

Policy on Bank Deposits

March 2020

Bank Deposit Policy

Table of Content		
Sr No	Headers	Page no
1	Background	2
2	Types of Deposit accounts	3
3	Account Opening & Operation of Deposit accounts	4
4	Eligibility and Type of Deposit accounts	5
5	Operation of Deposit Accounts	7
6	Interest Payments	9
7	Minor Accounts	9
8	Account of Senior Citizen	10
9	Account of Illiterate/ Blind and Visually Impaired/ Physically challenged person	10
10	Account of Staff	10
11	Addition or Deletion of name/s of Joint account holders	10
12	Customer Information	10
13	Secrecy of Customer's accounts	11
14	Premature withdrawal of Term Deposit	11
15	Premature renewal of Term Deposit	11
16	Renewal of Overdue Term Deposit	11
17	Advances against Deposits	11
18	Settlement of Dues in Deceased Deposit account	12
19	Interest payment on Term Deposit in Deceased account	12
20	Insurance cover for Deposits	12
21	Stop Payment Facility	12
22	Dormant Accounts	12
23	DEAF Accounts	13
24	Safe Deposit Lockers	13
25	Redressal of Complaints & Grievances	13

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

Background

This policy document on deposits outlines the guiding principles in respect of formulation of various resident and non- resident deposit products offered by the Bank and terms and conditions governing the conduct of the account. The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc., for the benefit of customers. It is expected that this policy document will impart greater transparency in dealing with the individual customers and create awareness among the customers of their rights.

This policy document is a broad framework under which the rights of common depositors are recognized. Detailed operational instructions and terms and conditions of various deposit schemes and related services have been issued separately which are subject to change from time to time. This policy document includes the following sections:

1-TYPES OF DEPOSIT ACCOUNTS

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

"Demand deposits" means a deposit received by the Bank which is withdrawable on demand.

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

"Term deposit" means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period and include deposits such as Recurring / Short Term Deposits / Fixed Deposits /Monthly Income Certificate /Quarterly Income Certificate, Re-Investment Certificates, etc.

"Current Account" means a form of demand deposit wherefrom withdrawals are allowed more frequently depending upon the balance in the account or up to a particular agreed amount and will also include other deposit accounts which are neither Savings Deposit nor Term Deposit.

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

2- ACCOUNT OPENING & OPERATION OF DEPOSIT ACCOUNTS**Know Your Customer**

- The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by Reserve Bank of India (RBI) and or such other norms or procedures adopted by the Bank. The due diligence process, while opening a deposit account will involve verifying the identity of the person, photograph and address and ascertaining occupation and source of income of the person/s opening / operating the account are part of due diligence process.
- In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or Form No. 60 as specified under the Income Tax Act / Rules.
- The Bank would provide the account opening forms and other material to the prospective depositor. The same will contain details of information to be furnished and documents to be produced for verification and/ or for record.
- The regulatory guidelines require banks to categorise customers based on risk perception/parameters and prepare profiles of customers for the purpose of transaction monitoring. Inability or unwillingness of a prospective customer to provide necessary information / details could result in the Bank not opening an account.
- Inability of an existing customer to furnish details required by the Bank to fulfill statutory obligations could also result in closure of the account after due notice(s) is provided to the customer.
- For deposit products like Savings Bank Account and Current Deposit Account, the Bank will normally stipulate certain minimum balances to be maintained as part of terms and conditions governing operation of such accounts. Failure to maintain minimum balance in the account will attract levy of charges as specified by the Bank from time to time. For Saving Bank and Current Deposit Accounts the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for given period and /or levy charges on transactions. Similarly, the Bank may specify charges for issue of cheques books, additional statement of accounts, duplicate pass book, folio charges, issue of debit cards, any branch banking facility, etc. The Bank may at the discretion levy service charges on cash deposit and cash withdrawal. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

communicated to the prospective depositor while opening the account. The same is also be displayed on the Bank's website. ([Schedule of Charges & Fees](#))

3-ELIGIBILITY AND TYPE OF DEPOSIT ACCOUNTS

Below are the schemes we offer for Savings and Current account

- Savings Bank Accounts can be opened for eligible person / persons and certain organizations / agencies in compliance with RBI guidelines. Below are the Savings account schemes available:

DCB Elite Savings Account

DCB Privilege Account

DCB Shubhlabh Account

DCB Family Account

DCB Classic Account

DCB Cash Back Account

DCB Student Account

DCB Saahas Account

DCB Shaurya Account

DCB Insti Prime Account

DCB Kisan Mitra Account

DCB Corporate Payroll (Basic and Plus)

DCB Golden Saving Account

DCB Junior Saver Account

BSBDA Account

DCB NRE /NRO Savings Account

- Current Accounts can be opened by individuals / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc.

Below are the Current account schemes available:

DCB Elite Account

DCB Privilege Account

DCB Classic Account

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

DCB Business Saver Account
DCB Smart Gain Account
DCB Classic Account
DCB Insti Prime Account
DCB Golden Current Account
DCB NRE / NRO Current Account
DCB FCRA Account

- Term Deposits Accounts can be opened by Individuals / Partnership firms / Private and Public Limited Companies / HUFs/ Specified Associates / Societies / Trusts, etc

Below are the Term Deposit schemes available:

Simple Interest Fixed Deposit
Monthly Interest Payout Scheme
Quarterly Interest Payout Scheme
Reinvestment Scheme
Suraksha Deposit
Tax Saver Deposit
Non Callable Deposit
Interbank Deposit
NRE/NRO Deposit
FCNR Deposit
Senior Citizen Deposit
Recurring Deposit

- Deposit accounts can be opened by an individual in his own name (known as account in single name) or by more than one individual in their own names (known as Joint Account). Savings Bank Account can also be opened by a minor jointly with natural guardian or with mother as the guardian (known as Minor's Account).

Bank can formulate or withdraw deposit schemes with approval by its Management Committee.

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

BSBDA Account

- In terms of RBI guidelines Banks are advised to offer a 'Basic Savings Bank Deposit Account'
- This account shall not have the requirement of any minimum balance. The services available in the account will include deposit and withdrawal of cash at bank branch as well as ATMs. Account holders will be allowed to carry out transactions, maintain balances, etc. in the account in line with what is permitted under prevailing regulations. (This may change based on regulatory directions issued by RBI from time to time). Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings bank deposit account in the bank. If a customer has any other existing savings Bank deposit account in the Bank, he / she will be required to close it within 30 days from the date of opening a 'Basic Savings Bank Deposit Account'.

4-OPERATION OF DEPOSIT ACCOUNTS

Operation

- Operation of Joint Account - The Joint Account opened by more than one individual can be operated by single individual or by more than one individual jointly. The mandate for operating the account can be modified with the consent of all account holders. The Savings Bank Account opened by minor jointly with natural guardian / guardian can be operated by natural guardian only.
- The joint account holders can give any of the following mandates for the disposal of balance in the above accounts:
- Either or Survivor : If the account is held by two individuals say, A & B, the final balance along with interest, if applicable, will be paid to survivor on death of anyone of the account holders.
- Anyone or Survivor/s : Where an account is held by more than two individuals say, A, B and C, upon the death of one of the account holders, the account may be operated by the remaining two account holders on Either or Survivor mode. Upon the death of any one of these two account holders, the final balance along with interest, if applicable, will be paid to the survivor of remaining two account holders.

Former or Survivor : If the account is held by two individuals say, A & B, the account shall be operated by and the balance along with interest, if applicable, will be paid to A, i.e. the first-named account holder during his life time and only after his death, by and to B, the second named account holder if then surviving.

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

Unless a declaration signed by all the joint holders has been made to the contrary, the above mandates will be applicable to or become operational only on or after the date of maturity of term deposits. This mandate can be modified by the consent of all the account holders.

- At the request of the depositor, the Bank will register mandate / power of attorney given by him authorizing another person to operate the account on his behalf. In respect of NR customers POA would be obtained.
- 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. These instructions can be modified any time before the date of maturity. In absence of such mandate, the Bank will automatically renew the term deposit for the same period as the original deposit at the prevailing rates at the time of renewal or pay as per instructions.

Nomination Facility

- Nomination facility is available on all deposit accounts opened by the individuals. Nomination is also available in the account of a sole proprietary concerns. Nomination can be made in favour of one individual only. Nomination so made can be cancelled or changed by the account holder/s any time. Nomination can be modified by the consent of account holder/s. Nomination can be made in favour of a minor also.
- Bank recommends that all depositors avail nomination facility. The nominee, in the event of death of the depositor/s, would receive the balance outstanding in the account as a trustee of legal heirs. The depositor will be informed of the advantages of the nomination facility while opening a deposit account.

Issuance of Passbook/ Statement of Account

- A statement of account will be provided by the Bank to Savings Bank as well as Current Deposit Account holders periodically as per terms and conditions of opening of the account. Alternatively, the Bank may issue a Pass Book to Saving Bank account holders containing details such as the Address /Telephone number of the branch , MICR code, IFSC code and if the customer wishes to print the Nominee name on the pass book

Transfer/Closure of Account

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

The Savings Bank and Current Deposit accounts may be transferred to any other branch of the Bank at the request of the depositor by closure of the account and opening a new account at the desired branch. Term Deposits can be transferred to another branch on maturity under a new account number.

5- INTEREST PAYMENTS

- In terms of RBI directives on Deregulation of Savings Bank Deposit Interest Rate, the Bank is required to offer a uniform interest rate on savings bank deposits upto Rs.1 lakh, irrespective of the amount in the account within this limit. For savings bank deposits over Rs.1 lakh, the Bank may provide differential rates of interest, as approved by the Board of the Bank, if it so chooses.
- The Bank within the general guidelines issued by the RBI from time to time decides term deposit interest rates. Interest rates on term deposit are decided by the treasury and Assets Liabilities Committee (ALCO) in coordination with the business team / stake holders. Interest shall be calculated at quarterly intervals on term deposits and paid at the rate(s) decided by the Bank depending upon the period of deposits, amount of deposits, etc. In case of monthly deposit scheme, the interest shall be calculated for the quarter and paid monthly at discounted value. The Bank in accordance with the formulae and conventions advised by Indian Banks Association calculates the interest on term deposits.
- The rate of interest on deposits will be prominently displayed in the branch premises as well as displayed on Bank's website. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed on bank website.
- The Bank has statutory obligation to deduct tax at source if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The Bank will issue a tax deduction certificate (TDS Certificate) for the amount of tax deducted. The depositor, if entitled to exemption from TDS can submit declaration in the prescribed format at the beginning of every financial year and for every fresh deposit made during the financial year.

6- MINORS' ACCOUNTS

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

- The minor can open Savings Bank Account and the same can be operated by the natural guardian or by minor himself / herself, if he/she is above the age of 14 years. The account can also be opened jointly.
- On attaining majority, the erstwhile minor should confirm the balance in his/her account and if the account is operated by the natural guardian / guardian, fresh specimen signature of erstwhile minor duly verified by the natural guardian would be obtained and kept on record for all operational purposes. Full KYC documents of minor turned major as per norms are required to obtain.

7. ACCOUNT OF SENIOR CITIZEN

- The Bank will provide services relating to deposit accounts to senior citizens in line with regulatory guidelines issued in this regard from time to time.

8. ACCOUNT OF ILLITERATE/BLIND AND VISUALLY IMPAIRED/ PHYSICALLY CHALLENGED PERSON

- The Bank may at its discretion open deposit accounts of illiterate, blind/visually impaired and physically challenged persons in line with regulatory guidelines issued in this regard from time to time.

9. ACCOUNT OF STAFF

- The Bank at its discretion may provide specific benefits on accounts of staff members within permitted parameters as defined in the regulations in this regard.

10- ADDITION OR DELETION OF THE NAME/S OF JOINT ACCOUNT HOLDERS

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

11- CUSTOMER INFORMATION

- The customer information collected from customers shall not be used for cross selling of services or products by the Bank, their subsidiaries and affiliates. If the Bank proposes to use such Information, it shall be strictly with the consent of the customer

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

12- SECRECY OF CUSTOMER'S ACCOUNTS

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

13- PREMATURE WITHDRAWAL OF TERM DEPOSIT

- The Bank on request from the depositor, at its discretion may allow withdrawal of term deposit before completion of the period of the deposit agreed upon at the time of placing the deposit. The Bank shall declare their penal interest rates policy for premature withdrawal of term deposit. The Bank shall make depositors aware of the applicable rate along with the deposit rate.

14- PREMATURE RENEWAL OF TERM DEPOSIT

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

15- RENEWAL OF OVERDUE TERM DEPOSIT

- When a term deposit is renewed on maturity, on renewed deposit interest rate for the 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, interest for the overdue period will be paid simple rates applicable for Savings Bank Deposits.

16- ADVANCES AGAINST DEPOSITS

- The Bank may consider at its discretion request of the depositor/s for loan / overdraft facility against term deposits duly discharged by the

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

depositor/s on execution of necessary documents and subject to such conditions as it may deem proper. The Bank may also consider loan against deposit standing in the name of minor, provided a suitable declaration stating that loan is for the benefit of the minor, is furnished by the depositor – applicant (Guardian).

17- SETTLEMENT OF DUES IN DECEASED DEPOSIT ACCOUNT

- The Bank shall settle dues in deceased deposit accounts as per the process defined by the Bank based on simplified procedure outlined by RBI in this regard.

18- INTEREST PAYABLE ON TERM DEPOSIT IN DECEASED ACCOUNT

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

19- INSURANCE COVER FOR DEPOSITS

- All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions. At present, bank deposits upto Rs.5,00,000/- in respect of each of the depositors is covered under the scheme. The details of the insurance cover in force, will be made available to the depositor.

20- STOP PAYMENT FACILITY

- The Bank will accept stop payment instruction from the depositors in respect of cheques issued by them. Charges, as notified, will be recovered.

21- DORMANT ACCOUNTS

- Accounts where there are no customer induced transactions for a continuous period of 2 years will be transferred to a separate dormant account status in the interest of the depositor as well as the Bank. The

DCB Bank Limited

Registered Office Address: 6th floor, Tower A, Peninsula Business Park,
Lower Parel, Mumbai - 400 013

depositor can request the Bank to activate the account for operating it. No penal charges will be levied on such Dormant accounts.

22- DEAF ACCOUNTS

- Amounts pertaining to unclaimed deposits and inoperative accounts for 10 years and above (excluding those already frozen by any Regulatory Authorities or courts as well as those with lien noting) shall be transferred to DEAF fund maintained by RBI on the last working day of the subsequent month along with interest accrued. No penal charges will be levied on such Deaf accounts.

23- SAFE DEPOSIT LOCKERS

- The Bank offers Safe Deposit Lockers at select Branches.

24- REDRESSAL OF COMPLAINTS & GRIEVANCES

- The Bank is committed to providing convenient and reliable solutions to help customers achieve their financial goals. We consider customer satisfaction as a critical measure of our success. With the objective redressing customer grievances, we have formulated a comprehensive Grievance Redressal Policy.

March 12, 2020