

FREQUENTLY ASKED QUESTIONS

Other Services

- 1) Do you offer additional interest for deposits made by senior citizens ?

Ans) We have a special senior citizens' deposit scheme called "Acharya Deposit". Interest rate for these deposits are generally above that of ordinary deposits. The minimum period is 6 months and the minimum amount is Rs 5000/-.

- 2) Do you offer insurance products ?

Ans) We are having tie-ups with the following Insurance companies:-

For Life Insurance – M/s Edelweiss Tokio Life Insurance Co Ltd
For General Insurance – M/s ICICI Lombard GIC

- 3) How is Base Rate Fixed?

Ans) Base Rate = Term Deposit Cost – CASA Adjustment + Carrying Cost of CRR + Carrying Cost of SLR + Unallocated Overheads

- a) Term Deposit Cost:

Term deposit cost is arrived at in the Range of Carrying Cost of Domestic Term Deposits and Card rate for 1 year Retail Domestic Term Deposits, subject to discretion of ALCO.

- b) CASA Adjustment

Deposit cost is adjusted for the positive carry on account of Current and Savings Account (CASA) deposits. The CASA adjustment is based on

- i) the difference between the term deposit cost and the savings bank deposit rate, multiplied by the share of savings deposits
- ii) the share of current accounts multiplied by the term deposit cost expressed as a percentage.

- c) Carrying cost of CRR

Carrying Cost of CRR = {Cost of Deposits after CASA Adjustment / (1 – CRR)} – Cost of Deposits (after CASA adjustment)

- d) Carrying cost of SLR

Carrying Cost of SLR = Max [0, (Carrying Cost of CRR & SLR – Carrying Cost of CRR)]

i) Carrying Cost of CRR & SLR = {Cost of Deposits after CASA adjustment adjusted for SLR Return / (1 – CRR – SLR)} – Cost of Deposits after CASA adjustment

ii) Cost of Deposits after CASA adjustment adjusted for SLR Return = Cost of deposits after CASA adjustment – (SLR Return x SLR)

SLR Return SLR return (for arriving at carrying cost of SLR) is arrived at in the Range of Carrying Yield of Dated SLR portfolio and 364 Day Treasury Bill Yield, subject to discretion of ALCO.

- e) Unallocated Overheads

Unallocated overheads represent overheads at Head Office and other administrative offices. This is expressed as a percentage of deployable deposits.

- f) Rounding

Base Rate arrived at a above is rounded to nearest 25 basis points.

FAQ on ATM

1) What is an Automated Teller Machine (ATM)?

Ans) Automated Teller Machine is a computerised machine that provides the customers of banks the facility of accessing their accounts for dispensing cash and to carry out other financial transactions without the need of actually visiting a bank branch.

2) What type of cards can be used at an ATM?

Ans) The ATM cards/debit cards, credit cards and prepaid cards(that permit cash withdrawal) can be used at ATMs for various transactions.

3) What are the services/facilities available at ATMs?

Ans) In addition to cash dispensing ATMs may have many services/facilities such as:

- Account information
- Cash Deposit
- Regular bills payment
- Purchase of Re-load Vouchers for Mobiles
- Mini/Short Statement
- Loan account enquiry etc.

The services offered may vary from bank to bank, or may depend on the capacity of the machine to provide such services.

4) How can one transact at an ATM?

Ans) For transacting at an ATM, the customer insert (swipe) their card in the ATM and enter their Personal Identification Number (PIN).

5) Can these cards be used at any bank ATM in the country?

Ans) Yes. The cards issued by banks in India should be enabled for use at any bank ATM within India.

6) What is a Personal Identification Number (PIN)?

Ans) PIN is the numeric password for use at the ATM. The PIN is separately mailed/handed over to the customer by the bank while issuing the card. This PIN has to be reset to a new PIN by the customer. Most banks force the customers to change the PIN on the first use.

The PIN number should not be written the card, card holder etc as in such cases the card can be misused if card is lost/stolen.

7) What should one do if he forgets PIN or the card is sucked in by the ATM?

Ans) The customer may contact the card issuing bank branch and apply for retrieval/issuance of a new card. This procedure is applicable even if the card is sucked in at another bank's ATM.

8) What should be done if the card is lost/stolen?

Ans) The customer may contact the card issuing bank immediately on noticing the loss so as to enable the bank to block such cards.

9) Is there any minimum and maximum cash withdrawal limit per day?

Ans) Yes, banks set limit for cash withdrawal by customers. The cash withdrawal limit for use at the ATM of

the issuing bank is set by the bank during the issuance of the card. This limit is displayed at the respective ATM locations.

For cash withdrawals at other bank ATMs, banks have decided to maintain a limit of Rs 10,000/- per transaction. This information is displayed at the ATM location.

10) Do banks levy any service charge for use of other bank ATMs?

Ans) No charges are payable for using other banks' ATM for cash withdrawal and balance enquiry, as RBI has made it free under its "Free ATM access policy" since April 01, 2009. But banks can restrict the number of such free transactions to a maximum of five per month. For transactions beyond this minimum number of transaction, banks charge maximum of Rs 20/- per transaction.

11) What should be done in case during the cash withdrawal process, cash is not disbursed by the account gets debited for the amount?

Ans) The customer may lodge a complaint with the card issuing bank. This process is applicable even if the transaction was carried out at another banks ATM.

12) How many days maximum would the bank require to re-credit the account for such wrong debits?

Ans) As per the RBI instructions, banks may re-credit such wrongly debited amounts within a maximum period of 12 working days.

13) Are the customers eligible for compensation for delays beyond 12 working days?

Ans) Yes. Effective from July 17, 2009, banks shall have to pay customers Rs 100/- per day for delays beyond 12 working days. This shall have to be credited to the account of the customer without any claim being made by the customer.

14) In case the compensation is not credited as mandated, what recourse does the customer have?

Ans) For all such complaints customer may lodge a complaint with the local Banking Ombudsman if the bank does not respond.

NRE Deposit Scheme

Q: What are the highlights of your NRE Deposit Scheme?

A: The Scheme that earns high interest and keeps your Rupees repatriable

- * High and competitive interest rates

- * Deposits held in convertible Rupees. Principal and interest repatriable without any restrictions

- * Deposits can be opened through remittances as DD/TT and TC/Foreign Currency or by transfer from balance in NRE accounts

- * Deposits can be in the form of Current (NRE-CA)/ Savings (NRE-SB)/Fixed (NRE-FD) or Reinvestment (NRE-FWD) or Recurring Deposits (NRE-CDA)

- * Deposits can be transferred between banks/ branches

- * Period of deposit can range from 12 months to 120 months

- * Joint accounts with other NRIs and Resident close relatives permitted, subject to conditions

- * Loans available against deposits. Repayment can be from domestic sources, if so opted, subject to

conditions

- * Nomination facility available
- * Premature withdrawals are permitted (No interest, if withdrawn within the minimum stipulated period.)
- * Interest is compounded quarterly for higher returns. Provision to withdraw quarterly/monthly interest
- * Proceeds of Units, NSCs etc., can be credited, if the investment was made from NRE account
- * NRE deposits can be accepted as security for loans to residents
- * Interest income is free from Income Tax and deposit is exempted from Wealth Tax and Gift Tax

NRO Deposit Scheme

Q : What are the highlights of your NRO Deposit Scheme?

A : The Scheme for depositing Rupee funds earned in India while being an NRI

- * Amount representing legitimate earnings in India can be deposited without restriction, in addition to foreign inward remittances
- * No restriction on cash withdrawal/local payments
- * Accounts may be held jointly with residents and/or non-residents, subject to conditions
- * Deposits can be in the form of Current (NRO-CA)/ Savings (NRO-SB)/Fixed (NRO-FD) or Reinvestment (NRO-FWD) or Recurring Deposits (NRO-CDA)
- * Interest rate as applicable for domestic deposits
- * Balance held in non-repatriable rupees. However, current income of NRIs like dividend, rent, pension, interest etc. credited to the account can be repatriated, subject to conditions
- * Interest earned on deposit is credited after TDS and surcharge, if any, as applicable from time to time. An amount not exceeding US\$ 1 million per financial year can be repatriated subject to tax compliance
- * The account can be used for all local payments in rupees, including payment for passage from India of the account holder or his dependents
- * Nomination can be in favour of a Non-Resident/ Resident
- * Loans can be availed against security of deposits
- * Deposits are exempt from Wealth Tax. Interest earned is subject to Income Tax

FCNR Scheme

Q: What are the features of your FCNR scheme?

A : The Scheme for deposits in foreign currency (USD, GBP, EUR, JPY, CAD, AUD & CHF)

- * Value from date of credit to our accounts abroad
- * Deposits can be opened through remittances as DD/TT and TC/Foreign Currency or by transfer from balance in NRE accounts

- * Deposits can be held as fixed deposit (FCNR-FD) or Reinvestment (FCNR-FWD), NRE Plus (FCNR (B) FD in USD for 366 days) and generally for periods from 1 year to 5 years
- * Joint accounts with other NRIs permitted
- * Premature withdrawals permitted (No interest, if withdrawn within the minimum stipulated period)
- * Nomination facility available
- * No exchange risk. Principal and interest can be repaid in foreign currency
- * Most liquid investment. Premature withdrawal and repatriation are permitted without restrictions
- * Deposits transferable from another bank/branch on maturity
- * Loans available in India up to 80% of deposits at ruling exchange rates
- * Interest income is exempt from Income Tax
- * Deposit is exempt from Wealth Tax and Gift Tax

RFC Deposit Scheme

Q: What are the highlights of your RFC deposit scheme ?

A: A unique scheme for returning NRIs

- * Accounts can be opened by a person returning to India, for permanent settlement after staying abroad for a minimum period of one year
- * Accounts can be opened and maintained out of foreign exchange received as pension, conversion of assets held abroad etc.
- * Joint accounts can be opened along with persons eligible to open an RFC account
- * Account can be held in the form of Current/SB or Term deposit account
- * NRE/FCNR (B) deposit held at the time of return can be converted into RFC account
- * Balance held in the account is free from all restrictions and can be utilized for investments outside India
- * Benefits like Pension etc. received from employer outside India can be credited
- * Premium of a policy issued by an insurer outside India can be remitted by debit to the account
- * Immovable property outside India can be purchased out of balances held in the account
- * Balance, being held in foreign currency, is free from exchange risk on account of depreciation of rupee
- * Balances can be converted into NRE/FCNR (B) account upon change in the depositor's residential status to non-resident
- * Interest income is exempt from Income Tax u/s 10(15) (iv) (fa) during RNOR (Resident but Not Ordinarily Resident) status of the depositor