WELCOME TO CBOA SESSION



TODAY TOPIC - FEW POLICIES OF BANK

SESSION WILL START @ 10.00 AM (2.10.2026)

PLEASE MUTE YOUR MIKES and VIDEO TOO

PRESENTATION WIL BE SHARED AFTER SESSION (NO NEED TO PREPARE ANY NOTES OF MY SESSION)


Canara Bank
Together We Can
Congratulations
ON SURPASSED
30.70
LAKH CRORE
IN TOTAL BUSINESS
A STRONGER CANARA BANK
FOR A BRIGHTER TOMORROW

POLICY NO	DATE	NAME
2	30.01.2026	RETAIL LENDING POLICY OF THE BANK FOR THE FY 2025-26 UPDATED TILL 30-01-2026
3	17.02.2026	Policy Guidelines on Forward Contracts
4	17.02.2026	Policy on Pricing and Documentation for Overseas Investment by Persons
5	26.02.2026	The Digital Personal Data Protection (DPDP) Policy for the FY 2026-27
6	06.03.2026	IT SERVICES OUTSOURCING POLICY FOR FY 2026-27 AND SOP
7	10.03.2026	GOVERNMENT BUSINESS POLICY 2026-27
8	10.03.2026	POLICY ON DOMESTIC BRANCH (BANKING OUTLET) AUTHORISATION – FY 2026-
9	11.03.2026	POLICY GUIDELINES ON ESTABLISHMENT OF CORRESPONDENT BANKING
10	13.03.2026	Credit Concentration Risk Policy Framework for the FY 2026-27
11	13.03.2026	Portfolio Risk and Limit Setting Framework for the FY 2026-27
13	13.03.2026	Policy on Penal Charges in Rupee Loans/Advances for Domestic Branches for the FY 2026-27
14	13.03.2026	Counterparty Credit Risk Management Policy of the Bank FY 2026-27
15	16.03.2026	Risk Based Pricing Policy Framework for the FY 2026-27
17	20.03.2026	Asset Categorization Policy Framework for the FY 2026-27
18	20.03.2026	Collateral Management Policy & Policy on Framework for Collateral Allocation
19	18.03.2026	Policy for Performance Linked Incentive (PLI) Scheme for Senior Executives in
20	20.03.2026	ADDITIONAL PROVISIONS FOR STANDARD ASSETS FOR FY 2026-27
21	20.03.2026	FINANCIAL INCLUSION POLICY OF THE BANK FOR FY 2026-27
22	23.03.2026	CASH AND BANKER'S BALANCE MANAGEMENT POLICY FOR THE YEAR 2026-27

Internal

23	23.03.2026	Enterprise Fraud Risk Management (EFRM) policy for FY 2026-27
24	24.03.2026	POLICY ON SAFE DEPOSIT LOCKERS SAFE CUSTODY SERVICES FOR FY 2026-27
25	25.03.2026	POLICY ON WORK FROM HOME (WFH)
26	25.03.2026	THE POLICY ON MANDATORY LEAVE
27	25.03.2026	EMPLOYEES' GRIEVANCE(S) REDRESSAL POLICY
28	25.03.2026	POLICY ON "USE OF SOCIAL MEDIA/ELECTRONIC MEDIA/INTERNET BLOGS ETC,
29	25.03.2026	WHISTLE BLOWER POLICY - REPORTING IRREGULAR PRACTICES IN ANY
30	25.03.2026	RIGOUR POLICY FOR OFFICER EMPLOYEES FOR PROMOTION
31	25.03.2026	ADVANCE PAYMENT APPROPRIATION POLICY FOR FY 2026-27
32	25.03.2026	RELATED PARTY TRANSACTION POLICY FOR FY 2026-27
34	25.03.2026	CREDIT REVIEW AND MONITORING POLICY FOR THE FY 2026-27
35	25.03.2026	Mutual Fund Distribution Policy for FY 2026-27
36	25.06.2026	CCPS POLICY FOR FY 2026-27
37	26.03.2026	AI Governance Policy 2026-27
39	26.03.2026	BANCASSURANCE BUSINESS POLICY FY 2026-27
41	27.03.2026	WEB COMMUNICATION POLICY FOR THE FINANCIAL YEAR 2026-27
43	27.03.2026	PUBLICITY POLICY FOR THE FY 2026-27
44	27.03.2026	DONATION POLICY FOR THE FY 2026-27

45	27.03.2026	MEDIA MANAGEMENT POLICY FOR FY 2026-27
47	27.03.2026	DIGITAL TRANSACTION RECONCILIATION POLICY for the Financial Year 2026-27
48	27.03.2026	Social Media Policy of the Bank for the Financial Year 2026-27
50	27.03.2026	POLICY ON SECURITY & FIRE SAFETY FOR THE FY 2026-27
52	27.03.2026	Information and Communication Technology Policy of the Bank for the Financial
55	27.03.2026	DATA ANALYTICS AND INFORMATION SYSTEM POLICY FOR THE FINANCIAL YEAR
56	27.03.2026	Death Claim Settlement Policy of the Bank for the FY 2026-2027 & Amendment
57	27.03.2026	ARCHIVAL POLICY for the FY 2026-27
58	27.03.2026	Data Migration Policy for the FY 2026-27
59	27.03.2026	Non Credit Assets & Liabilities (Accounts) Elimination Policy for the FY 2026-27
60	27.03.2026	Internal Office Accounts (GLs & Internal Collection Accounts) Policy for the Financial Year 2026-27
61	27.03.2026	ATM / Cash Recyclers Cash Transaction Dispute and Exception Handling Policy
62	27.03.2026	Information and Communication Technology (ICT) Projects Management Policy
63	27.03.2026	Application Whitelisting Policy for the year 2026-27
64	27.03.2026	E-Mail policy of the Bank for the Financial Year 2026-27
65	27.03.2026	POLICY ON STAFF ACCOUNTABILITY FOR FY 2026-27
67	30.03.2026	EARLY WARNING SIGNALS POLICY OF THE BANK FOR THE FY 2026-27
68	31.03.2026	POLICY ON INSOLVENCY and BANKRUPTCY CODE (IBC) 2016 FOR THE FY 2026-
69	31.03.2026	FRAUD RISK MANAGEMENT POLICY OF THE BANK FOR FY 2026-27

58	70	31.03.2026	Inspection Policy of The Bank for The Year 2026-27
59	71	31.03.2026	The Depositor Education and Awareness Fund Policy for the FY 2026-27
60	72	31.03.2026	Premises Allied Matters Policy 2026-27
61	73	31.03.2026	GOLD LOAN POLICY OF THE BANK FOR THE FINANCIAL YEAR 2026-27
62	74	31.03.2026	POLICY FOR MAKING PROVISION ON CLAIMS AGAINST BANK Version No 7 2026-27
63	75	31.03.2026	Information System Audit Policy – 2026-27
64	76	31.03.2026	AGRICULTURE LENDING POLICY OF THE BANK FOR THE FY 2026-27
65	77	31.03.2026	MICRO FINANCE POLICY OF THE BANK FOR THE FINANCIAL YEAR 2026–27
66	78	31.03.2026	Internet Policy For FY 2026 - 27
67	79	31.03.2026	Fund Transfer Pricing (FTP) Policy for the year 2026-27
68	81	31.03.2026	DIGITAL BANKING POLICY FOR FINANCIAL YEAR 2026-27
69	82	31.03.2026	COMPLIANCE POLICY OF THE BANK FOR THE FINANCIAL YEAR 2026-27
70	84	31.03.2026	MSME Policy of the Bank for the Financial Year 2026-27 (updated till 05-12-2025)
71	85	31.03.2026	RETAIL LENDING POLICY OF THE BANK FOR THE FY 2026-27
72	88	01.04.2026	ANTI-MONEY LAUNDERING (AML), COMBATING THE FINANCING OF TERRORISM
73	89	01.04.2026	BANK SECRECY ACT (BSA)/ ANTI-MONEY LAUNDERING (AML)/ OFFICE OF
74	90	01.04.2026	KYC/AML/CFT Policy (Domestic Branches) for FY 2026-27
75	91	01.04.2026	ANTI MONEY LAUNDERING, TRADE BASED MONEY LAUNDERING & KYC

76	92	01.04.2026	ANTI MONEY LAUNDERING (AML), COUNTER TERRORIST FINANCING (CTF)
77	93	01.04.2026	DOCUMENT HANDLING, DIGITISATION OF RECORDS & RETENTION POLICY FOR FY
78	96	01.04.2026	Credit Risk Management–Data Management Policy for the FY 2026-27
79	97	01.04.2026	Credit Risk Management–Model Risk Policy for the FY 2026-27
80	98	01.04.2026	POLICY ON INSURANCE COVERAGE ON BANK ASSETS 2026-27
81	100	01.04.2026	Learning & Development Policy for FY 2026-27
82	101	02.04.2026	Green Deposit Policy & Lending Framework for FY 2026-27
83	103	02.04.2026	Credit Risk Management-Model Validation Policy for the FY 2026-27
84	104	02.04.2026	Customer Rights Policy for the Financial year 2026-27
85	105	02.04.2026	Cheque Collection and Dishonour policy for the Financial Year 2026-27
86	106	02.04.2026	Procurement Policy 2026-27
87	107	02.04.2026	Policy on General Management of the Bank Branches for the Financial Year 2026-
88	108	02.04.2026	Grievance Redressal Policy for the Financial year 2026-27
89	110	02.04.2026	Compensation & Customer Protection for Limiting Liability of Customers in
90	111	02.04.2026	Policy on Doorstep Banking Services for the Financial Year 2026-27
91	113	02.04.2026	OFFSITE TRANSACTION MONITORING (OTM) POLICY OF THE BANK FOR THE FY
92	114	04.04.2026	GROUP RISK MANAGEMENT POLICY FOR THE FY 2026-27
93	116	04.04.2026	Cyber Crisis Management Plan (CCMP) for the FY 2026-27
94	117	06.04.2026	Cyber Security Policy FY 2026-27
95	118	06.04.2026	Information Security Policy FY 2026-27
96	119	06.04.2026	Group Cyber Security Policy - FY 2026-27
97	120	06.04.2026	Cyber Security Policy of Foreign Branches - FY 2026-27
98	122	06.04.2026	ESG Policy (Sustainability Framework) for the FY 2026-27
	123	07.04.2026	Policy for Sustainable Development & Corporate Social Responsibility [SD & CSR]

00	124	07.04.2026	Cloud Policy of the Bank for the Financial Year 2026 – 27
01	126	09.04.2026	Risk Culture Policy and Framework for FY 2026-27
02	128	23.04.2026	National Pension System (NPS) Policy for FY 2026-27
03	130	04.07.2026	Dividend Distribution Policy for the FY 2026-27
04	131	07.07.2026	WEB COMMUNICATION POLICY OF THE BANK FOR THE FINANCIAL YEAR 2026-27
05	132	07.07.2026	Social Media Policy of the Bank for the Financial Year 2026-27
06	134	13.07.2026	Publicity Policy of the Bank for the Financial Year 2026-27
07	135	13.07.2026	Media Management Policy of the Bank for the Financial Year 2026-27
08	136	13.07.2026	Donation Policy of the Bank for the Financial Year 2026-27
09	138	30.07.2026	RETAIL LENDING POLICY OF THE BANK FOR THE FY 2026-27 UPDATED TILL 30-06-2026

Confidential

POLICIES OF BANK



- 29/26 - WHISTLE BLOWING POLICY (9-Page)
- Important tool for Preventive Vigilance
- Policy is based on the provisions of Companies Act, in compliance clauses of listing agreement of SEBI and RBI Directions
- Enables our Director and employees to
- Report unethical practices,Frauds, if they observe in any operational area.
- Any allegations of corrupion or misuse of office
- that could jeopardize the interest of the Bank

Designated Authority : CGM, H R&PR Wing, HO (in his absence : GM -Overseeing IR Section)

Authorised officer : AGM/DGM HR&PR wing (CGM HR will identify)

Confidential

WHISTLE BLOWING POLICY

- MODE OF MAKING COMPLAINT : **(2 ways)**
  - Physical mode to Designated Authority at HR Wing, HO, Bengaluru
  - Or
  - SAS package

- **PROCEDURE TO BE FOLLOWED BY WHISTLE BLOWER (Physical mode)**

- **Closed/secured envelope**

- Addressed to the CGM, H R Wing, HO who is "Designated Authority"

- CGM HR can authorize an officer not below the level of DGM/ AGM of HR for receiving complaints.

- **Envelope shall be superscribed with "Complaint under The Whistle Blower Mechanism".**
- **If NOT superscribed - not be possible to protect the complainant**
- (dealt with as a **normal complaint.**)

Confidential

WHISTLE BLOWING POLICY

- -Name, Address, Telephone number, email id, in the **beginning or end of the complaint or in an attached letter.**
- Opened by an Authorized official in presence of Designated authority.
- **Identity of the complainant would be confirmed** by the **Authorized Official** by writing a letter to him/her.
- Complainant will **confirm within 30 days** that he had sent the complaint and **also confirm/ certify that he had not made** similar/ identical allegations of corruption/ misuse of office to any other authority to qualify as a "Whistle Blower" complainant.
- **If identity not confirmed**:Will be **treated as anonymous/pseudonymous**
- After the identity of the complainant is confirmed : AO shall enter the details in SAS package
- **If through SAS** : Identity of the complainant need not to be established as it is confirmed at the time of submitting the complaint through OTP authentication
- **After the identity is confirmed**, the AO will ensure that the identity of the complainant is removed from the body of the complaint and the dummy complaint is given a number with which the original complaint can be traced back

Confidential

- The **original complaint -safe/almirah** under **dual custody- Access to DGM/AGM & CGM**

- **Dummy complaint would be submitted to 'Designated Authority'** who take the decision about action

- **NO action on complaints** relating to administrative matters like **Recruitment, Promotion, Transfers and other related issues.**

- Where a decision has been taken to call for a report, a maximum time limit of **2 weeks may be given.**

- **No reply in 2 weeks - 1st** reminder be sent at the level of the AO.

If no reply is **still received within one week**, 2nd reminder should be sent at the level of the "Designated Authority".

If no reply is still received with in a week, the "Designated Authority' may call for an explanation and recommend administrative action for deliberate delay

Confidential

- On receipt of the report- AO place the matter to 'Designated Authority
- Designated Authority take appropriate action as per norms

- The Designated Authority may take a call on the matter and take appropriate action as per Bank norms. The orders of the Designated Authority will be conveyed to the concerned CO/ HOSA/SAS for initiating appropriate action. Upon receipt of confirmation regarding initiation of action, the Whistle Blower Complaint stands closed.

- **If serious complaints/irregularities : Designated authority shall order** for **Investigation.**

- A Whistle Blower **complaint shall be closed within 90 days** from the date of receipt of the complaint.

- After reciept of Investigation Report- scrutinized by **FARC (Fraud analysis & Recommending committee - 5 GMs committee)**

- AO shall monitor their progress periodically and put up the same to the 'Designated Authority **every 2 weeks**.

- **Genuine Whistle Blowers - Complete protection**

Reporting No of comp.: HR wing Quarterly to Audit Committee of Board

- **Anonymous/ pseudonymous complaints will not be entertained.**

Confidential

WHISTLE BLOWING POLICY

WHISTLE BLOWER COMPLAINT BY DIRECTORS OF THE BANK

- **Designated Authority** : Chairperson of ACB
- **Authorised officer** : CGM – HR (absence GM-IR Vetical)

- **Mode of making complaint** : Physical form only

- "Designated authority" take a decision and identify any official for conducing an investigation in the matter. Investigating officer to submit the report to AO with in **30 days**

- **--all other points same -----**

Confidential

Terminal Questions

Under Whistle Blower mechanism, Complainant will be required to confirm with in _____of receipt of letter that he had sent the complaint and also confirm that he had not made similar or identical allegations of corruption, misuse of office to any other authority to qualify as a “Whistle Blower” complainant

1) **30 DAYS**
2) **15 DAYS**
3) **10 DAYS**
4) **45 DAYS**

Answer is : **3O DAYS**

Confidential

Terminal Questions

- **Who is the Designated Authority as per Whistle Blower Policy ?**

1) **GM (Overseeing IR Section)**
2) **AGM/DGM HR wing**
3) **CGM, H R Wing, HO**
4) **Executive Director, HO**

Answer: CGM, H R Wing, HO

Confidential

Terminal Questions

- As per Whistle Blower Policy, in the Absence of Designated Authority, _____ plays the role of Designated Authority.

1) GM (Overseeing IR Section)
2) AGM/DGM HR wing
3) Circle Head
4) Executive Director, HO

Answer: GM (Overseeing IR Section)

Confidential

Terminal Questions

Under Whistle Blowing mechanism out of the following options given **which one is not applicable**

1) **CGM , H R Wing, HO is the “Designated Authority**
2) **Any allegations of corruption or of misuse of office will be reported"**
3) **"Envelope shall be superscribed with “Complaint under TheWhistle Blower Mechanism”"**
4) **Anonymous/ pseudonymous complaints will be entertained.**

Answer is : **Anonymous/ pseudonymous complaints will be entertained**

Confidential

Terminal Questions

- As per Whistle Blower Policy, CGM HR can authorize an officer not below the level of _____ of HR for receiving complaints.

1) DM
2) GM
3) Section Head, IR Section
4) DGM/ AGM

Answer: DGM/ AGM

Confidential

Terminal Questions

- As per Whistle Blower Policy complaints should be sent through closed/secured envelope, envelope shall be superscribed with _____.

1) "Information under The Whistle Blower Mechanism".
2) "Reporting under The Whistle Blower Mechanism".
3) "Complaint under The Whistle Blower Mechanism".
4) Super scribed is not compulsory.

Answer: "Complaint under The Whistle Blower Mechanism".

Confidential

Terminal Questions

- Under Whistle Blowing mechanism **where a decision has been taken to call for a report, a maximum time limit of ….. weeks may be given.**

1) **1 Week,**
2) **2 Weeks,**
3) **10 days,**
4) **2 Weeks,**

Answer: 2 Weeks,

Confidential

Terminal Questions

- A Whistle Blower **complaint shall be closed within …..** **days** from the date of receipt of the complaint.
- .

1) **90 days,**
2) **30 days,**
3) **60 days,**
4) **45 days,**

Answer: 90 days

Confidential

Terminal Questions

- **Which is the following is not a correct statement for Whistle Blower Policy ?**

1) **The original complaint -safe/almirah under dual custody- Access to DGM/AGM & CGM**
2) **Envelope should be open by an Authorized official in presence of Designated authority.**
3) **Envelope shall be superscribed with “Complaint under The Whistle Blower Mechanism”.**
4) **Complainant should confirm within 15 days that he/ she had sent the complaint**

Answer: Complainant should confirm within 15 days that he/she had sent the complaint

Confidential

WEB COMMUNICATION POLICY 131/2026 -

1.Copy right policy
2. Hyperlink Policy
3. Terms and Conditions
4. Privacy and cookies policy
5. Content contribution, Moderation and Approval Policy
6. Web Content Review Policy
7. Content Archival Policy
8. Website security Policy
9. Website Monitoring policy
10.Contingency Management

All these Policies together are termed as “Web Communication Policy”.

Confidential

WEB COMMUNICATION POLICY -

Content Archival Policy : Archival Policy for the content elements on the Bank's corporate website will be as per the following table

Sl	Content	Entry into Archive	Exit from Archive
1	About Us	1 YEAR	8 YEARS
2	PMJDY & Financial Inclusion	1 YEAR	8 YEARS
3	Awards & Achievemens	1 YEAR	8 YEARS
4	Press Release	1 YEAR	8 YEARS
5	Announcements	1 YEAR	8 YEARS
6	Careers	1 YEAR	8 YEARS
7	Whats new	1 YEAR	8 YEARS

Confidential

30/2026 : RIGOUR POLICY FOR OFFICER EMPLOYEES FOR PROMOTION

MINOR PENALTY---NO punishment for promotion

4 [f] of CBOE- Major penalty : Increments deduction

NO Promotion for 1 YEAR from the date of imposition of the punishment.

4 [g] of CBOE- : Punishment of Reduction in Grade or Post .

NO Promotion for 2 YEARS from the date of imposition of the punishment.

Confidential

SOCIAL MEDIA POLICY 67/25)

Part A : Employees, Part B- Customers

Part C –Social media response management

Industry estimates Internet enable Smart Phone : Rs 3000

"Social Media": Social media is the social interaction among people in which they create, share or exchange information and ideas in virtual communities and networks

"X" (erstwhileTwitter): Twitter is an online social networking service that enables users to send and read "tweets" which are **text messages limited to 280 characters**

"Facebook": Facebook is a social utility that connects people with friends and others who work, study, and live around them. Facebook is the **largest social network in the world** with more than **3.07 billion users.**

Confidential

SOCIAL MEDIA POLICY

"**LinkedIn**": LinkedIn is a **business-oriented social networking site.**

"Pinterest": It is a dynamic social media platform for sharing favorite images, videos, fun media, etc

WhatsApp Business" : It is a business-oriented social networking Android App which enables users to have a business presence on WhatsApp, communicate more efficiently with the customers and help them to grow their business.

"Instagram" : It is a **photo and video-sharing** social networking service **owned by Facebook**

Confidential

SOCIAL MEDIA POLICY

Popular social media platform presently being used in India by marketers is **Facebook followed by X , You Tube, etc.**

Turn Around Time (TAT)

First Level Response to **customer queries** shall be done in less than **15 minutes** by the vendor managing the social media activities

Queries/issues on services :

- **E-**mail should be responded within **5 hours of receiving the email**.
- If the **first level contact does not respond in first 5 hours** of receiving the email, the **matter will be escalated to Second level contact**, who should **respond to the customer query before the end of working hour of Day 1**.

Confidential

SOCIAL MEDIA POLICY

Uploading, forwarding or posting any of the following types of material on a social media website, whether in a professional or personal capacity, will amount to gross misconduct (this list is not exhaustive):

- A false and defamatory statement about any person or Bank;
- Material which is offensive, obscene, criminal, discriminatory, derogatory or may cause embarrassment to Bank, Customers or Staff;
- Confidential information about Bank or any of Staff or Customers;
- Any other statement which is likely to create negative impact.
- No Staff shall post any internal content related to our bank or banking event in his/her individual capacity on social media without the approval of concerned executive in Publicity and Public Relations Section, Marketing vertical.

- Staff Complaints on Social Media: No Staff shall post any comment on social media that creates a negative impact on the Bank image and shall be routed through appropriate internal channels.
- For any Staff related matter on social media platform, matter will be appraised to HR Wing for information and necessary action.

Confidential

SOCIAL MEDIA POLICY (Dos and Donts)- 28/26

- Don't create / form / promote any group/ community on any internet site which uses the name or logo of Canara Bank and or shall not become member of any such group or community, unless such group is expressly created by the Bank.
- Use of Social Media/ creating profiles/ blogs are permissible for personal use. And it should be in the real name in individual capacity. (ensure proper behaviour)
- Dont post views on Social Media which may be defamatory to the Bank or its staff
- Don't Criticize or comment on the Management of the Bank or the business process or strategies of the Bank or policies of the Bank
- Don't disclose any information about any employee/ ex-employee or customer of the Bank including their personal details
- Don't use the name "Canara Bank" while expressing any views
- Don't canvass for any donation, lottery or indulge in 3rd party marketing/ business promotional activities/ affairs in the name of Canara Bank.
- Don't publish any official information/ circulars/ memorandum / manual/ documents, any other communication. (in the form of Book, e-publication or e-paper or in any electronic form).
- Don't comment on confidential financial information such as Bank's future business performance, business plans, about alliances, or prospects anywhere in the world, in conversations including with friends

Confidential

Terminal Questions

- Which of the following is not a Social media platform

- **1. LinkedIn**
- **2. Pinterest**
- **3. Twitter**
- **4. Jumb book**

Answer is : **Jumb book**

Confidential

Terminal Questions

- Twitter is an online social networking service that enables users to send and read "tweets", which are **text messages limited to …….characters.**

1) **280**
2) **260**
3) **250**
4) **200**

Answer is : 280 character

Confidential

Terminal Questions

- As per Social media policy of the bank First Level Response to customer queries shall be done in less than ……by the vendor managing the social media activities

1) **5 HOURS**
2) **15 minutes**
3) **1 HOUR**
4) **END OF THE DAY**

Answer is : 15 MINUTES

Confidential

Terminal Questions

- **As per Social Media Policy,** E-mail should be responded within _____ **hours of receiving the email**, if not responded the **matter will be escalated to Second level contact**, who should **respond to the customer query before the end of working hour of _____.**

1) **5 Hours, Day 1**
2) **3 Hours, Day 1**
3) **5 Hours, Day 2**
4) **3 Hours, Day 2**

Answer: 5 Hours, Day 1

Confidential

Terminal Questions

- **Which of the following is not correct, in terms of Gross Misconduct as per Social Media Policy?**

1) **Sharing confidential information about Bank or any of Staff or Customers**
2) **Don't use the name "Canara Bank" while expressing any views.**
3) **No Staff shall post any internal content related to our bank or banking event in his/her individual capacity on social media without the approval of concerned authority**
4) **Use of Social Media/ creating profiles/ blogs are not permissible for personal use.**

Answer: Use of Social Media/ creating profiles/ blogs are not permissible for personal use.

Confidential

105/26 : POLICY ON Cheque Collection and Dishonour

The Modalities for Continuous Clearing with Settlement in CTS :

I. Single presentation session with continuous delivery

i.There shall be a single presentation session from 10:00 AM to 4:00 PM.

ii.Cheques received by branches shall be scanned and sent to clearing house/grid by banks immediately and continuously during the presentation session.

iii.The Clearing house/grid will in turn release the cheque images to drawee banks on a continuous basis.

II. Continuous Inward Clearing processing and confirmation by Banks:

- **The confirmation session will start at 10:00AM and close at 07:00 PM.**
- **For every cheque presented, the drawee bank shall generate either positive Confirmation (for honoured cheques) or negative confirmation (for dishonoured Cheques).**

Confidential

105/26 : POLICY ON Cheque Collection and Dishonour

III. Time available for inward processing :

From 3.1.26, the item expiry time of cheques shall be T+3 clear hours. For example, the cheques received by drawee banks between 10 AM and 11 AM will have to be confirmed positive or negative by 2 PM (3 hours from 11:00 AM)

Confirmation not provided by the drawee bank in the prescribed 3 hours shall be treated as deemed approved

Settlement on realization : Starting from 11:00 AM, settlement will be arrived every hour till the end of confirmation session.

Releasing payment to customers : Presenting bank shall process the same and release the payment to the customers immediately, **but not later than 1 hour from successful settlement**

Confidential

105/26 : POLICY ON Cheque Collection and Dishonour (P-30)

IMMEDIATE CREDIT OF LOCAL/ OUTSTATION CHEQUE

Eligible Persons : Individual/Joint SB /CA & Retired employee provided

- Account is satisfactory for **at least 6 months**.

The Bank has **not noticed any irregular dealings** in the A/C.

No cheques / instruments for which immediate credit was afforded **returned unpaid** for financial reasons.

The **bank has not experienced any difficulty in recovering any amount advanced in the past** including cheques returned after immediate credit

Ineligible Persons : Minors, NRI and Employees

Ineligible Instruments: Self cheques, Endorsed cheques and **Exchange Company cheques**

Eligible Amount: Rs 15000/- (Outststaion chq without request)

Rs 15000/- (Local cheque with request)

Confidential

: POLICY ON Cheque Collection and Dishonour

If cheque is returned unpaid, **interest is chargeable from the date of return of such a cheque till the recovery of the amount** thereof.

ROI shall be charged as under:	
If no loans	ROI as applicable to loans up to Rs.2 lacs
If party having Loans	Appropriate ROI after determining the size of the limit **duly aggregating other limits/liabilities Permitted/outstanding**

Cheque truncation system- Sec 131 of NI Act 1881

Confidential

: POLICY ON Cheque Collection and Dishonour

OUTSTATION CHEQUES

For cheques **sent for collection to centers within the country** the following time norms shall be applied

Drawn on state capitals – 7 days
Drawn on major cities and – 10 days
Drawn on other locations – 14 days

Delay beyond 7/10/14 days of outstation cheques : FD rate
Extraordinary delay i.e delays exceeding 90 days ROI: TD+ 2%
If collection was to be credited to OD : ROI applicable to loan
For extraordinary delay OD : 2% above rate applicable to loan
Delay in realization of local cheques : Compensation @ SB

Payment of int. on delayed collection of Outstation Cheques : interest shall be paid **without any demand** from customers.

Penalty not applicable : Lottery tickets & other bank matured Dep

Confidential

POLICY ON Cheque Collection and Dishonour

Cheques/ lost in transit/in clearing process or at paying banks' branch

: If intimation of loss of instruments is conveyed to the customer beyond (7/10/14 days as the case may be), interest will be paid for the period exceeding the stipulated collection period at the : **SB ROI**

In addition : Further period of 15 days : SB (if delay in obtaining duplicate cheque/ instrument)

Bank would also compensate the customer for any reasonable charges he/ she incurs in getting duplicate cheque upon production of receipt

Charging ROI of cheques return unpaid :
If the proceeds of cheque credited to the SB and were not withdrawn : NO INTEREST
If proceeds credited to OD : **OD +2%** from **date of credit** to **date of reversal.**

Bank shall collect **account payee cheque** for **an amount not exceeding Rs.50000/- to the account of cooperative societies account holders**, if the payees of such cheques are the constituent of such co-operative societies.

Payment of Interest for Delays in collection of bills : The lodger"s bank shall pay interest to the lodger for the delayed period in respect of collection of bills @SB+2%

Confidential

POLICY ON Cheque Collection and Dishonour POLICY

Cheque payable in Foreign Countries: (Monitored by Integrated Treasury Wing)

Risk perceived in collection of USD Denominated Instruments

As per US Laws, materially altered cheques where the beneficiary's name has been changed and/or the amount of the cheques altered or fraudulent alterations made on the face of any instrument, **such instrument/s can be returned within 12 months for wrongful payment of the cheque made earlier**

Similarly, on account of frauds on the reverse of any instrument (**fraudulent endorsements**), such instrument/s can be returned within **3 years from the date of payment made earlier**

Products offered by us for USD denominated instruments:

- Cheques drawn in USD and payable in USA are only eligible for collection under the arrangement with **Wells Fargo Bank and Bank of America**.
- **Cheques drawn in USD and payable outside USA** shall have to be sent on collection directly to the drawer Bank & collection period ranges from 45 – 60 days

Confidential

POLICY ON Cheque Collection and Dishonour

Cash Letter Service (CLS) with Recourse :

- Cheques are scanned and images sent online to **Bank of America & Wells Fargo Bank in USA** in encrypted format.
- After clearance of the same in local clearing the amount shall be credited to our Nostro a/c **After waiting period of 21 days from the date of credit to our Nostro a/c, the funds can be credited to the a/c holder**
- Upto **USD 2,000** only (**CHARGE USD 6 per instrument**).

Final Credit Service (FCS) without Recourse :

- **Only Wells Fargo Bank is providing Final Credit Service. (**Physical cheque is forwarded)
- Value of cheque : USD 2,001 to USD 250,000 shall be processed.
- (**Charges USD 30 per instrument (Even Chq return also same charges : USD30+ COURIER)**
- **USD 2,000 can also be processed at the specific request** from customer.
- **Chq Realisation in 10 to 20 working days from the date of receipt of cheque in USA).**
- Once the amount of cheque is credited to our Nostro a/c, the collecting Bank i.e. Wells Fargo Bank **cannot debit our a/c or claim refund of the amount** of the cheque at a later date, on account of any alteration on the front of the cheque
- **Funds will be credited immediately on sighting the credit in our Nostro a/c**

Above USD 250,000 & USD cheques drawn on other than USA shall be handled under Collection : Usually take 30 to 60 days to clear, and occasionally 90 days.

COMPENSATION : NRI clients : NRE SB

Resident customers : @SB

INSTANT CREDIT : USD, GBP and EURO up to the equivalent of USD 10000

Confidential

Terminal Questions

- If there is delay in realization of local cheques, Compensation at _____ shall be paid for the corresponding period of delay.

- 1. SB rates
- 2. Term Deposit Rate
- 3. Bank Rate
- 4. TD + 2 %

Answer is : SB RATE

Confidential

Terminal Questions

- Any cheque sent for collection and there is delay in giving credit to customer account, **what will be compensation rate when delay is more than 90 days.**

- **1. Saving Bank interest rate**
- **2. Term deposit rate**
- **3. TD + 2%**
- **4. SB + 2%**

- **Answer is : TD + 2%**

Confidential

Terminal Questions

- What amount of Instant credit can be given to customer's account without completion of the cooling period, on sighting the pass sheet credit for clean instruments denominated in USD, GBP and EURO, subject to the satisfactory track record of the customer

1. **Upto USD 5000**
2. **Upto USD 3000**
3. **Upto USD 10000**
4. **Upto USD 6000**

Answer is : Upto USD 10000

Confidential

Terminal Questions

- Cheques sent for collection to Major cities to be realized in ……..days

- 1. 7 days
- 2. 10 days
- 3. 14 days
- 4. 15 days

- Answer is : 10 days

Confidential

Terminal Questions

- Cheques sent for collection to state capital to be realized in ……..days

- 1. 7 days
- 2. 10 days
- 3. 14 days
- 4. 15 days

- Answer is : 7 days

Confidential

Terminal Questions

- Cheques **sent for collection to OTHER LOCATIONS to be realized in ……..days**

- **1. 7 days**
- **2. 10 days**
- **3. 14 days**
- **4. 15 days**

- **Answer is : 14 days**

Confidential

Terminal Questions

- **Which is not true as per policy on Cheque Collection and dishonor , for immediate credit of local/outstation cheque?**

1) **The Bank has not noticed any irregular dealings in the A/C**
2) **Account is satisfactory for at least 6 months**
3) **Minor, NRIs and employees are eligible person.**
4) **The bank has not experienced any difficulty in recovering any amount advanced in the past including cheques returned after immediate credit**

Answer: Minor, NRIs and employees are eligible person.

Confidential

Terminal Questions

- As per Policy on Cheque Collection and Dishonour, for immediate credit of local/outstation cheque, eligible amount is _____ .

1) Rs.10000
2) Rs.25000
3) Rs.15000
4) Rs.20000

Answer: 15000

Confidential

Terminal Questions

- As per Policy on Cheque Collection and Dishonour, Cheque sent for collection to centers within the country, realization should not be delayed for cheque drawn on major cities within _____ days, drawn on state capitals within _____ and drawn on other locations within_____,

1) 7,10,14
2) 10,7,14
3) 14,7,10
4) 14,10,7

Answer: 10, 7, 14

Confidential

POLICY ON Cheque Collection and Dishonour

Dishonour of Inward **Cheques /ECS** of **value less than Rs 1 Cr (Reconciliation Vertical,** Operations Wing) &
for the reason "Insufficient Funds

CHQ : 6 occasions during the FY attract stoppage of cheque book facility and closure of account after issuing 30 days' notice to the customer (5th time -caution advise will be sent)

ECS (Resources Wing) : On 4th occasion during the FY will attract closure of account (3rd time -caution advise will be sent)

Discretion to **waive the above condition on case to case basis.**

Data of Return of cheques/failed ECS transactions for the reason insufficient funds shall be furnished in the **credit proposal and shall be taken into account, while taking credit decision**

Confidential

POLICY ON Cheque Collection and Dishonour

Dishonour of Cheques of value Rs.1 Cr & above
Cheques Favouring Stock Exchanges irrespective of the amount,
for the reason "Insufficient Funds"

4 occasio during the FY

If cheque Returns value Rs 1 Cr & above

or

Cheque returned which issued in favour of stock exchange irrespective of amount for the reason insufficient funds

NO cheque book & Bank may consider closure of CA at our discretion after issuing 30 days' notice to the customer. (3rd time -Caution advise will be sent)

Cheques dishonoured for the reason insufficient funds : should be returned / dispatched to the customers within 24 hours, along with a memo

Confidential

Terminal Questions

- As per Policy on Cheque Collection and Dishonour, Dishonour of a cheque for the reason insufficient funds of value less than Rs. 1 Crore, on ……. occasions during the financial year will attract stoppage of cheque book facility and closure of account after issuing ….. days' notice to the customer.

1) 6,30
2) 6,15
3) 4,30
4) 4,15

Answer: 6,30

Confidential

Terminal Questions

- After how many Number of occasions in a FY a cheque dishonor due to the reason 'Insufficient funds', attract stoppage of cheque book facility and closure of accounts when value of cheque is less than Rs 1 CR

1) 6 times
2) 5 times
3) 4 times
4) 3 times

Answer is : 6 times

Confidential

Terminal Questions

- If ECS mandate is dishonored for the reason insufficient funds for a _____in a particular account of the drawer during the financial year, a **cautionary advice** will be issued to the concerned constituent.

1) **4 occasions**
2) **6 occasions**
3) **3 occasions**
4) **5 occasions**

Answer is : **3 occasions**

Confidential

Terminal Questions

- **Cheques dishonored for the reason insufficient funds in respect of all accounts should be returned/ dispatched to the customers without delay, in any case _____.**

1) within 12 hours
2) within 24 hours
3) within 48 hours
4) within 7 days

Answer is : **within 24 hours**

Confidential

108/26: GRIEVANCE REDRESSAL POLICY

The Bank's policy on Grievance Redressal follows the under noted principles:

a) Our customers will be treated fairly at all times.

b) Complaints raised by customers will be dealt with courtesy, empathy & in time.

c) Our customers will be fully informed of avenues to escalate their complaints/ grievances within the organization and their rights to alternative remedy, if they are not fully satisfied with the response of the bank to their complaints.

d) Our Bank will treat all complaints efficiently and fairly as they can damage the Bank's reputation and business if handled otherwise.

e) Our employees will work in good faith and without prejudice to the interest of the customer.

Customer complaint arises due to:

a) The attitudinal aspects in dealing with customers.

b) Inadequacy of the functions/ arrangements made available to the customers or gaps in standards of services expected and actual services rendered.

c) Malfunctioning of Technology products.

If a customer complaint is received through e-mail and telephone at our designated mail id (hocss1@canarabank.com), helpdesk/Call Centre via toll-free number (1800 1030), we shall record/register such complaint in complaint portal and provide a unique reference number for tracking purposes.

108/26: GRIEVANCE REDRESSAL POLICY (P-43)

After examining the matter- **Final reply or explain why we need more time: Within 21 days of receipt of complaint.**

Internal Ombudsman :
Bank **appointed Internal Ombudsman (Apex level grievance) as per RBI Guidelines- (Retired GM from another Bank)**
Bank is required to internally escalate all cases to the Internal Ombudsman for final decision where either the complaint is rejected or only partial relief is provided to the complainant.
All partially/wholly rejected complaints by bank : Auto escalated in 20 days to IO

CGM, Operations Wing shall act as the Nodal Grievance Officer for monitoring of complete Internal Grievance Redressal &
ED, Overseeing Operations Wing shall act as **Sub Appellate Authority**

Customer Service Committees at branch level : Meet at least once a month to study complaints/suggestions.

Customer Fortnight : November

Customers" Day : 15th of every month.
BM to be available at branch between **3 p.m & 5 p.m.** to meet customers **without any prior appointment.**

Confidential

: GRIEVANCE REDRESSAL POLICY FOR THE YEAR

CGM- Customer Service Vertical, Operation wing : NODAL OFFICER for Customer service complaint

Grievance Escalation System :

Complaints may be submitted via the **grievance portal, electronic mail, postal correspondence, the Call Centre, mobile banking, internet banking** etc

CPGRS : Canara Public Grievance Redressal System

Bank offers a complaint reopening process, allowing customers to reopen a closed complaint within **7 days** of the closure date

The bank's process, as outlined in RBI-OS scheme, 2021, is to respond to customer complaints within **15 days** of receipt

Confidential

GRIEVANCE REDRESSAL POLICY FOR THE YEAR

.Time Schedule for Redressal of Complaints

	Stipulated by Ministry of Finance	ADOPTED BY BANK
General Complaints	30 days	21 days
Complaints forwarded by MPs/VVIPs /RBI MOF	21 days	15 days
Complaints from PMs office	15 days	7 days
RBI (CMS PORTAL)	15 days	15 days
CPGRAMS Complaint	21 days	21 days

Present (CNP) transactions of ₹5,000 and above. Following instances of unauthorized ATM withdrawals reported to the RBI, banks were advised to implement online alerts for all card transactions,

IVR : Interactive Voice Response

MOTO : Mail Order Telephone Order.

Direct Selling Agents (DSA-Monitored by Retail Assets Wing) : DSAs shall ensure that complaints are **redressed within 4 days** from the receipt of complaint received .

.

Confidential

GRIEVANCE REDRESSAL POLICY FOR THE YEAR

Canara Public Grievance Redressal Package .

In house online portal to lodge complaints are registered and redressed. (**DAMODARAN COMMITTEE)**

Online dispute resolution

RBI announced : **Online Dispute Resolution** (ODR) system for resolving customer disputes and grievances pertaining to failed transactions on digital payments.

Channels : Web-based or paper-based complaint form, IVR, mobile application, call centre, SMS, through branches or offices, etc.

Currently, the ODR portal handles disputes related to Debit Card,Credit Card, Prepaid Card, UPI, IMPS, AEPS, NACH, APBS, RTGS, and NEFT transactions.

Confidential

: GRIEVANCE REDRESSAL POLICY FOR THE YEAR

.

RBI-INTEGRATED OMBUDSMAN SCHEME 2021

The bank's process, as outlined in RBI-OS scheme, 2021, is to respond to customer complaints within **15 days** of receipt.

If a complaint response cannot be provided within 15 days, the Circle's Nodal Executive must request a time extension from the Ombudsman's office within that initial 15-day period

If not get a satisfactory response , customer may approach Banking Ombudsman appointed by RBI

One bank, One number : 1800-1030

Confidential

TECHNOLOGY	To be reversed in	If not reversed -penalty
ATMs including Micro-ATMs		
ATM- Customer account debited but cash not dispensed	T + 5 DAYS	Rs 100 per day beyond T + 5 day (suo moto)
Card Transaction		
Card to card transfer : Card account debited but the beneficiary card account not credited	AUTO REVERSAL T + 1 DAYS	Rs 100 per day beyond T+1
POS (Card Present) including Cash at POS A/c debited but confirmation not received at merchant location i.e., charge-slip not generated	AUTO REVERSAL T + 5 DAYS	₹ 100/- per day of delay beyond T + 5 days
Card Not Present (CNP) (e- commerce) A/c debited but confirmation not received at merchant's system.		
*IMPS (*Immediate Payment System) A/c debited but the beneficiary a/c is not credited.	T + 1 day	Rs 100 per day beyond T+1
UPI: Unified Payments Interface A/C debited but the beneficiary a/c is not credited	T + 1 day	Rs 100 per day beyond T+1
Account debited but transaction confirmation not received at merchant location (payment to Merchant	T + 5 days	₹100/- per day if delay is beyond T + 5 days
Aadhar Enabled Payment System		
A/C debited but transaction confirmation not received at merchant location (payment to merchant) Account debited but beneficiary account not credited	Auto-reversal within T + 5 days	Rs 100 per day beyond T+5
Aadhaar Payment Bridge System (APBS) Delay in crediting beneficiary's account	T + 1 day.	₹100/- per day if delay is beyond T + 1 day

Confidential

: GRIEVANCE REDRESSAL POLICY FOR THE YEAR

National Automated Clearing House (NACH)		
Delay in crediting beneficiary's account or reversal of amount.	Beneficiary bank to reverse the uncredited transaction within T + 1 day	₹100/- per day if delay is beyond T + 1 day.
Account debited despite revocation of debit mandate with the bank by the customer	Resolution to be completed within T + 1 day	
Prepaid Payment Instruments (PPIs) - Cards / Wallets		
On-Us transaction Beneficiary's PPI not credited. PPI debited but transaction confirmation not received at merchant location	Reversal effected in Remitter's account within T + 1 day	₹100/- per day if delay is beyond T + 1 day.
The resolution of all disputes pertaining to failed ATM transactions must be completed within **120 days** from the transaction date		

Confidential

: GRIEVANCE REDRESSAL POLICY FOR THE YEAR

H.1.2 UPI URCS (Unified Real-time Clearing and Settlement System)- Revised Disputes TAT: Revised TAT for handling disputes in UPI transactions

Dispute type	TAT w.e.f 25.07.2024	TAT for Acceptance/ Rejection	Next Level Dispute type
Chargeback	45 days from transaction date uniformly	15 days for P2M transaction 35 days for P2P transaction	Pre-arbitration
Pre-Arbitration	No change	7 days for P2M transaction 5 days for P2P transaction	Arbitration
Arbitration	No change	60 days for panel verdict	NA
Fraud Charge back	45 days from transaction date uniformly	35 days for P2M transaction 35 days for P2P transaction	NA
Wrong credit Chargeback	45 days from transaction date	35 days for P2P transaction	NA

Terminal Questions

- When any General complaints received from Customer, time Schedule for Redressal of Complaints is 21 days adopted by our Bank, **What is the time Schedule for Redressal of Complaints when Complaints received from PMs office as per time stipulated by MOF**

- **1. 15 days**
- **2. 10 days**
- **3. 7 days**
- **4. 30 days**

Answer is : 15 days

Confidential

Terminal Questions

- Customers' Day is observed on ..... of every month. & Branch incharge will be available at the branch between ..... p.m. and ..... p.m. to meet customers without any prior appointment

- 1. 15th & 3 p.m. and 5 p.m
- 2, 10th & 3 p.m. and 5 p.m
- 3. 15th & 4 PM & 6 PM
- 4. 10th & 4 PM & 6 PM

Answer is : 15th & 3 p.m. and 5 p.m

Confidential

Terminal Questions

- Account debited but the beneficiary account is not credited while doing IMPS it must reversed within …….. day, if not reversed Penalty of Rs …… per day.
- **1. T + 5 DAYS & Rs 500**
- **2. T + 1 DAYS & Rs 100**
- **3. T + 5 DAYS & Rs 100**
- **4. T + 1 DAYS & Rs 500**

Answer is : **T + 1 DAYS & Rs 100**

Confidential

Terminal Questions

- As per GRIEVANCE REDRESSAL POLICY, All partially or wholly rejected complaints by bank will be Auto escalated in _____ days to IO

1) 15
2) 10
3) 30
4) 20

Answer: 20

Confidential

Terminal Questions

- **Who** shall act as the Nodal Grievance Officer for monitoring of complete Internal Grievance Redressal &

1) **CGM – Resources Wing**
2) **CGM-PRORITY WING**
3) **GM- Customer Service Vertical**
4) **CGM – Operations Wing**

Answer: **CGM – Operations Wing**

Confidential

Terminal Questions

- As per GRIEVANCE REDRESSAL POLICY, ATM-Customer account debited but cash not dispensed to be reversed in ____, if not reversed penalty to be paid is _____ per day.

1) T+3 days, 200.
2) T+ 5 days, 100
3) T+ 3 days, 100
4) T+ 5 days, 200

Answer: T+ 5 days, 100

Confidential

Terminal Questions

- As per GRIEVANCE REDRESSAL POLICY, in case of IMPS and UPI, A/c debited but the beneficiary a/c is not credited to be reversed in ___, if not reversed penalty to be paid is _____ per day.

1) T+1 day, 200.
2) T+ 2 days, 100
3) T+ 1 day, 100
4) T+ 2 days, 200

Answer: T+ 1 day, 100

Confidential

69/26 FRAUD RISK MANAGEMENT POLICY

LEA : Law Enforcement Agencies

A New committee : **SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW UP OF CASES OF FRAUDS (SCBMF)**

Purpose : Monitoring of fraud cases.

Composition of committee : **Minimum 3 members of the Board**
(Whole-time director and a 2 independent directors/non-executive directors
Committee headed by : **one of the independent directors/non-executive directors**

Objective : Review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

L & FP Wing : Place all fraud reported during the month to **SCBMF**

Monitoring and reporting of frauds to RBI as under :
All credit frauds : GM, L & FP Wing is responsible for monitoring and reporting to RBI
All non-credit frauds, Monitoring of EWS (Early Warning Signals) & EFRM (Enterprise Fraud Risk Management) : **GM, TM Vertical** is responsible:
All **payment system related disputed/ suspected or attempted fraud : GM, Reconciliation Vertical :**

Confidential

FRAUD RISK MANAGEMENT POLICY (P-72)

Subsidiaries which are directly reporting fraud cases to RBI

1. Canbank Factors Ltd. (Regulated by RBI)
2. Canbank Financial Services Ltd. (Regulated by RBI)

Other Subsidiaries and their Regulators are as follows:

Canfin Homes (Reporting to NHB).
Canara HSBC Life Insurance Co. Ltd. (Reporting to IRDA).
Canara Bank Securities Ltd. (Reporting to SEBI).
Canbank Computer Services Ltd. (Reporting to SEBI).
Canbank Venture Capital Fund. (Reporting to SEBI).
Canara Robeco Asset Management Co. (Reporting to SEBI).

Confidential

FRAUD RISK MANAGEMENT POLICY

Fraud Report at Branch shall be submitted to : **R&R Section, L&FP Wing, HO**

All type of Borrowal Account with exposure of more than Rs.50.00 Crore, if **classified as NPA**, shall simultaneously be examined by **bank from the angle of possible fraud.**

Loan Accounts Red Flagged by our Bank shall be analysed under fraud angle. The overall time line for taking a decision on fraud angle is 180 days from the date of first reporting of the account as red flagged on the CRILC platform

Fraud Analysis and Recommending Committee (FARC) is constituted at HO for the purpose of **analyzing the matters from fraud angle**.

In case the committee observes suspected fraudulent connotation :
Show cause notice shall be issued GM/CGM of CO to all the concerned borrowers/promoters/ whole time directors and ED/individuals through **registered ack**.
Time to reply for show cause notice : **21 days**

Confidential

FRAUD RISK MANAGEMENT POLICY

DOP for taking final decision in respect of Credit/Non-Credit frauds:
Amount Involving upto Rs.600.00 lakhs : ED
Amount Involving Rs. 600.00 lakhs and above : MD & CEO

Subsequently, the fraud to be reported to RBI during the **month** for information.

Enterprise Fraud Risk Management – Online Monitoring (EFRM-OM) system is implemented for **monitoring** **Alternate banking channels and CBS transactions**

An account can be marked as FRAUD in new option introduced FP: BX701

Any customer marked as FRAUD will be processed in EOD and moved to either Loss Category irrespective of value the security attached to that accoun

Confidential

FRAUD RISK MANAGEMENT POLICY

TYPES OF FRAUDS : 3

Frauds committed by External Force - . Customers or Outsiders.
Frauds committed by Internal Force – Staff.
Frauds committed by External and Internal Force - Customers or Outsiders in collusion with the staff.

Confidential

FRAUD RISK MANAGEMENT POLICY

Reporting of frauds : Bank has to furnish FMR (Fraud monitoring Return) in individual fraud cases, irrespective of the amount involved, immediately, but not later than 14 days from the date of classification of an incident/account as fraud

Actual/suspected frauds reported matters investigation by Inspecting Wing



Inspection Wing shall **relieve an inspecting official (IO),** having sufficient experience in conducting investigation .

IO deputed not conducted RBIA during the previous period of 5 years)

Circle Head shall furnish his views on treating the matter as fraud or not to the R&R Section, L&FP Wing, HO for Credit Frauds and Transaction Monitoring Vertical, Operations Wing, HO for Non-Credit Frauds within 7 days of receipt of IR from the IO after discussing the matter in the Fraud Review Committee.

In case of Frauds **Exceeding Rs 50.00 Crore**, the **CVO of the Bank is the Nodal officer.**

CBI would ensure that based on the complaint the FIR is registered at the earliest and in no case should it be delayed beyond 15 days from filing of the complaint by the Bank.

Confidential

FRAUD RISK MANAGEMENT POLICY

Reporting of frauds involving forged instruments including fake/forged instruments sent in clearing in respect of truncated instruments will continue to be done by the **paying banker and not by the collecting banker**

In the case of **collection of an instrument which is genuine but the amount is collected fraudulently by a person who is not the true owner** or **where the amount has been credited before realization and subsequently the instrument is found to be forged** and returned by the paying bank, **the collecting bank, which is defrauded or is at loss by paying the amount before realization of the instrument**, **will have to file both - the fraud report with the RBI and complaint with the police.**

In case of **collection of altered/fake cheque involving two or more branches** of the bank, the branch **where the altered/fake cheque has been encashed, shall report the fraud to HO**.

Similarly, in the **event of an altered/fake cheque having been paid/encashed involving two or more branches of the bank under CBS**, the branch which has **released the payment shall report the fraud** to TM Vertical, Operations Wing, HO

Confidential

FRAUD RISK MANAGEMENT POLICY

REPORTING :

R & R Section, L&FP Vertical will report **Credit Frauds** detected by the Bank to RBI and

TM Vertical, Operations Wing HO will report non-Credit frauds detected by the Bank to RBI as under:

Amount involved in the fraud	Reporting authority	Time line
All Frauds irrespective of the amount	**Central Fraud Monitoring Cell, Bangalore**	With in 14 days of classification
All cases irrespective of the amount. **THEFT/BURGLARIES/DECOIT/ ROBBERY**	**CFMC**	**15 days after the end of the quarter to which they related**
All attempted frauds irrespective of the amount to be reported by branches	**Branch to R & R Section**	**Need not be reported to RBI.**

Attempted fraud : Rs.1 Cr & above to placed before **SCBMF**

SCBMF : Special committee of the board for monitoring & follow up of cases of frauds

Confidential

FRAUD RISK MANAGEMENT POLICY

Amount involved in fraud Agency to whom complaint	should be lodged	Remarks
Above Rs.10,000/- but below Rs.1 lakh only if staff of the bank is involved	State Police - To the local police station.	To be lodged by the branch.
Rs.1 lakh and above but below Rs.6 Crore involving outsiders and bank staff	State CID/ Economic Offences Wing of the State concerned.	**RO Head**
Rs. 6 Crore and above	Head of Zone, BS & F Zone, CBI, New Delhi	To be lodged by Circle Head

All fraud cases of value below Rs.10,000/- involving bank officials, should be referred to the Legal Section, CO of the Bank, who would scrutinize each case and direct the bank branch concerned on whether it should be reported to the local police station for further legal action

DGM/AGM at Circle overseeing recovery/legal matters is designated officer for monitoring of reporting incidents of fraud to LEAs and for proper coordination to meet the requirements of the LEAs.

Single nodal point to file complaint with CBI : Vigilance Wing. HO

Complaint should be vetted by Legal section , L & FP vertical for cases below Rs 50 crore.

Vigialnace wing for : Rs 50 crores & above

Permission to file complaint with CBI should be obtained from the MD & CEO.

Confidential

FRAUD RISK MANAGEMENT POLICY

CLOSURE OF FRAUD CASES :

Fraud cases as and when closed should be reported in FUA to RBI. (FMR Update Application)

Bank, for **limited statistical/ reporting purposes, to close reported fraud cases involving amount up to Rs. 1 crore**, where examination of staff accountability and disciplinary action, if any, have been taken and.

(i) The **investigation is going on or charge sheet has not been filed in the court** by LEA for **more than 3 years from the date of registration of FIR**

(ii) The charge sheet is filed by the LEAs in trial court and the **trial in the court has not commenced or is pending before the court for more than 3 years from the date of registration of FIR.**

The GM/CGM, L&FP Wing is authorised to close credit fraud cases below Rs.1 lac and TM Vertical, Opeartions Wing is authorised to close non-credit fraud cases below Rs.1 lakh subject to conditions :

The fraud cases pending with Police/Court are finally disposed off the closure report from Police / court is not received even after 10 years from the date of filing of the case.

b) The examination of staff accountability has been completed.

c) The amount of fraud has been recovered or written off.

d) Insurance claim wherever applicable has been settled.

Confidential

FRAUD RISK MANAGEMENT POLICY

All frauds reported in a month shall be reported to (**SCBMF**)

Reimbursement on account of fraudulent debits :
GM headed Circle : Rs.5 lac per account.
CGM HEADED circle : Rs 7.5 lacs
CGM/GM, recon Vertical:(5 Lac to 10 Lac for GM head Circle) OR (CGM headed Circle :>7.5 Lac TO 10 Lac)
ED : Rs 10 Lacs to Rs 30 Lacs
CAC of Board : Above Rs 30 lacs
A committee of 4 CGMs/GMs at HO shall examine all claims made for reimbursement in respect of cases exceeding Rs.10 Lakh

Reimbursement on account of fraudulent debit (ATM withdrawals through Debit Cards by skimming, cloning, phishing) : **5.00 lakhs per a/c - DGM – Reconciliation Wing**

Cash shortage, fraudulent debit to SA/GL, PRD/court orders in fraud matters : Rs 10 lacs (Circle Head)
Above Rs 10 Lac (CGM-TM Vertical
In respect of all permissions accorded by the DGM & GM of the Circle, a consolidated note should be sent on a quarterly basis within 15 days from the end of the concerned quarter, to TM Vertical.
Any reimbursement claim should be settled : max 4 months' time from the date of the complaint.

Compensation to Borrower in case of theft of Gold Loan Packet: CIRCLE HEAD
TBRD : THEFT ,BURGLARY, ROBBERY AND DACOITY
THEFT - The Action or Crime of stealing
BURGLARY – An **illegal entry of a building** with intent to commit a crime especially theft
ROBBERY- Taking property unlawfully from a person or place by **force or threat of force**
DACOITY - An act of violent robbery committed by **armed gang**

Confidential

TIMELINES : REPORTING AND FILING COMPLAINT WITH LAW ENFORCEMENT AGENCIES

Details	Time Line
Reporting of suspected fraud to RL & FP Wing (Credit Frauds) /TM Vertical, Operations Wing (NonCredit Frauds)	Within 24 hours of detection.
Reporting of cases of (TBRD) to TM Vertical	Within 24 hours of occurrence
Ordering internal investigation	Within 72 hours of detection of fraud.
Intimation to Insurance Company for claim	Within 72 hours of receipt of suspected fraud reporting
Completion of internal investigation report	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 FARC	Within 15 days from the date of receipt of Circle view
Issue of Show-cause Notice	Within 15 days from the date of orders of FARC.
Filling Complaint with LEA	Within **48 hours** of detection of suspected fraud wherever complaint is to be filed with state police. (Amount involved up to ₹6 Crore **Within 3 months** from the date of classification as fraud where complaint is to be lodged **with CBI**
Reporting cases of fraud to RBI	Within 14 days from the date of classification.

Confidential

FRAUD RISK MANAGEMENT POLICY

Penal Measures

Persons / Entities classified and reported as fraud by banks and also Entities and Persons associated with such Entities, shall be debarred from raising of funds and / or seeking additional credit facilities from financial entities regulated by RBI, for a period of 5 years from the date of full repayment of the defrauded amount / settlement amount agreed upon in case of a compromise settlement.

PSBs and AIFIs shall conduct examination of staff accountability as per the guidelines issued by the Central Vigilance Commission (CVC). In terms of CVC Order, PSBs and AIFIs shall also **refer all fraud cases of amount involving ₹3 crore and above for examining the role of all levels of officials / whole-time directors** (including ex-officials / ex-WTDs) to the Advisory Board for Banking and Financial Frauds (ABBFF) constituted by the CVC

Confidential

Terminal Questions

- Under which option under CBS we can mark an account as FRAUD

- **1.** BAM74
- **2.** BX701
- **3.** CH001
- **4.** CHM06

Answer is : BX701

Confidential

Terminal Questions

- Who is the Nodal Officer in case frauds Exceeding Rs. 50.00 Crore in the bank

- **1.** MD CEO of bank
- **2.** Chief Compliance officer
- **3.** Chief Security Officer
- **4.** Chief Vigilance Officer

Answer is : Chief Vigilance Officer

Confidential

Terminal Questions

- To Which agency the case to be lodged, if fraud involved is Rs 6 Crores and above.

- **1. CID**
- **2. Economic Offences Wing of CBI**
- **3. ACB Branch of CBI**
- **4.** Head of Zone, BS & F Zone, CBI, New Delhi

Answer is : Head of Zone, BS & F Zone, CBI, New Delhi

Confidential

Terminal Questions

- An illegal entry of a building with inent to commit a crime, especially theft is termed as ……..

- **1. Burglary**
- **2. Dacoity**
- **3. Robbery**
- **4. Theft**

Answer is : Burglary

Confidential

Terminal Questions

- As per Fraud Risk Management POLICY, which of the following subsidiaries directly reporting fraud cases to RBI?

1) Canbank Factors Ltd.
2) Canfin Homes
3) Canbank Finanical Services Ltd.
4) Only 1
5) Both 1 and 3
6) Only 2

Answer: both 1 and 3

Confidential

Terminal Questions

- **As per Fraud Risk Management POLICY,** All type of Borrowal Account with exposure of more than _____ , if **classified as NPA**, shall simultaneously be examined by **bank from the angle of possible fraud.**

1) **Rs. 100.00 Crore**
2) **Rs. 50.00 Crore**
3) **Rs. 75.00 Crore**
4) **Rs. 25.00 Crore**

Answer: Rs. 50.00 Crore

Confidential

Terminal Questions

- As per Fraud Risk Management POLICY, the overall time line for taking a decision on fraud angle is _____ days from the date of Red-flagging.

1) 60
2) 90
3) 120
4) 180

Answer: 180

Confidential

Terminal Questions

- **Which statement is not correct as per Fraud Risk Management Policy?**

1) **The overall time line for taking a decision on fraud angle is 90 days from the date of Red-flagging**
2) **Time to reply for show cause notice is 21 days**
3) **The Fraud Report shall be sent to R&R Section, L&FP Wing, HO for Credit Fraud.**
4) **Fraud Report shall be sent to Transaction Monitoring Vertical, Operations Wing HO for Non-Credit Fraud**

Answer: The overall time line for taking a decision on fraud angle is 90 days from the date of Red-flagging

Confidential

Terminal Questions

- As per Fraud Risk Management POLICY, DOP for taking final decision in respect of Credit/ Non-Credit frauds for amount involving upto Rs.600.00 lakhs is with _____ and for amount involving Rs. 600.00 lakhs and above is ___.

1) GM RL & FP Wing , ED
2) ED, Board
3) ED, MD & CEO
4) MD & CEO, Board

Answer:ED, MD & CEO

Confidential

Terminal Questions

- As per Fraud Risk Management POLICY, In case of Frauds Exceeding _____ Crore, the Chief Vigilance Officer of the Bank is the Nodal officer.

1) Rs. 75.00 Crore
2) Rs. 25.00 Crore
3) Rs. 50.0 Crore
4) Rs. 100.00 Crore

Answer: Rs. 50.00 Crore

Confidential

Terminal Questions

- As per Fraud Risk Management POLICY, All fraud cases of value below _____ involving bank officials, Legal Section, CO will take decision about informing to local police station for further legal action officer.

1) Rs. 20000
2) Rs. 10000
3) Rs. 15000
4) Rs. 25000

Answer: Rs. 10000

Confidential

Terminal Questions

- **As per Fraud Risk Management POLICY**, Taking property unlawfully from a person or place by **force or threat of force is termed as _____**

1) **Burglary**
2) **Dacoity**
3) **Robbery**
4) **Theft**

Answer: Robbery

Confidential

22/26 "CASH & BANKER'S BALANCE MANAGEMENT" POLICY (P-15)

Bulk Deposits: Single Rupee TD of **Rs.3.00 crore** and above for the purpose of arriving at the Standard Cash Limit.

MD & CEO : fix and review the SCL for the Bank as a whole within a range of **0.25% to 0.35% of the aggregate domestic deposits**

MD & CEO absence : ED Overseeing Cash Management and Stationery Vertical, Operations Wing

Circle Heads for fixing SCL to the **branches within the Circle** .

BANKERS BALANCE : Tolerance level of 10% on the upper side in respect of banker's account maintained for clearing purposes alone.

Example : if the minimum balance is Rs.50,000/-, balance in banker's account shall be **maintained between Rs. 50,000 to Rs.55,000**

Banks to ensure that cash receipts in the denominations of **Rs. 100** and above are not put into re- circulation without the notes being machine processed for authenticity.

Confidential

Terminal Questions

- Single Rupee Term Deposit of Rs. _____ will be considered as bulk deposit for the purpose of arriving at the Standard Cash Limit.

- **1. 5.00 Crore**
- **2. 2.00 Crore**
- **3. 3.00 Crore**
- **4. 1.00 Crore**

Answer is : 3 crore

Confidential

Terminal Questions

- Who fixes and reviews the SCL for the Bank as a whole and within what range of the aggregate domestic deposits

- **1. MD-CEO & 0.15% to 0.25%**
- **2. ED & 0.15% to 0.25%**
- **3. MD & CEO & 0.25% to 0.35%**
- **4. ED & O.25% TO 0.35 %**

Answer is : MD & CEO & 0.25% to 0.35%

Confidential

UNIFIED INSPECTION POLICY OF THE BANK (56-P)

TOTAL ZIs -14

RBIA FOR BRANCHES /SERVICE UNITS : 1.04.2007

RBIA OF Circle Offices with effect from : 1.04.2010

RBIA are awarded Composite risk rating

Assessment shall be based on **Business Risks** and **Control Risks**

- **Inspector Term 3 years with an option to extend.**
- **Scale 2 and above**
- **Very good / Outstanding rating in the past 3 appraisals and**
- **Minimum 1 year experience as Branch-in-charge**
- **Should not have committed any serious irregularities** in their **earlier placements and not imposed with major punishment during the last 5 years and names should not be in ODI/Agreed list & no chargesheet pending**

BASED ON FEEDBACK ON IO : WEIGHTAGE OF 5 MARKS IN APAS

IO identified for audit of Spl areas: IIBF Course in 6 months to be completed

Periodical meeting with IOs :2 times in a year (including IO conference)

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

The appointment of CGM/GM, Inspection Wing, HO as Head Internal Audit of the Bank shall have the concurrence of Board of Directors.

HIA : Direct reporting lines to the ED overseeing Inspection Wing (Whole Time Director-WTD)

One to One briefing session between the ACB and HIA shall be conducted at least **once in a quarter** without the presence of Senior Management including MD&CEO / WTD.

Designating Head – Internal Audit :

- Preferably in the **rank of a CGM/GM** or an equivalent position.
- **Graduation / PG** from a recognized University / Institution.
- **Overall experience of at least 20 years in the banking or financial services, out of which at least 10 years shall be the operations, preferably in Credit.**
- Designated for a **minimum period of 3 years**
- Head Internal Audit may be **designated by the MD & CEO.**
- The **appointment / change of the Head Internal Audit shall be informed by HR Wing to the Board & ACB.**

- **RBIA OF ZI : Once in 12 months. (Interface sessions in 6 months)**
- **ZI headed by : DGM & above officers**

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

. Pre-Audit Exercise of Branches / Unit :

For better compliance to guidelines and avoiding higher control risk perceptions, all auditee branches / units shall mandatorily undergo the pre-audit exercise.
During Bi-Monthly ZACE meetings of respective COs, Inspection Wing shall share the list of branches **due for RBIA in next 6 months.**
Accordingly, RO / CO shall send Pilot letter to branches / units regarding conduct of pre-audit exercise **at least 3 months prior to commencement of RBIA**

Immediately on receipt of Pilot letter, branches to commence the pre-audit exercise and the consolidated position of pre-audit deviations should be captured in the prescribed template duly signed by the Branch Head.
RO overseeing executive shall visit the branch and after verifying the compliance to the pre-audit report on sample basis, shall countersign the pre-audit report and place before the respective RO Head for their views in case of low risk branches.

In case of Moderate risk rated branches, pre-audit report counter signed by RO Head shall be placed before the CO Head for their views/ directions.

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

Sampling Technique:

Sampling of the audit area is applicable only in case where **100% verification is not mandatory during the RBIA of branches. (Verification level shall be 25% to 40% depending on the size of the portfolio)**

Continuous audit/Concurrent audit :100 %

Structured meeting : Half Yearly (July and January) for **collecting feedback for Annual Audit Plan and Inspection Policy or its midterm review**

Bilateral structural meetings :Quarterly intervals, by **Compliance Department with Inspection Wing**, wherein Compliance issues and other Policy matters shall be discussed

Business Risk (20%)-1200 MARKS (BR)	Control Risk (80%)-2500 MARKS (BR)
Credit Risk	Credit Risk Controls
Operational Risk	Operation Risk Controls
Liability Risk	Management Risk
Earning Risk	Compliance Risk

Confidential

: UNIFIED INSPECTION POLICY OF THE BANK

SPECIAL REPORT : Details of serious / grave irregularities and other matters including malafides, corrupt practices; gross in-discipline on the part of the staff and such other serious irregularities affecting the safety and security of Bank's assets to be specified from time to time, should be reported in the form of a Special Report.

When SPECIAL REPORT will be issued :

Large /Medium/Small Br : When Income leakage detected is 10 Lac and above (Less than 10 lac attract Part B)

VLB/ ELB / PCB / MCB/ RAH / MSME Sulabh/ ACC : Income leakage is Rs.25 lac & above (Less than 25 lacs attract part B)

Closure of Special Report in 4 months from the date of communication by Inspection Wing to Circle for treating the report as special report:

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

Quality audit: **Verify minimum 10% of the total number - both Part A & B** category from **previous audit reprt**
Quality audit OF Concurrent/continuous audit branches : Quarterly - PART B- 100%
The CO/RO depute a Senior Official from another branch for verification **(100%) all Part B observations rectified by Branch**

In case of Concurrent Audit Branches, IOs to verify last 4 quarter Concurrent Audit risk rating of the branch to arrive at final risk rating for RBIA.

The review of RBIA risk rating of branches/units which are witness to suspected/reported fraud (in between 2 RBIAs) or found during the audit/investigation/verification shall be **undertaken at monthly intervals**

LARGE SCALE FRAUDS/SERIOUS IRREGULARITIES/RECKLESS LENDING/POOR INTERNAL CONTROL: HIGH RISK

Appeals in respect of Risk Rating of Branches / Units / Circles / RO :

Circles headed by GM / CGM : Committee headed by ED and comprising CGM of Insp. Wing, RM Wing & Operations Wing, HO
ROs /Branches headed by DGM : ED and CGM of Inspection Wing, RM Wing & Compliance & RBS Wing
ROs headed by AGMs and Branches headed upto AGM : CGM / GM of Inspection Wing

Performance rating of Concurrent Auditors including Internal Inspecting Officers conducting Concurrent Audit shall be done on : **H/Y basis as on June & December.**

Special Moderate: Branches which are risk rated as Moderate continuously for 3 times in successive RBIAs

Such Special Moderate Branches/Units/ ROs/COs shall be subjected to RBIA every 9 months. Additionally, all branches/units categorized as "Special Moderate" shall mandatorily undergo Concurrent Audit.

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

RISK RATING MATRIX ;

Business Risk : 20% (growth risk)

Control Risk : 80%

Risk score	Present	ROs / COs	Final Calibration (COMPOSITE RISK)
Business risk	1200	400	20
Control risk	2500	1600	80
Total	3700	2000	100

CC, A/C Section, FD, LPC, CPC etc. 100% weightage to Control Risk as their main role is to undertake back office work

LEVEL OF RISK	SCORES ASSESSED UNDER COMPOISITE RISK RATING BUSINES RISK 20 % & CONTROL RISK 80 %	PERIODICITY
LOW-RISK	< 35	18 MONTHS
MODERATE	35 AND ABOVE TO < 55	12 MONTHS
HIGH -	55 AND ABOVE	6 MONTHS

Offsite Risk Rating of Branches : Only **LOW RISK rated Branch last inspection** shall **be done on 12 MONTHS (KYC/SA/ SL/TOD**

Confidential

Evaluation and Awarding of Risk Rating

ZIs shall evaluate and award risk rating and awarded within **7 working days from the date of conclusion of RBIA** or **from date of receipt of RPRR charts or files at ZI whichever earlier**

Type of branch	Man days fixed for Branches subject to Concurrent Audi	Man days fixed for Branches not subject to concurrent audit
SMALL	NA	15
MEDIUM	NA	25
LARGE	30	40
VLB	35	45
ELB/MCB	35	NA
LCB	30	NA
RAH/MSME/ACC	60	NA

ADDITIONAL MANDAYS : 1 day for 200 gold packets reappraisal

RO MANDAYS : 10 TO 20 DAYS

ADDITIONAL MANDAYS : ZI : CAN PERMIT 20 % EXTRA

Confidential

GM, IW : MORE THAN 20 % :

However Total duration of RBIA for any branch shall not exceed 90 days for LB/VLBs / ELBs/LCB/MCB /RAH/MSME SULABH/ACC/Service unit & 60 days for other branchs

The total duration of RBIA for COs & Regular Inspection of HO Wings shall not exceed 60 days from the date of commencement.

UNIFIED INSPECTION POLICY OF THE BANK

BRANCH/OFFICE	PERIODICITY
Branches / Circles/ RO with **High Risk**	**6 MONTHS.**
Newly opened branches	6 MONTHS.
Spl. Moderate Branches / Units / ROs / COs	9 MONTHS
Branches with Moderate Risk and all Service Units Like Accounts Section, Currency chest, Central Processing Hubs, Clearing Sections, etc	**12 MONTHS.**
Low & Moderate risk : CO/RO/RAH/SULABH/ACC/ARM	**12 MONTHS.**
All wings including L & D Vertical &Inspection Wing Excluding Vigilance Wing	12 MONTHS.
Management Audit of Corporate offices of all Subsidiaries	**12 MONTHS .**
Management audit of RRBs	**12 MONTHS.**
ZI	**12 MONTHS**
Verification of related party transactions in Subsidiaries i.e., **transactions between Canara Bank and the Subsidiaries / Group Units and among Subsidiaries / Group Units**	**12 MONTHS.**
RBIA of foreign branches & IBU –GIFT CITY	12 MONTHS.
LCB : LOW RISK AND MODERATE RISK **LCB – HIGH RISK**	**12 MONTHS.** **6 MONTHS.**
Newly opened Br/ RAHs and MSME Sulabhs	**6 Months .**
Newly opened Circles / ROs/ ZIs / CPHs	**12 months.**
Currency Chest – irrespective of risk	**12 MONTHS.**

Confidential

NOTE : Newly opened & High risk : 6 months
(Remaining all 12 months) ---except branches

BRANCH/OFFICE	PERIODICITY
Systems audit of Dealing Room operations **CRILC verification**	MONTHLY
AUDIT OF TUFS CELL Audit of Card Division (**Digital Banking Services Wing & Credit and Prepaid Cards Wing**) Inspection of the **Vostro Accounts** of Exchange Houses **Mid-term Audit of Currency Chests**	6 MONTHS
Review of Accounts – IRAC norms as advised by FM Wing Audit of Incentive claims at Currency Chest Expenditure audit of identified sections of HO Validation of assigning of Risk Weights to various exposures Quarterly Verification of HRMS package at Circle Offices and at HR Wing Quarterly expenditure audit of capital and revenue expenditure where work involved is **Rs.5 Cr** or above as per the consolidated report of GA Wing - CGTMSE Vertical Canara Bank Proposal Rating Verification of effectiveness of ECAs through Inspecting Officials Quality Audit of Calls attended by Agents at CALL CANARA Call Centre	3 MONTHS
Due diligence Audit of Outsourcing activities- Report to respective wings. **Canara HSBC Life Insurance Company Ltd & Canara Robeco** **Mid Term Audit of Circles / ROs which are Low Risk** **Audit of ICAAP document** **Audit of Internal Ombudsman Office** **CBRSETIs/CBIITs/CBATIs**	12 MONTHS
Audit of Customer service sections at circle offices and SP&D Wing **External Assessment of Quality assurance of Internal Audit**	Triennial

Confidential

: UNIFIED INSPECTION POLICY OF THE BANK

Quarterly Income Audit : Jilani Committee recommendations
Identification : Insp Wing - 1st July to 30th June (fixed based on threshold limit fixed for income leakage)
Period : Quarterly

KYC Snap Audit :
Monthly :1 Branch per RO
ZI Executives : **2 Branches under ZI jurisdiction every month**

Mid-term Audit of Currency Chest : Conducted after 6 months of completion of RBIA of respective Currency Chest and this will be in addition to the regular RBIA.

Verification of Effectiveness of ECAs through Inspecting Officials(Ios) : bi-monthly

RBIA abroad : 12 months

Dubai & IFSC banking unit-Gift city & **London branch (Concurrent) :Quarterly Audit)**

Monthly Internal Audit : New York branch

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

DFS, GOI considered the request for dispensation in minimum stipulated concurrent audit coverage under Deposits.

As part of Audit rationalization, the Concurrent Audit at branches should **cover 70% of advances of the Bank as at end of the FY** . The corresponding deposits of the Branches (which were selected to cover 70% of Bank's advances) will be taken for coverage of deposits under Concurrent Audit.

Identification of the concurrent Branches : Based on business position as at **31st March every year on a yearly basis from July to June of the following year** or **such other periodicity as may be stipulated by the ACB .**

Time line for closure of Monthly/Quarterly Concurrent Audit : 30 days from the date of conclusion of audit.
In **Exceptional cases extension upto 1 month may be permitted by GM, IW**

ZI may allot man-days ranging from 4 to 8 days for Concurrent Audit by Internal IOs

Concurrent Audit of ROs : 3 Mandays

Concurrent Audit of MSME Wing, CAM Wing and CPPC of Government Business Wing & Transaction Monitoring Wing shall be conducted**: Monthly**

Confidential

: UNIFIED INSPECTION POLICY OF THE BANK

Continuous Audit : Considering the high volume of business, it is desirable that all **ELBs /PCB s with a credit exposure of Rs. 500 Crore and above should be brought under continuous audit, to day basis**

Integrated Treasury Wing
GTPC
CPCFT
CPH
Reconciliation Wing
RAH
MSME SULABH
Credit card Applications & VCIP@CPH shall be **subjected to Continuous audit**.

Capital Market Service Centre (CMSC), Mumbai : **Monthly Concurrent Audit**
Currency Derivative segment, IT Wing to be conducted : **H/Y**
APY : YEARLY

Generally Expenditure audits : Quarterly (Closure report - 60 days)
Expenditure audit of Canbank Financial Services Limited :H/Y

Confidential
Management Audit of **HO of RRBs** and **HO of domestic subsidiaries : 12 M**

UNIFIED INSPECTION POLICY OF THE BANK

Snap Audit of Moderate Risk branches



- **Snap Audit of Branches / Units:**

All Moderate Risk Rated branches/units : BETWEEN 6 TO 9 months from the conclusion of the previous RBIA.

- **Low risk rated branches : 9 months TO 2 months from the conclusion of the previous RBIA, wherever spurt in advances is more than 20% in number as well as in amount.**

- **IOs must make 'point-specific' comments to enable the Controlling Offices to take appropriate actions or risk mitigation steps in the executive summary of the SNAP AUDIT Report.**

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

The time line for closure of RBIA reports of branches / units are as under :

Small /Medium /SME Branches/Service units viz.A/C Section, CPH etc. : 2 Months

Large / VLB / ELB / MCB / LCB / RAH / MSME Sulabhs-3 months

From the date of submission of the report

However in case of High Risk rated Large / VLB / ELB / MCB / LCB branches, reports shall be closed **within 2 months** from the date of report.

RBIA reports of ROs shall be closed at ZACE. The time line for closure of ROs reports is 2 months from the date of audit report

.

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

Audit Committee of Executives (ACE)

first-tier internal committee responsible for overseeing the overall functioning of the Inspection and Audit department within the bank.

.

Meeting of the Committee – Twice in each quarter for permitting closure of audit reports and for discussing ATR (Action Taken Report).

Composition of ACE :

ED Overseeing Inspection Wing – Chairman

Members

CGM / GMs of all Wings at HO (If the CGM / GM /Wing head is not available for any reason to participate in the meeting, then the executive holding concurrent charge of the wing shall participate in the meeting)

Convenor : DGM-Inspection Wing

Quorum:6 members

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

Zonal Audit Committee of Executives (ZACE) : Bi-monthly

Offsite Transactions Monitoring System (OTMS) :

Branches should **verify all the alerts generated in OTM** web portal on **daily basis**

ZI verify : at least **25% of the alerts that are closed by the CO** coming under their purview on day to day basis

Also ZI have to submit a monthly confirmation in respect of verification of alerts closed by CO **before 10th of the Succeeding Month : HO OTM Cell**

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

HIA : Head of Internal Audit

Quality Assurance and Improvement Program (QAIP) :

Purpose : To assess the audits conducted by Inspection Wing, identify weaknesses and opportunities and make recommendations for the improvement of its effectiveness and efficiency

- **Quality Assurance (QA) Team formed.**
- **QA team headed by not below the rank of AGM in Inspection Wing.**
- **The activities of the QA Team shall be monitored by the HIA.**

QA (Quality Assurance) team shall verify 2% of RBIA/CCA/IS/IT audits conducted at Branches, RO, CO, HO Verticals and Wings, during the previous month to assess the weaknesses and opportunities & recommend for improvement of audit effectiveness and efficiency.

QAIP results shall be placed before HIA on quarterly basis.

Confidential

UNIFIED INSPECTION POLICY OF THE BANK

Norms for Security Verification During Concurrent / Continuous Audit of Branches / RAHs / MSME Sulabhs / ACCs
100 % verification of all the immovable securities* (prime / collateral) which are mortgaged during the review period.
100% verification of all units of **MSME loans of Rs.10 lakh and above**
Minimum 25% verification of movable securities in case of loans **above Rs.10 lakh**
All Government sponsored loans and loans backed by any sort of Govt. subsidy
Immovable securities* / units (prime/collateral) pertaining to all the accounts **slipped to NPA during the previous month**

Confidential

Norms for Security Verification During RBIA of Branches / RAHs / MSME Sulabhs / ACCs, (covered under Concurrent Audit)

100% Verification of all the immovable securities* (prime / collateral) mortgaged during the review period and are **not covered by the Concurrent auditor** during the review.

100% Verification of all units of MSME loans of Rs.10 lakh and above sanctioned during the review period and are not covered by the Concurrent audit

Minimum 25% verification of movable securities in case of loans above Rs.10 lac sanctioned during the review period and are not covered by the Concurrent auditor during review period

All Government sponsored loans and loans backed by any sort of Govt. subsidy sanctioned during the review period and are **not covered by the Concurrent auditor**

Immovable securities* / units (prime/collateral) pertaining to all the accounts slipped to NPA during the review period and are **not covered by the Concurrent auditor**

Where Branches / RAHs / MSME Sulabhs / ACCs, etc. (not covered under Concurrent Audit)

100% verification of all the immovable securities* (prime / collateral) which are mortgaged during the review period

100% verification of all units of MSME loans of Rs.10 lakh &above sanctioned during review

Minimum 25% verification of movable securities in case of loans above Rs.10 lakh sanctioned during the review period

All Government sponsored loans and loans backed by any sort of Govt. subsidy sanctioned during the review period are to be verified by Inspecting Officials

Immovable securities* / units (prime/collateral) pertaining to all the accounts slipped to NPA during the review period, are to be verified by Inspecting Official (excluding securities

Confidential

Terminal Questions

- In case of VLB/ ELB / PCB / MCB wherever income leakage detected is Rs…… **lacs and above per** branch per audit, such things are to be reported as Special reports. **For Large / Medium / Small** branches, cut off limit for reporting income leakage under Special reports shall be _____.

- **1. Rs.10 lacs & Rs 25 lacs**
- **2. Rs 25 lacs & Rs.15 lacs**
- **3. Rs 30 lacs & Rs.15 lacs**
- **4. Rs 25 LACS & Rs.10 lacs**

Answer is : RS 25 LACS & Rs.10 lacs

Confidential

Terminal Questions

- Periodicity of audit for newly opened branches

- **1. 3 months**
- **2. 9 months**
- **3. 6 months**
- **4. 12 months**

- **Answer is : 6 months**

Confidential

Terminal Questions

- London branch, Dubai branch and IFSC Banking Unit (IBU)-GIFT City shall be subjected to ……. Concurrent Audit and New York branch shall be subjected to…….. Internal Audit by external audit firms as per host country requirements.

- **1. Quarterly, Half Yearly**
- **2. Monthly, Half Yearly**
- **3. Quarterly, Monthly**
- **4. Quarterly, Quarterly**

- **Answer is : Quarterly, Monthly**

Confidential

Terminal Questions

- As per Quality Assurance and Improvement Programme of Inspection policy , for the purpose of quality assurance review, the members of the QA Team at Inspection Wing shall verify …….% of RBIA/CCA/IS/IT audits conducted at Branches, RO, CO, HO Verticals and Wings, during the previous ……. to assess the weaknesses and opportunities and recommend for improvement of audit effectiveness and efficiency

- **1. 2 % & Monthly**
- **2. 5 % & Monthly**
- **3. 10 % & quarterly**
- **4. 3 % & quarterly**

Answer is : 2 % & Monthly

Confidential

Terminal Questions

- Periodicity of RBIA of COs / ROs / RAHs / MSME SULABHs / ACCs / ARMs with Low & Moderate Risk Rating is …….**months**.

- **1. 18 MONTHS**
- **2. 6 MONTHS**
- **3. 12 MONTHS**
- **4. 24 MONTHW**

Answer is : 12 MONTHS

Confidential

Terminal Questions

- **Which is not correct for eligibility for become Inspecting officer, as per Unified Inspection Policy of the Bank?**

1) **Scale 2 and above**
2) **Inspector Term 3 years with an option to extend.**
3) **Should not have committed any serious irregularities in their earlier placements and not imposed with major punishment during the last 5 years and names should not be in ODI/Agreed list & no chargesheet pending**
4) **Minimum 2 year experience as Branch-in-charge**

Answer:Minimum 2 year experience as Branch-in-charge

Confidential

Terminal Questions

- As per Unified Inspection Policy of the Bank, Closure of Special Report should be in _____ months from the date of receipt of report at Circle Office.

1) 3
2) 4
3) 2
4) 6

Answer: 4

Confidential

Terminal Questions

- **As per Unified Inspection Policy of the Bank, minimum ____ of the total number of both Part A & B** category from the **previous audit report**/s are to verified , as Quality Audit.

1) **15%**
2) **20%**
3) **10%**
4) **25%**

Answer: 10%

Confidential

Terminal Questions

- The ZIs shall review the Risk Profiling cum Risk Rating charts for all types of branches and service units and confirm the Risk ratings awarded in the system thereon within the stipulated time norms of …. working days from the date of conclusion of RBIA or from the date of receipt of RPRR charts/ files at ZI whichever is earlier

- **1. 7**
- **2. 10**
- **3. 15**
- **4. 30**

Answer is : 7 DAYS

Confidential



Confidential