office, Kolkata