

Standard Operating procedure for Savings Bank Account

1. Object:

Savings Accounts are intended to mobilize the savings of the community.

2. Who Can Open:

- i. Savings accounts are opened at the discretion of the bank for persons who comply with the Know Your Customer (KYC) norms.
- ii. Accounts may be opened by:
 - a. A person in his/her own name;
 - b. Two persons or more than two persons in their joint names in anyone of the following forms:

Accounts in the name of	Mode of Operation
A & B	Either or Survivor
A & B	Jointly or Survivor
A & B	Former or Survivor
A, B & C	Anyone or Survivor or Survivors

(Instructions regarding operations on the account given at the time of opening a joint account can be varied only by the account holders jointly)

- iii. Savings Bank account may also be opened by minors to be operated by themselves provided they have completed the age of 10 and have powers of understanding and discretion. Minors should state their age and date of birth at the time of opening the accounts. No cheque book will be issued for such accounts.
- iv. Minors' Account can also be opened by their natural guardians either jointly with the minor or singly or by guardians appointed by a competent court. Only the guardians will be permitted to operate such accounts. The guardian should furnish the date of birth of the minor when the account is opened. When the minor attains majority, the right of the guardian to operate on the account will automatically cease and the erstwhile minor will be allowed to operate the account. The signature of the minor can be obtained on attainment of majority duly attested by the guardian or any other person to the satisfaction of the bank.
- v. Illiterate persons/blind persons may also open savings accounts provided they are properly introduced and other formalities for opening accounts of such persons are duly observed.

- vi. Clubs, Societies or Associations, Schools, Temples, Mosques, Churches or other religious and charitable institutions of a like nature which are approved by the Bank may also open savings accounts which are subject to directives of RBI.
- vii. The Bank does not recognize any Trusts. This means that sums when deposited with the bank for the credit of an account are, in the absence of any notice or circumstance putting the bank on notice, presumed to be the property of the depositor and any claim of any other party, subsequently, to right, title and interest in the said deposit shall not be recognized by the bank, and such a claimant could only look to the depositor for redressal
Note: *This rule does not preclude the opening of Trust Accounts so long as the fact of the trust is made clear and apparent at the time of opening such account.*
- viii. Partnership, Hindu Joint Families, Proprietary concerns or Joint Stock Companies may open savings accounts for certain special purposes but not for conducting their usual business. However, the eligibility for interest is subject to the directive of Reserve Bank of India.
- ix. The bank reserves to itself the right to refuse to open any account without assigning any reason.
- x. Opening of the account is subject to KYC Policy of the Bank duly amended from time to time.
- xi. The admissible documents as specified by GOI/RBI from time to time as documentary evidence towards Photo identity/address identity etc. are required for opening the account.

3. Specimen Signature:

- i. At the time of opening of the account, every depositor is required to give the specimen of his/her signature in duplicate for record, along with two copies of recent passport size photograph.
- ii. Whenever there is/are change(s) or variation(s) in the specimen signature, the depositor is required to inform the bank in writing the changes/variations in the specimen signature and give a fresh Specimen Signature Card.
- iii. All withdrawal forms, cheques and letters to the Bank must be signed strictly in accordance with such specimen.

4. Minimum Balance:

- i. The minimum balance for Savings Bank account is as follows:

Metro/Urban – With cheque facility - ₹2500 & Without cheque facility - ₹1000

Semi-Urban/Rural – With cheque facility - ₹1000 & Without cheque facility - ₹500

No minimum balance requirement has been prescribed for the following category of Savings Bank customers viz.,

- Basic Savings Bank Deposit Account (BSBDA)/Small Account

- Pensioners, Special category of customers viz., students in receipt of scholarship, Direct benefit transfer beneficiaries, Salaried class etc.
- ii. In SB accounts, charges would be levied based on the amount of short fall in average monthly balance, as under:

Amount of shortfall to minimum balance required	Service charges to be levied p.m (In ₹)
76% - 100%	₹100
51% - 75%	₹75
26 %– 50%	₹50
11% - 25%	₹25
1% - 10%	₹10

These charges are NOT applicable for inoperative and unclaimed accounts.

- iii. In the event of default in maintenance of minimum balance/average minimum balance as agreed to between the bank and customer, the bank would notify the customer clearly by SMS/e-mail/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.
- iv. 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 would be recovered under intimation to the account holder.

5. Minimum Deposit and Withdrawal:

The minimum amount which can be withdrawn from or deposited into any savings account, shall be ₹5/-

6. Mode of Deposit:

- i. Amounts received for the credit of a savings account should, ordinarily, be accompanied by pay-in-slips with counterfoils, which will be supplied by the bank, free of charge, on request.
- ii. Pay-in-slips should be made out separately for each of the following items:
 - a. Cash;
 - b. Cheques and other instruments drawn on branches of the Bank;
 - c. Cheques drawn on outstation branches of any other Bank and
 - d. Cheques and other instruments drawn on local branches of other banks.

7. Cheques and Dividend Warrants:

- i. All cheques and other instruments tendered for credit should be crossed.
- ii. Cheques, Dividend Warrants and other instruments issued in favour of the account holder only will be accepted for collection/credit to the account.
- iii. Cheques, drafts and other instruments accepted for collection/purchased/negotiated by the bank will be forwarded for collection to the branches of the bank/another bank at the place at which the instruments are made payable, entirely at the risk and responsibility of the account holder. The bank will be at liberty to make use of the services of any bank of its choice for collection and the bank so employed will be the agent for the account holder for the purpose of collection.
- iv. The bank or the agent at its option, will send for collection the instruments at the sole risk and responsibility of the account holder by ordinary or registered post at its discretion. The bank will not be responsible for any loss of the instrument in the course of such transmission. For collection and purchase of instruments, appropriate charges and out of pocket expenses will be recovered.
- v. The bank may accept from the agency bank, cash, payment instructions or mandates in exchange of instruments sent for collection; such mandates or exchange instruments will be collected solely at the risk and responsibility of the account holder.
- vi. In case of cheque lost in transit or in the clearing process or at the paying bank's branch, the bank will intimate the same to the notice of the customer immediately.
- vii. The Bank will take care to get the proceeds of the cheques by contacting the drawee bank / branch and the customer will be informed about the possible delay in realization of cheques.
- viii. The Bank will request the customer to obtain duplicate cheques and the bank will reimburse the reasonable expense incurred in this regard. Also the Bank will pay eligible interest as stipulated for delay / abnormal delay.

8. Withdrawals:

- i. Drawings from savings bank account will be through withdrawal forms or cheques supplied by the bank.
- ii. Where a withdrawal is made by means of a withdrawal slip through a third party authorized by the account holder, the account holder should sign his name on the reverse of the withdrawal form naming the authorized person to whom the payment is to be made and also authenticate the signature of the person receiving payment on his behalf. The authorized person receiving the cash will affix his signature on the reverse of the withdrawal form.
- iii. Normally no money can be withdrawn from a savings account operated by withdrawal slips without the production of the passbook.

- iv. Withdrawal by cheques in cheque operated accounts may be made **only** on cheque leaves supplied by the bank to the depositor.
- v. The Bank reserves to itself the right to refuse the cheque facility without assigning any reason.
- vi. The use of withdrawal slips is restricted to Home Branch only and cash payment against withdrawal slip (accompanied by pass book) **to third party** is restricted to Home branch alone up to a limit of ₹1000/- only.
- vii. No withdrawal slip can be used in cheque operated accounts.

9. Deposits through Post:

- i. Remittance for credit of accounts may be made through post. In such instances, the name and account number to which the remittance relates must be furnished.
- ii. All cheques, drafts and other instruments sent by a customer by post must be transmitted only by means of Registered Post failing which, the bank will be absolved of all liability arising from any fraud in respect of such instruments lost or stolen in transit.

10. Number of Withdrawals:

- i. The number of withdrawals in savings accounts should be limited to 50 for each half year. This will include debits arising out of authorization for payments to third persons and also those arising from compliance with standing instructions.
- ii. If the account is opened in the middle of a year, the number of permissible withdrawals shall be allowed proportionately.
- iii. When number of withdrawals is more than the maximum stipulated, a service charge of not less than ₹15 inclusive of GST will be levied for each transaction in excess of 50. Debit entries relating to ATM debits/ IRCTC transactions/ POS debits/ Internet, Mobile transactions, however, will not be counted for this purpose.
- iv. Charges for BSBD Accounts – 4 debit transactions in a month free including ATM withdrawals beyond which ₹5 per transaction.
- v. When the bank receives a notice with full particulars of the cheque from the drawer to stop its payment, such notice will be recorded, and appropriate Service charges as decided by the bank from time to time will be levied. On line stop payment can be done by customers themselves.

11. Issue of Cheque Book:

- i. Application for a cheque book must be made on the bank's printed **original** Form / Printed Requisition Slip only. **Copy of such forms will not be accepted.**
- ii. Personalized cheque book/s will be sent by Speed post at the cost and responsibility of the account holder/s concerned, directly from Central Processing Centre, Chennai, to the account holder in the given address in India. In case of branches not covered by the Central Processing Centre, the account holder may call on the branch in person or send a messenger with a proper letter of authority and with the requisition slip duly signed by the account holder/s, for the issue of cheque book by the branch.
- iii. One cheque book of 20 leaves each shall be issued free of cost in a year. For issue of cheque book beyond the above limit, a charge of ₹4 per cheque leaf shall be levied.
- iv. Issue of additional cheque book will be considered only after verifying the account for payment of earlier cheque books.

12. Pass Book/Statement of account:

- i. The passbook should be presented at the time of every deposit/withdrawal except in the case of withdrawal by cheques.
- ii. When withdrawals in accounts are made by cheques, passbooks should be updated, as soon as possible after the withdrawal.
- iii. Unless the constituent notifies the bank immediately of any discrepancy found by him / her in his/her statement of account, it will be taken that he / she has found the entries in the statement of account correct. It is also obligatory on the part of the constituent that any wrong credit entries found in the statement of account be immediately brought to the knowledge of the Bank, if it is not done so, then it will be considered as a breach of contract on the part of the customer and the matter would be dealt with accordingly. The Pass book/Statement of account is a system generated output and requires no signature.
- iv. If the passbook is lost or mislaid, it should be immediately notified. A duplicate passbook with the latest balance entry will be issued to the account holder only, on payment of charges against a written request duly signed by the depositor with an undertaking that the original passbook, if found at a later date, will be returned to the bank.
- v. However, in exceptional situations where **manual entries** are made in the pass books in computerized branches, such entry should be valid, **only if authorized by an official** of the branch.
- vi. Depositors are advised to keep their pass books in place of safety as the bank will not be responsible for any loss or incorrect payment attributable to the neglect of this rule.
- vii. No entry and / or alteration of any kind should be made in the pass book by the depositor.

viii. The Bank reserves at all-time its right to rectify or correct the entries wrongly made or found to be fictitious.

13. Standing Instructions:

- i. Standing instructions for remittances such as payment of insurance premiums, subscription for clubs, periodicals etc., will be accepted by the bank subject to levy of charges decided by the bank from time to time. Additional charges as applicable to Standing Instruction for the earlier periods will be recovered.
- ii. Such instructions continue to hold good until cancellation by either the customer or closure of account or death of customer or insufficiency of balance.
- iii. The bank will not be liable to the customer for any loss if standing instructions could not be carried out due to insufficiency of balance in the account.

14. Transfer of Account:

Savings accounts may be transferred from one office of the bank to another office in India, free of charge, on a written request from the depositor (and on return of the unused cheque leaves, if any,) along with the pass book. Request for transfer should be signed by all the deposit holders.

15. Interest:

- i. Interest is paid quarterly to the SB depositors as per RBI directive.
- ii. Interest shall be calculated on daily product basis and paid at the specified rate as decided by bank from time to time. Interest will be paid on quarterly basis with a minimum of ₹1 in any quarter i.e. on the last day of June, September, December & March every year.

iii. 16. Obligations of Account Holders:

To prevent forgery, fraud, etc., account holders should observe the following safe guards:

- i. To count the cheque leaves in the cheque books issued to them and draw the attention of the bank, if any cheque leaf is found missing therein.
- ii. To keep the cheque books in a place of safety under lock and key.
- iii. To fill in the date, the name of the payee (in case of cheques) and the amount clearly in indelible ink, and in such a way as to leave no space for any subsequent additions or insertions of any other words or figures.
- iv. To see that their signatures correspond exactly with the specimen supplied to the bank.
- v. Cheques with alterations/corrections other than in date are not accepted for presentment in cheque truncation system (CTS)
- vi. Customers must provide sufficient funds before issuing cheques. Return of cheques for want of funds is an offence under Sections 138 to 142 of Negotiable Instruments Act, 1881.

vii. Charges levied for return of a cheque issued by account holder is as follows:

Cheque return inward (cheque received for payment)	
Up to ₹1 lakh	₹250
More than ₹1 lakh up to ₹1 crore	₹500
More than ₹1 crore	₹750

A customer is expected to operate the account continuously. Savings Bank accounts in which there are no operations for a period of two years or more from the date of last customer induced transactions (except by way of any charges debited or interest credited) shall be treated as inoperative accounts. **No penalty or service charges are levied for inoperative accounts.**

17. Closure of Account:

i. A depositor desiring to close his/her account must present the passbook in order that the interest due on the account may be entered and a final balance struck. The amount will then be paid to the depositor against withdrawal form/cheque. The unused cheque leaves, if any, should be returned to the bank. Closure of account is allowed only at Home Branch. Request for closure is to be signed by all the account holders.

The applicable service charges for closure of accounts are as follows: --

Particulars	Individuals	Individuals in Rural areas
Closure Within 14 days – Nil		
From 15 days – 12 Month – charges as under		
Above 12 Month - Nil		
Ordinary Savings Bank account	₹250	₹150
Cheque operated Savings Bank Account	₹500	₹150

ii. ATM/Debit card if provided to the account holder should also be surrendered while making the request for closure of the account.

iii. The bank is at liberty to close any account without assigning any reason.

iv. The bank reserves its right to take steps to get the account closed, if frequent return of cheques for want of funds is observed.

v. No Charges for closure of accounts in the following cases:

- Death of the account holder
- BSBDA / Small accounts, accounts of students, Pensioners' (without cheque facility) and opening of another account in joint names by the account holder

18. General Lien

The bank has a right to appropriate the deposits of customers towards satisfaction of any liabilities of customers whether such liabilities be actual or contingent, primary or collateral and several or joint at any office of the bank.

19. Claims

- i. On the death of a depositor, the amount standing to his/her credit will be paid to such person or persons as are legally entitled thereto, on producing satisfactory proof of his/her/their title to receive the balance at credit, such as, Succession Certificate/Legal heir ship certificate, Probate of Will or Letters of Administration granted by the competent court or any other proof as the bank may consider sufficient in the circumstances of the case.
- ii. Where an account stands in the names of two persons operated by either of them, in case one of them dies, the balance becomes payable to the survivor on the production of a death certificate.
- iii. When the account stands in the name of three or more persons operated by any one of them as anyone or survivor in the event one of them dies, the balance will be payable to the survivors jointly on the production of a death certificate of the deceased.
- iv. If the benefit of survivorship is provided in the contract of deposit (like Either or Survivor/Anyone or Survivors nor Survivor), the bank gets a valid discharge by making payment to the survivor, unless the bank is restrained by an order of a competent court.
- v. Even though payment to the survivor will confer a valid discharge to the bank, the survivor will, however, hold the money only as a trustee for the legal heirs (who may include the survivor as well) unless he is the sole beneficial owner of the balance in the account of the sole legal heir of the deceased.

20. Nomination Facility

- i. Nomination facility is available to the account holder. Nomination can be made at the time of opening of account or subsequently. It can also be cancelled / varied.
- ii. At the time of opening of the account if the account holder does not require nomination, he has to specifically instruct the bank to that effect. If he/she requires the name of the nominee to find a place in the pass book, the customer should give specific request, for the same.
- iii. The nomination shall be in favour of an individual only. Nomination can be made only in respect of deposit account held by individual (s) / sole proprietary concern. If the proprietary concern undergoes a change in constitution, the nomination made will stand cancelled.
- iv. In case of a deposit held to the credit of more than one depositor, the cancellation or variation of a nomination shall not be valid unless it is made by all the depositors surviving at the time of cancellation or variation of nomination.

21. Unclaimed Deposits:

Saving Bank accounts and Current accounts which have not been operated (other than interest credits and service charges debits) for 10 years and above from the date of last operation are classified as unclaimed deposits. No charges are prescribed for unclaimed deposit accounts.

22. FEMA:

The depositor / s shall inform the Bank in writing in the event of change in Resident status under Foreign Exchange Management Act.

23. Confidentiality of customer information:

The bank shall treat customer's Personal information as Private and Confidential. The customer's information shall be revealed to the third party in the following exceptional cases only:

- a. where disclosure is made under compulsion of law.
- b. where disclosure is made under Income Tax and other laws
- c. where disclosure is made under Banking Regulation Act
- d. where there is a duty of disclosure to public
- e. where there is an express or implied consent of the customer
- f. where interest of bank requires disclosure.

24. Right to alter the rules:

- i. The bank reserves to itself the right to delete, add to or alter these rules at any time without giving a specific and separate notice to account holder and an announcement of the change in the rules displayed on the notice board of the bank or given in the press will be considered as sufficient notice.
- ii. A person having opened a Savings Bank Account shall be deemed to have read, understood and agreed to be bound by the existing rules or as altered or added by the Bank from time to time.