

No Frills Accounts Policy Note

1. Objectives:

The objective of this note is to outline the No Frills Account (basic banking savings account) Proposition for the Bank based on the customer servicing guidelines by Reserve Bank of India.

2. Target Customers and Features

a) Account Type: Savings account (individual)

b) **Target Customers:**

- All resident individuals with annual income not exceeding INR 100,000 and not having any bank account(s) in India.

c) **Features:**

- No minimum balance
- Free cheque books – 1 set of 25 cheque leaves per quarter.
- Free monthly account statements (paper statements).

3. Interest

- Interest is paid as per savings bank interest rate set by RBI for commercial banks. The interest will be credited on a half yearly basis.

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4. Documentation

- The standard bank account opening agreement will need to be executed by the customer. In addition, all required documentation must be submitted by the customer as per the Know Your Customer norms and Anti-Money Laundering policies of the bank as well as regulatory requirements around the same from time to time.
- The customer must be physically present at one of the Bank branches for documents vetting and verifications.
- Self declaration from the customer that the annual income does not exceed INR 100,000 and the customer does not have any other bank account. Salaried customers may have to submit their last salary slip in support.
- A revised self declaration from customers every subsequent year that the annual income does not exceed INR 100,000 and the customer does not have any other bank account (supported by salary slips for salaried customers).

5. Periodic Review Process

There will be a half yearly review of all no-frills accounts to validate the account balances and transactions. In case the account balances exceed INR 50,000 at any point during the half year or total credits exceed INR 100,000/- during the financial year for a given no-frills account customer, , the account will be not be classified as 'No Frills' any more. Bank will have the discretion to determine whether it would allow continuance of such accounts considering the business model and product offerings by Indian branches.

6. Service Charges

Service	Charges
Minimum Balance Charges	Nil
Demand Drafts Issuance	On BoA locations 0.05% of total value, Non BoA 0.1% of total value subject to minimum INR 100
Revalidation/Cancellation	INR 100 per instrument
Cheque Deposit	
Local Cheques	Free
Outstation Cheques	INR 100 per instrument
NEFT	
Inward	Free
Outward	INR 5 per transaction for Less than INR 100000. Applicable charges will be levied for the amount of INR 100000/- and above. Account may lose the 'No Frills' status in that event.
RTGS	
Inward	Free
Outward	Not Applicable as the minimum remittable amount is INR 200,000/- through this channel. Applicable charges will be levied as per the amount. Account may lose the 'No Frills' status.
Foreign Currency Services	
Foreign Currency Drafts	Not Supported
Cross Border Transfers (Foreign Currency)	Not Supported
Cross Border Inward Credit	INR 300 / transaction + applicable currency conversion charges
Duplicate Statement Charges	INR 25 / statement
ATM / Debit Card Facility	Not Supported
Internet Banking Facility	Not Supported

Note: Service Tax + surcharge on all service charges will be applicable as per the applicable tax rates.