

## **Rules Of Business (Current Accounts)**

1 .Current accounts are opened in the names of parties known or introduced to the bank. The bank account may be opened in the name of an individual or in the joint names of two or more persons repayable to them or any one of them or the survivor or survivors thus obviating the necessity for obtaining probate or succession certificate on the death of an account holder. It may also be opened in the name of a Hindu undivided family or proprietorship concern or partnership firm or joint stock company or an association or society or trust.

2 .A sum not less than the minimum balance detailed below is to be deposited in cash initially at the time of opening a current account.

The minimum balances: Rs 5000/-

Incidental charges of Rs.1000/- per quarter will be charged for not maintaining minimum balance.

3. No interest will be allowed on balances to the credit of current account.

4. Forms for opening accounts, pay in slips and cheque forms or cheques will be supplied by the bank and only these forms shall be used. However Rs.3/- per leaf will be charged for Cheque leaves.

5. Pay in slips supplied should be used for: (a) cash remittance b) deposit of cheques, bills and other instruments.

6. Cheques, drafts, dividends and interest warrants, bills, hundies and other negotiable instruments are accepted for collection, for credit of account at the customer's entire risk and responsibility. A charge will be levied for the collection of outstation instruments at rates fixed by the bank from time to time.

7. Cheques drawn payable to a firm or a joint stock company or a trust will not ordinarily be accepted for credit of the personal account of a partner, director or trustee without proper endorsement even though drawn payable to bearer.

8. All cheques indented for collection through the account should be crossed before depositing them in the account. The bank will not be responsible for any loss caused to the customer or any other party arising from non compliance with the rule.

9. a) Cheques must be drawn on the printed forms provided the bank reserves the right to refuse payment of cheques drawn otherwise.

b) Cheque books when issued should be examined by the account holder to ensure that all cheque forms are serially numbered and that requisition forms is intact and the bank should be informed immediately if any cheque form or the requisition form is missing.

10. Cheque should be signed by the drawer in conformity with the specimen of his signature and in accordance with the instructions regarding the mode of operation on the account recorded with the bank. The bank will be free to refuse payments of cheques on which drawer's signature does not exactly correspond with the specimen on the bank's record or which are not drawn in conformity with the instructions regarding the mode of operations on the account.

11. a) Crossed cheques will not be paid on the counter.

b) Customers will not issue cheque bearing a date subsequent to the date of presentation or a date more than six months prior to the date of presentation. Payment of such cheques may be refused by the bank. The bank, however accepts no responsibility if payment of such cheques is made.

12. a) Where payment is not required to be made in cash across the counter and / or where cheques are sent by post they should be crossed.

b) Cheques shall not be delivered to third parties without properly filling them up and the cheque book shall be kept by the account holder in his own possession in proper safe custody.

c) Cheques should be drawn in such a way as to prevent unauthorized alterations or additions after issue. The amount should be stated both in words and figures. Writing should be legible and distinct. No space should be left after the words. 'Rupees'/'Rs' and the word 'only' should be written after the amount expressed in words. Alterations, if any, in a cheque must always be authenticated under the drawer's full signature failing which the cheque may not be paid.

d) In the event of any cheque or cheque book requisition form being lost or stolen from the custody of the account holder or in postal transit and being tampered with the bank, the bank will not be held responsible and will be absolved from all liability for any loss or any damage to the account holder or any other party whatsoever as a result of any fraud in respect of such lost/stolen cheques or cheque book requisition form arising out of negligence on the part of the customer in not observing the precautions stipulated in subrules (A), (B) and (C) above.

13. Cheque should not be issued without providing sufficient balance in the account. In absence of any prior special arrangement with the bank, cheques drawn in excess of balance to the credit of account or against credit given in the account for cheques / instruments in the process of collection but not realised are liable to be dishonoured and payment thereof refused. Repeated disregard of this rule will entail summarily closing of account.

14. The bank will register the drawer's or the account holder's instructions to stop payment of a cheque drawn on the account but it will not take any responsibility for such instruction for any reason overlooked or not complied with.

15. a) The account holder will be provided with a pass book or will be furnished with periodical statement of account in which all deposits and withdrawals made will be shown. The bank will not be responsible or accountable for any sum which is not acknowledged in the passbook/ statement of account under the initials of an authorised officer of the bank. The account holder is expected to carefully examine his passbook / statement of account and ascertain that the entries therein are correct. Error or omission if any should immediately be brought to the notice of the bank. Unprotested acceptance of the passbook or the statement of account will be treated as a settlement of the account and an acknowledgement of its correctness to date by the account holder.

b) No entry or alteration will be made in the passbook/ statement of account except by an official of the bank.

c) The passbook of the account should be sent to the bank at frequent intervals to enable the bank to keep it written up to date.

d) No charge will be made for the original pass book / statement of account. Rs.20/- will be charged for duplicate statement/passbook with latest balance. Charges will be levied for previous entries @ Rs.20/- per ledger page or part thereof. 40 entries are treated as one ledger page for accounts maintained in the computer.

16. Incidental charges commensurate with the cost of labour involved and cheque forms and stationery consumed will be levied at the bank's discretion on accounts in which the average balance maintained does not compensate the bank for costs incurred or which in the opinion of the bank are otherwise unremunerative.

17. Ledger Folio Charges at Rs.20/- per folio will be charged in current / cash credit / OD accounts in the case of CBS branches.

For accounts maintained on computers 40 entries or part thereof be treated as one ledger folio.

18. Cheque Return Charges: Rs.75/- for local cheques & 50% of the total collection charges with minimum Rs.100/- for outstation cheque will be charged for cheques returned inward.

19. Cheque Return Outward: Rs.2/- per thousand with a minimum of Rs.200/- per cheque. 50 percentage of our usual commission plus full postage with minimum Rs.100 for outstation clearing cheques.

20. Stop Payment charges: Rs.100/- per cheque will be charged for stop payment.

21. All correspondence pertaining to a joint account will be addressed by the bank to the first named person and all other joint account holders will be deemed to have noticed thereof.

22. Any change in address should be immediately notified to the bank. The account holder will be responsible for any consequences arising out of failure to do so.

23. a) The bank reserves to itself the right to close any account after previous intimation, if the prescribed minimum daily credit balance as stipulated is not maintained or if in its opinion the account is not properly conducted for any other reason whatsoever. The bank will not however oblige to assign any reason for closing any account.

b) When an account is closed, customers shall return all unused cheque forms to the bank.

24. Closing charges Rs.50/- will be charged on closure of an account with cheque facility and Rs.25/- will be charged for account without cheque facility. This charges will be Rs.100/- and Rs.50/- respectively if the accounts are closed before six months of opening.

25. The bank reserves to itself the right to alter, amend, add or delete the rules at any time without prior notice.