ANCILLARY SERVICES

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💳 REMITTANCES: INTRODUCTION

💸 **Definition: Transfer of funds from one bank branch to another**

(same or different bank).

🔄 **Modes of Remittance:**

Mode	Description	Example
Banker's Cheque (BC)	Used for local payments	Paying a vendor for business expenses within the same city.
Demand Draft (DD)	Secure paper-based payment for intercity transfers	A student paying university fees in another city.
NEFT (National Electronic Funds Transfer)	Electronic interbank transfer settled in batches	Paying monthly rent to a landlord's account.
RTGS (Real Time Gross Settlement)	Immediate high-value fund transfer	Sending ₹5 lakh from Mumbai to Delhi for property booking.

💳 DEMAND DRAFTS (DD) & BANKER'S CHEQUES (BC)

☑ Demand Draft (DD):

Feature	Details
Type	Negotiable instrument for intercity transfer
Key Restriction	Cannot be payable to bearer (Sec.31 of **RBI Act 1934**)
Use Case	College admission fees, government tenders
Validity	3 months (can be revalidated once within a year)
Regulation	₹20,000+ must have account payee crossing

✅ Banker's Cheque (BC):

Use Cases	Example
Client Requests	Paying a consultant for services
Legal Heirs Payment	Disbursing deceased customer's account balance
Bill Payments	Utility bills, deferred payments
Contractor Payments	Paying civil contractors for government projects

⚠ Regulations for DD/BC:

- ₹50,000+ transactions **must be through banking channels**.

- ₹20,000+ transactions **cannot be paid in cash**.

- **Purchaser's name** must be mentioned **(Effective Sept 15, 2018)**.

✅ Duplicate DD/BC:

Requirement	Condition
Loss Reported	Purchaser must submit an indemnity bond
Issuance Time	**Within 15 days** (RBI directive)

Delay Compensation	Fixed Deposit rate interest paid to the customer

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💳 NATIONAL ELECTRONIC FUNDS TRANSFER (NEFT)

Feature	Details
Type	Secure electronic funds transfer system
Settlement	Batch-wise processing
Transaction Limit	No minimum or maximum limit
Unique Code Required	IFSC Code
Use Case	Paying utility bills, monthly rent, business transactions

☑ Benefits:

- ☑ Automated & cost-effective processing.

- ☑ Secure & quick transfer.

- ☑ No courier or physical handling needed.

- ☑ Refund available for failed transactions.

- ☑ Recurring payments enabled (EMIs, subscriptions, etc.).

☑ Special Feature:

Facility	Purpose
Indo-Nepal Remittance Facility	Enables transfer of funds from **India to Nepal**

💳 REAL TIME GROSS SETTLEMENT (RTGS)

Feature	Details
Type	Real-time electronic funds transfer
Settlement	Individual (gross settlement)
Transaction Limit	Minimum ₹2 lakh, No maximum limit
Availability	24×7×365
Processing Time	Instant settlement within 30 minutes
Use Case	High-value real estate transactions, business payments

✅ Required Information for RTGS:

Required Details	Example
Amount of remittance	₹5,00,000
Sender's account number	1234567890
Beneficiary bank name & IFSC	HDFC0001234
Beneficiary's name & account number	ABC Pvt Ltd, 9876543210
Purpose of transfer	Property advance payment

✅ Benefits:

- ✅ **Safe & secure transactions**.

- ✅ **Instant processing**.

- ✅ Available **24x7**.

- ✅ No batch processing delays.

🏷️ Mode	📝 Features	🏷️ Example
Demand Draft (DD)	Paper-based, intercity secure transaction	University fee payment
Banker's Cheque (BC)	Local payments, valid for 3 months	Vendor payment within a city
NEFT	Batch-processed electronic transfer, no amount limit	Monthly rent transfer
RTGS	Real-time large-value transfer, ₹2 lakh minimum	Property purchase advance

💳 ELECTRONIC BENEFIT TRANSFER (EBT) SCHEME

📝 What is EBT?

- The **Electronic Benefit Transfer (EBT)** scheme ensures **direct & timely disbursal of government benefits** without leakages.

- Supports **welfare schemes** like:

  - **Social Security Pensions**

  - **Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS)**

  - **National Old Age Pension Scheme (NOAPS)**

  - **Insurance & Subsidy Payments**

- **Financial Inclusion Tool**: Ensures **cash benefits** reach beneficiaries via **bank accounts**.

📝 Implementation of the Scheme

✅ **Model Used:** "One District, One Bank"

✅ **Rebranded as: Direct Benefit Transfer (DBT)**

✅ **Objective:** Direct subsidy & cash benefit transfers to Aadhaar-seeded bank accounts.

❇ Benefits:

- Ensures **financial transparency**.
- Reduces **leakages & middlemen**.
- Strengthens **last-mile banking access**.
- Empowers **financial inclusion in rural areas**.

🏠 EBT Scheme Model

✅ **Key Benefits of EBT:**

- **Reduces time & administrative costs** for the government.
- **Encourages banks** to penetrate remote villages.
- **State Governments pay commission** to banks, making it financially viable.

☑ EBT Operational Framework:

✏️ Step	📝 Process
1 State Government & RBI	State designates **one leader bank per district** in consultation with **RBI Regional Office & SLBC**.
2 Leader Bank Arrangement	Leader bank enters **revenue-sharing contracts** with other banks.
3 Nodal Department	**State Government Nodal Dept.** coordinates with **leader bank** for all EBT schemes.
4 Beneficiary Enrollment	Participating banks **open accounts & issue smart cards** through **Business Correspondents (BCs)**.
5 Fund Transfer	Leader bank **receives funds** from **State Government** & transfers to participating banks.
6 Beneficiary Credit	Participating banks **credit beneficiaries' accounts** on the **same day**.

☑ Banking Services via EBT:

✏️ Service	📝 Description
Deposit Scheme	Variable **Recurring Deposit** with **Overdraft Facility**.
Remittance Services	Easy **fund transfers** for rural beneficiaries.
Entrepreneurial Credit	**General Credit Card (GCC) & Kisan Credit Card (KCC)** options.

🏷️ Aspect	📝 Details
🛠️ **Scheme Name**	**Electronic Benefit Transfer (EBT)**
🏠 **Coverage**	MNREGS, NOAPS, Pensions, Insurance, Subsidies
🔒 **DBT Model**	**"One District - One Bank"** Approach
💳 **Beneficiary Accounts**	Aadhaar-linked **bank accounts** via **Business Correspondents**
💵 **Payment Processing**	**Leader Bank → Other Banks → Beneficiaries (Same Day Credit)**
✳️ **Services Under EBT**	Deposit, Remittance, GCC/KCC Loans

💳 SAFE DEPOSIT LOCKERS & ELECTRONIC BENEFIT TRANSFER (EBT) SCHEME

Measures for EBT Implementation

✅ **Key Measures for Successful Implementation:**

🏷️ Measure	📝 Description
Opening of Beneficiary Bank Accounts	Ensuring Aadhaar-seeded bank accounts for all recipients.
DBT Implementation Committee	Formed at the district level for coordination.

Transparency on SLBC Website	Display of district/village-wise Business Correspondents (BCs).
Grievance Redressal System	Dedicated complaint resolution officer in every district.

☑ **Banking Infrastructure Enhancements:**

- **All Public Sector Banks (PSBs)** are connected to **Aadhaar Payment Bridge (APB)**.

- Expansion of **bank branches, business correspondents, and ATMs** in unserved areas.

- Issuance of **debit cards to all beneficiaries** for easy withdrawals.

☑ **Real-life Example:** A farmer in a remote village receives MNREGS payments directly in his Aadhaar-linked bank account and withdraws money at the nearest **Bank Mitra (BC Agent)**.

🏠 HIRING OUT A LOCKER

☑ **Key Steps for Locker Allotment:**

Step	Requirement
1 KYC Compliance	New hirers must complete **KYC as per RBI/PMLR norms**. Existing KYC-compliant customers are exempt.
2 Transparency in Allotment	Banks maintain a **waitlist in CBS/software system** for fairness.

3 Model Locker Agreement	Banks follow **IBA's Model Locker Agreement**, per **Supreme Court ruling**.
4 Locker Rent	Varies by **size (small, medium, large, extra-large)** and is payable **in advance**.
5 Term Deposit as Security	A deposit may be taken for **3 years' rent** and charges for breaking open a locker in case of default.

☑ **Real-life Example:** A jeweler rents a **large locker** for keeping high-value gold ornaments. The bank ensures **dual key access** for security.

♡ Infrastructure and Security

☑ **Safety Measures for Lockers:**

🏷 Security Feature	📝 Implementation
Strong Room/Vault	Single **entry/exit point**, protected with **CCTV** (recordings stored for **180 days**).
Unauthorized Access Complaints	**CCTV footage** preserved until **police investigation is completed**.
Water & Fire Protection	Flood & fire-proofing measures implemented.
Standardized Locker Mechanism	Lockers conform to **BIS & industry security standards**.
Master Key Custody	Duplicate keys are stored **securely at another branch**.

☑️ **Real-life Example:** A diamond trader stores valuable stones in a bank locker. **Strong-room security** ensures the safety of contents.

📄 Locker Operations

☑️ **Standard Operating Procedures (SOPs) for Lockers:**

🏷️ Procedure	📝 Implementation
Access Control	Only **authorized hirers** are allowed entry. Identity verification is **mandatory**.
Privacy Measures	No **bank officials** or **other customers** allowed inside during operation.
Customer Alerts	**Email/SMS alerts** sent on **locker access**.
Lock Maintenance	Keys interchanged **after surrender**; spare keys stored securely.
Daily Checks	Officer-in-charge ensures **lockers are properly closed at day-end**.
Record Keeping	Locker transactions recorded in **CBS/software system**.

☑️ **Real-life Example:** A customer forgets to close their locker properly. The **bank officer detects it during daily checks** and informs the customer via **SMS alert**.

📈 Summary Table

🏷️ Aspect	📝 Details
🛠️ **EBT/DBT Implementation**	Aadhaar-linked transfers, transparent allotment, grievance redressal.

🏠 **Locker Security Features**	CCTV monitoring, strong-room entry control, fire/waterproofing.
💼 **Hiring & Access Rules**	KYC required, term deposit for rent security, key control measures.
🔒 **Daily Operations & Checks**	Lockers verified daily, SMS alerts for locker access.

💳 SAFE DEPOSIT LOCKERS

🔐 Nomination Facility

✅ Key Rules for Nomination in Lockers

🏷️ **Nomination Rule**	📝 **Details**
Single Locker Hirer	Can nominate **only one individual**.
Joint Hirers	Can nominate **one or more persons**. (Max 2)
Photographs	Optional for nominee(s).
Thumb Impression Cases	Requires attestation by **two witnesses**.
Acknowledgment	Provided for **nomination/cancellation/variation**.

✅ **Real-life Example:** A retired individual nominates his son for his **bank locker** containing property documents and valuables.

📑 Claims Settlement on Death of a Customer

☑ Claim Settlement Process:

Scenario	Procedure
Death of Sole Locker Hirer	After verifying **death certificate**, the **nominee is given access** post-inventory.
Death of Joint Locker Hirer (Joint Operation)	Nominee & surviving hirers **can access** after taking inventory.
Death of Joint Hirer (Survivorship Clause Present)	Bank follows **predefined mandate**.
No Nominee/Survivorship Clause	Legal heirs are given access **as per bank policy & documentation**.

☑ Time Limit for Settlement:

- **Maximum 15 days** from claim submission.
- **No need for succession certificate, indemnity bond, or surety**.

☑ Prerequisites for Access:

- **Proper identification of nominee/ legal heirs**.
- **Verification of Court orders (if any)**.
- **Nominee/survivors receive locker contents as a trustee**, not as an absolute owner.

✅ **Real-life Example:** A widow submits her **late husband's death certificate**, and the bank allows her access to their **jointly held locker**.