

EASE

- The Government of India has mandated that all Public Sector Banks (PSBs) shall implement Reforms Agenda “Enhanced Access & Service Excellence (EASE)”
- The EASE reforms agenda aims to serve the following:
 - Strengthening Financial Health and Governance
 - Enhancing Digital and customer service Excellence
 - Fostering a Modern Future Ready workforce.

EASE

EASE	Financial Year	Theme
EASE 1.0	2018-19	Responsive and Responsible PSBs
EASE 2.0	2019-20	Clean and Smart Banking
EASE 3.0	2020-21	Smart-tech enabled banking for aspiring India
EASE 4.0	2021-22	Tech-enabled simplified and Collaborative banking

EASE

EASE	Financial Year	Theme
EASE 5.0	2022-23	Enhanced Digital Experience Data driven, Integrated and Inclusive Banking.
EASE 6.0	2023-24	Customer-friendly banking enabled by modern capabilities
EASE 7.0	2024-25	Economic Development Customer delight & Resilient Banking

EASE

EASE	Financial Year	Theme
EASE 8.0	2025-26	Driving Innovation for Business Process Re-Engineering and Customer Excellence

The four key themes of EASE 8.0 – RISE
Risk & Resilience
Innovation
Socio – Economic Impact (for Viksit Bharat)
Excellence - There are 16 action points

Customer Complaint Resolution 712/24

- Customers day 15th of every month between 3 to 5 pm.
- If holiday next working day
- Every branch to have Branch Level Customer Service Committee (BLCSC) to meet once in a month to coincide with customer day.
- Members of BLCSC – Customers – Senior Citizen, Women, Pensioner Gen Y & Z and specially abled customers

Customer Complaint Resolution

- Employees of the branch
- RO representative once in a quarter
- Invite 10-15 customers
- Mode of Grievance Redressal:
- Internal Grievance Redressal (IGR) mechanism
- Alternate Grievance Redressal (AGR) mechanism

Customer Complaint Resolution

CPGRS (Canara Public Grievance Redressal System) portal - Bank's online portal for complaint registration – IGR

Alternate Grievance Redressal (AGR) mechanism:

CMS Portal (BO) maintained by RBI

Integrated Grievance Redressal Mechanism (INGRAM) – maintained by National Consumer Helpline

Customer Complaint Resolution

Centralized Public Grievance Redress and Monitoring System (CPGRAM) – maintained by DFS,MOF, Govt of India

Customer Complaint Resolution

Time Line for Resolution of complaints

	Stipulated by MOF	Adopted by bank
General Complaints	30 days	21days
From RBI, MOF, MPs and VVIPs	21 days	15 days
Complaints forwarded by RBI from CMS portal	15 days	15 days
PM Office	15 days	7 days
CPGRAMS@	21	21

@ reduced from 30 days to 21 days wef 23.8.2024

Customer Complaint Resolution

- Banking Ombudsman: (BO)
- RBI Complaint Monitoring System (CMS)portal (<https://cms.rbi.org.in>)
- Rejected or partially redressed cases, cases in which customer is not satisfied with the reply received from the bank within 30 days of lodging the complaint and where no reply is received by the customer within 30 days of submitting the complaint are to be escalated to BO

Customer Complaint Resolution

- Customer has time of 1 year from the date of reply from the bank within 30 days of lodging the complaint or 1 year and 1 month if no reply is received from the bank within 30 days of lodging the complaint.
- If any details asked by RBI the same to be submitted by the bank within 15 days. Otherwise bank will loose the right to appeal on the order issued by RBI
- Before rejecting a complaint bank has to get the views of Internal Ombudsman

Customer Complaint Resolution

- Once the award is issued customer can accept the award or appeal within 30 days of receipt of the award.
- Bank can settle the award within 30 days from the date of receipt of acceptance of award from the customer or can prefer appeal.
- MD & CEO or the person authorized by him only can appeal

Customer Complaint Resolution

- Executive Director of RBI administering BO scheme is the appealent authority.
- The nodal officer for representing the bank in BO cases is CGM Customer Service Vertical Operation wing as the Principal Nodal Officer.
- BO can award maximum Rs 20 lac and Rs 1 lac for loss of complaint time mental agony etc over and above the amount in dispute

Door Step Banking 712/2024 & 246/2024 & Policy 81/2025

- M/s PSB alliance Pvt Ltd will be managing the door step banking (feet on street) services of all the 12 PSBs through the following 2 vendors
- M/s. Integra Micro System Private Limited.
- 2. M/s. BLS International Services Limited
- Services available in 2572 centres
- **Non Financial Services (Pick up)**
- Cheque, instruments for collection and clearing
- Cheque book requisition slip
- IT/GST Challan with cheque

Door Step Banking 712/2024 & 246/2024

- Standing Instruction
- Form 15G/15H, Submission of Life Certificate
- Nomination (Add, modify, delete) –Max 5 accounts in a single booking
- Funds transfer max 3 requests in one booking (max Rs 25000 per day)
- **Non Financial Services (Delivery Services)**
- Statement of account, Term deposit receipt (upto Rs 1 lac). TDS and Form 16 certificates
- Pre paid instruments Demand Drafts, Pay orders

Door Step Banking 712/2024 & 246/2024

- **Financial (Cash) Services:**
- **Cash withdrawal min Rs 1000 max Rs 10,000 per day**
- **Eligible accounts:** SB individual accounts single or joint with EoRs
- **CA – Individual Single and Proprietorship**
- **OD/OCC - Individual Single and Proprietorship**
- **Ineligible accounts-** SB joint accounts with operation condition jointly, Accounts in the names of entities like Partnership, Trust, Company

Door Step Banking 712/2024 & 246/2024

- **Ineligible accounts** : Inoperative, blocked ,memo attached, debit frozen accounts
- Minor account, NRI accounts not eligible
- Charges – Rs 75+GST
- Services to be availed in branches within 5 km radius from customers location
- TAT: Customer will be asked for a preferred date and time.
- any service preferred by customer upto 3 pm on any working day has to be completed on the same day within 3 hours of preference.

Door Step Banking 712/2024 & 246/2024

- Services booked after 3 pm will have the option to choose only the next day as preferred day and it has to be completed by 1 pm on the next working day

VISA Signature Credit Card 770/2024

Net work	Credit Card Variant
MasterCard	Standard, Gold, Platinum & World
VISA	Classic, Gold, Platinum & Corporate
RuPay	Classic, Platinum & Select

VISA Signature Credit Card 770/2024

- Now Canara Visa Signature Credit Card
- Min and Max Credit limits are Rs 1.50 lac and Rs 50 lac
- Min threshold transaction for waiver of inactivity fee is Rs 2 lac
- Inactivity fee Rs 1000 + GST
- Domestic airport 3 free lounge access per quarter and international 1 per quarter
- Interchange income earned will be 2.24% on transaction amount.

TIME NORMS FOR FRAUD CLASSIFICATION 818/2024 & 244/2025

Reporting Suspected frauds related to Credit	RL & FP wing within 24 hours of detection
Non credit	TM vertical Operations wing 24 hrs of detection
Reporting of cases of Theft Burglary, Robbery & Dacoity (TBRD)	TM vertical Operations wing within 24 hours of occurrence
Ordering internal investigation	Within 72 hours detection
Intimation to insurance company	Within 72 hours of receipt of information about suspected fraud
Completion of internal Investigation	Within 30 days from the date of assignment
Submission of Circle Views	Within 15 days from the date of receipt of investigation report
Placing the matter before Fraud Analysis Recommending Committee (FARC)	Within 15 days from the date of receipt of Circle Views

TIME NORMS FOR FRAUD CLASSIFICATION 818/2024 & 244/2025

Issue of Show cause notice	Within 7 days from the date of orders of FARC. To be replied within 21 days
Submission of supplementary views after show cause notice issued	Within 30 days from the date of issuance of show cause notice
Classification of suspected fraud as Fraud or no fraud	Within 6 months from the date of Redflagging
Filing complaint with Law Enforcement Authority (LEA)	Within 48 hours of detection of suspected fraud with State Police if amount is upto Rs 6 cro
	Within 3 months from the date of classification as Fraud with CBI for Rs 6 cro and above
Reporting to RBI	Within 14 days of classification
Reporting cases of TBRD	Immediately but not later than 7 days from the date of occurrence

TIME NORMS FOR FRAUD CLASSIFICATION 818/2024 & 244/2025

- Views of FARC to be placed before ED for final decision to classify an account as fraud and permit to report to RBI for amounts involving less than Rs 600 lac
- For Rs 600 lac and above permission from MD&CEO is required.
- Cases of attempted fraud need not be reported to RBI.
- But all attempted cases of frauds involving an amount of Rs 100 lac and above to be placed before Special Committee of the Board for Monitoring and Follow up of cases of Fraud (SCBMF)
- Red Flagged accounts, NPA accounts and SMA 2 accounts with exposure of Rs 25 cro and above are subject to forensic audit on a case to case basis

TIME NORMS FOR FRAUD CLASSIFICATION 818/2024 & 244/2025

Amount of Fraud	LEA	Who has to lodge
Above Rs.10,000/- but below Rs.1 lakh only if staff of the bank is involved	Local Police Station of State Police	To be lodged by the branch
Rs.1 lakh and above but below Rs.6 Crore involving outsiders and bank staff	To the State CID/ Economic Offences Wing of the State concerned.	To be lodged by RO Head / Executive not below the rank of AGM.

TIME NORMS FOR FRAUD CLASSIFICATION 818/2024 & 244/2025

Amount of Fraud	LEA	Who has to lodge
Rs. 6 Crores and above	To be lodged with Head of Zone, BS & F Zone, CBI, New Delhi	To be lodged by Circle Head.

Amount involved less than Rs 10,000 involving bank officials, Circle to take a decision to report it as a fraud or not.

The compliant shall be drafted properly and invariably be vetted by Legal Section, RL & FP Wing for cases below Rs. 50 Crore and by Vigilance wing for the cases involving Rs. 50 Crore and above before filing with CBI

Revamped Premium Current Account Variant 825/24

- ✓ Earlier Circular : 164/2024
- ✓ Modifications:
- ✓ Cash Handling charges: Nil per Rs 1 lac per day. Beyond that Rs 1 per Rs 1000 min Rs 100 max Rs 5000 per transaction
- ✓ Debit Card: Master card world with additional features
- ✓ PoS terminal: Rent waived for 1 PoS
- ✓ MDR Charges: 25% concession
- ✓ SMS Charges – Nil
- ✓ ~~Product Code 1662 – earlier 214~~

Revamped Premium Current Account Variant 825/24

- ✓ QAB : Rs 1 lac and above
 - ✓ Account closed before 1 year- Rs 2000 plus GST
 - ✓ Name Printed Charges: 500 per year free
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Performance Appraisal Report (PAR) for Workmen Employees 875/2024

- ✓ PAR is for calendar year - It is confidential
- ✓ The process to be completed within 10 working days from the close of the calendar year
- ✓ Range of Marks and Rating:

90 & above	Superior
75& above to below 90	Very Good
60 & above to below 75	Good
40 & above to below 60	Average
Below 40	Below Average

Early Warning Signal (EWS) Modification 893/24 & 224/2025

- ✓ Risk Management Group (RMG – CO) at Circles to meet fortnightly instead of Monthly
 - ✓ To analyse the alerts and provide information as under:
 - ✓ Escalate the alerts in respect of all borrowers with exposure of Rs 3 cro and above to respective credit wings as RFA or not RFA
 - ✓ To recommend NPA accounts of Rs 3 cro and above upto and inclusive of Rs 25 cro as RFA or not RFA to RL&FP Wing
 - ✓ Above Rs 25 cro to SAM wing
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Early Warning Signal (EWS) Modification 893/24

- ✓ Minutes of RMG CO Committee meeting to be sent to EWS section TM vertical within 3 days of succeeding fortnight
 - ✓ Wings to send recommendations of an account as RFA or not RFA within 3 days to receipt of recommendation from Circles to RFA HO committee
 - ✓ RMG HO Committee and Fraud Management Committee HO merged and a new committee RFA HO Committee formed – Periodicity of meeting fortnightly
 - ✓ RFA HO Committee covenor GM of transaction monitoring vertical
 - ✓ Members 12 wing Heads
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Early Warning Signal (EWS) Modification 893/24

- ✓ Quorum – 6 members- Mandatory for wing heads of RM wing CA&M Wing & RL&FP & 3 credit wings. Respective credit wings which has recommended a account as RFA has to compulsorily attend
 - ✓ Periodicity – fortnightly – to be conducted within 15 days of the succeeding fortnight ie on or before 30th day of the month for first fortnight and on or before 15th day of the succeeding month for second fortnight
 - ✓ The committee will decide a account as RFA or Not RFA within 30 days
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Early Warning Signal (EWS) Modification 893/24 & 224/2025

- ✓ Once identified as RFA to report to CRILC platform of RBI within 7 days of identification.
 - ✓ The RFA to be classified as fraud or otherwise within 6 months of classifying it as RFA.
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Important Circulars from Oct 2024 (Non Credit)

- ✓ **11/2025** – Transaction limits in NEFT and RTGS restricted during odd hours.
 - ✓ **NEFT - 7 pm to 8 AM**
 - ✓ **Retail – Transfer upto Rs 2 lacs**
 - ✓ **Corporate - Transfer upto Rs 10 lac**
 - ✓ **RTGS: 10pm to 8 am**
 - ✓ **Retail – Transfer upto Rs 5 lacs**
 - ✓ **Corporate - Transfer upto Rs 10 lac**
 - ✓ **Odd hour restriction can be removed on a case to case basis subject to**
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Important Circulars from Oct 2024 (Non Credit)

- ✓ Form as per Annex of the circular to be obtained from customers
 - ✓ To be recommend to Online Banking Section Digital Banking Services wing through TM Section CO with recommendation of Circle Head
 - ✓ DBS wing to permit
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Important Circulars from Oct 2024 (Non Credit)

- ✓ **35/2025 – Management of Undelivered personalized debit card:**
 - ✓ **Branches to update in Integrated Debit Card Management package in SAS on receipt of undelivered debit cards**
 - ✓ **Branches to redispach or hand over in person after entering in the package**
 - ✓ **Cards undelivered beyond 3 months to be destroyed as per guidelines**
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Important Circulars from Oct 2024 (Non Credit)

- ✓ **39/2025 – Authorisation of customer marked as deceased in CBS is to be done at branch level instead of by officials of Recovery Section RO**
 - ✓ **Debit cards issued to the customer marked deceased under same custid will be automatically hotlisted**
 - ✓ **Wef 10.1.2025**
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Group Term Life Insurance Policy 2025-26

- ✓ **41/2025**
 - **Bank is taking this policy since 2021-22**
 - **All Employees including Probationary Employees**
 - **Policy Period 1.2.2025 to 31.1.2026**
 - **Canara HSBC Life Insurance Company**
 - **Covers all types of deaths including natural, accidental and suicidal and death due to any illness and any pandemic or epidemic which may arise in future**
 - **Sum assured is based on Dec 2024 salary of employees**
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Group Term Life Insurance Policy 2025-26

✓ Insurance Cover:

Category of employee	Sum Assured
Subordinate cadre	20 months gross salary subject to a minimum of Rs. 10.00 lakhs
Clerical Cadre	20 months gross salary subject to a minimum of Rs. 15.00 lakhs
Officers Cadre	20 months gross salary subject to a minimum of Rs. 20.00 lakhs

- Voluntary – Bank pays 90% premium and employees 10%. If the employee not given the consent in HRMS before the stipulated date ie 20.1.25 it will be treated as deemed consent.
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Canara Card Visa Corporate revised guidelines

127/25

- Minimum annual turnover of Rs 10 cro is required for eligibility . For less than Rs 10 cro secured credit card by marking lien on the company term deposit can be issued
 - For parties not enjoying credit exposure from our bank the dealing to be satisfactory in the last 12 months. For others internal rating not less than investment grade.
 - If the corporates are enjoying credit exposure from our bank, the asset classification should be Standard and should not be in SMA 1 or SMA 2 in the last 12 months and the maximum card limit not to exceed 10% of fund based working capital limit with a maximum of Rs 25 cro
 - If the corporates are enjoying credit facilities with other bank the maximum card limit is 10% of assessed MPBF with a ceiling of Rs 10 cro
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Canara Card Visa Corporate revised guidelines

127/25

- If the corporate not enjoying any credit facility with any lender the maximum card limit will be 2% of the total sales turn over as per last year audited balance sheet with a maximum of Rs 5 cro
- Minimum limit is Rs 50,000 maximum Rs 25 cro in multiples of Rs 5000.
- For add on cards minimum is Rs 10000 and maximum is Rs 5 lac in multiples of Rs 5000 .
- Maximum Rs 50 lac per add on card may be permitted in select cases.



Canara Card Visa Corporate revised guidelines

127/25

- Upto 1000 add on cards can be issued with in the overall limit sanctioned to the corporate and atleast one add on card to be issued under primary card. Beyond 1000 add on cards can be permitted by HO on a case to case basis
- For the primary card cash with drawal limit is 50% of the card limit maximum Rs 25 lac and for add on card maximum is Rs 25000 per card.
- Charges for cash with drawl is Rs 30 per Rs 1000 cash withdrawal with minimum Rs 150 per transaction and finance charges 2.50% pm from the date of withdrawal till payment.
- Annual Fee is Rs 400 per add on card and replacement fee is Rs 300 per card



Canara Card Visa Corporate revised guidelines

127/25

- 2 reward points on every Rs 100 spent (not applicable for cash withdrawal, govt transactions and fuel transactions) and value of each reward point is Rs 0.25
 - EMI facility not available
 - Sanctioning authority:
 - Corporate Credit Card Limit
 - Upto Rs 50 lac
 - >50 upto 200 lac
 - >200 lac upto 1000 lac
 - >Rs 1000 lac upto Rs 1500 lac
 - >Rs 1500 lac upto Rs 2500 lac
 - ✓ CPC Wing Credit and Prepaid Card Wing
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|-----------------------|
| Sanctioning authority |
| RO Head CAC |
| Circle Head CAC |
| AGM CPC wing CAC |
| DGM CPC Wing CAC |
| CGM/GM CPC Wing CAC |
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Opening of Current Account - Guidelines

- Banks are free to open
- current accounts of prospective customers who have not availed any credit facilities from the banking system, subject to necessary due diligence as per their Board approved policies.
- current accounts of borrowers without any restrictions where the borrowers are having credit facilities only from NBFCs/ FIs/ co-operative banks/ non-bank institutions, etc.

Opening of Current Account - Guidelines

For borrowers who availed OD/OCC facility from the banking System: (banking system means Scheduled Commercial banks only)

- ✓ **No restriction for opening CA if the exposure is less than Rs 5 cro from the banking system**
- ✓ **Undertaking from such persons to be obtained that they will inform the bank if the OD/OCC facilities availed from them reaches Rs 5 cro or more**

Opening of Current Account - Guidelines

- ✓ If the OD/OCC exposure is Rs 5 cro and above from the banking system they can open CA only with the bank from whom they availed the facility provided that the bank has at least 10 per cent of the exposure of the banking system to that borrower.
- ✓ In case none of the lenders has at least 10% exposure of the banking system to the borrower, the bank having the highest exposure may open current accounts.

Opening of Current Account - Guidelines

- ✓ Other lending banks may open only collection accounts subject to the condition that funds deposited in such collection accounts will be remitted within two working days of receiving such funds, to the CC/OD account maintained with the bank maintaining current accounts for the borrower
- ✓ Non-lending banks are not permitted to open current accounts to such parties

Opening of Current Account - Guidelines

In case, customers who have not availed CC/OD facility from any bank, but they have other exposures branches may open current account as under:

- ✓ Exposure of Rs 50 cro and above
- ✓ Banks to put in place a ESCROW mechanism and the current account to be opened only by ESCROW account maintaining bank.
- ✓ Other lending banks can open collection accounts and the funds in these collection accounts to be transferred to the ESCROW account as per the periodicity agreed upon.
- ✓ Non Lending banks can not open Current account

Opening of Current Account - Guidelines

- ✓ Exposure of Rs 5 cro and above but less than Rs 50 cro
- ✓ Lending banks can open Current Accounts
- ✓ Non Lending banks can open Collection accounts and funds to be transferred to ESCROW account
- ✓ Exposure is less than Rs 5 cro
- ✓ All banks can open Current Account. Undertaking letter to be obtained from the customers

Opening of Current Account - Guidelines

- ✓ In all cases the CA and OD/OCC accounts to be monitored regularly atleast on a half year basis specifically with regard to exposure to the banking system of these customers to ensure compliance with these instructions
- ✓ If there is a change in exposure the revised guidelines to be implemented within 3 months
- ✓ Exemptions – Inter bank Accounts, Accounts of CRAs, RERA Account, All India Financial Institutions like SEBI, NABARD etc

Incentive - RBI

- ✓ Incentives given by RBI for opening and maintaining Currency Chests in NE Region and in accessible and hilly regions as approved by appropriate authority in J&K and Ladakh UT

Reimbursement of 100% of Capital Cost subject to a maximum of Rs 50 lac

Reimbursement of 50% of Revenue expenditure for the first 5 years

Incentives - RBI

- What is the incentive for exchange of soiled note?
- Rs 2 per packet for denominations Rs 50 & below. Above Rs 50 no incentive
- Incentive for adjudication of Mutilated Notes?
- Rs 2 per piece irrespective of denomination
- Additional incentive for distribution of Coins from 1.9.2021
- Rs 65 per bag in all areas
- Additional incentive Rs 10 per bag in Rural & SU areas
- Service charges for cash deposit by Non Chest banks in CCs
- Large Modern currency chest Rs 8 per 100 pieces
- Other Currency chests Rs 5 per 100 pieces

Incentives - RBI

- incentive calculation,
- 5000 pieces of 50 paise coins
- 2500 pieces of ₹1, ₹2 or ₹5 coins
- 2000 pieces of ₹10 or ₹20 coins
- would be deemed to constitute one bag.

Penalties - RBI

- **Penalty for shortage of notes in Soiled Note Remittance to RBI**
- **For Notes upto Denomination of Rs 50 penalty is Rs 50 per piece in addition to the shortage**
- **For Notes in denomination of Rs 100 and above equal to the value of denomination per piece in addition to shortage**

Penalties - RBI

➤ Penalty for shortage of notes & Coins in Currency Chest Balance

For Notes upto Denomination of Rs 50 penalty is Rs 50 per piece in addition to the shortage

For Notes in denomination of Rs 100 and above equal to the value of denomination per piece in addition to shortage

For Coins of all denominations penalty is equal to the value of per coin in addition to the shortage

Penalties - RBI

- **Penalty for Mutilated notes (including deliberately cut notes and built-up notes) detected in soiled note remittances and currency chest balances –**
- **Rs 50 per piece irrespective of denomination in addition to loss**

Penalties - RBI

➤ Counterfeit note detected in Soiled Note remittance Modified guidelines 429/24 & 290/25

RS 5,10,20	Recovery of loss to the extent of notional value of Counterfeit note eg one piece of Rs 20 detected – Penalty Rs 20
Rs 50	Recovery of loss plus 50% of the notional value eg if one piece of RS 50 detected Rs 50+ Rs 25 ie Rs 75 is the penalty

Penalties - RBI

➤ Counterfeit note detected in Soiled Note remittance Modified guidelines 429/24 290/25

Rs 100 & above

Graded penalty linked to counterfeit notes per million (CPM) pieces of soiled notes processed at RBI per CC

IF CPM <5 penalty is 100% of notional value of Counterfeit note detected.

IF CPM equal to or more than 5 but less than 20, penalty is 150% of notional value of Counterfeit note detected.

Equal to or more than 20 CPM 200% of notional value detected

Penalties - RBI

➤ Counterfeit note detected in Soiled Note remittance Modified guidelines 429/24 290/25

CPM formula

$$\text{CPM} = (\text{No. of counterfeit notes in Rs 100 and above} \times 10,00,000) / \text{Number of pieces in the remittance in RS 100 and above}$$

Example Rs 100 – No of pieces in the remittance 11.92.000 – Counterfeit note detected 40 pieces

Penalty : Notional value Rs $100 \times 40 = 4000$ plus
$$\text{CPM} = (40 \times 10,00,000) / 1192000 = 33.56$$

CPM > 20 so 200% of notional value of counterfeit note detected 200% of Rs 4000 ie Rs 8000 So total penalty 4000 + 8000 Rs 12000

Penalties - RBI

- Counterfeit note detected in Currency Chest Balance 429/24
290/25

Denomination	Penal Provision
Rs 5,10 & Rs 20	Recovery of loss to the extent of notional value of counterfeit notes Eg Rs 5 once piece - Rs 5 penalty
Rs 50	50% of notional value plus the recovery of loss Eg Rs 50 one piece Rs 50+Rs 25 = Rs 75
Rs 100 and above	200% of notional value plus the recovery of loss Eg Rs 500 one piece 1000+500 Rs 1500

a)Counterfeit notes returned to the tenderer without impounding. b. Disbursement of counterfeit notes over the counter c. Dispensation of counterfeit notes through ATMs.
Penalty Rs 10000 for each instance

Penalties - RBI

Non Compliance with operational guidelines by Currency Chests like Example below

Penalty of ₹5,000/- for each instance of irregularity. Penalty shall be enhanced to ₹10,000/- in case of repetition ,recurrence of irregularity in consecutive inspection

Non functioning of CCTV recording of DVR / preserving

Branch cash, documents etc kept in strong room of currency chest

Non utilization of note sorting machines

Non conducting of surprise inspection of CC by bank officials

Penalties - RBI

Violation of any of the terms of agreement with RBI (for opening and maintaining currency chests) or deficiency in service in providing exchange facilities, as detected by RBI officials e.g. (please refer next slide also)

₹10,000/- for any violation of agreement or deficiency of service. ₹5 lakh in case there are more than 5 instances of violation of agreement / deficiency in service by the currency chest / branch in consecutive inspection cycles or earlier. The levy of such penalty shall be placed in public domain.

Non-issue of coins over the counter to any member of public despite having stock.

Refusal by any bank branch to exchange soiled notes / refusal by any currency chest branch to adjudicate mutilated notes tendered by any member of public.

Penalties - RBI

Denial of facilities / services to linked branches / linked CCs of other banks	
Non acceptance of lower denomination notes (i.e. denomination of ₹50 and below) tendered by members of public and linked bank branches for exchange / deposit.	
Detection by RBI of mutilated, built up, counterfeit notes in re-issuable packets prepared by the currency chest branches.	

Other Points in clean note policy

Penalty will be levied immediately

- The Competent Authority to decide upon the nature of irregularity shall be the Officer-in-Charge of the RBI Issue Department of the Regional Office under whose jurisdiction the defaulting currency chest/bank branch is located
- Appeal by controlling office of the Currency Chest or branch to Regional Director, Chief General Manager or officer in charge of RBI within one month from the date of debit.
- Appeals to be made in CyM-CC Portal

Other Points in clean note policy

- Data on counterfeit note detected – Forged Note Vigilance cell of the bank to report to issue office of RBI before 7th of succeeding month (earlier all branches to send to RBI)
- FNV Cell to send status report as at the end of March and Sep to Central Office of RBI copy to Issue office of RBI (earlier quarterly)
- The balances of each currency chest should be verified at least at an interval of once in a month by an officer not connected with the custody of the chest and 2% percent of balances in each denomination of Rs. 100, Rs 200, Rs. 500- and Rs. 2000 to be verified through Note Sorting Machines.
- The currency chest balances should be verified at an interval of 6 months by the officials from the Controlling Office of the bank by packets and bundles and Five percent of the balances in all denominations should be verified through Note Sorting Machines.

Other Points in clean note policy

- Banks should ensure that cash receipts in the denominations of Rs 100 and above are not into re- circulation without the notes being machine processed for authenticity.
- Large modern currency chests should have a minimum area for strong room/vault of..... and processing capacity of Bank notes per day. A) 1500 square feet b) in case of hilly / inaccessible places it should be at least 600 square feet. c) Processing capacity of 6,60,000 pieces of banknotes per day d) For those situated in the hilly/ inaccessible places, processing capacity of 2,10,000 pieces of banknotes per day. E) a to d all correct Ans e
- What is the minimum Chest Balance limit of Large modern currency chest? Rs 10 billion (Rs 1000 cro)



Other Points in clean note policy

- Cash-out at any ATM of more than ten hours in a month will attract a flat penalty of ₹ 10,000/- per ATM effective from 1.10.2021
- RBI issues guidelines for penalties and incentives for bank branches as per Sec 35 A of BR Act & 45 of RBI Act. for realizing the objective of Clean Note Policy
- The currency chests shall invariably report all transactions through CyM – CC portal to RBI before 7 Pm on the same day

Penal Interest for delay /wrong reporting CC transactions is Bank rate + 2%

Soiled note remittance RBI if shown as withdrawal from chest and if diversion is not shown through CyM CC Portal and shown as withdrawal from Chest and for delayed reporting where chest has net deposit penalty is Rs 50,000

Other Points in clean note policy

- What is the maximum number of soiled notes that can be exchanged for general public in a day free of cost?
- 20 pieces with a maximum value of Rs 5000. More than that within 7 days
- What is the maximum number of mutilated notes that can be adjudicated for general public in a day free of cost?
- 30 pieces with a maximum value of Rs 5000. More than that within 30 days