



## DEPOSIT POLICY

### 1. Preamble

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

This policy document 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 account. The document recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, 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 document will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights. The ultimate objective is that the customer will get services they are rightfully entitled to receive without demand.

While adopting this policy, the bank reiterates its commitments to individual customers outlined in 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 will be issued from time to time.

### 2. Types of Deposit Accounts

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

- i) "Demand deposits" means a deposit received by the Bank, which is withdrawable on demand;
- ii) a) "Savings deposits" means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the Bank during any specified period;

b) Mahabank Lokbachat Yojana- [No frill A/cs]- This is a novel Scheme for the benefit of unbanked segment of the Society in the Rural and Semi Urban Area. Any individual falling under Below Poverty Line can open this a/c singly or jointly with another individual falling under below Poverty Line with initial deposit of Re.1/- One cheque book of 10 leaves is issued in a year free of cost. This Scheme will have all other features of Savings Deposit Scheme except-

1] No Debit Card /ATM facility.



2] No Collection of third party Cheques

3] No Service Charges are debited for want of minimum balance

4] Relaxed KYC norms are applicable to this Scheme. The conditions [Subject to changes from time to time] are-

Self declaration from the Customer is obtained to the effect that excluding the amount of Government Grants or Subsidy, balance in all the accounts taken together will not exceed Rs. 50000/- and total credits in all the accounts will not exceed Rs. 1 lakh in a year.

Introduction will be obtained from any of the account holder who is maintaining satisfactory a/c for at least six months and who has been subjected to full KYC procedure. He will certify the Photo and address of the opener of a/c.

In the absence of an introduction as mentioned above, any other evidence as to the identity and address to the satisfaction of Bank will do.

c] Mahabank Yuva Yojana-This is a Special Scheme for younger generation with age 10 and above. They can open and operate saving a/c with initial Deposit of Rs. 10/-. There will be no restriction of Minimum Balance there after. Withdrawals from this a/c will be self only. This a/c will have all features of Savings a/c except issuance of Cheque Books, which will be issued when minor, attains age of 18. They can also open Recurring Deposit a/c of Rs 10/- and more and keep Fixed Deposits.

iii) "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 Deposit Scheme / Sulabh Deposit Scheme/ Fixed Deposit Scheme/ MIDS/QIDS/ Short Term Deposit Scheme/ Mahabank Unit Deposit Scheme/Cumulative Deposits Scheme / Mixie Deposit Scheme etc.

iii] a] Term Deposit which are accepted for 7 days and over up to 12 months are called Short Term Deposits.

The salient features of the Schemes are given more precisely in **Annexure A**

iv) Notice Deposit means term deposit for specific period but withdrawable on giving at least one complete banking day's notice;

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

vi) Ordinary Non-Resident (NRO)- NRIs can open Non-Resident Ordinary (NRO) deposit accounts for collecting their funds from local bonafide transactions. NRO accounts being Rupee accounts, the exchange rate risk on such deposits is borne by the depositors themselves. When a resident becomes a NRI, his existing Rupee accounts are designated as NRO. Such accounts also serve the requirements of foreign nationals resident in India. NRO accounts can be maintained as current, saving, recurring or term deposits. while the principal of NRO deposits is non-repatriable, current income and interest earning



up to US \$ 1 million per calendar year is repatriable out of the NRO balances / sale proceeds of assets held in India. Interest income from NRO accounts is not exempt from income tax, as is the case with domestic deposits.

vii) Non-Resident (External) (NRE) Accounts- The Non-Resident (External) Rupee Account NR(E)RA scheme, also known as the NRE scheme, was introduced in 1970. Any NRI can open an NRE account with funds remitted to India through a bank abroad. This is a repatriable account and transfer from another NRE account or FCNR(B) account is also permitted. A NRE rupee account may be opened as current, savings or term deposit. Local payments can be freely made from NRE accounts. Since this account is maintained in Rupees, the depositor is exposed to exchange risk. NRIs / PIOs have the option to credit the current income to their Non-Resident (External) Rupee accounts, provided the authorised dealer is satisfied that the credit represents current income of the non-resident account holders and income-tax thereon has been deducted / provided for.

## 2.1 Account Opening and Operation of Deposit Accounts

A) The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) and Anti-money Laundering guidelines issued by RBI, Government of India and or such other policy norms or procedures adopted by the Bank. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to him and the final decision of the Bank will be conveyed at the earliest to him.

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

C) 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 Account the Bank may also place restrictions on number of transactions, cash withdrawals, etc., for given period. Similarly, the Bank may specify charges for issue of cheques books, additional statement of accounts, duplicate passbook, folio charges, etc. All such details, regarding terms and conditions for operation of the accounts and schedule of charges for various services provided will be communicated to the prospective depositor while opening the account. Such details will be given in the Pass Book for Savings A/c as well.

D) Savings Bank Accounts can be opened for eligible person / persons and certain organizations / agencies (as advised by Reserve Bank of India (RBI) from time to time)

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

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



E) The due diligence process, while opening a deposit account will involve satisfying about the identity of the person, verification of address, satisfying about his occupation and source of income. Obtaining introduction of the prospective depositor from a person acceptable to the Bank and obtaining recent photograph of the person/s opening / operating the account are part of due diligence process.

F) In addition to the due diligence requirements, under KYC norms the Bank is required by law to obtain Permanent Account Number (PAN) or General Index Register (GIR) Number or alternatively declaration in Form No. 60 or 61 as specified under the Income Tax Act / Rules.

G) Deposit accounts can be opened by an individual in his own name (status: known as account in single name) or by more than one individual in their own names (status: known as Joint Account). Savings Bank Account can also be opened by a minor jointly with natural guardian or with mother as the guardian (Status: known as Minor's Account). Minors above the age of 10 will also be allowed to open and operate Saving Bank account, Recurring Deposit, Term Deposits and Deposits under Yuva Yojana Scheme independently for depositing amounts in the a/c and self-withdrawals.

H) 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.

I) The joint account holders can give any of the following mandates for the disposal of balance in the above accounts :

i. 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.

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

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

J) 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.

K) The term deposit account holders at the time of placing their deposits can give instructions with regard to closure of deposit account or renewal of deposit for further period on the date of maturity. In absence of such mandate, the Bank will seek instructions from the depositor/s as to the disposal of the deposit by sending intimation before 15 days of the maturity date of term deposit.

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



any time. While making nomination, cancellation or change thereof, it is **not** required to be witnessed by a third party, **except in case of thumb impression affixed by illiterate depositors.** 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.

M) 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 these account holders who opt / request for the same.

N) The deposit accounts may be transferred to any other branch of the Bank at the request of the depositor

O) ***The account-holders will be informed three months before classifying their accounts as dormant as also the procedure to be followed to activate the account. No fees will be charged by the bank for reactivation of a savings account.***

## 2.2 Interest Payments

I) Interest shall be paid on saving account at the rate specified by Reserve Bank of India directive from time to time. However, term deposit interest rates are decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time.

***In case of saving bank deposits, interest shall be calculated on daily product basis but shall be credited only when interest payable is Re. 1/- or more. Interest will be paid half yearly on 30<sup>th</sup> June and 31<sup>st</sup> December. Previously interest was being paid on 31<sup>st</sup> March and 30<sup>th</sup> September and accordingly SB interest was paid upto March 2011 on 31.03.2011. To switch over to the new interest payment schedule, interest for April, May and June 2011 will be paid on 30.06.2011 and thereafter on 31.12.2011 and so on.***

II) In terms of Reserve Bank of India directives, interest shall be calculated at quarterly intervals, on term deposits and paid at the rate decided by the Bank depending upon the period of deposits. In case of Monthly Deposit Scheme, the interest shall be calculated for the quarter and paid monthly at discounted value. The interest on term deposits is calculated by the Bank in accordance with the formulae and conventions advised by Indian Banks' Association, as under:

1. Member Banks may not accept any deposits for a period longer than 10 years, excepting in terms of order of the Competent Courts or in the case of Minors where interests of minors are involved, provided banks are convinced that it is necessary to do so and Individual Banks may decide in this matter based on Asset Liability Management policies being followed.
2. Interest on deposits for fixed term may be paid, credited transferred or reinvested with frequency not less than the Quarterly rests. However, payment of monthly interest may be allowed, if required, by discounting the quarterly interest accrued.



3. Interest on deposits where the terminal period (monthly/quarterly/half year etc. as the case may be) is incomplete shall be paid on maturity.
4. On deposits repayable in less than three months or where the terminal quarter is incomplete, interest would be paid for the actual number of days on the basis of 365 days in a year.

**Rounding off of Transactions**-All transactions including Payment of Interest on Deposits/Charging of Interest on Advances shall be rounded off to the nearest Rupee; i.e., fraction of 50 paise and above shall be rounded off to the next higher rupee and fraction of less than 50 paise shall be ignored.

**Payment of interest on Term Deposit maturing on Sunday/Holiday/Non- Business Working Day**-In respect of a Term Deposit maturing for payment on a Sunday or a Holiday or a Non-Business Working Day (or Saturday in case of NRE Deposits) Interest shall be paid at the originally contracted rate on the deposit amount for the Sunday/Holiday/Non-Business Working Day (and also Saturday in case of NRE Deposits), intervening between the date of the expiry of the specified term of the Deposit and the Date of Payment of the proceeds of the Deposit on the succeeding working day.

III] .The rate of interest on deposits will be prominently displayed in the branch premises and on banks web site [www.bankofmaharashtra.in](http://www.bankofmaharashtra.in). Changes, if any, with regard to the deposit schemes and other related services shall be also be prominently displayed.

IV] 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. Besides, the Bank has statutory obligation to Charge / Deduct Service Tax as well as Transaction Tax as specified / notified by the Govt. of India, from time to time.

V] A. Discretion to pay additional interest not exceeding one per cent on deposits of bank's staff and their exclusive associations

The Bank may, at its discretion, allow additional interest at a rate not exceeding one percent per annum over and above the rate of interest applicable to Deposits held in Domestic/Ordinary/Non-Resident (NRO) accounts and deposits held in Non-Resident (External) Accounts subject to following conditions:

- A) In respect of a savings or a term deposit account opened in the name of:
  - i) 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
  - ii) the spouse of a deceased member or a deceased retired member of the bank's staff; and
  - iii) an Association or a fund, members of which are members of the bank's staff;

The Bank will obtain a declaration from the depositor concerned, that the monies deposited or which may, from time to time, be deposited into such account belong to the depositor as stated in clauses i) to iii) above.



B) For the purposes of sub-paragraph 2.2 V] A

- i) "a member of the bank's staff" means a person employed 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.
- In the case of employees taken on deputation from another bank, the bank from which they are deputed may allow additional interest in respect of the savings or term deposit account opened with it during the same period of deputation.
  - In the case of persons taken on deputation for a fixed duration, or on a contract of a fixed duration, the benefit will cease to accrue on the expiry of the term of deputation or contract, as the case may be.
- ii) "A 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, but does not include an employee retired compulsorily or in consequence of disciplinary action;
- iii) "Family" means and includes the spouse of the member / retired member of the bank's staff and the children, parents, brothers and sisters of the member/retired member, but does not include legally separated spouse.

C. Payment of additional interest will be subject to the following conditions, namely;

- The additional interest is payable only so long as the person continues to be eligible for the same and in case of his ceasing to be eligible, till the maturity of a term deposit account;
- In case of the 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 employee were originally employed by the Bank.

D. Bank Employees' Federations in which bank employees are not direct members are not eligible for additional interest.

***E. Bank's retired staff members, who are senior citizens (60 years of age or above), will be eligible for the benefit of additional interest rates as admissible to senior citizens, as applicable from time to time, over and above the additional interest of 1.00% payable to them by virtue of their being retired members of the Bank staff.***

***Thus retired senior citizen staff member will get double benefit.***

F. In case of Non-Resident (External) deposits of staff members, existing or retired, interest rate including any additional interest paid to them by virtue of their being staff members, should not exceed the ceiling stipulated by RBI.

**VI] Additional interest to Army Group Insurance Directorate (AGID), Naval Group Insurance Fund (NGIF) and Air-Force Group Insurance Society (AFGIS) - The Bank may pay additional interest of 1.28 per cent per annum over and above the normal rate**



of interest permissible in terms of directives on interest rates on deposits issued by Reserve Bank of India, from time to time, on term deposits for 2 years and above of Army Group Insurance Directorate (AGID), Naval Group Insurance Fund (NGIF) and Air-Force Group Insurance Society (AFGIS) only, provided such deposits are not in any way linked with payment of insurance premia by the bank.

**VII] Discretion to pay additional interest not exceeding one per cent on deposits of Chairman and Managing Director and Executive Directors of the Bank-** The Bank may, at its discretion, pay additional interest not exceeding one per cent per annum over and above the rate of interest stipulated in **Annex E & F** on deposits accepted / renewed from Chairman, Chairman & Managing Director, Executive Director or such other Executive appointed for a fixed tenure. However, they are eligible to get the benefit under paragraph V] above only during the period of their tenure.

**VIII] Discretion to pay interest on current accounts maintained by Regional Rural Banks with sponsor banks-** Banks may pay interest on current account of a Regional Rural Bank sponsored by them.

**IX] Discretion to pay interest on the minimum credit balance in the composite cash credit account of a farmer-** The Bank may, at its discretion, pay interest at a rate based on its perception and other relevant factors on the minimum credit balance in the composite cash credit account of a farmer during the period from the 10th to the last day of each calendar month.

**X] Deposit Scheme for Senior Citizens-** Banks may formulate, fixed deposit schemes specifically for resident Indian senior citizens offering higher and fixed rates of interest as compared to normal deposits of any size. These schemes will also incorporate simplified procedures for automatic transfer of deposits to nominee of such depositors in the event of death.

## 2.3 Additions 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.

## 2.4 Customer Information

The customer information collected from the 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 should be strictly with the consent of the account holder.

## 2.5 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.



## 2.6 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 for other than large value deposit of Rs. 1 crore and above. The Bank shall make depositors aware of the applicable rate along with the deposit rate. The proposed provisions governing the premature withdrawal of deposits are given more precisely in **Annexure-C**

## 2.7 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.

## 2.8 Renewal of Overdue Term Deposits

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 at the rates decided by the Bank from time to time. The latest guidelines in this respect are given in **Annexure D**

## 2.9 Advances against Deposits

The Bank may consider request of the depositor/s for loan / overdraft facility against term deposits [unless prohibited under the respective deposit scheme] duly discharged by the depositor/s on execution of necessary security documents. The Bank may also consider loan against deposit standing in the name of minor, however, a suitable declaration stating that loan is for the benefit of the minor, is to be furnished by the guardian.

## 2.10 Insurance Cover for Deposits

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

## 2.11 Stop Payment Facility

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



## 2.12 Dormant Accounts

**Savings/Current** Accounts which are not operated for **a period of two years** will be **marked/** transferred to a separate dormant / inoperative account status in the interest of the Depositor as well as the Bank. The Depositor will be informed of charges, if any, which the Bank will levy on dormant / inoperative accounts. There will **not** be any charge for activation of dormant / inoperative account. The depositor can request the Bank to activate the account for operating it.

**Further for the purpose of classifying an account as inoperative, both the types of transactions i.e. credit as well as debit transactions induced at the instance of customers as well as third party should be considered. Interest on fixed deposits is credited to SB/CA account as per the mandate of the customer and hence to be treated as customer induced transaction. As such the account will be treated as operative as long as the interest on FDR is credited to the account.**

## 3. Minors accounts

i) 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 10 years. In case of self operated minor accounts, in addition to photograph and proof of age, the documents required establishing the Identity and address as applicable in case of Individual is to be given. The account can also be opened jointly.

ii) 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.

## 4. Account of illiterate / blind person

The Bank may at its discretion open deposit accounts other than Current Accounts of illiterate person. The account of such person may be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank. At the time of withdrawal / repayment of deposit amount and / or interest, the account holder should affix his / her thumb impression or mark in the presence of the authorized officer who should verify the identity of the person. The Bank will explain the need for proper care and safe keeping of the passbook etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the illiterate / blind person. Subject to fulfillment of certain terms and conditions visually impaired customers can issue post-dated cheques of predetermined amounts to financial institutions, can avail lockers and ATM card.

## 5. Settlement of dues in Deceased Deposit Accounts

- i) If the depositor has registered nomination with the Bank; - the balance outstanding in the account of the deceased depositor will be transferred to the account of / paid to the nominee after the Bank satisfies about the identity of the nominee etc.
- ii) The above procedure will be followed even in respect of a joint account where nomination is registered with the Bank.
- iii) In a joint deposit account, when one of the joint account holders dies, the Bank is required to make payment jointly to the legal heirs of the deceased person and the



- surviving depositor(s). However, if the joint account holders had given mandate for disposal of the balance in the account in the forms such as "either or survivor, former / latter or survivor, anyone of survivors or survivor; etc., the payment will be made as per the mandate to avoid delays in production of legal documents by the heirs of the deceased.
- iv) In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount outstanding in the account of deceased person against joint application and indemnity by all legal heirs or the person mandated by the legal heirs to receive the payment on their behalf without insisting on legal documents up to the limit approved by the bank's board. This is to ensure that the common depositors are not put hardship on account of delays in completing legal formalities

Depositors are requested to refer 'Operational Procedure for Settlement of Deceased Depositors' for further details. The procedure document is available with the Branch Manager. It is also displayed on Bank's web site [www.bankofmaharashtra.in](http://www.bankofmaharashtra.in)

### 5.1. Interest Payable on Term deposit in Deceased Account

- i) In the event of death of the depositor before the date of maturity of deposit and amount of the deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the Bank shall pay simple interest at the applicable rate obtaining on the date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity; as per the Bank's policy in this regard.
- ii) 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 obtaining on the date of maturity from the date of maturity till the date of payment.
- lii] In respect of Balances lying in Current a/c standing in the name of Deceased Individual / Sole Proprietorship Concern, interest shall be paid from the date of death of the depositor till the date of repayment to the claimant at the rate of interest applicable to Savings Deposits as on the date of payment.
- lv] In case of NRE deposit when the claimants are residents, the deposit on maturity shall be treated as domestic Rupee deposit and interest shall be paid for the subsequent period at a rate applicable to the domestic deposit of a similar maturity.

### 6. 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. In respect of lockers held in joint names, up to two nominees can be appointed. 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 lockers, with a view to avoid hardship to common persons,



बैंक ऑफ महाराष्ट्र  
Bank of Maharashtra  
ONE FAMILY ONE BANK

the bank will release the contents of locker to the legal heirs against indemnity on the lines as applicable to deposit accounts.

## 7. Redressal of grievances

Depositors having any complaint / grievance with regard to services rendered by the Bank has a right to approach authority (ies) designated by the Bank for handling customer complaint / grievances. The details of the internal set up for redressal of complaints / grievances will be displayed in the branch premises. The branch officials shall redress the grievances of the Customer if any. He will provide all required information regarding procedure for lodging the complaint in case complainant is not satisfied with his action.. In case the depositor does not get response from the Regional Office within 4 weeks from date of lodging complaint or if he is not satisfied with the response received from the Bank, he has a right to approach banks Nodal Officer for Public Grievances, Central Office, “ Lokmangal”, ‘1501, Shivajinagar Pune –411005 or Banking Ombudsman appointed by the Reserve Bank of India.

\* \* \*



**Annexure-A**

**Deposit Schemes of Bank of Maharashtra ( read with Para No.1)**

Sr. No.	Name of Deposit Scheme	Periodicity	Min. Amt. of Deposit Rs.	Max. Amt of Deposit Rs	Min. Period	Max. Period	Interest Pattern	Loan Facility
1	Recurring	Monthly	50/-	No ceiling. In multiples of 10/-	6 M	120 M	Compounding qly	Yes
2	Sulabh	Monthly	100/-	Ten times of the core Deposit. Max. 10000/-	12 M	120 M	Simple	Yes
3	Fixed Deposit	In Lump Sum	1000/-	No ceiling. In multiples of 100/-	12 M	120 M	Simple	Yes
4	MIDS	In Lump Sum	1000/-	No ceiling. In multiples of 100/-	12 M	120 M	Discounted	Yes
5	QIDS	In Lump Sum	1000/-	No ceiling. In multiples of 100/-	12 M	120 M	Simple	Yes
6	Short Term deposit	In Lump Sum	1000/-	No ceiling. In multiples of 100/-	15 Days	364 Days	Simple	Yes
7	Mahabank Unit Deposit	In Lump Sum	5000/-	No ceiling. In multiples of 1000/-	46 Days	5 Y	Simple	Yes / Partial withdrawal allowed
8	Cumulative Deposit	In Lump Sum	1000/-	No ceiling. In multiples of 100/-	6 M	120 M	Compounding qly	Yes
9	Mixie Deposit	In Lump Sum	10000/-	No ceiling. In multiples of 1000/-	2 Y	120 M		Yes. By way of OD in Mixie OD a/c with Cheque Book Facility
10	Bank Term Deposit Scheme 2006 [under subsection 2 of S. 80C of the Income Tax Act-1961	In Lump Sum	100/-	100000/- in one F.Y.	5 Y	10 Y	Discounted, Simple or Compounded qly as the case be.	No



बैंक ऑफ महाराष्ट्र  
Bank of Maharashtra

ONE FAMILY ONE BANK

Sr. No.	Name of Deposit Scheme	Periodicity	Min. Amt. of Deposit Rs.	Max. Amt of Deposit Rs	Min. Period	Max. Period	Interest Pattern	Loan Facility
11	Mahabank Yuva Yojana 1.Savings Bank a/c (Persons above 10 years)	NA	Rs 10/-	No ceiling	NA	NA	Simple	NA
	2.Re-curring Deposit A/c (Persons above 10 years)	Monthly	Rs 10/-	No ceiling	6 M	120 M	Compounding Qtrly	Yes
	3.Fixed Deposit (Persons above 10 years)	In lump Sum		No ceiling	12 M	120 M	Compounding qtrly	Yes
12	Maha-Saraswati (Child/ Student of 6m and above )	Monthly	R/SU area- Rs. 50/- pm M/U area- Rs. 100/-pm in Multiples of Rs. 10/- there-after	No ceiling	36 M	120 M	Compounding Qtly	Yes
<b>Other Provisions-</b> 1]. <b>Senior citizens will be offered additional rate of 0.50% for deposits between 91 days and less than a year. They are eligible for additional rate of 0.75% for deposits one year and above.</b> 2] All schemes have nomination facility. 3] All deposits can be can be opened in the name of Individuals, singly or jointly. Clubs corporate bodies except No. 9 which can be opened in the name of Individuals.								

Subject to changes from time to time



## Interest Rate on Domestic Deposits:

1. **Current A/c.-** Nil
2. **Savings A/c- 4.00%** p.a (simple payable half yearly)
3. **Term Deposits** (Interest % p.a.)

(As circulated by Planning Department from time to time)

Other terms relating to Domestic Term Deposits:

- The revised rates are applicable for fresh deposits and renewal of existing deposits only.
- The rates of interest for deposit amount **more than Rs 5 crore** will be decided by the **Treasury and International Banking Division (TIBD), Mumbai** from time to time depending on market conditions. Branches are advised to take **prior approval of the interest rate and amount of deposit from Treasury and International Banking Division (TIBD), Mumbai** through their respective Regional Offices. This is applicable for both fresh deposits and renewal of existing deposits above Rs 5 crore.
- For **interest rates higher than the card rate on term deposits**, irrespective of the amount of deposit, branches must take **permission on rate and amount of deposit from Treasury and International Banking Division (TIBD), Mumbai through their respective Regional Offices.**
- The deposit above Rs 1 crore should be through a single deposit receipt.
- The deposit under **Bank Term Deposit Scheme, 2006** (Tax Saving Scheme for 5 year term deposit) can be up to investment limit of Rs 1.00 lakh only.
- In case of premature withdrawal of deposit, the applicable rate would be 1% below the interest rate of the period for which deposit has been actually held. However, if premature withdrawal of deposit is taken for reinvestment in the Bank for a period longer than residual maturity period of existing deposit there will be no penalty on applicable rate.
- Deposits to be accepted for a maximum period of 10 years.
- Deposits accepted at one branch should not be split to distribute to other branches.
- A member or a retired member or the spouse of a deceased member or spouse of a deceased retired member of the Bank's staff will be offered an additional interest rate of 1.00% only upto an amount of Rs 1.00 crore.
- The benefit of additional interest rate of 1.00% will be available to the associations or a fund, members of which are Bank's staff members, beyond a deposit amount of Rs 1 crore also.
- The revised rates would be applicable for all NRO term deposits.
- All rates are subject to change from time to time.
- Bank can revise interest rate for Rs 15 lakh and above at any time and Branch/Regional Office must keep themselves apprised of revised rates from CO.
- **The Regional Offices/ Branches must ensure display of latest interest rate in the Branch Notice Board.**

### Additional Interest to Senior Citizens:

- Senior citizens will be offered an additional rate of 0.50% only for maturity slabs of 91 days to less than One Year.
- **Additional interest rate on deposits in maturity slabs of One Year and above has been increased to 0.75% from 0.50%.**
- The additional interest rate for senior citizens will be offered for an amount of less than Rupees One crore only.
- **Senior citizen retired members of the Bank's staff will be allowed DOUBLE BENEFIT of interest for being a member of staff and a senior citizen as well w.e.f. 04.11.2010 (as per circular AX1/Pln/IR/Cir. no.157/2010-11, dated 30 October 2010).**



### Annexure-C

#### Premature Payment of Term Deposits

Period for which the deposit has remained with the Bank	Norms for interest payment
<b>Up to 7 days (Applicable to both Normal and DRI deposits)</b>	<b>No interest is payable</b>
<b>7 days and above</b>	The interest rate should be 1.00% below the applicable rate, as prevailing on the date of deposit and payable for the period for which the deposit actually remained with the Bank
<b>a. For Large value deposits of more than Rs. 15 lakhs to up to Rs. 1 crore (Including under DRI)</b>	The interest rate should be 1.00% below the applicable rate as prevailing on the date of deposit and payable for the period for which the deposit actually remained with the Bank. The DRI deposits will be treated at par with normal deposits when opted for before maturity.
<b>b. For large value deposit of Rs. 1 crore and above</b>	<b>The interest rate should be 1.00% below the applicable rate for bulk deposits as prevailing on the date of deposit and payable for the period for which the deposit actually remained with the Bank</b>

#### Other Norms:

1] In case the bank decides to adjust term deposit prematurely for the recovery of loans, the penal clause will not be applicable and the interest at contractual rate from the date of deposit till the date of adjustment be allowed subject to following conditions-

A] The loan should not be against term deposits.

B] Such recovery should result either in NPA recovery or preventing the defaulted account from becoming NPA. C] There should not be any further deposits available in the names of the borrowers

### Annexure-D

#### Procedure for Interest Payable on renewal of Term Deposits

Overdue period	Rules for renewal
Up to 1 to 14 days from the date of maturity	Such deposit can be renewed as on the date of maturity at the rate prevailing on the date of maturity
When the overdue period exceeds 15 days to 6 Month	1] In case the overdue period exceeds 15 days but less than 6 months from the date of maturity, such deposits can be renewed as on the date of maturity at the rate prevailing on the date of maturity or the date of actual renewal whichever is less.
Exceeds 6 Months	Overdue deposit may be accepted as a fresh deposit[ in part or in full] for the further period as specified by the depositor at the rate of interest as ruling on the date on which the fresh deposit is made. <b>Interest for overdue period-</b> i.e. the period between the date of maturity and the date of renewal /date of acceptance as a fresh deposit- Simple interest may be paid for the actual overdue period whichever is less between the following- 1] ROI applicable to actual overdue period as prevailing on the date of maturity. 2] ROI applicable for the actual overdue period as prevailing on the date on which the deposit is renewed as fresh deposit or 3] ROI applicable for the period for which overdue deposit is renewed as fresh deposit. <b>Whichever is less.</b>
In case deposit is not renewed	At Savings Bank rate
<b>Note:</b> These provisions will be applicable to existing as well as fresh deposits.	