

Precautionary Measures as defined in the Policy :

✓ ACCOUNT OPENING AND OPERATION OF DEPOSIT ACCOUNTS:

- The Bulk Deposits of Rs. 5 crore and above can be accepted only by the branches as identified by the Bank and updated from time to time. At present there are 140 Branches identified by the Bank for the said purpose.
- **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 as well as email and SMS wherever email id and mobile number is available giving necessary details. E-mail id OR/AND Telephone No./ Mobile No. are to be obtained mandatorily at the time of account opening.
- Depending on the various quantum of the Bulk Deposits, the following steps have to be initiated strictly. Personal Visit to the Customer's Office and meeting one of the authorized signatories has to be carried out by the Bank Officials as under :

Table - 1

Sr No	Amount of Bulk Deposits	Visiting Executive Designation	Periodicity from the Date of Opening
1	Rs.1.00 Crore to below Rs. 5.00 Crores	Second line Officer	On the Same Day
2	Rs.5.00 Crores & above upto Rs. 10.00 Crores	Branch Head / Second line officer	On the Same Day
3	Above Rs.10.00 Crores & upto Rs.100.00 Crores	Zonal Manager / Dy Zonal Manager In case of IFB/CBB, in place of Zonal Manager / Dy. Zonal Manager, it will be replace by Field General Manager / Dy. General Manager of FGM Office	On the Same Day in same Centre and within 3 days in all other Places. However, BM/Officer to visit on same day in other places.
4	Above Rs.100.00 Crores	Zonal Manager / in case of his absence, DZM In case of IFB/CBB, in place of Zonal Manager / Dy. Zonal Manager, it will be replace by Field General Manager / Dy. General Manager of FGM Office	On the Same Day in same Centre and within 7 days in all other Places. BM/Officer to visit on same day in other places.

- **Duplicate Deposit Receipt** : No duplicate Deposit Receipt for Bulk Deposits to be issued at Branch Level. The permission for the same to be obtained from respective Zonal Manager In case of IFB/CBB, in place of Zonal Manager, it will be replace by Field

General Manager of FGM Office) by following procedures as prescribed by the bank and modified from time to time.

✓ **LOANS AND OVERDRAFTS AGAINST BULK DEPOSITS :**

Due – Diligence

• **Where Borrower is Deposit Account Holder :**

- i) In respect of Sanction falling under the authority of ZM/DZM , they should talk to concerned depositor/authorized signatory and record the same in sanction note also.
- ii) The depositor / Authorized signatories must visit the branch in person at the time of sanction of limit against TDRs or the Branch official should get the documents executed at the place of depositor. The execution of documents and discharge of Term Deposits should be done in presence of Branch Heads / Officers of the Branch only.
- iii) Duly discharged TDR in original must be obtained and signature should be verified mentioning the P.A. No. of the verifying officer with signature on TDR.
- iv) A Letter and SMS / Email intimating the opening of Loan / OD account to be sent by the Branch as an alert at the time of opening of loan account to the depositor at Registered mobile No and Registered e-mail address.
- v) The disbursement is required to be routed through running Savings / Current account, in the name of the Borrower / Loanee only with our Bank / Other Bank and should not be remitted directly to third party.
- vi) The OSS Cell at HO/ZO, will monitor large value transactions in all such accounts.

• **Where Borrower is NOT Deposit Account Holder (Third Party Loans) :**

- i. **Third Party Loans/OD in case of PSU / Govt. / Quasi Govt. Organisations not to be permitted.**
- ii. **In case of other Institutions :**
 - a) KYC compliance of Third Party is to be done by the Branch and the status of the same shall be got confirmed from the organization, corporate, individual in whose name the TDR has been issued.
 - b) The Zonal / Dy. Zonal Manager, will have to monitor such type of loans, incorporating all the points as mentioned above, including purpose of finance and Conduct of the account, and personal visits as per Table 1 and ensure the purpose as described above.
 - c) No Advance can be given to an individual if the deposit is in the name of :
 - Partnership Firm
 - Limited Liability Partnership
 - Trust / Society
 - Club / Association of Persons
 - HUF
 - Public Limite Company (Closely held / listed)
 - Private Limited Company
 - Any other incorporated Body

- **Disbursement of Loan / OD against TDRs in favour of Third Party.**

Disbursement of proceeds of loan/overdraft against deposit in Third Party accounts should be desisted. However, in special circumstance, if the same needs to be done, within the delegation of powers of respective delegatee, the branches should obtain prior permission from the Controlling Offices DZM / ZM (In case of IFB/CBB, in place of Zonal Manager / Dy. Zonal Manager, it will be replaced by Field General Manager / Dy. General Manager of FGM Office), irrespective of the loan / OD limit, stating the reasons for disbursement of loan / overdraft in favour of third party and status of KYC compliance of the third party by the branch.

- **OFFSITE MONITORING SYSTEM TO MONITOR LARGE VALUE TRANSACTIONS**

The Zonal Manager will ensure that, Zonal Offsite Surveillance Cell (OSS) should monitor all the transactions of Rs. 1 crore and above in the Branches coming under the jurisdiction of the zone. ZM and DZM would be responsible for ensuring that monitoring system is scrupulously followed. Official in-charge of the cell will be responsible for submitting adverse observations on daily basis to ZM/DZM. In case the report is NIL, it should be submitted as NIL report.

- **ROLE OF CONCURRENT / STATUTORY AUDITORS :**

The Term of Reference of Concurrent Auditors should include examination of all the Loan / OD against Bulk Deposits, monitoring system and report it in their monthly report wherever the Branches are under Concurrent Audit. Similar Terms of Reference would be for Statutory Auditors.