



**Utkarsh Small Finance Bank**

**RECORD MANAGEMENT POLICY**

**Version: 4.0 (Nov 23, 2021)**

## Contents

1. INTRODUCTION & REFERENCE .....	3
2. SCOPE .....	4
3. DEFINITIONS .....	4
4. OPERATIONAL GUIDELINES .....	5
5. POLICY ON PRESERVATION .....	7
6. LOANS AND ADVANCES DOCUMENT .....	10
7. INWARD MAIL .....	11
8. CIRCULARS .....	11
9. FILING .....	11
10. PARTING WITH / HANDING OVER THE DOCUMENTS FOR LEGAL ACTION .....	12
11. OLD RECORDS .....	12
12. DUPLICATION OF RECORDS IN EMERGENCY .....	15
13. ENGAGEMENT OF OUTSOURCING FOR SAFEKEEPING OF OLD RECORDS .....	15
14. PERIODICITY OF PRESERVATION OF DOCUMENTS .....	16

## 1. INTRODUCTION & REFERENCE

- Records are evidence of business conducted by an organization. Accordingly, documents pertaining to all transactions executed/entered into as part of business/operations, together with incoming or outgoing correspondence, minutes of meetings, management approvals, returns and other relevant communications should be held on record.
- This Policy primarily includes two types of records - physical (paper) and electronic. Any reference to "a record" or "records", within this policy, refers to either physical records such as hard copy documents e.g. cheques, vouchers, etc. or electronic records such as email, systems data, web content, etc.
- This document lays down Bank's policy and operating guidelines with regard to filing, storage, archival, safety and security of records, as well as destruction of stationery, documents and other records.
- Ministry of Law and Justice (Legislative Department) and RBI has issued various guidelines on Prevention of Money Laundering in Banks vide its circulars "The Prevention of Money Laundering (Amendment) Act 2012" and RBI/2015-16/59 Ref. DBOD No.Leg.BC.21/09.07.006/2015-16 dated July 01, 2015
- As per Bankers' Books Evidence Act, 1891, The Reserve Bank of India has advised all scheduled commercial banks (excluding regional rural banks) that
  - In the event of need for production of evidence to prove entries in Bankers' Books in any legal proceedings before courts, tribunals, consumer forums, etc., they may be guided by Section 4 read with the provision of section 2 (8) of the Bankers' Books Evidence Act, 1891.
  - This would obviate the need for production of volumes of original records of the bank and would also avoid administrative and procedural inconvenience which is normally caused in the event of such records remaining in the custody of the court till completion of such proceedings.
  - Banks should, however, ensure that original documents/ records which are the subject matter of such legal proceedings are preserved at their end till the final disposal of the proceedings notwithstanding the provisions of the Banking Companies (period of preservation of records) Rules 1985.
  - The advice was contained in a judgement delivered by the Special Court (Trial of Offences relating to Transactions in Securities).
- The Securities and Exchange Board of India, has vide its notification dated 2nd September 2015, introduced the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st December 2015. Regulation 9 of Chapter III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires the Bank to frame a policy on preservation of documents. Further, Regulation 30 (8) requires the Bank to frame a policy on website disclosure and archival of such disclosure. In compliance to the aforesaid regulations, this Policy is framed for the purpose of systematic categorization, maintenance, retention of documents received or created in the course of business. The Policy further encompasses the manner of archival of documents which have been disclosed on the Bank's website for the time frame prescribed under Regulation 30 (8).

- In terms of the Prevention of Money Laundering (Maintenance of records of the nature and value of transactions, the procedure and manner of maintaining and time for furnishing information and verification and maintenance of records of the identity of the clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 and PML Amendment Act, 2012, Banks should introduce a system of maintaining proper record of transactions prescribed in the guidelines for at least five years from the date of transaction between the bank and the client, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and types of currency involved, if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity. Further, Banks should ensure that records pertaining to the identification of the customers and their address (e.g. copies of documents like passports, identity cards, driving licenses, PAN card, utility bills, etc.) obtained while opening the account and during the course of business relationship, are properly preserved for at least five years after the business relationship has ended, as required under the act.
- Section 6.2 of the guidelines pertaining to “Preservation of Records” in the RBI’s Master Circular on KYC & AML stipulates - Banks needs to take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Banks should maintain records of the identity of their clients, and records in respect of transactions referred to in Rule 3 of PML Rules in hard or soft format.

## **2. SCOPE**

- This policy defines the Bank’s responsibilities and provides operating guidelines for preservation of records of the Bank.

## **3. DEFINITIONS**

- “Applicable Law” means any law, statutory rules & regulations, or standards applicable on the Bank under which any guideline / provision with regard to the preservation of the Documents has been prescribed.
- “Board” means the Board of Directors of the Bank.
- “Bank” means Utkarsh Small Finance Bank Ltd.
- “Current Document(s)” means any Document that still has an ongoing relevance with reference to any ongoing business relationship, contract, litigation, proceedings, complaint, dispute, or any like matter.
- “Document(s)” refers to application forms, KYC documents, notes, agreements, notices, advertisements, requisitions, orders, declarations, other forms, vouchers, correspondence, minutes, registers and or any other record (including required under or in order to comply with the requirements of any applicable law) maintained on paper or in electronic form and does not include multiple or identical copies.

- “Electronic Form” means maintenance of documents in an electronic device/format such as computer, laptop, compact disc, floppy disc, cloud storage, or any other form of storage and retrieval device, considered feasible, whether the same is in possession or control of the Bank.
- “Maintenance” means keeping documents, either physically or in electronic form.
- “Preservation” means to keep in good order and to prevent from being altered, damaged or destroyed.
- “Regulations” implies the following regulations –
  - (a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (b) Prevention of Money Laundering (Maintenance of records of the nature and value of transactions, the procedure and manner of maintaining and time for furnishing information and verification and maintenance of records of the identity of the clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 and PML Amendment Act, 2012
  - (c) Bankers' Books Evidence Act, 1891
  - (d) RBI's Master Circular on KYC & AML

## **4. OPERATIONAL GUIDELINES**

### **4.1 General**

- The approach towards implementation of a Record Management Policy will have the following features for storage of both physical and electronic records.
  - (a) The records / documents maintained should be compliant with regulatory and statutory requirements and be adequate for the purposes for which the records are kept, including providing comprehensive information regarding the activity/transaction to facilitate reconstruction of the chain of events/activities at a later stage.
  - (b) The records should be retained for an appropriate period of time in accordance with various statutory requirements.
  - (c) The records should have maintained in a secure manner to prevent unauthorized access, alteration or removal/deletion.

### **4.2 Filing and Custody of Forms**

#### **• General**

- a) The key data files, identified by the respective Departments as being highly sensitive, should be password protected and stored in a secure environment in close coordination with the IT Department.

b) Wherever the services of Record Maintenance Agencies are hired, standard/uniform SLAs should be enforced/agreed upon in line with this Policy and the SLAs should be reviewed at periodic intervals.

c) The process of retrieval of records stored with Record Management Agencies should have the following features:

i. The record retrieval request should be approved by the Head of the Department or the Head of the Operating Unit, depending on the sensitivity of the information.

ii. The process for record receipt and subsequent handover to the Record Management Agency should adhere to the Four Eye Principle.

iii. Format for sending and retrieving Documents/Records from Record Management Agency are mentioned in para 14.15 as Annexure 1, 2 & 3

d) All records, rarely used or no longer in use for official purposes, but still required to be retained as per statutory and regulatory requirements, should be forwarded to the Record Management Agency.

e) All records, irrespective of format (physical or electronic), created or received by the employees in the course of their duties in the Bank, are the property of the Bank and subject to its overall control.

### **4.3 Custody of Sensitive Stationery**

a) Stocks of security stationery like Cheque books, pay orders / demand drafts, password, pins etc. (to be drawn on our branches as well as on the branches of correspondent banks), should be entered into the system/ relative registers by following the prescribed guidelines to maintain proper record of inventory. The stock should be stored securely in cupboards / almirah in the joint custody of two designated officials. Adequate number of forms may remain with the concerned official for use during the working hours. Proper record of the withdrawal form / deposit into the joint custody of the forms should be kept. Similarly, undelivered DD / PO, Insta Kits and returned deliverable be kept overnight under joint custody of two designated officials. During the day these may be kept with the concerned officer.

b) If a draft or pay order leaf gets spoilt in preparation. It should be destroyed in presence of the Branch Operation Manager and the concerned official. The fact of destruction should be recorded in the system as well as in the register under their authorization / authentication.

c) In case of loss of Demand Draft / Pay Order / Cheque Book / Term Deposit receipt / leaf/book, necessary system, enablement has been made so that the security stationery which has been moved to Intellect / CBS spoilt location so that it cannot be reverted in the system for reuse and would be permanently- rendered unusable. Branches would report such loss on a monthly basis to Zonal Head who would confirm the action of the branch by verifying the details. Thus the Zonal Head shall be in a position to take remedial measures in case of frequent occurrence of loss / theft at a particular branch.

d) If the security stationery is found at a later date, the branch would destroy the stationery and record it in Security Stationery Destroy Register under intimation to Zonal Head.

e) Proper record of Cheque books received from CPC / vendor for delivery to the customers should be maintained. The Cheque books should be held securely along with other blank/ un-issued Cheque books and proper record of their delivery should be maintained. The stock should be checked physically / through system as well as register to be maintained at irregular intervals by an officer other than joint custodian.

f) All other records including physical and scanned copies of AOFs to be stored at the branch in lock and key until the same is dispatched to the record management agency / CPC.

## **5. POLICY ON PRESERVATION**

### **5.1 Classification based on preservation period**

- Based on preservation duration, the Bank shall classify the documents to be retained and preserved as follows: -

a) Documents whose preservation shall be permanent in nature.

b) Documents with preservation period of not less than eight years after completion of the relevant transactions.

c) Documents with preservation period department wise may have specified periodicity depending on the regulator and utility / need for the record.

- Provided that the Bank may keep documents specified in above clauses in electronic mode.

### **5.2 Responsibility for preservation of Documents**

- All the employees in the rolls of the Bank are responsible for taking into account the potential impacts on preservation of the documents in their work area and their decision to retain/preserve or destroy documents pertaining to their area.

- The principle responsibility of ensuring the preservation and archival of documents pertaining to the different departments will rest with the concerned Head of Departments / Units.

### **5.3 Modes of preservation**

- The Documents may be preserved in

a) Physical form and/or

b) Digital / Electronic Form

a) **Physical form documents** can be stored Onsite and Off-site.

- **Onsite Documentation:** Documents which are required on a daily basis by the branches and those mandatory to be retained in the branches
- **Off-site Documentation:** All the documents which are sent to the vendors for storing and record keeping as per the timelines.

b) **Digital / Electronic Form** can be stored Off-site. It is mandatory that all information, data, records, whether paper or electronic, relating to the payment system application (physical cheques including the images of the cheques under cheque truncation system) shall be preserved for ten years as per RBI guidelines.

1) Retention of electronic records as per section 7 of Information Technology Act 2000:

i Where any law provides that documents, records or information shall be retained for any specific period, then, that requirement shall be deemed to have been satisfied if such documents, records or information are retained in the electronic form, if—

- the information contained therein remains accessible so as to be usable for a subsequent reference
- the electronic record is retained in the format in which it was originally generated, sent or received or in a format which can be demonstrated to represent accurately the information originally generated, sent or received
- the details which will facilitate the identification of the origin, destination, date and time of despatch or receipt of such electronic record are available in the electronic record: provided that this clause does not apply to any information which is automatically generated solely for the purpose of enabling an electronic record to be despatched or received

ii Nothing in this section shall apply to any law that expressly provides for the retention of documents, records or information in the form of electronic records

2) Retention of electronic records as per section 67C of Information Technology Act 2000: Preservation and retention of information by intermediaries-

- i Intermediary shall preserve and retain such information as may be specified for such duration and in such manner and format as the Central Government may prescribe.
- ii any intermediary who intentionally or knowingly contravenes the provisions of sub-section 2).i shall be punished with an imprisonment for a term which may extend to three years and also be liable to fine.

3) In respect of records relating to any pending litigation before any forum, any internal enquiry by Inspection Department, IRD, Vigilance, any investigation by CBI, Enforcement Directorate, IT Department, Investigation under FERA/FEMA/PMLA etc. are to be preserved irrespective of the periodicity of preservation and may be eliminated only after investigation/ litigation is completed and only after obtaining the prior written permission from competent authority.

4) Retention of electronic records has primary bearing on Back-up Strategy, Back-up Media Selection Strategy, Ledger Extracts, Media Labelling Strategy, Backup Registers, Media Testing Strategy, Off-site Storage Strategy, Receipt of Off-site Back-ups, Recycling of Storage Media, Disposal of Electronic Media, Insurance, Digital Signature Records, data purging, etc. This is an IT Operational requirement for regulatory and legal compliances.



5) For electronic records maintenance part, inputs shall be taken from IT as the ownership for storing, managing and retrieving (backup/ restoration) electronic records comes under the jurisdiction of IT. Classification based on criticality shall be decided with inputs from business owners/ departments. Inputs on regulatory guidance if any, in addition to the above may be obtained from compliance department.

6) **Off-site Documentation:** All the document's which are stored on clouds, external hard disk and other Digital / Electronic methods.

#### **5.4 Authority to make alterations to the Policy**

- Head Operations along with Chief Compliance Officer and Chief Risk Officer is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall be in consonance with the provisions of the Regulation and other applicable laws.

#### **5.5 Destruction of Documents**

- After the completion of retention period, concerned Branch / Unit head shall decide the records which are to be destroyed as per extent guidelines, in presence of minimum two Employees. A list of the Documents destroyed shall also be maintained and the same should be informed to Zonal Head / Department head on a Quarterly basis. It shall state the brief particulars of the Documents destroyed, date of destruction etc.

#### **5.6 Conversion of the form in which the Documents are preserved**

- The physical Documents that are preserved may also be converted, whenever required or felt necessary, into electronic form to ensure ease in maintenance of records and efficient utilization of space.

#### **5.7 Archival Policy**

- The policy applies to documents/ information hosted on the website of the Bank including events/information required to be disclosed on website.

- The disclosure of material /events shall be hosted and retained on the Banks website for a minimum period of 5 (five) years. Thereafter depending upon the nature, materiality, impact and relevance of the material/ event/ information, the disclosure of such material/ event can

a)Continue to remain hosted on the Banks website for a longer period of time on the advice of concerned Head of Department to Corporate Communications Department.

b) Can be removed from the website or

c)Can be archived by appropriate technology.

## 6. LOANS AND ADVANCES DOCUMENT

- Guidelines / instructions issued by Business Department vide various office circulars from time to time may be followed for record keeping of Documents

### 6.1. Safe Keeping of Documents

a. All documents obtained from the borrowers should be held in cloth-lined/ plastic Dockets only. Separate dockets should preferably be maintained for each facility of the borrower. The following information should appear on the outer cover — Name of the Account, Account No., Type of Facility, Limit and Date of Sanction.

b. Copy of the Sanction Advice/letter received from sanctioning authorities and duly acknowledged by borrower(s) and guarantor(s), if applicable, should also be kept attached to the documents and placed in the Docket. Copies of advice/s conveying any subsequent changes in the terms of sanction duly acknowledged by borrower(s) and guarantor(s), if applicable, should also be kept in the- same docket. This will facilitate verification of the documents without difficulty.

c. All the documents should be kept as per the process i.e. Customers AOF along with all relevant loan disbursement document's such as credit documents, legal and technical document's should be kept as per the record retention and Customers secured document such as Loans documents, legal documents, collaterals and property papers and chain agreements would be retained in records and the same would be released once the loan has been closed by the customers.

d. A separate box file should be maintained in alphabetical order in respect of stock statements / book debts statements received from the borrowers. All other papers excepting those stated above should be kept in a separate correspondence file of the borrower along with a copy of the Letter of Arrangement / sanction letter.

### 6.2. Preservation of repaid (or) loan closed documents

a. When an advance is repaid, original loans documents, would be returned to borrower. Particulars of documents of title deeds or shares or securities, when returned to borrowers, must be entered in the Documents Execution Register and signatures of borrowers obtained on the Register for receipt. Original Loan agreements not to be returned.

b. Upon closure of fully repaid advance accounts, security documents (i.e. Demand Promissory Note, Deed of Hypothecation, Guarantee Letter and such other relative security documents) should be marked "Cancelled" with a suitable rubber stamp and should be kept in a separate file labelled "Cancelled Documents File". It should be noted that no other remarks should be made on such cancelled security documents. The cancelled security documents should be preserved for a period of eight years from the date of the closure of the concerned account or from the date of cessation of business relationship with the Bank, whichever is later. Similarly, Branches/concerned Departments should preserve all other papers / records (viz. original sanctioned proposals, stock/bookdebts statements etc.) pertaining to advances fully repaid / closed accounts for a period of eight years from the date of the closure of the concerned account or from the date of cessation of business relationship with the Bank, whichever is later.

## **7. INWARD MAIL**

- All inward mail should be recorded by person authorized by Branch Head or Unit Head. All inward mail should be stamped with Mail Received stamp bearing the date of receipt. The inward mail should be entered in Mail inward register with a running serial number for each financial year. The mail should be properly marked to the dealing officials and delivered to them, where necessary through Branch Head/ Head of the Department against proper acknowledgement. The date or disposal of mail must be noted in- the register in due course.
- Letters and other communications from Central / Circle Office, Reserve Bank of India, Government Departments, Local Bodies, Courts, etc. should be entered in a separate section of Inward Mail Register. The Branch Head / Departmental Head should ensure prompt replies/ response to them.
- Suspicious packets e.g. bulky / dirty packs where the sender's name is not dear should be opened outside the Bank's premises through the Security Guard or other appropriate action taken.

## **8. CIRCULARS**

- Presently, all the Circulars/circular letters are disseminated by Head Office through GIEOM / eMail. All the staff members may be advised to login on GIEOM to keep themselves updated on the various issued by Head Office. However, print out of important circulars on sensitive matters may be taken and filed for reference of new joiner.
- The Branch Head/Departmental Head should convene a meeting of all branch staff for the purpose of discussing important circulars issued by Head Office and obtain their signatures on the circular for having read and understood the circular.
- Circulars issued by the Departments to be filed in chronological order. Hard copies of such circulars should be available for perusal of the auditors/regulators.

## **9. FILING**

- Filing should be done in such a manner that retrieval of any paper is easy and office space is used optimally. The subject files of all the important matters should be prepared and the papers filed accordingly. The files should be numbered and the subject matter and the period from which the papers are filed written on the cover of the file. An index of all the files should be maintained for ready reference.
- While the office copies of letters sent from the branch / department should be maintained in the relevant subject file, a master copy of all the letters sent from the branch / department should be maintained in a Master File. A box file may be used for the purpose.

- Separate files should be maintained for —
  - o Service requests received from customers for Internet banking facility.
  - o Service requests received from customers for Mobile banking facility.
  - o Stop payment requests.
  - o Card Hot listing
  - o Cheque book requisition slips.
  - o Address change requests
  - o PAN Card updation requests/Aadhar Card updation requests.
- The files should be properly maintained and kept securely in the filing cabinet/ almirah. Although, much of the filing may be freely available to all staff in need, certain records such as confidential correspondence, cancelled cheques, internet vouchers as also tapes containing back-up records must be kept under secure and fire resistant conditions with restricted and recorded access.

## **10. PARTING WITH / HANDING OVER THE DOCUMENTS FOR LEGAL ACTION**

- When required for legal action, necessary correspondence and documents may be handed over to the approved lawyer of the Bank after obtaining written approval of the Branch Head/Departmental Head.
- Photocopies of the documents/ correspondence handed over should be maintained in place of the original. While giving documents to the lawyer, his/her acknowledgement should be obtained.

## **11. OLD RECORDS**

### **11.1. Safety Procedure**

- All-important books, records, vouchers, etc., should be kept overnight in strong-room / vault / fire-proof safes or almirah where available; otherwise, they should be stored in cupboards (preferably steel cupboards) which should be locked. Under no circumstances books and records should be left lying in open.


### **11.2. Segregation and Filing of Vouchers**

- a. Risk / Compliance / Operations would recommend process improvement to ensure that the maker would be held accountable for ensuring availability of physical vouchers for all manually processed transactions.
- b. The physical vouchers should be segregated user-id wise and amount-wise in ascending order, which would facilitate verification of the same with the user-wise transaction report available.
- c. The verification of vouchers with the user-wise transaction report by the official other than the maker, affixing his/her signature thereon and subsequent signing of the voucher cover by the Branch Head / Unit Head shall imply that all the vouchers have been checked with the report and are physically available and that the related transactions have been executed by the branch officials present during the day.

d. Vouchers missing, if any, should be brought the notice of the Branch Head / Branch Operation Manager for immediate action. - In case of suspected fraud, the matter would be referred to Vigilance for further investigation and action, with copy marked to Zonal Head, Compliance and Risk department.

e. The vouchers handled by Service Branches on behalf of branches mapped to it will be maintained by Service Branches.

**Format of the Voucher Cover with pre-printed heads of information.**



**Utkarsh Small Finance Bank**

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**Voucher Bundle Cover**

Branch Name/Code : \_\_\_\_\_ DATE : 

D	D	M	M	Y	Y	Y	Y
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Record Type:

Cash \_\_\_\_\_ (Payment / Receipt) CLG \_\_\_\_\_ (Inward / Outward)

Transfer \_\_\_\_\_ (NEFT / RTGS) Misc. \_\_\_\_\_

No. of Debit Voucher: \_\_\_\_\_ No. of Credit Vouchers: \_\_\_\_\_

Total Vouchers for the Day: \_\_\_\_\_

Verified By: \_\_\_\_\_ Checked by \_\_\_\_\_

Signature of BOM / Voucher Incharge: \_\_\_\_\_ Signature of BOM / Branch Head: \_\_\_\_\_

f. Voucher Management in – Charge: Every Branch head should nominate one official of his branch as “Voucher Management in-charge” The said official would be responsible for:

- Monitoring the quality of binding.
- Ensure the alignment of vouchers
- Ensure Safe Keeping of vouchers at the branch.
- Ensure vouchers are kept under lock and key.
- Maintain proper record in a register including the movement of vouchers to and from the safe custody of the officer-in-charge.
- Other records.

g. At CO, The Departmental Head may assign the responsibility of maintaining proper records of the circulars issued, approvals, correspondence etc. to an officer identified for the purpose from the Department. This may be reviewed periodically, say half yearly by the Departmental Head.

h. The above procedure will enable the inspecting officials to verify the correctness of transactions with the help of filing the vouchers as stated above. The branch will also be in a position to verify the number of vouchers on day to day basis from the system generated reports available in Intellect / CBS.

### **11.3. Arrangement and Control of Old Records**

a. Old books, ledgers, registers, etc., should be properly labelled to indicate the name of the department and the period of Use. They should be arranged chronologically, departmentwise

and placed on racks. Daily vouchers should be neatly fastened, together with a date tag to prevent misplacement or loss. Depending upon the requirements, the bundles of daily vouchers should be tied in one large bundle comprising vouchers of week/fortnight/month. Such bundles of vouchers should be labelled indicating the period (dates) to which they relate.

b. Where old records of different branches are kept in one record room, care should be taken to ensure that the records of each branch are placed branch-wise distinctly separate from records of another branch and arranged neatly indicating the name of the branch on the racks where they are placed.

c. For easy reference, a record should be maintained in an Old Record cum Delivery register indicating rack number, name of branch and description of records stored on the racks. Preferably, cardboards / bin cards indicating particulars of such records kept should be displayed on each rack. It will be the responsibility of the officer who makes a request for retrieval of old record to ensure that items of old record are returned immediately after reference.

d. Old records are required to be preserved for a certain number of years as per the statutory requirements in this regard, particularly those stipulated in Banking Regulation Act, 1949, Companies Act, 1956, Income Tax Act, The Indian Evidence Act, 1872, The Banking Companies (Period of Preservation of Records) 1985 Rules, The Bankers Book Evidence Act, 1928, The RBI Act, 1948. A detailed list of major items of records, indicating the minimum period for which they are to be preserved as decided by the Bank taking into account the statutory provisions, is attached.

e. Every care should be taken to ensure that records are not affected by moths, white ants, rats, dampness, etc.

#### **11.4. Destruction of Old Records**

a. While for legal requirements, certain records need to be retained indefinitely, the branches / departments should adhere to the instructions of the Head Office as to how long each type of record including registers, Vouchers, daily reports, schedules, computer reports, tapes, etc. need to be retained.

b. Records other than these should be destroyed under supervision of minimum two employees and certification should be done by the Branch Head.

c. Records and vouchers where the retention period has expired should be destroyed, with the exception of the following -

i. Records / Vouchers pertaining to accounts relating to civil / criminal suits pending before the court.

ii. Investigation pending with statutory / regulatory authorities

iii. Internal investigations by the Bank

d. Such records shall be entered in the Branch Document Register (BDR) under the head 'Miscellaneous' and preserved permanently.

## **12. DUPLICATION OF RECORDS IN EMERGENCY**

- Department Head / Branch Head should bear in mind the potential need to duplicate records in the event of war, civil strife, fire or major internal disturbance. A suitable system and procedure should be drawn up for this and submitted to the Zonal Office for approval.

## **13. ENGAGEMENT OF OUTSOURCING FOR SAFEKEEPING OF OLD RECORDS**

a. The Outsourcing Policy' of the Bank, drawn up on the basis of RBI guidelines, covers only outsourcing of financial services to third parties. For outsourcing of safekeeping of documents, it is proposed as under:

- o Necessary approval should be obtained from respective Competent Authority.

- o Due diligence of the service provider should be carried out by the respective teams before engaging the service provider.

- o Half yearly review of the service provider should be undertaken by the Zonal Office along with other outsourcing activities to ascertain the continued capability of the service provider on various predefined parameters.

- o The half-yearly review report on safekeeping of old records should be submitted to respective business team after routing it through the Outsourcing Committee.

b. Due to variety of reasons, the need to engage the services of a professional agency for safe keeping the old record is being increasingly felt at even smaller centers. At many of these centers, the services of all national level vendors may not be available and Bank may have to look up to the regional / -local vendors. If need to be vendors may be approved by the Head Office based on the financial / technical parameters.

c. Some of these are enumerated for ready reference:

- o It should be a reputed, experienced corporate entity with profitable track record of at least two years / financial soundness.

- o The warehouse should be preferably owned by the vendor and where the premises are on lease, the lease agreement should have a provision for extension of lease.

- o Location of the warehouse should not be in flood / riot prone area.

- o Warehouse must have adequate security arrangements e.g. firefighting equipment, CCTV, guards, etc.

- o The records should be insured against fire, theft, etc.

- o It should have adequate measures in place to control dampness, rodent and pest control.

o Electrical fittings are not prone to short circuits and whether during the nonworking hours, the electrical supply to the warehouse can be stopped. o Business continuity and Management of Disaster Recovery Plan.

o Robust internal controls to ensure that the record is not misplaced / lost and can be retrieved within the desired timelines and infrastructure is in place.

d.As the service of the vendor comes at a cost, the owner of the record must ensure that the old record is destroyed from time to time in terms of the timelines specified herein so as to reduce cost after taking approval from Head Office / Department Head.

e.Where the record is maintained by an outsourced agency. The ZO or the concerned CO department must depute an Officer to inspect the premises where the records are kept to see whether all records, books and vouchers etc. are properly maintained and preserved and service provider has taken all necessary precautions to preserve the record.

f. **Inspection by Branch Head:** To ensure proper maintenance of record, each branch must designate an officer for the purpose and entrust him / her, the responsibility of ensuring compliance with guidelines. Additionally, Branch Head / Branch Operation Manager should periodically (at least once in every six months) examine all old records, books and vouchers to see that they are properly maintained and preserved and books labeled and placed neatly in order, and that none has been damaged by rats or insects or affected by dampness or in any other way.

#### 14. PERIODICITY OF PRESERVATION OF DOCUMENTS

• The records preservation of documents will be broadly in line with the Statutory and Regulatory guidelines. Various department wise and periodicity wise documents are listed here in below :

14.1. Documents / Records to be preserved permanently by the respective department

14.2. Documents / Records to be preserved for Eight Years by the respective department

14.3. Management of records by MSME, MB & HL Department

14.4. Management of records by Treasury Department

14.5. Management of records by Audit Department

14.6. Management of records by Administration Department

14.7. Management of records by Bank Secretarial Department

14.8. Management of records by Compliance Department

14.9. Management of records by Liabilities Department

14.10. Management of records by Account Department

14.11. Management of records by Project Department



14.12. Management of records by Information Technology Department

14.13. Management of records by Risk Department

14.14. Management of records by HR Department

14.15. Format for Sending and retrieving Documents/Records from Record Management Agency

- All documents introduced or to be included hereafter by the bank will be listed by the respective Department Head and forwarded to Head Operations to be attached to this policy. The document so received will be included in the next annual review.

#### **14.1. Documents / Records to be preserved permanently by the respective department**

- 1.Account Closure Cum Deliverables Destroyed Register
- 2.ATM Reconciliation Report Register
- 3.Branch Document Register including all agreements, SLA's, MOU etc.
- 4.Branch Inward Mail Register
- 5.Branch Outward Mail Register
- 6.Branch Office Order Register
- 7.Branch Visit Report
- 8.Cash In Transit Register
- 9.Cash Transaction 10Lac and Above Register
10. CERSAI Register
11. Cheque Book Register
12. Complaint Book
13. Counterfeit Note Register
14. Customers collection receipt
15. Contracts and Agreements copy with customers, vendors, business associates, etc.
16. Outward Clearing Cheques
17. Demand Draft / Po Issue Register
18. Counter Stock Dd/Mck Register
19. Duplicate FD Advice Issuance Register
20. Mortgage Registers
21. Genset Log Register
22. IP Cheque Tracking Register
23. Job Allocation And Rotation Register

24. Key Movement Register
25. Locker Master Key Movement
26. Locker Wait List Register
27. Loans files
28. Main Cash & Vault Register (Vault Register & Bait Currency Register)
29. Other Bank Cheque Book Register
30. Cheque Return Register
31. Cheque Return Register- Cheque Return To Usfb By other Bank
32. Petty Cash Balancing Register / Branch Advance Register
33. Pre Generated Kits ( PGK) Issuance & Stock Register
34. Safe Deposit Locker Issue Cum Access Register
35. Security Item Bulk Stock Register
36. Sensitive Stationery Register
37. Stamp Paper Register / Revenue Stamps
38. TDR Issue Register
39. Files relating to premises viz. Title Deeds/Lease Deeds of owned premises/land and building, etc. and related Ledger / Register
40. Authorization / licenses obtained from any statutory authority
41. All records/registers/vouchers which are under investigation.

#### **14.2. Documents / Records to be preserved for Eight Years by the respective department**

- 1.All Personal Ledgers
- 2.Loans and Advances Registers and Ledgers
- 3.Call, Short, Or Fixed Deposit Registers or Ledgers
- 4.Demand Loan Liability Registers
- 5.Draft Payable Registers
- 6.Paid Cheques
- 7.Paying in slips
- 8.Vouchers relating to DDs, TTs, MTs, Fixed Deposits, Call Deposits, Cash Credits and other deposit and loan accounts including vouchers relating to payment to nominees
- 9.Account opening forms, inventories prepared in respect of articles in safe custody and safety lockers and nomination forms
10. Standing Instructions requests

11. Application for TTs, DDs, MTs and other Remittances
12. Application for Overdrafts, Loans and Advances

### **14.3. Management of records by MSME, MB & HL Department**

**A. Documents to be preserved for a period upto 8 years after the business relationship between a client and the reporting entity has ended or the account has been closed, whichever is later.**

**i. MSME/HL**

- a. Loan Documents and agreement & all other Documents related to loan Disbursement
- b. Rejected forms and documents
- c. Registers (Required Archival on annual basis)
- d. Collection Receipt Book

**Note:** Customers security documents and agreement would be as per the policy documented for the same separately.

**Disbursement Stationary**

1. Loan Application Form
2. Demand Promissory Note
3. Form 60/61
4. Payment Advice to Borrower form
5. Acknowledgement of SC & PDC
6. Loan Checklist Form
7. NACH Mandate
8. Standing Instruction (SI Form)
9. GCPP
10. DGH
11. Signature Verification Form (As per bank account)
12. Agreement – MEL
13. Agreement – BL
14. Agreement – PL/Doctor
15. Agreement – BL Secured / BL Secured Plus
16. Combined multiple declaration format
17. Loan Disbursement Register
18. Security Cheque Register

### **Sourcing/Movement Stationary**

- 1.JLG Client Reff. & Recommendation Form
- 2.Daily Schedule & Report – For RO
- 3.Movement Register - For TL/CM/Collection/CSO

### **Credit Stationary**

- 1.Credit Evaluation Form New Format
- 2.Personal discussion
- 3.Loan Rejection Form
- 4.Visit Report to Deferred Cases Or For Further Approval

### **Collection Stationary**

- 1.Collection Register
- 2.Cash & Vault Register
- 3.Cash Movement Register

### **Administrative/Operational Stationary**

- 1.Fixed Assets Register
- 2.Stock Register
- 3.Key register
- 4.Inward - Received Register
- 5.Outward-Dispatched Register
- 6.Branch Advance Register
- 7.Visitor Register
- 8.Specimen Signatory Register

### **Monitoring Stationary (Post Disbursement)**

- 1.Client Monitoring Report
- 2.Acknowledgment of Pending PDC

### **ii. Micro Banking**

- 1.Branch Advance Register
- 2.Branch Inward Mail Register
- 3.Branch Outward Mail Register
- 4.Branch Visit Report
- 5.Cash In Transit Register
- 6.Centre Attendance Register

7. Cheque Book Issue Register
8. Key Movement Register
9. Leave Register
10. Loan Disbursement and Utilization Register
11. Monitoring Register
12. Movement Register
13. Main Cash & Vault Register (Vault Register & Bait Currency Register)
14. Collection Register
15. Cash book
16. Fixed Assets Registers
17. Visitor Register
18. Complaint Register
19. Cheque Issue Register
20. Cheque Requisition Register
21. Bank Register
22. Petty Cash Register
23. Stock Register

- All the credit files containing credit proposals, notes and related correspondence from the customer, internal functionaries and regulator, if any, pertaining to a live credit relationship to be preserved in record during life of the relationship.

- After closure of the facility (ies), this record should be preserved for a period not less than ten years after the business relationship between a client and the reporting entity has ended or the account has been closed, whichever is later.

#### **Forms to be kept in Branch**

1. Village survey form
2. Loan Application form
3. Checklist for 2nd Cycle Loan Application Form
4. CGT form
5. GRT form
6. Demand Promissory Note
7. Collection Receipt
8. Prepayment receipts

9. Joint liability Agreement
10. Client Pass book
11. Voucher
12. Receipt book
13. Leave application form 1
14. Travel claim form
15. Top sheet for dispatch
16. Surprise center visit form
17. Surprise branch visit form
18. CO Activity Tracker (Weekly & Location)
19. Center / Cobra File
20. Bank Account Opening form with 8 Annexures

#### **Files to be Kept in Branch**

1. Branch Survey File
2. Area Allocation File (amongst COs); this file will also contain full list of all Gram Panchayats/ Nyaya Panchayats / Blocks, which are to be covered by Branch.
3. Village Survey File (village survey forms for those villages will only be kept in this file where Bank doesn't want to work immediately otherwise village survey form will be kept in center file)
4. Center wise center file; center map must be pasted on inner front cover of center file and following documents must be kept in center file for a functional center-
  - i) Village survey form
  - ii) CGT form; both side of the form must be filled in properly
  - iii) GRT form for the Center
  - iv) JLG Agreement
  - v) Loan Application Forms (LAF) for all clients
  - vi) DP Note (it must be stapled on top of LAF)
  - vii) Loan Utilization Certificate (it must be stapled on top of DP Note); CO will initiate the process of LUC and file the certificate in center file and all other supervisors will give their remarks on the format used by CO
5. Audit File (copy of compliance report sent to HO must also be kept in this file)
6. Center Monitoring File

- 7.Branch Monitoring File
- 8.File of negative clients/village/center/ward/mohalla
- 9.Activity tracker file; CO wise (both weekly tracker and location tracker)
10. HO Circular/Office Order file
11. File of staff joining report
12. Monthly leave details file
13. Weekly cash flow statement file (weekly cash flow statement for each branch will be sent to HO on each Saturday)
14. Branch Report File (weekly and monthly portfolio reports must be kept in this file)
15. Bank deposit receipts file (for keeping p/copies of bank deposits on daily basis); bank deposit receipts should be pasted on a plain A-4 size paper and that paper to be filed in this file)
16. Bank Account File (copies of all the letters issued by HO regarding bank account opening and change of signatories must be kept in this file)
17. Cancelled cheque file; all the cancelled cheque should be pasted on a plain A-4 size paper and that paper to be filed in this file
18. Rent Agreement File

#### **Manuals to be Kept in Branch**

- 1.HR-Admin manual
- 2.Operations Manual
- 3.CGT Manual
- 4.One pager on projection meeting
- 5.Credit policy
- 6.Pamphlet of pledge (clients and employees both)

#### **14.4. Management of records by Treasury Department**

**• Documents to be preserved for not less than 10 years immediately preceding the current financial year**

- 1.G-sec Register- (are maintained in the system)
- 2.Call Money Register- ( are maintained in the system)
- 3.Deal Tickets- (are maintained in the system)
- 4.Deal Confirmations -(from system)

5.Reconciliation records- (CSGL Recon)

#### **14.5. Management of records by Audit Department**

- **Records to be preserved permanently**

- 1.All Audit Reports including compliance report from branches
- 2.Closure and intimation of Audit Reports
- 3.All Audit / inspection etc. reports submitted by any regulator

#### **14.6. Management of records by Administration Department**

**A. Documents to be preserved for not less than 8 years immediately preceding the current financial year**

- 1.Copies of SLAs and NDAs with various vendors such as security agency, housekeeping agency etc.
- 2.Branch visit / MIS reports in connection with Statutory Compliance of branches / other offices
- 3.Financial approvals for various types of Procurement such as stationery (Secured & Unsecured), Office equipment, etc.
- 4.Purchase orders of Stationery Procured.

#### **14.7. Management of records by Bank Secretarial Department**

**A. Documents / Record whose preservation shall be permanent in nature**

- 1.Certificate of Incorporation
- 2.Memorandum and Articles of Association
- 3.Agreements made by the Bank with Stock Exchanges, Depositories, etc.
- 4.Minute Books of General Meetings, Board and Committee Meetings as per Companies Act, 2013
- 5.Register and Index of Members, debenture-holders, if any or other security holders, if any
- 6.Register of Contracts as per Companies Act, 2013
- 7.Register of Charges as per Companies Act 2013
- 8.Register of investment's as per Companies Act, 2013



9.Board documents, Management committee records, minutes of board committee meeting

**Documents / Record to be preserved for a minimum period of eight years**

1.Instrument creating charge or modification (from the date of satisfaction of charge) as per Companies Act, 2013

2.Annual Returns as per Companies Act,2013

3.Register of Deposits as per Companies Act, 2013

4.Register of Allotment (from the date of each allotment) as per Companies Act, 2013

5.Annual financial statements

a.Annual accounts

b.Directors report

c. Auditors report

6.All notices in form MBP - 1 received from Directors and KMPs along with any amendment thereto

7.Return of declaration in respect of beneficial interest in any share as per Companies Act, 2013

8.Copy of newspaper advertisement or publications

9.the postal ballot and all other papers or registers relating to postal ballot including voting by electronic means

10. Disclosure/Return filled under SEBI (Listing Obligation and Disclosure Requirements Regulations, 2015

#### **14.8. Management of records by Compliance Department**

➤ **Documents / Record whose preservation shall be permanent in nature**

1.Policies of the Bank framed under various regulations

2.Register of disposal of records

3.Such other records as may be required under any law from time to time.

4.All Board approved policies.

5.All rules, regulations, circulars, Guidelines, notifications.

➤ **Documents / Record to be preserved for a minimum period of eight years**

1.Compliance Reports received from any statutory authority

➤ **After removal from website, must be preserved in the server for a minimum period of three years**

1. All information provided on bank's website

➤ **Five years from date of closure of account/ end of relationship**

1. All KYC Information/ Identity & address of the customer/ Data of Customer including Beneficial Owner

➤ **Five years from date of transaction**

1. Normal transaction vouchers/records of transaction

➤ **Initially for 21 years from the date of settlement. However, if the bank decides to store the same in electronic format, the same may be limited to 10 years.**

1. Claim settlement documents/accounts

2. Documents pertaining to Auction of assets/gold/property etc.

➤ **Ten years from the date of closure of enquiry/case. It might vary depending on case filed/suit filed status of the accounts**

1. All Suspicious transactions, regulatory reports & due diligence conducted accounts

➤ **Till it is confirmed that case is closed.**

1. Ongoing investigations/ transactions -subject to STR reporting

➤ **To be displayed on the website for a period of five years and backup data to be retained for 3 years.**

1. All information disclosed to Stock Exchanges

#### **14.9. Management of records by Liabilities department**

**A. Documents to be preserved for not less than 5 years immediately preceding the current financial year**

1. Inventory/Bulk Stock Register

2. Value Of Mutilated Note Register

3. Counter Stock Register

4. Counter Stock Issuance Register

5. Correspondence relating to unreconciled entries in inter office accounts.

6. Correspondence on stationery.

7. Correspondence relating to all types of computers, accounting machines.

8. Correspondence relating to furniture and fixtures, electrical installations.
9. CCTV Daily Monitoring Register
10. Files relating to Audit & inspection
11. Files relating to staff matters
12. Hand delivery books
13. Visitor Register
14. Fixed Asset Register
15. Petty Cash Register
16. Specimen Signature Register
17. System Down time Register
18. Security Items Destruction Register
19. Death Claim Settlement Register
20. Register of Garnishee Order/Statutory Notices
21. Cheque Collected From Drop Box
22. Cash Pay in Slips
23. Cash Withdrawal Slips Register
24. Payment of Cash Through Withdrawal Slip
25. Register For Transactions Received Through Fax Email Other Than Cheque
26. Customer Requests Forms (After Closure)
27. Account Opening Forms (After Closure)
28. KYC Documents
29. Any other Customer Requests
30. Daily Reports/ Fortnightly/ Monthly Reports

**B. Documents to be preserved for not less than 10 years immediately preceding the current financial year**

1. Key Movement Register.
2. Physical Cheques (for cash withdrawal, clearing, fund transfer, RTGS/NEFT, DD etc.)
3. Cash Withdrawal Slips
4. Circulars and circular letters.
5. Confidential reports and disciplinary cases of staff.
6. Correspondence with CO and ZO, External correspondence with Government and Statutory bodies.

7. General Correspondence files.
8. Letters of Administration, Succession Certificates, Power of Attorney etc.
9. Documents relating to closed safe deposit lockers.

#### **14.10. Management of records by Finance & Accounts Department**

##### **➤ Documents / Record to be preserved for a minimum period of eight years**

1. Books of accounts including Vouchers / Voucher register as defined under the Companies Act, 2013
2. Income Tax Returns filed under Income Tax Act, 1961

#### **14.11. Management of records by Projects Department**

##### **➤ Documents / Record whose preservation shall be permanent in nature**

1. Premises offer Templates (POT)
2. Legal opinion Report along with property Documents (Copy if any)
3. Legal and Registered documents
4. Non-disclosure contracts with Vendors
5. Service Level Agreements with Vendors
6. Rate Contracts
7. Renewal Lease and Addendum to the agreements
8. Letter and Acknowledgement copies from parties
9. Bank Guarantee (if any)
10. Security cheque (if any)
11. All types of budget approvals

#### **14.12 Management of records by Information Technology Department**

##### **Documents / Record whose preservation shall be permanent in nature**

1. Policies of the Bank framed under various regulations

2. Such other records as may be required under any law from time to time

3. Digital data backup for the Bank such as critical system applications i.e. CBS, CRM, Treasury, DCMS, etc. will be maintained in data tapes format. This data will be managed by the department with front end access for a short period such as one year only whereas the data will be fully available in data tapes and can be extracted on need basis.

#### **14.13. Management of records by Risk Department**

##### **➤ Documents to be preserved for 10 years**

1. Policies related to the Risk Management Department
2. Minutes of the Meetings of ORMC, CRMC, ALCO, ISSC and Fraud Review Council.
3. Service Level Agreements entered into with the vendors / service providers
4. Operational Risk Loss Database
5. Key Risk Indicators data
6. RCSA Reports
7. Rating documents under Wholesale lending
8. RMC Agenda Note
9. CRMC Agenda Note
10. PRC Agenda Note
11. ATR of the Various Meeting
12. Daily & Monthly LCR
13. Monthly ALCO related documents
14. RBS data.
15. Approved process note for RCU activity & Transaction monitoring activity
16. RCU monthly MIS
17. Fraud reporting cum provisioning MIS
18. Monthly CFR certificate furnished to RBI

#### **14.14. Management of records by HR Department**

➤ **Documents to be preserved permanently**

1. Personnel Files of individual employees
2. Attendance records, application forms, job or promotion records, performance evaluations, terminations papers, test results, trainings and qualification records, enquiry related papers
3. Employment Contracts – Individual
4. Correspondence with Employment Agencies and Advertisements for job openings
5. Employee Handbook, HR Manual & Induction Manual
6. Research and Publications and Survey reports
7. Statutory Compliance Records (ESIC, EPF, Gratuity etc)
8. Leave records, Payroll Register
9. Commission / Bonuses/ Incentives/ Awards, Employee Earnings Records, Payroll Deductions, Unclaimed Wage Records
10. Loan Documents (Housing, Mobile, bike, Education etc)

➤ **Documents to be preserved for 6 Months**

1. Resume and Documents of candidates rejected in selection process of job
2. Insurance claim pay out and Reimbursement related bills, vouchers and documents

➤ **Documents to be preserved for not less than 8 years immediately preceding the current financial year**

1. Employee medical Records, Health and term insurance related data and records

**14.15. Format for sending and retrieving Documents/Records from Record Management Agency**

➤ Below are the formats of sending & retrieving Documents/Records from Record Management Agency

**Annexure 1 “Format for sending documents/ records to Record Management Agency”**

SI	Name of the Record /Document	File Number (if Applicable	Department	EIN If applicable	Date of Sending Document	Name and EIN of person sending the document

**Annexure 2 "Format for retrieving documents/ records from Record Management Agency"**

SI	Name of the Record /Document	File Number (if Applicable	Department	EIN If applicable	Date of Sending Request	Proposed date of receiving Document/record

**Annexure 3 "Format for maintaining data for depositing and retrieving files/ records/ documents from Record Management Agency"**

S	Name of the Record /Document	File Number (if Applicable	Department	EIN If applicable	Date of Sending Request	Date of receiving Document / record	Date of resubmitting Document /record	Name of person submitting the document