



**Canara Bank Officers' Union[Regd.]**  
[AFFILIATED TO ALL INDIA BANK OFFICERS' ASSOCIATION]  
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**REF: CBOU/29/2020-GS**

**DATE : 24-06-2020**

To

**THE MANAGING DIRECTOR & CEO  
CANARA BANK, HR WING  
HEAD OFFICE  
112 J C ROAD  
BANGALORE 560 001**

Dear Sir

**Sub: KYC NON COMPLIANT ACCOUNTS-PERMISSION OF REGIONAL HEADS-SCALE VI  
Ref: HO Cir 401/2020 dated 27.05.2020**

Greetings to you sir. With reference to HO Circular referred we wish to place the following for your perusal.

Certain changes has been introduced in permitting operations in the Dormant accounts which has not been operated for 2 years and also for accounts which are KYC deficient. The circular referred attracts greater importance in implementation hurdles when the bank has simultaneously announced a campaign named "Revival of Relationship—Campaign for Revival of Inoperative Accounts" vide Special Communication 43/2020 dated 11.05.2020 with the aim of the campaign specified as under.

1. Revival of inoperative/dormant CASA Accounts
2. Increase the flow of new CASA Deposit
3. Cross sell of other Banking products.
4. Utilizing of Marketing Officials in the current scenario

The erstwhile system of revival of inoperative accounts by obtaining a request letter from the customer along with the new specimen card with latest photograph, KYC documents and after getting permission from the Manager of the section, updating the KYC, scanning of the specimen card and activating the account was in vogue for more than a decade and was implemented without any compromise. The entire activation was within the hands of the branch. It has not paved way for any misuse of the system and the customer also was able to receive his account activated with in the shortest time and the alternative delivery channels like ATM, Mobile Banking and net banking were popularised to such customers.

The above referred circular stipulates the permission of Regional Head to permit operations in Dormant/KYC Deficient accounts after complying KYC norms.

Under the amalgamated entity, all the Regional offices are to be headed by DGMs who have been assigned with enhanced credit sanction powers and various roles to ensure sustained growth of the region under all parameters which needs 360 degree focus on business parameters including various compliances as per corporate call. Under the present environment, where the entire banking industry is focussing on revival of the economy, affected by pandemic Covid 19 and the sleuth of financial packages announced by the Government of India to be implemented to reach our existing borrowal clientele. & garnering new business, the present decision of assigning the Dormant account operation permission portfolio to Regional heads may be revisited for the following reasons.

1. Our Bank has always been rated as best in the industry for customer service with personal touch and having the pride of sentimentally attached customer base.
2. For the past few months, ReKYC activity has been going on in full swing PAN India and SMS is sent from the bank server to all the customers and the accounts where KYC details are either not updated with the account or resubmission of KYC is not done, such accounts have been either blocked or debit freeze is done by the branches. Hence such customers being unable to withdraw from ATM, transact on our on line delivery channels are visiting the branches, and get their account activated within a very minimum time. Even though they face discomforts on account of such account block and debit freeze done by the bank, they leave the branch without any further complaints due to immediate activation of the account on submission of KYC documents.
3. The GOI has already instructed the banks to remove the freeze on operations of those accounts which are non KYC compliant, for the purpose of crediting Government relief and the de freezing has been centrally done. Once the relief package is over on restoration of normalcy, all such accounts are supposed to be frozen centrally for KYC compliance.
4. The activation of dormant accounts was hitherto permitted by the branch managers after strictly adhering to the system and procedure and accounts complied with KYC and activated within short time on the same day.
5. When the prescribed format seeking permission for allowing operations in such account is

sent to RO for getting the signature of the Regional Head, it will be naturally subjected to multiple layers of activities such as inwards, verification of the details whether the branch has actually updated the KYC in the account, placing recommendation by the section head and finally it will be placed to the Regional head for his permission for the simple reason that the Regional head cannot and need not convey his permission on dotted lines basing on the recommendations of the branch in the format. The Regional office will be in order in handling the request like a credit proposal received from the branch.

6. As per HO Circular 142/2020, it has been communicated that w e f 01.04.2020, vehicle loans and Education loans (both with and without mortgage) which were so far dealt by RAH are to be dealt (processing and sanction) by branch/ Regional office/ Circle office as per their respective delegated powers only. This will substantially add the number of such proposals to be dealt by RO in locations where the branches were previously sending the applications to RAH for processing and sanction.
7. On analysing the reasons mentioned in point No 4 & 5 above, there are possibilities that the request format submitted by branches for permitting operations in the Dormant/KYC deficient accounts will be attended to at RO with unavoidable delay, which can be viewed as a deficiency in service from the point of view of the customer and result in his/her dissatisfaction.

Taking into considerations the above narrated possible difficulties that may be encountered by the branch, Regional office and our Customers, we request your good office to revisit the revised guidelines on obtaining permission from the Regional head in allowing transactions in KYC deficient/Dormant accounts.

We hope our above representation will be considered positively and oblige

Thanking you

*Yours faithfully*



**H VINOD KUMAR**  
**GENERAL SECRETARY**