



## Deposit Policy

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Risk domain (s)	
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	<ul style="list-style-type: none"><li>• RBI Master Circular on Interest Rates on Deposits held in FCNR (B)Accounts</li></ul>
Storage database	
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## **I. PREAMBLE**

One of the important functions of the Bank is to accept deposits from the public for the purpose of lending. The Reserve Bank of India (RBI) 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 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; thereby ensuring that the customers will get services they are rightfully entitled to receive, without demand.

## **II. SCOPE**

This policy document on deposits by BNP Paribas, India 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 recognises the rights of depositors and aims at dissemination of information with regard to various aspects like:

- Acceptance of deposits from customers,
- Principle of non-discrimination : Non Discriminatory pricing for deposits of same value and same tenure
- Transparency in pricing in terms of publication of deposit rates
- Conduct and operations of various deposits accounts,
- Nomination for individual account
- Payment of interest on various deposit accounts,
- Minors' Accounts
- Foreign Currency (Non-Resident) Account (Banks) Scheme -FCNR(B)
- Premature Closure of deposit accounts, & Penal Interest thereon
- Method of disposal of deposits of deceased depositors, etc.
- Dormant Accounts

Bank reiterates its commitments to individual customers outlined in 'Fair Practice Code' of BNP Paribas, India. This document is a broad framework under which the rights of depositors are recognized. Detailed operational instructions on various deposit schemes and related services will be issued by Bank from time to time



### **III. TYPES OF DEPOSIT ACCOUNTS**

The deposit products can be categorised broadly into the following types.

- ‘Demand deposits’ means a deposit received by the Bank which is withdrawable on demand;
- ‘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;
- ‘Term/Fixed deposit’ means a deposit received by the Bank for a fixed period withdrawable only after the expiry of the fixed period
- ‘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
- ‘Bulk Deposit’ means single Rupee term deposits of 2 crore and above
- ‘Notice deposit’ means term deposit for specific period but withdrawable on giving at least one complete banking day's notice

### **IV. 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) guidelines issued by RBI and other norms or procedures decided by the Bank from time to time. 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/her and the final decision of the Bank will be conveyed at the earliest to him/her.

B) The Account Opening Forms and other information 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. Bank official while opening the account, will 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, BNP Paribas 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. Bank charges for issue of cheque books, additional statement of accounts, folio charges, processing fees etc. and the 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.

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 for individuals / partnership firms / Private and Public Limited Companies / HUFs / Specified Associates / Societies / Trusts, etc.

Fixed Term Deposit 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 “Know Your Customer” (KYC) norms, the Bank may as required by law 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, in addition to other documents in support of proof of identity/proof of address etc. In certain cases, as the Bank may decide, Bank may waive these documents and allow open the account based on satisfactory introduction

G) Bank shall obtain, as required by the latest update to the PML Rules, Aadhar (unique-identity number issued to all Indian residents based on their biometric and demographic data) & Permanent Account Number (PAN) issued by Income Tax authorities who have been classified as mandatory documents for KYC for individuals and for person holding an attorney to transact on behalf of non-individuals.

H) Deposit accounts can be opened by an individual in his own name (known as account in single name) or by more than one individual in their own names (known as Joint Account). Savings Bank Account can also be opened by a minor jointly with natural guardian or with mother as the guardian (known as Minor’s Account).



I) 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.

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 on or before 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 by specified category, it is mandatory to be witnessed by a third party as prescribed under Banking Regulation Act, 1949. 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. Such statement can be sent electronically whenever holder so desires.

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

## **V. INTEREST PAYMENTS**

i) Interest shall be paid Quarterly on saving account at the rate specified by Reserve Bank of India 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, and will be made available for information to all on website of the Bank.





- 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. The interest on term deposits is calculated by the Bank in accordance with the formula and conventions of Indian Banks' Association. If a Fixed Deposit Receipt matures and proceeds are unpaid, the amount left unclaimed with the bank will attract savings bank rate of interest
- iii) The card rate of interest on term deposits will be displayed in the branch premises/available with Branch Manager, and on Bank's website. Changes, if any, with regard to the deposit schemes and other related services shall also be communicated upfront and shall be prominently displayed.
- iv) As a general rule, bank shall accept deposits for the tenure mentioned in the rate card. An exception if any can be made for a longer term bulk deposit with a prior approval from the Transaction banking head of the Bank. The principles of non-discrimination and transparency in pricing shall be adhered to in all such cases.
- v) 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) at the end of financial year/Quarter for the amount of tax deducted. The depositor, if entitled for exemption from TDS can submit a declaration in the prescribed format well in advance.

## **VI. MINORS' ACCOUNTS**

- i) The minor can open Savings Bank Account/Fixed/Recurring Bank Deposit and the same can be operated by the natural guardian
- 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 required for all operational purposes.

## **VII. SPECIAL ACCOUNTS**

The Bank may offer other current accounts after ascertaining the client requirements. Such accounts may include, but not limited to;

- Exchange Earner's Foreign Currency (EEFC) Account – EEFC Account
- Escrow Accounts
- Liaison Office Accounts
- Project Office Accounts
- Branch Office Accounts
- Special Non Resident Rupee Accounts



All such accounts will be provided in line with extant RBI guidelines and internal policies of the bank

**VIII. 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 will be opened provided he/she calls on the Bank personally along with a witness who is known to both the depositor and the Bank. Normally, no cheque book facility is provided for such Savings Bank Account. 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 details of account etc. given to the account holder. The Bank official shall explain the terms and conditions governing the account to the illiterate / blind person.

**IX. ADDITION OR DELETION OF THE NAME/S OF JOINT ACCOUNT HOLDERS**

The bank at the request of all the joint account holders will 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.

**X. FOREIGN CURRENCY (NON-RESIDENT) ACCOUNT (BANKS) SCHEME - FCNR(B)**

Non Resident Indians (NRIs) are eligible to open and maintain these accounts.

These accounts will be opened with funds remitted from outside India to BNP Paribas, India through normal banking channels or funds received in rupees by debit to the account of a non-resident bank maintained with us or funds which are of repatriable nature in terms of the regulations made by Reserve Bank. Accounts may also be opened by transfer of funds from existing NRE/FCNR accounts.

Remittances from outside India for opening of or crediting to these accounts should be made in the designated currency in which the account is desired to be opened/maintained. Without prejudice to this, if the remittance is received in a currency other than the designated currency (including funds received in rupees by debit to the account of a non-resident bank), Bank will convert the funds into the latter currency at the risk and cost of the remitter and account should be opened/credited in only the designated currency.

**DESIGNATED CURRENCIES**



Deposit of funds in the accounts will be accepted by Bank in GBPound Sterling ( £ ), US Dollar ( US\$ ), Japanese Yen ( ¥ ), Euro ( € ) and such other currencies as may be designated by Reserve Bank from time to time.

### **TYPE OF ACCOUNT**

These accounts may be opened only in the form of term deposit for any of the five maturity periods, viz. one year and above but less than two years, two years and above but less than three years and three years and above but less than four years, ) Four years and above but less than five years and Five years only.

### **RATE OF INTEREST**

The rate of interest on funds held in these deposit accounts will be in accordance with the directives issued by the Reserve Bank from time to time.

### **PERMISSIBLE DEBITS/CREDITS**

All debits/credits permissible in respect of NRE accounts as specified for NRE Accounts shall be permissible in respect of these accounts also.

### **INLAND MOVEMENT OF FUNDS**

Any inland movement of funds for the purpose of opening these accounts as well as for repatriation outside India of balances held in these accounts will be free of inland exchange or commission for the non-resident depositors. The Authorised dealer receiving foreign currency remittances in these accounts will also, on request, pass on the foreign currency to another authorised dealer if the account has to be opened with the latter, at no extra cost to the remitter.

### **MANNER OF PAYMENT OF INTEREST**

(i) The interest on FCNR (B) deposits would be calculated and paid at intervals of 180 days each and thereafter for the remaining actual number of days. However, the depositor will have the option to receive the interest on maturity with compounding effect.

(ii) Interest may be credited to a new FCNR(B) account or an existing/new NRE/NRO/NRNR/NRSR account in the name of the account holder, at his option.

### **LOANS/OVERDRAFTS AGAINST SECURITY OF FUNDS HELD IN THE ACCOUNT**

The terms and conditions as applicable to NRE deposits in respect of loans and overdrafts in India to depositor and to third parties as also loans outside India against security of deposits, shall apply *mutatis mutandis* to FCNR (B) deposits. The margin requirement shall be notionally calculated on the rupee equivalent of the deposits.



### **CHANGE OF RESIDENT STATUS OF THE ACCOUNT HOLDER**

When an account holder becomes a person resident in India, deposits may be allowed to continue till maturity at the contracted rate of interest, if so desired by him. However, except the provisions relating to rate of interest and reserve requirements as applicable to FCNR(B) deposits, for all other purposes such deposits shall be treated as resident deposits from the date of return of the account holder to India. Bank should convert the FCNR(B) deposits on maturity into resident rupee deposit accounts or RFC account (if the depositor is eligible to open RFC account), at the option of the account holder and interest on the new deposit (rupee account or RFC account) shall be payable at the relevant rates applicable for such deposits.

### **JOINT ACCOUNT, REPATRIATION OF BALANCES, ETC.**

Terms and conditions as applicable to NRE accounts in respect of joint accounts, repatriation of funds, opening account during temporary visit, operation by power of attorney, loans/overdrafts against security of funds held in accounts, shall apply *mutatis mutandis* to FCNR (B) accounts.

### **REPORTING**

The transactions in these accounts shall be reported to Reserve Bank in accordance with the directions issued by it from time to time.

**NOTE:** Premature withdrawal of FCNR (B) deposits will attract penalty @ 1.00 % p.a. as per the directions issued by Reserve Bank from time to time. Further Bank may recover the swap cost in case of FCNR (B) deposits in case of premature withdrawal. Where premature withdrawal of FCNR(B) and NRE deposits take place before completion of the minimum stipulated period, no interest is payable on such deposits.

#### **XI. DEPOSIT POLICIES SCHEMES AVAILABLE FOR NON RESIDENT INDIANS (NRI)**

The bank will adhere to various deposit policies schemes available for Non Resident Indians (NRIs) as revised from time to time

#### **XII. LOANS OUTSIDE INDIA**

Bank may allow our branches/correspondents outside India to grant any type of fund based and/or non-fund based facilities to or in favour of non-resident depositor or to third parties at the request of depositor for bona fide purpose against the security of funds held in the NRE accounts in India and also agree to remittance of the funds from India, if necessary, for liquidation of the outstanding.

#### **XIII. 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, without the consent of the accountholder.

#### **XIV. 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.

#### **XV. 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 insurance coverage is up to a maximum of Rs 5 lac \*\* for a deposit held by the customer in the same capacity and right in all branches of the Bank. Deposits in the name of banks, central and state governments (including quasi government bodies, local autonomous bodies, Government Corporation) and foreign government are not covered under the scheme. The details of the insurance cover in force will be made available to the depositor.

\*\* in terms of section 16 (1) of DICGC Act 1961, the limit of the total amount payable by the Corporation to any one of the depositor in respect of his/her deposits with an insured bank in the same right and capacity shall be INR 5 lakh from the February 04, 2020. Further, where the Corporation has already incurred liability before February 04, 2020 the limit of insurance cover of INR 1 lakh as in force up to the date continues to be applicable.

#### **XVI. 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. Premature cancellation can be restricted for term deposit of Rs. 2 crore and above for depositors other than individual(s) and HUF, however bank will notify such depositors of its policy of disallowing premature withdrawal in advance i.e. at the time of accepting the deposit. If not restricted, the Premature Cancellation is automatically allowed without any bar.

##### **It is summarized as under;**

For Fixed Deposits of value less than INR 2 Crore, in case of premature withdrawal of the Fixed Deposit, interest would be payable at the rate for the period for which the Fixed Deposit remained with the Bank less a foreclosure penalty

For Fixed Deposits of value of INR 2 Crore or more ('Bulk Deposits'), subject to and as per directions of the RBI from time to time, premature withdrawal of the Fixed Deposit shall only be permitted at the sole discretion of the Bank and upon such conditions as the Bank may



deem fit including but not limited to a foreclosure penalty on the interest rate for the period for which the Fixed Deposit remained with the Bank

While prematurely closing a deposit, Bank would pay interest on the deposit for the period that it has remained with the Bank at the rate applicable to the period for which the deposit remained with the Bank as on the date of placement/renewal of such deposit (The current penal interest is 1%.)

#### **XVII. INTEREST PAID AS COMPENSATION**

Keeping the best interest of customers in mind, bank shall reimburse the interest to customers in an instance of interest loss on account of any delay on the part of the bank in creation of Fixed deposit or any loss of interest on account of premature withdrawal due to any technical or manual error on the part of the bank. Bank shall reimburse the interest only after validating that the funds would have stayed with the bank for the minimum period of 7 days. Compensation to the client on account shall not be more than the actual rate of interest prevailing on the day the instruction was received by the bank (or rate of premature payment) on the date of miss-out (date of missing of deposit creation or pre-mature payment instruction).

#### **XVIII. PENAL INTEREST**

As decided by Bank's Management Committee, the applicable Penal Interest structure will be made known to all depositors at the time of placement of deposit and will be applicable till the contracted period of the said deposit.

No penalty is to be levied if the deposit is prematurely closed for the purpose of renewing with higher rate of interest for the period of more than the remaining period of the original deposit period. (Domestic, NRO & NRE)

#### **XIX. 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 as on the date of placement/renewal of such deposit

#### **XX. RENEWAL OF OVERDUE TERM DEPOSITS**

When a term deposit is renewed on maturity, interest rate for the period specified by the depositor as applicable on the date of maturity would be applied on renewed deposit. In



respect of overdue deposits, interest for the overdue period will be paid at the Savings Bank rates or the contracted rate of Interest on the matured TD, whichever is lower.

**XXI. ADVANCES AGAINST DEPOSITS**

The Bank may consider request of the depositor/s for loan / overdraft facility against term deposits duly discharged by the depositor/s on execution of necessary security documents, and Terms & Conditions as per Bank's Credit Policy. The Bank may also consider loan against deposit standing in the name of minor, however, a suitable declaration stating that loan is for the necessities of the minor, is to be furnished by the depositor - applicant. All lending facilities will carry higher remuneration than that of the deposits posted as collateral. Bank may consider granting loan/overdraft facility against deposits to third party with appropriate margin/s.

**XXII. COLLECTION OF LOCAL /OUTSTATION CHEQUES**

Covered under the Cheque collection policy of the bank.

**XXIII. SETTLEMENT OF DUES IN DECEASED DEPOSIT ACCOUNT**

- 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.
- 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 will make payment jointly to the legal heir/s of the deceased person and the surviving depositor(s). However, if the joint account holders have 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 papers 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 up to Rs. 1 lac 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.

**XXIV. 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 prevailing as on the



date of maturity, for the period for which the deposit remained with the Bank beyond the date of maturity.

- 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 applicable on the date of maturity, from the scheduled date of maturity till the date of actual payment to claimant/s /nominee.

**XXV. ISSUE OF DEPOSIT CONFIRMATION ADVICE**

Bank will issue Deposit Confirmation Advice indicating therein full details, such as, start date, period of deposit (term), maturity date, applicable rate of interest, etc.

The Deposit Confirmation Advice also provides terms and conditions for deposits

**XXVI. PAYMENT OF INTEREST ON TERM DEPOSIT MATURING ON SUNDAY / HOLIDAY / NON-BUSINESS WORKING DAY**

In case of reinvestment deposits and recurring deposits, bank will pay interest for the intervening Sunday / holiday / non-business working day (as also Saturday in case of NRE deposits) on the maturity value. However, in the case of ordinary term deposits, the interest for the intervening Sunday / holiday / non-business working day (as also Saturday in case of NRE deposits) would be paid on the original principal amount.

**XXVII. STOP PAYMENT FACILITY**

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

**XXVIII. DORMANT ACCOUNTS**

Accounts which are not operated for a considerable period of time will be 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. The depositor can request the Bank to activate the account for operating it. The Bank will make an effort to contact the customer and where appropriate, to decide to keep or close the Account.

**XXIX. UNDESIRABLE ACCOUNTS**





In case where operations in a deposit Account, is not conducted satisfactorily, bank may decide to close the account and pay the balance held in the account (net of charges, as may be applicable) after giving due notice at the last known address.

Criteria:

- i) Minimum balance in the account is not maintained
- ii) Cheques deposited in the account are frequently bounced
- iii) Cheques drawn on bank have been returned unpaid for inadequate funds
- iv) Came across negative information of the client , based on which Bank do not wish to be part of the client relationship
- v) Compulsions out of Rules/ regulations, Law of land, etc.

**XXX. BANKING CODES AND STANDARDS BOARD OF INDIA (BCSBI)**

BCSBI Code is available with the Branch Manager, and the copy shall be provided to all customers who open account with the Bank.

**XXXI. REDRESSAL OF COMPLAINTS AND GRIEVANCES**

Depositors having any complaint / grievance with regard to services rendered by BNP Paribas has a right to approach the Bank's Nodal Officer on the following address:

**Mr. Kashmira Navalkar**, Nodal Officer,  
**BNP PARIBAS**  
BNP Paribas House, 1, North Avenue,  
Maker Maxity,  
Bandra Kurla Complex, Bandra (East)  
Mumbai - 400 051  
Email: [kashmira.navalkar@asia.bnpparibas.com](mailto:kashmira.navalkar@asia.bnpparibas.com)

In case the depositor does not get response from the Bank within one month from date of complaint or if the customer is not satisfied with the response received from the Bank, the Customer has a right to approach Banking Ombudsman appointed by Reserve Bank of India.

**PROHIBITIONS**

The bank will not –



- i) pay interest on Current Account except In the case of balances lying in current account standing in the name of a deceased individual depositor / sole proprietorship concern, interest would be paid only from May 1, 1983, or from the date of death of the depositor, whichever is later, till the date of repayment to the claimant/s at the rate of interest
- ii) pay countervailing interest on any current accounts maintained with it by its borrowers;
- iii) pay brokerage in the form of commission or gift or incentives on deposits in any manner or in any other form to any individual, firm, company, association, institution or any other person except -
  - a. commission paid to agents employed to collect door-to-door deposits under a special scheme
  - b. inexpensive gifts costing not more than Rupees two hundred fifty ; and
  - c. incentives granted to staff members as approved by the Reserve Bank of India from time to time.
- iv) employ / engage any individual, firm, company, association, institution or any other person for collection of deposit or for selling any other deposit linked products on payment of remuneration or fees or commission in any form or manner, except to the extent permitted in sub-clause (i) of clause (c) above.
- v) launch prize / lottery / free trips (in India and / or abroad), etc. oriented deposit mobilisation schemes. It will not offer any banking products, including online remittance schemes, with prizes / lottery / free trips (in India and / or abroad), etc. or any other incentives having an element of chance, except inexpensive gifts costing not more than Rupees two hundred fifty only, as such products involve non-transparency in the pricing mechanism and therefore go against the spirit of the guidelines.
- vi) resort to unethical practices of raising of resources through agents / third parties to meet the credit needs of the existing / prospective borrowers or to grant loans to the intermediaries based on the consideration of deposit mobilisation.
- vii) issue any advertisement / literature soliciting deposits from public highlighting only the compounded yield on term deposits without indicating the actual rate of simple interest offered by the bank for the particular period. Simple rate of interest per annum for the period of deposit should be indicated invariably.
- viii) pay interest on margin money held in current account.
- ix) pay interest on "deposit at call" receipts issued by it to the tenderers (contractors) for submission to Government Departments / Semi-Quasi Government bodies, local bodies, etc. against the money held in current account.
- x) accept interest-free deposit other than in current account or pay compensation indirectly.
- xi) accept deposits from / at the instance of private financiers or unincorporated bodies under any arrangement which provides for either issue of deposit receipt/s favouring client/s of



private financiers or giving of an authority by power of attorney, nomination or other-wise, for such clients receiving such deposits on maturity.

xii) grant advances against fixed deposit receipts or other term deposits of other banks.

xiii)(i) open a savings deposit account in the name of Government departments / bodies depending upon budgetary allocations for performance of their functions / Municipal Corporations or Municipal Committees / Panchayat Samitis / State Housing Boards / Water and Sewerage / Drainage Boards / State Text Book Publishing Corporations / Societies / Metropolitan Development Authority / State / District Level Housing Co-operative Societies, etc. or any political party or any trading / business or professional concern, whether such concern is a proprietary or a partnership firm or a company or an association.

Explanation

For the purposes of this clause, 'political party' means an association or body of individual citizens of India, which is, or is deemed to be registered with the Election Commission of India as a political party under the Election Symbols (Reservation and Allotment) Order, 1968 as in force for the time being.

(ii) The above prohibition will not apply in the case of organisations / agencies listed in

[Annexure](#).

xiv) accept interest free deposits other than in current account or pay any compensation indirectly. The creation of any fund to be utilized for charitable purposes in consultation with the depositors will not also be in order.

**ANNEXURE**

**List of Organisations / Bodies to which the prohibitions will not be applicable**

- (1) Primary Co-operative Credit Society which is being financed by the bank.
- (2) Khadi and Village Industries Boards.



- (3) Agriculture Produce Market Committees.
- (4) Societies registered under the Societies Registration Act, 1860 or any other corresponding law in force in a State or a Union Territory except societies registered under the State Co-operative Societies Acts and specific state enactment creating Land Mortgage Banks.
- (5) Companies governed by the [Companies Act, 1956](#) which have been licensed by the Central Government under Section 25 of the said Act, or under the corresponding provision in the Indian Companies Act, 1913 and permitted, not to add to their names the words 'Limited' or the words 'Private Limited'.
- (6) Institutions other than those mentioned in clause 2.26(n)(i) and whose entire income is exempt from payment of Income-tax under the Income-Tax Act, 1961.
- (7) Government departments / bodies / agencies in respect of grants / subsidies released for implementation of various programmes / Schemes sponsored by Central Government / State Governments subject to production of an authorization from the respective Central / State Government departments to open savings bank account.
- (8) Development of Women and Children in Rural Areas (DWCRA).
- (9) Self-help Groups (SHGs), registered or unregistered, which are engaged in promoting savings habits among their members.
- (10) Farmers' Clubs - Vikas Volunteer Vahini - VVV.