

Customer Service Policy

Commissioned by : **Customer Service Department**

Approved by : **Board of Directors**

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1. Introduction:

- 1.1. The Customer Service Policy document of Jana Small Finance Bank (JSFB) communicates the shared values and beliefs of the entire Bank. The guidelines and instructions on services to be rendered to the customers as documented under this policy shall encompass all the customer touch-points of the Bank – all its branches, Business Correspondents (BC) er, digital channels including website, mobile app and phone banking centre (contact centers). Depending on changes in market situation, regulatory guidelines and management decision, the Policy of the bank shall be updated from time to time.
- 1.2. This policy incorporates the tenets introduced by RBI in the 'Charter of Customer Rights' in December 2014 including (i) Right to Fair Treatment; (ii) Right to Transparency; Fair and Honest Dealing; (iii) Right to Suitability; (iv) Right to Privacy; and (v) Right to Grievance Redress and Compensation.
- 1.3. This policy is also in line with the Model Customer Rights Policy drafted by the IBA and the Banking Codes and Standards Board of India (BCSBI) in accordance with RBI's 'Charter of Customer Rights' mentioned above.
- 1.4. For the purpose of this document, a 'Customer' is defined as a user or potential user of banking services. So defined, a Customer may include –
 - a person or entity that maintains an account and/or has a business relationship with the Bank;
 - one on whose behalf the account is maintained (i.e. the beneficial owner);
 - beneficiaries of transactions conducted by professional intermediaries, such as Stock Brokers, Chartered Accountants, Solicitors, etc., as permitted under the law, and
 - any person or entity connected with a financial transaction which can pose significant reputational or other risks to the Bank, say, a electronic transfer or issue of a high value demand draft as a single transaction

2. Aims and objectives of the Customer Service Policy:

2.1. Objectives as below:

- To establish the bank's commitment to customers and to define how the same shall be demonstrated through all activities of the bank
- To provide a uniform framework for defining customer service delivery standards
- To provide a consistent framework for specifying the rights of customers

- To provide a consistent framework for defining how customer complaints and grievances shall be handled

2.2. The consistent growth in the bank's business is expected to be driven by acquisition of new customers and retention of existing ones. This can be ensured only with an effective customer service at all levels. The quality of customer service is definitely reliant on a standardization accompanied by a focused engagement for a hassle free delivery. This Customer Service Policy has been framed with a priority objective to meet customer requirements. This is directed to provide prompt, courteous and efficient service to the customers, which in turn:

- Offers customer satisfaction
- Reduces customer grievances/ dissatisfaction
- Helps us to compete better in the market

2.3. Policy implementation and update

- This policy shall come into force from the date of approval by the Board of the Bank
- This may be reviewed annually or on an as-needed basis, but shall be effective till subsequent approval by the board of the Bank

3. Guiding Principles

3.1. The Bank shall –

- Handle customer complaints promptly
- Inform the customers on how to take their complaints forward if they are still not satisfied
- Provide suitable alternative avenues to alleviate problems arising out of technological failures
- Correct mistakes promptly and cancel any bank charges that are applied by mistake and compensate the customers for any financial loss they may have incurred due to The Bank's or its employee's mistakes, as per the Customer Compensation Policy as described in Section 4 of this document;

3.2. Bank's management shall also ensure that all branches -

- Provide minimum banking facilities of receipt and payment of cash/ cheques, etc.
- Meet the commitments and standards set in the BCSBI (Banking Codes and Standards Board of India) Code, for the products and services offered, and in the procedures and practices followed in them
- Offer products and services that meet relevant laws and regulations in letter and spirit and are appropriate to customers' needs

- Operate secure and reliable banking and payment systems to provide the best possible protection for customers' money
- All employees of the Bank shall protect the privacy and confidentiality of customers, even after they cease to be customers of the Bank.
- Information or data relating to customers' accounts, whether provided by the customer or otherwise, shall not be revealed to anyone, including other companies/ entities in the group, other than in the following exceptional cases:
 - If the information is required by Law or banking regulator
 - If there is a duty towards the public to reveal the information
 - If The Bank's interests require to give the information (for example, to prevent fraud) but this shall not be used as a reason for giving information about the customers or their accounts (including their names and addresses) to anyone else, including other companies in the group, for marketing purposes
 - If the customer authorizes to reveal the information

3.3. Do Not Call' service:

3.3.1. Unsolicited commercial information shall be communicated to customers regarding products and services, through telephone calls/ SMS/ e-mails, unless the customers have specifically instructed the Bank not to make any such unsolicited communications. This shall not apply to receipt of information regarding customers' account statements and other important advices and information including alerts relating to transactions on their accounts as also the products and services they are currently availing

3.3.2. If the Bank avails of the services of third parties for providing support services, the Bank's employees shall ensure that the third party handles customers' personal information (if available to such third parties) with the same degree of confidentiality and security as the Bank itself would

3.4. Transparency

3.4.1. Transparency for the Bank's customers shall mean that all information disseminated to them shall be lucid and easily comprehensible and all customer communication shall be consistent across all customer touch-points – both physical and digital.

3.4.2. The Bank, through its employees, shall ensure that –

- All customers are provided information about financial products and services in languages they understand – in any one or more of Hindi, English or the appropriate local language
- All advertising and promotional literature is clear for the customer to understand

and not misleading for the customer in any way

- The customers are given comprehensive information about all products and services, terms and conditions and the interest rates/ service charges, which apply to them
- The customers are provided information on the facilities provided to them and how they can avail of these and whom and how they may contact for addressing their queries
- The customers are provided appropriate updates as needed
- The customers are kept informed about changes in the interest rates, charges or terms and conditions within reasonable timeframes

3.5. Display of information

More specifically, all the Bank's customers shall be provided the following information through appropriate displays in branches through other appropriate means mentioned below –

- The Bank shall display all the information, as mandated by RBI/other regulators/ statutory authorities, in all the branches as also on the website.
- Customers shall be given all information on the types of products and services offered and those that may suit their needs
- Customers shall be given clear information explaining the key features of the services and products they are interested in, including applicable interest rates, fees and charges
- All customer shall be informed about the different channels through which the products and services may be availed e.g. branches, ATMs, phone, net banking etc. and also how to find out more about them
- All customers shall be informed about what information are needed from them to prove their identity and address, to comply with legal, regulatory and internal policy requirements
- All customers shall be given information on their rights and responsibilities, especially regarding availing of nomination facility offered on all deposit accounts, articles in safe custody and safe deposit lockers
- Information on Interest Rates

3.5.1. Customers shall be given the following information on interest rates:

- the interest rates which apply to their deposit and loan accounts
- in case of loans at fixed rate of interest, details of interest reset clause, if any, in the loan agreement and the effective date thereof
- in case of loans at floating rate of interest, the reference rate to which customers' floating rate shall be linked and the premium or discount applied to the reference rate for determining the actual rate of interest on their loan
- whether the customer has the option of converting his loan from fixed rate to floating rate and vice versa and, if so, the charges therefor.

- periodicity at which interest on deposits are paid or interest on the loan accounts are charged
- how interest to customers' deposit and loan accounts are applied and how interest thereon is calculated

3.5.2. Information on changes in interest rates:

Information of changes in interest rates on loan products and changes in the reference rates to which the floating rate of interest is linked with shall be displayed on the Notice Boards in all branches as also on the website.

3.5.3. Information on Fees & charges

- All fees and service charges for various services shall be approved by PMC (Product & Marketing Committee) headed by MD & CEO. The decisions in this regard will be placed before the Board for information
- Tariff Schedule shall be placed on website and a copy shall be made available at every branch for customers' perusal.
- Customers shall be given details of any charges applicable to the products and services chosen by them in the Tariff Schedule. Enhancement of charges / fees has to be intimated 30 days prior to the change is effected or at such intervals as advised by the regulator from time to time.
- All customers shall be provided information about the penalties leviable in case of non-observance/ violation of any of the terms and conditions governing the product/ services chosen by them

3.5.4. Information on Changes in fees & charges

If any fee or charge is increased or a new fee or charge is introduced, the same shall ~~also~~ be made available on website and on branch notice boards

3.5.5. Information on Terms & Conditions

- Customers shall be advised about the relevant terms and conditions for the products/ services they have asked the Bank to provide
- All terms and conditions shall be fair and shall set out the respective rights, liabilities and obligations clearly, and as far as possible in plain and simple language

3.5.6. Information on Changes to Terms & Conditions

1. The information about changes in terms and conditions shall be made available on the Notice Boards in all branches and website
3. All changes shall be made with prospective effect giving adequate notice to the customers

4. Any changes in the terms and conditions shall be immediately updated on website. On request, customers shall be given a copy of the new terms and conditions

3.6. General Communication

1. While communicating with customers on behalf of the Bank either orally or otherwise, all employees shall make it a point to identify themselves
2. They shall also follow the 3 Cs of good communication – Correctness, Conciseness and Considerateness
3. Wherever, channels like E-Mail, SMS etc. are employed for sending communication which is sensitive in nature or which has financial implications, necessary safeguards shall be observed so as not to compromise the interests of either the Bank or the customer

3.7. Advertising, Marketing & Sales

1. Employees shall ensure that all advertising and promotional materials are unambiguous and comprehensible, and the language used is not confusing or misleading for the customer in any way
2. In any advertisement and promotional literature that draws attention to a banking service or product and includes a reference to an interest rate, details of whether other fees and charges will apply shall be indicated and full details of the relevant terms and conditions shall be made available on request
3. Various features of products availed by the customers may be communicated, from time to time, to them by e-mail, SMS or over the telephone. But information about other products or promotional offers in respect of products/services shall be conveyed to them, unless customers have specifically instructed not to do so

3.8. Empathy

Bank staff shall lend patient and compassionate hearing to all the queries, concerns and complaints of customers. All customer-facing employees in branches and other representatives of the Bank shall ensure that customers are comfortable in their presence and do not suffer from any kind of inhibition while dealing with them. This is especially important for rural customers or low-income customers; extra attention shall be given to this group of customers and it shall be ensured that they do not get overwhelmed while interacting with the Bank's persons. The layouts of branches shall also be designed to be intuitively navigable for all customers.

3.9. Cost-effectiveness

Bank shall ensure that customer transactions and interactions are cost-effective. Additionally, any cost-saving in transaction costs shall be passed on to the customers. This is

especially important taking into account the financial profile of the majority of the Bank's core customer group.

3.10. Preparedness

All customer-facing employees of the Bank shall ensure that –

- They are fully conversant with the products and services they handle so as to be able to answer any query from customers in a professional manner
- They provide the brochures/pamphlets on these products/services to the customers to assist them in making informed decisions
- Linked to the above principles, some additional areas where the Bank's employees need to provide special attention are captured in the sections to follow

4. Policy on General Management of Branches

The policy on General Management of Branches lays out the infrastructure and staff management guidelines for the Bank's branches covering the following aspects –

- Providing infrastructure facilities by branches to customers
- Providing separate enquiry counters at larger branches
- Displaying indicator boards and posters in english, hindi and the concerned regional languages at branches
- Assisting customers in their transactions
- Providing details of services and facilities offered
- Use of Hindi and regional languages in transacting business
- Ensuring adequate security systems in branches
- Wearing of photo-identity cards by the employees
- Periodic change of desk and entrustment of elementary supervisory jobs amongst staff
- Training staff in line with customer service objectives
- Ensuring periodic visits by senior officials to branches to study quality of customer service being provided
- Recognising best branches from customer service point of view
- Conducting customer service audit and customer surveys
- Holding customer relation programmes and periodic meetings
- Establishing a new product and services approval process
- Appointing Quality Assurance officers to ensure proper implementation of the policy

4.1. Providing infrastructure facilities by branches to customers:

The Bank shall provide adequate space for customers to complete their banking needs at all physical touch-points based on the range of products and services offered at that location, including as required for lockers (wherever these are made available). Branches within their

available space, shall plan the layout such that seating arrangements are provided to customers including pensioners, senior citizens and physically challenged persons. Branches shall provide priority assistance to senior citizens and physically challenged persons by staff who are sensitive to the needs of these customers. All the branches shall provide hygienic drinking water facility to customers.

4.2. Providing separate enquiry counters at larger branches:

Metro and large Urban branches shall have “Enquiry” or “May I Help You” counters. In other branches, the existing bank staff shall address any customer enquiries in addition to their other responsibilities.

4.3. Displaying indicator boards and at branches:

Branches shall endeavor to display indicator boards in trilingual english, hindi and the concerned regional language to address the needs of all customer segments.

4.4. Assisting customers in their transactions:

All staff members shall be prepared to address the queries and requirements of the customers, or redirect to an appropriate bank staff if needed. They shall be patient in servicing customers, and also be prepared to assist customers in completing their intended transactions.

4.5. Providing customers with details:

Providing customers with details of Products and services available in Hindi, English and regional languages concerned: The Bank shall be transparent in its interactions with customers and shall try to enable customers to make informed decisions on their intended transactions.

4.6. Use of languages in transacting business:

Customer experience is defined not only by the efficiency of the transaction, but also by the ease and comfort in dealing with the Bank’s staff in the process. Therefore, all Bank staff shall use English or Hindi or the concerned regional language as preferred by the customer both while transacting business and while communicating with customers.

4.7. Ensuring adequate security systems in branches:

Customers expect the security system in their Bank branches to be adequate to enable them to complete their financial transaction with confidence. All branches would be equipped with CCTV and security alarm systems to instil confidence amongst the employees and the general public. Bank branches shall also have a security guard - either armed or unarmed if required as per the threat assessment of the location. Appropriate security measures shall be taken in all the Branches based on the risk assessment and the activities performed in that location. Bank employees shall be vigilant during business hours and increase the

surveillance in case of need. The security systems and security guard arrangements may be under the operational control of either the bank staff or outsourced partners based on the decisions taken by delegated Bank Authority. Designated officers shall visit the branches at least once in six months to verify the security aspects and give suggestions for improvement.

4.8. Periodic change:

Periodic change of desk and entrustment of elementary supervisory jobs amongst the staff: Job rotation, where possible, shall give an opportunity for the employees to become well versed with the work in other sections and shall enable them to perform duties efficiently anywhere to the satisfaction of customers and the higher officials. A detailed internal job rotation policy shall be developed for branch employees as a part of the HC Policy.

4.9. Training staff

Training staff in line with customer service objectives: The Bank will focus on periodic training and up-skilling of all employees of the Bank through various mandatory and optional programs that enhance their knowledge and sharpen their professional skills. A session on customer service shall be an integral part of training for all staff across designations.

4.10. Ensuring periodic visits by senior officials:

To branches to study quality of customer service being provided: Delegated officers shall visit selected Branches at least once in six months to study and make recommendations on the quality of customer service provided at that location.

4.11. Conducting Customer Service Audit and Customer surveys:

The Bank shall conduct periodic customer surveys / customer service audit triennial under the supervision of the Customer Service Committee of the Board to get customer feedback and to further fine-tune the banks policies and processes as needed

4.12. Holding customer relation programmes and periodic meetings:

All branches shall conduct periodic meetings with customers to foster relationships within the local communities and report key learnings from the same to the respective zonal offices.

4.13. Establishing a new product and services approval process: Any new product or service developed by the respective business teams shall need to be approved by the committee constituted for the purpose

4.14. Force Majeure:

The Bank shall not be held liable if some unforeseen event (including but not limited to civil commotion, sabotage, accident, fire, natural disasters or other "Acts of God", war, damage to the bank's facilities or absence of usual means of communication or all types of transportation, etc.) beyond the control of the Bank, prevents it from performing its

obligations within the specified delivery parameters.

5. Clean note policy

5.1. Traditional note marking and bundling practices including stapling have been found to result in multiple issues including

- Quicker wear and tear of the bank notes
- Increased difficulty for customers to open and count bundles given soiled/ torn notes
- Risk of unscrupulous persons inserting half notes pasted on papers into note packets
- Difficulty in identifying security features on notes, especially in case of writing on the watermark

5.2. Therefore, the Bank shall adhere to the clean note policy prescribed by RBI. As a part of this, the bank shall

- Avoid stapling of any note packet and instead secure note packets with paper bands
- Stop writing of any kind on watermark window of bank notes
- Sort notes into re-issuables and non-issuables, and issue only clean notes to public.
- Soiled notes in unstapled condition shall be got exchanged through linked Currency Chests/RBI offices

6. NACH Handling Policy

6.1. NACH has replaced the ECS (Debit) system for providing an alternative method for effecting payment transactions electronically in respect of the utility bill payments, insurance premium, card payments, loan repayments, etc., which would obviate the need for issuing and handling paper instruments such as cheques.

6.2. To complete these transactions (including the time required for handling returns, if any) within the defined settlement cycle, it is imperative that information contained in the NACH files is complete, correct and current. Responsibility to ensure this is cast upon individual beneficiaries whose accounts are credited or debited, user institutions, sponsor banks and destination banks

6.3. Key policy elements

6.3.1. The Bank shall ensure that all systems and processes are in line with the NACH (Debit) Procedural Guidelines defined by RBI

6.3.2. The NACH (Debit) system works on the strength of the mandates given by the destination account holders to the user institution (e.g., utility companies, insurance firms etc.) for effecting payment from their accounts. The destination bank branches can

debit the customers' account only on the basis of the mandates executed by them and the amount, time-limit, frequency etc. prescribed therein.

6.3.3. All the debit mandates executed by the customers authorizing debit in their accounts shall be authenticated and stored by the Bank. Any debit to customers' accounts will be raised only on the basis of a valid mandate. If such mandates are not available on record, the Bank shall not effect such debits to the customers' accounts.

6.3.4. The account holder shall also be given the facility of putting an upper limit for each individual transaction in the mandate, and / or a time limit for operation of a particular NACH mandate (life of a mandate) by the end user / Bank. The debit to a customer's account has to be within this amount and time limits prescribed by the customer.

6.3.5. Any instructions on withdrawal of mandate by the customer shall be accepted by the Bank without necessitating the customer to obtain the prior concurrence / approval for withdrawal from the beneficiary user institution and will be treated equal to a "Stop Payment" instruction in the cheque clearing system. After receipt of such instructions for mandate withdrawal, no debit in the account will be permitted. In view of the possibility of multiple mandates in one account, the Bank should be careful to record the withdrawal of the correct mandate.

7. Customer Protection and Compensation Policy

7.1. This Compensation policy of the bank is designed to cover areas where the Bank is liable to make good any financial loss suffered by the customer including unauthorized debiting of account, payment of interest to customers for delayed collection of cheques/instruments, payment of cheques after acknowledgement of stop payment instructions, remittances within India, foreign exchange services, lending, etc. The policy is based on principles of transparency and fairness in the treatment of customers.

7.2. The objective of this policy is to establish a system whereby the bank compensates the customer for any financial loss he/she might incur due to deficiency in service on the part of the bank or any act of omission or commission directly attributable to the bank. The bank shall strive to compensate customers without them having to ask for it, wherever appropriate, which would minimize the need for further escalation.

7.3. It is reiterated that the policy covers only compensation for financial losses which customers might incur due to deficiency in the services offered by the bank which can be measured directly and as such the commitments under this policy are without prejudice to any right the bank will have in defending its position before any forum duly constituted to adjudicate banker-customer disputes.

7.4. For an Unauthorized/ Erroneous Debit:

7.4.1. If there is an unauthorized/erroneous direct debit to an account, the entry shall be reversed immediately on being informed of the erroneous debit, after verifying the

position. In the event of the unauthorized/ erroneous debit resulting in a financial loss to the customer by way of reduction in the minimum balance applicable for payment of interest on Savings bank deposit or payment of additional interest to the Bank in a loan account, the Bank shall compensate the customer for such loss.

7.4.2. If the customer has suffered any financial loss incidental to return of a cheque or failure of direct debit instructions due to insufficiency of balance on account of the unauthorized/ erroneous debit, the Bank shall compensate the customer to the extent of such financial losses within reasonable limits.

7.4.3. The Bank shall compensate the financial loss, supported with documentary evidence, to the extent of actual amount that the customer might incur due to deficiency in service on the part of the bank or any act of omission or commission directly attributable to the bank or its employees. A few instances of such cases of unauthorized debits and/ or erroneous debit or credit entries and their possible impacts on the interest of the customers are mentioned in the table below:

Sl. No.	Impact on customer	Compensation to be provided by the Bank
1	Payment of telephone/ electricity bill, school fees, etc. may get delayed and payment after due date may result in deprivation of rebate/ discount/ commission and/ or imposition of fine/ penalty etc.	Actual amount of rebate/ discount/ commission/ fines/ penalty etc.,
2	The balance in the savings account may be less by that sum for the purpose of calculation of interest	The amount wrongly debited shall be credited with value-dated effect
3	The balance in the savings account may fall below the minimum account balance requirement resulting in levying of service charges	Any such charge levied shall be refunded to the customer
4	Where amount deposited towards repayment/ installments in a loan account is not credited, additional interest is accrued on account of that amount	The excess interest so charged shall be refunded in the loan account
5	If an amount deposited by the customer is not credited in a overdraft account by mistake of the Bank, additional interest pertaining to that amount accrues in the account	The amount shall be credited value-dated effect
6	In case of loan accounts, additional interest may accrue to the account if the cheque deposited by the customer for collection through local clearing is not sent by the branch for reason whatsoever	The amount shall be credited value-dated effect

7.4.4. In case of any fraud, if the Bank is convinced that an irregularity/ fraud has been committed by its employees towards any customer, the Bank shall at once

acknowledge its liability and pay the just claim in line with the powers delegated to authorities at various levels by the Bank via circularized instructions from time to time.

7.4.5 In cases where neither the Bank nor the customer is at fault, but the fault lies elsewhere in the system, the Bank shall compensate the customers. The authority for approving this shall be as per the board approved Delegation of Authority. The concerned zonal/ regional offices shall forward such claims/ approvals with their views/ comments to the Corporate Head Office (or other appropriate departments) for approval or for payment on approval

7.4.6. The Bank reserves its right to debit the customer's account for reversing the amounts in case a wrong credit is posted to the account without payment of any compensation

7.4.7. Time limit for verification of erroneous entries reported by the customer: If the verification of the reported erroneous entry does not involve a third party, the Bank shall arrange to complete the process of verification within 7 working days from the date of reporting of erroneous debit. In case the verification involves a third party, the Bank shall complete the verification process within a maximum time period of one month from the date of reporting of erroneous transaction by the customer.

7.4.8. The approval matrix for payment of compensation is as follows:

Amount	Competent Authority
Upto Rs.1000/-	Head-Customer Service
Above Rs.1000 up to Rs.5000/-	Business Heads-Assets & liability
Above Rs.5000/-- up to Rs.25000/-	Business Heads & COO
Above Rs.25000/up to Rs. 5,00,000/-	MD & CEO
Above Rs. 5,00,000/-	Standing Committee on Customer Service, to be reported to the Board in the upcoming Board Meeting

7.4.9. In case of any fraud, if the branch is convinced that an irregularity / fraud has been committed by its staff towards any constituent, branch should at once acknowledge its liability and pay the just claim.

a. In cases where the branch is at fault, they may compensate the customer without demure.

b. In cases where neither the branch nor the customer is at fault, but the fault lies elsewhere in the system, branch would compensate the customer on a case to case basis for an amount of 25% of the loss incurred by the customer or Rs. 25000/-, whichever is lower subject to the customer furnishing proper documentary evidences

for having incurred the loss. The maximum amount that would be compensated per incident involving a number of customers would be limited to Rs 5 lakhs.

7.5. NACH/direct debits/ standing instructions/ other debits to accounts:

The Bank undertakes to carry out Direct Debits / NACH debits / standing instructions of customers in time subject to the following

- Customer having already provided valid and complete mandate to accept any debit received through NACH.
- Customer having already submitted a mandate for standing instructions.
- Direct debit/ NACH received is complete and correct.
- Customer has sufficient balance in the account at the time of executing direct debits/ standing instructions/ NACH

In case of failure to carry out the instructions subject to the aforesaid clauses and for reasons directly attributable to the Bank, the Bank will compensate the customers on the following lines

- If the Bank fails to execute NACH/ direct debit instructions of the Customer in time, the Bank shall compensate the customer to the extent of any financial loss incurred (including penal interest, late payment charges levied by the debit/ NACH originating bank, upon producing evidence for the same) on account of delay in carrying out the instruction/failure to carry out the instructions.
- In case of failure to execute Standing Instructions, the Bank shall compensate the customer to the extent of the financial loss not exceeding Rs 100 per occasion, subject to providing proper supporting documents for having incurred the loss. In addition, the service charges, if any, recovered for execution of the Standing Instruction shall also be refunded.

7.6. Erroneous Debit of additional service charges

The bank would debit the customer's account with any applicable service charge as per the schedule of charges notified by the bank. Any service charges debited in the customer's account in excess/ in violation of schedule of service charges shall be refunded by the Bank when pointed out by the customer after proper scrutiny. The Bank shall also compensate the consequential financial loss, if any, to the customer.

7.7. Payment of Cheques after Stop Payment Instructions

In case a cheque has been paid after stop payment instruction is acknowledged by the Bank, the Bank shall reverse the transaction with value-dated effect whenever the customer intimates the error to the Bank. The Bank shall compensate the financial loss, to the extent of actual amount that the customer has incurred, after ascertaining and being satisfied about the amount of such loss.

7.8. Foreign exchange services

1. The Bank may not compensate the customer for delays in collection of cheques designated in foreign currencies sent to foreign countries as the Bank may not be able to ensure prompt credit from overseas banks. Time for collection of instruments drawn on banks in foreign countries differ from country to country and even within a country, from place to place. The time norms for return of instruments cleared provisionally also vary from country to country.
2. The Bank will compensate the customer only for undue delay in affording credit once proceeds are credited to the Nostro Account of the Bank with its correspondent with full particulars. The compensation in such cases will be restricted to the extent of eligible savings bank interest rate which shall be calculated for the period after taking into account the normal cooling period stipulated (Cooling period is maximum 16 international working days from the value date of credit in our Nostro Account with the Correspondent Bank).
3. The foreign exchange rate on the date of credit in our Nostro Account shall be the basis for calculation of interest irrespective of the rate prevailing on the date of claim/calculation/settlement.

7.9. Compensation for delayed credit of NEFT/RTGS payments

The rate of compensation in case of delays in crediting remittance proceeds received through NEFT/RTGS beyond one day after receipt of the message at our gateway shall be at the prevailing REPO rate

7.10. Payment of Interest for delayed Collection of Outstation Cheques:

7.10.1. The Bank shall pay interest to the customer on the amount of collection instruments in case there is delay in giving credit beyond the time period mentioned hereinafter. Such interest shall be paid without any demand from customers in all types of accounts. There shall be no distinction between instruments drawn on the Bank's own branches or on other banks for the purpose of payment of interest on delayed collection.

Type of account	Delay (# days)	Rate of interest
CASA	7-14 days	Savings account rate
CASA	14-90 days	Higher of Term deposit rate applicable for the period or Savings account rate
CASA	> 90 days	2% above the corresponding term deposit rate
Overdraft/ Loan account	7 – 90 days	Loan/ overdraft account rate
Overdraft/ Loan account	> 90 days	2% above loan/ overdraft account rate

7.10.2. The rate of interest to be paid shall be decided based on the delay and the type of account of the customer

7.10.3. The rate applicable would be the rate of interest prevailing on the date of the deposit of cheque.

7.10.4. Delay would be calculated from the date of expiry of turnaround time (indicated in the Cheque Collection Policy) on timeframe for collection of local / outstation instruments

7.11. Compensation for loss of cheques/ instruments lost in transit/ in clearing process or at paying bank's branch:

7.11.1. In case a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the Bank shall immediately on coming to know about the loss, bring the same to the notice of the accountholder so that the accountholder can inform the drawer to record stop payment and can also take care that other cheques issued by him/ her are not dishonored due to non-credit of the amount of the lost cheque/instruments. The Bank shall provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

7.11.2. The bank will compensate the account holder in respect of instruments lost in transit in the following way:

7.11.3. In case intimation regarding loss of instrument is conveyed to the customer beyond the time limit stipulated for collection (7/10/14 days as the case may be) interest will be paid for the period exceeding the stipulated collection period at the rates specified above.

7.11.4. In addition, the bank will pay interest on the amount of the cheque for a further period of 15 days at Savings Bank rate to provide for likely further delay in obtaining duplicate cheque/instrument and collection thereof.

7.11.5. The bank would also compensate the customer for any reasonable charges he/she incurs in getting duplicate cheque/instrument upon production of receipt, in the event the instrument is to be obtained from a bank/ institution who would charge a fee for issue of duplicate instrument.

7.12. Issue of Duplicate Draft and Compensation for delays:

7.12.1. Duplicate draft shall only be issued to the purchaser upon placing a written request, and furnishing an indemnity in case the value of the draft is above Rs. 10,000/-.

7.12.2. Duplicate draft shall be issued within a fortnight from the receipt of such request from the purchaser thereof. For delay beyond the above stipulated period, interest at the rate applicable for Fixed Deposit of corresponding period shall be paid as compensation to the customer for such delay.

7.13. Violation of the Code by Bank's employees and agents

In the event of receipt of any complaint from the customer that the Bank's employee/ representative/ courier/ agent has engaged in any improper conduct or acted in violation of the Code of Bank's commitment to Customers, the Bank shall investigate as per the grievance redressal processes and, if required, compensate the customer any financial losses that may have been incurred subject to the customer providing proper supporting document for having incurred the loss.

7.14. Transaction of "at par instruments" of Co-operative Banks by Commercial Banks:

The Bank shall not honour cheques drawn on current accounts maintained by other banks with it unless arrangements are made for funding cheques issued. The issuing bank should be responsible to compensate the cheque holder for non-payment/delayed payment of cheques in the absence of adequate funding arrangement.

7.15. Lenders' Liability: Commitments to Borrowers

7.15.1. The Bank shall adopt the principles of lenders of liability. In terms of the guidelines for lenders liability and the Code of Bank's Commitment to customers, the Bank shall return to the borrowers all the securities/ documents/ title deeds to the mortgaged property within a defined time period after repayment of all dues agreed to or contracted.

7.15.2 The Bank shall compensate the borrower for financial losses suffered, if any, due to delay in return of the same.

7.15.3. In the event of loss of title deeds to the mortgage property at the hands of the bank, the compensation will cover out of pocket expenses for obtaining duplicate documents plus a lumpsum amount as decided by the bank

7.16. Force Majeure:

7.16.1. The Bank shall not be liable to compensate customers for delayed credit if some unforeseen event including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other "Acts of God", war, damage to the Bank's facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc beyond the control of the Bank ,prevents it from performing its obligations within the specified service delivery parameters.

7.16.2 The compensation shall be paid by replicating the effect obtained through back-valuation of the affected transaction.

7.16.3 The compensation as per this Policy is payable to a customer only in those cases where any act of omission or commission is directly attributable to the Bank.

7.16.4 No claim would be considered, under any circumstance, based on qualitative aspects like reputation damages, loss of image in the society, loss of business, loss of income, etc.

7.16.5 The amount of compensation is restricted to the actual financial loss of the customer arising out of the amount in the books of the Bank only and in any case, to the maximum limits prescribed for the various services given above

7.17. ATM Failure:

The Bank shall reimburse the customer the amount wrongfully debited on account of failed ATM transactions within 5 calendar days from the date of transaction (T+ 5 days) .For any failure to re-credit the customer's account within that time period, the Bank shall pay a penalty of Rs. 100/- per day to the aggrieved customer. This compensation shall be credited to the customer's account automatically without any claim from the customer, on the same day when bank affords the credit for the failed ATM transactions.

This is in terms of RBI Circular DPSS.CO.PD.No.629/02.01.014/2019-20 dated 20/09/2019 and is effective from 15th October 2019

7.18. Limiting Liability of Customers in Unauthorised Electronic Banking Transactions

7.18.1 The Bank shall follow the guidelines issued by RBI vide circular DBR.No.Leg.BC.78/09.07.005 /2017-18 dated 06 July 2017 in this regard.

7.18.2. The Bank shall ask the customers to mandatorily register for SMS alerts and wherever available register for e-mail alerts, for electronic banking transactions. The SMS alerts shall mandatorily be sent to the customers, while email alerts may be sent, wherever registered.

7.18.3. The customers shall be advised to notify the bank of any unauthorised electronic banking transaction at the earliest after the occurrence of such transaction, and informed that the longer the time taken to notify the bank, the higher will be the risk of loss to the bank/ customer.

7.18.4. To facilitate this, banks shall provide customers with 24x7 access through multiple channels for reporting unauthorised transactions that have taken place and/ or loss or theft of payment instrument such as card, etc.

7.18.5. The loss/ fraud reporting system shall also ensure that immediate response is sent to the customers acknowledging the complaint along with the registered complaint number. The communication systems used by banks to send alerts and receive their responses shall record the time and date of delivery of the message and receipt of customer's response, if any, to them..

7.18.6. The bank may not offer facility of electronic transactions, other than ATM cash withdrawals, to customers who do not provide mobile numbers to the bank. On receipt of report of an unauthorised transaction from the customer, bank shall take immediate steps to prevent further unauthorised transactions in the account

7.18.7. Limited Liability of a Customer

(a) Zero Liability of a Customer

A customer's entitlement to zero liability shall arise where the unauthorised transaction occurs in the following events:

- i) Contributory fraud/ negligence/ deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer).
- ii) Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within **three working days** of receiving the communication from the bank regarding the unauthorised transaction.

(b) Limited Liability of a Customer

A customer shall be liable for the loss occurring due to unauthorised transactions in the following cases:

- i) In cases where the loss is due to negligence by a customer, such as where he has shared the payment credentials, the customer will bear the entire loss until he reports the unauthorised transaction to the bank. Any loss occurring after the reporting of the unauthorised transaction shall be borne by the bank.
- ii) In cases where the responsibility for the unauthorised electronic banking transaction lies neither with the bank nor with the customer, but lies elsewhere in the system and when there is a delay (of **four to seven working days** after receiving the communication from the bank) on the part of the customer in notifying the bank of such a transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned in the following table, whichever is lower.

Table 1	
Maximum Liability of a Customer under paragraph 7 (ii)	
Type of Account	Maximum liability (₹)
• BSBD Accounts	5,000
• All other SB accounts • Pre-paid Payment Instruments and Gift Cards • Current/ Cash Credit/ Overdraft Accounts of MSMEs • Current Accounts/ Cash Credit/ Overdraft Accounts of	10,000

Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to Rs.25 lakh	
<ul style="list-style-type: none"> • Credit cards with limit up to Rs.5 lakh • All other Current/ Cash Credit/ Overdraft Accounts • Credit cards with limit above Rs.5 lakh 	25,000

iii) Further, if the delay in reporting is beyond **seven working days**, the MD & CEO is authorized to determine the customer liability.

(iv) Overall liability of the customer in third party breaches, where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, is summarised in the below table

Summary of Customer's Liability	
Time taken to report the fraudulent transaction from the date of receiving the communication	Customer's liability (₹)
Within 3 working days	Zero liability
Within 4 to 7 working days	The transaction value or the amount mentioned in Table 1 , whichever is lower
Beyond 7 working days	On case to case basis,subject to verification by Fraud team & decision with CRO & MD

The number of working days mentioned in the above table shall be counted as per the working schedule of the home branch of the customer excluding the date of receiving the communication.

7.18.8. Reversal Timeline for Zero Liability/ Limited Liability of customer

1. On being notified by the customer, the bank shall credit (shadow reversal) the amount involved in the unauthorised electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any). Bank may also at its discretion decide to waive off any customer liability in case of unauthorised electronic banking transactions even in cases of customer negligence. The credit shall be value dated to be as of the date of the unauthorised transaction.

2. Further, the bank shall ensure that:

a complaint is resolved and liability of the customer, if any, established within such time, as may be specified in the bank's Board approved policy, but not exceeding 90 days from the date of receipt of the complaint, and the customer is compensated as above;

- where it is unable to resolve the complaint or determine the customer liability, if any, within 90 days, the compensation as prescribed above is paid to the customer; and
- in case of debit card/ bank account, the customer does not suffer loss of interest, and in case of credit card, the customer does not bear any additional burden of interest.

7.18.9. Burden of Proof

The burden of proving customer liability in case of unauthorised electronic banking transactions shall lie on the bank

7.19. Compensation in other cases of deficiencies in service

7.19.1. In case of a loan against a Term Deposit with the Bank, if the loan outstanding is not adjusted upon maturity of the deposit and instead interest is charged on the loan outstanding, the excess interest charged thereof in the loan account shall be refunded to the customer.

7.19.2. In case where the Bank after adjustment of the loan account does not remit/credit the remaining amount of FD to the customer's account but keeps balance in sundry creditor's account, the Bank shall compensate to the customer the interest payable for the amount kept in the sundry creditor's account at savings bank interest rate, if and only if the customer has not been duly informed.

7.19.3. Adoption of this compensation policy shall not absolve accountability of the concerned employee responsible for the lapses/ deficiencies leading to financial loss to the customer or the Bank.

7.20. Compensation to customers for delayed updation/rectification of Credit Information

7.20.1. Upon Customer requesting Bank or Credit Bureau/Credit Information Company (CIC) to update his/her credit information by making an appropriate correction or addition, Bank or CIC has to take steps to update the credit information within thirty (30) days from the date of receipt of customer request.

7.20.2. Bank and CIC has been collectively provided an overall TAT of thirty (30) days to resolve / dispose of the complaint. This means bank get twenty one (21) days and credit bureaus would effectively get remaining nine (9) days for complete resolution of the complaint.

7.20.3. Complainants/Customers shall be entitled to a compensation of Rs. 100 per calendar day in case their complaint is not resolved within a period of thirty (30) calendar days from the date of the initial filing of the complaint by the complainant/customer with a bank or CIC/bureau (for delayed resolution of the complaint)

7.20.4. The compensation amount shall be credited to the bank account of the complaint within five (5) working days of the resolution of the complaint.

7.20.5. Customer to be informed by the bank or bureau on the action taken on the complaint in all cases, including the cases where the complaint has been rejected. In case of rejection, the reason for rejection shall also be shared by Bank and Bureau.

7.20.6. The complainant can approach RBI Ombudsman, under the Reserve Bank Integrated Ombudsman Scheme, 2021, in case of wrongful denial of compensation by Bank or Bureaus.

7.20.7. The compensation framework shall not be applicable in the following cases.

7.20.7.1. Any disputes arising amongst bureau, bank and customer on matters relating to the business of credit information and for which no remediation has been provided under Credit Information Companies (Regulation) Act CICRA, 2005, such disputes shall be settled by conciliation or arbitration as provided in the Arbitration and Conciliation Act, 1996

7.20.7.2. Complaints pertaining to disputes/grievances regarding the computation of the credit score/credit score model.

7.20.7.3. Complaints that have been decided by or are already pending in other fora such as Consumer Disputes Redressal Commission, Courts, Tribunals, etc.

7.20.8. The compensation framework will be effective from 26th April 2024

7.20.9. Bureau and Bank which contravene or default in adherence to the above directions shall be liable for penal action as per the provisions of CICRA, 2005.

8. Dues Collection and Securities Repossession Policy

8.1. The Dues Collection Policy of the Bank is built on fairness, dignity and persuasion to deal with customers. The Bank shall not follow policies that are unduly coercive in collection of dues. The bank believes in following fair practices with regards to collection of dues and considers repossession of security as a last resort.

8.2. The repayment schedule for any loan sanctioned by the bank shall be fixed taking into account paying capacity and cash flow pattern of the borrower. The concerned employees of the Bank shall explain to the customer upfront the method of calculation of interest and how the weekly or monthly payments through any other mode of repayment shall be appropriated against interest and principal due from the customers. The Bank shall expect the customers to adhere to the repayment schedule agreed to and to approach the bank for assistance and guidance in case of genuine difficulty in meeting repayment obligations.

8.3. Bank's Security Repossession Policy aims at recovery of dues in the events of default and is not aimed at whimsical deprivation of the property. The policy recognizes fairness and transparency in repossession, valuation and realization of security. All the practices adopted by the bank for follow-up and recovery of dues and repossession of security shall be in consonance with the relevant laws.

8.4. General Guidelines

All the members of the staff or any person authorized to represent the Bank in collection or/ and security repossession shall follow the guidelines set out below:

- The customer shall be contacted ordinarily at the place of his/her residence and if unavailable at his/ her residence, at the place of business/ occupation.
- An employee or an external agency shall be identified and authorized to represent the Bank for follow-up and recovery of dues and the same shall be made known to the borrowers at the first instance. The bank's staff or any person authorized to represent the bank in collection of dues or/and security repossession shall identify himself/herself and display the authority letter issued by the bank upon request.
 - The Bank shall respect privacy of the borrowers.
 - The Bank shall ensure that all written and verbal communication with the customers are in simple business language and polite.
 - Normally the Bank's representative shall contact the borrower between 0700 hrs. and 1900 hrs., unless the special circumstance of his/ her business or occupation requires the bank to contact at a different time or the contact is through email/ SMS/ regular mail. Such contact shall be made over phone/mobile/fax/email/SMS/ regular mail or in person.
 - Borrower's request to avoid calls at a particular time or at a particular place shall be honored as far as possible.
 - The Bank shall document the efforts made for the recovery of dues and the copies of communication sent to the customers if any, shall be kept on record.
 - All assistance shall be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
 - Inappropriate occasions such as bereavement in the family or such other calamitous occasions shall be avoided for making calls/visits to collect dues.

8.5. Giving notice to borrowers

While written communication, telephonic reminders, communication over mobile, fax, e-mail or visits by the bank's representatives to the borrowers' place of choice or residence shall be used as loan follow-up measures, the Bank shall not initiate any legal or other recovery measures including repossession of the security without giving due notice in writing. The Bank shall follow all such procedures as required under law for recovery/repossession of security.

8.6. Repossession of Security

Repossession of security is aimed at recovery of dues and not to deprive the borrower of the property. The recovery process through repossession of security shall involve repossession, valuation of security and realization of security through appropriate means. All these shall be carried out in a fair and transparent manner. Repossession shall be done only after issuing the notice as detailed above. Due process of law shall be followed while taking repossession of the property. The Bank shall take all reasonable care for ensuring the safety and security of the property after taking custody, in the ordinary course of the business and the necessary cost will be charged to the borrower.

8.7. Valuation and Sale of Property

- Valuation and sale of property repossessed by the Bank shall be carried out as per law and in a fair and transparent manner. The bank shall have right to recover from the borrower the balance due, if any, including the expenses incurred in repossessing the property and ensuring its safety and security before sale of property. Excess amount if any, obtained on sale of property shall be returned to the borrower after meeting all the related expenses, provided the bank is not having any other claims against the customer.
- In the case of hypothecated assets after taking possession if no payment is forthcoming, a sale notice of 7 days time to respond will be sent to the borrower. Thereafter the bank will arrange for sale of the hypothecated assets in such manner as deemed fit by the bank. In respect of cases under SARFAESI Act as per the provisions of the Act, 30 days notice of sale will be sent. When public auction or by tender is envisaged, the same will be published in two leading news papers out of which one is a local vernacular paper.

8.8. Opportunity for the borrower to take back the security

The Bank shall resort to repossession of security only for the purpose of realization of its dues and not with intention of depriving the borrower of the property. Accordingly, the bank shall consider handing over possession of property to the borrower any time after repossession and before concluding sale transaction of the property, provided the bank's dues are cleared in full. If satisfied with the genuineness of the borrower's inability to pay the loan installments as per the schedule which resulted in the repossession of security, the bank may consider handing over the property after receiving the installments in arrears. However, this shall be subject to the bank being convinced of the arrangements made by the borrower to ensure timely repayment of remaining installments in future. In case the borrower again defaults in making repayment the Bank shall not hand over the possession.

8.9. Engagement of recovery agents:

- The bank may utilize the services of recovery agents for collection of dues and repossession of securities. Recovery agents will be appointed as per regulatory

guidelines issued in this regard, including mandatory training.

- The name and address of all Recovery Agents on the bank's approved panel of the bank will be placed on the bank's website for information and concerned.
- Only recovery agents from the approved panels will be engaged by the bank.
- In case bank engages service of such recovery/enforcement/seizure agent for any recovery case, the identity of the agent will be disclosed to the borrower.
- The recovery agents engaged by the bank will be required to follow a code of conduct covering their dealings with customers.
- The policy guidelines on Collection of Dues and Repossession of Security as enumerated above are made available on Bank's website for the convenience of customers.
- Head – Collections, with the approval of the Chief Risk Officer, shall finalise the operational procedures for engaging recovery agents.

9. Cheque Collection & Cheque return policy

9.1. This collection policy of the Bank is a reflection of the efforts to provide better service to our customers and set higher standards for performance. The Policy is based on principles of transparency and fairness in the treatment of customers. The Bank is committed to increase use of technology to provide quick collection services to its customers. This policy document covers the following aspects:

- Collection of cheques and other instruments payable locally, at centres within India.
- Guidelines on providing immediate credit
- Purchase of local/ outstation cheques
- Our commitment regarding time norms for collection of instruments.
- Guidelines on clearing of non-CTS-2010 Standard cheques
- Payment of interest in cases where the bank fails to meet time norms for realization of proceeds of outstation instruments.
- Dealing with collection instruments lost in transit.
- Procedure to be followed in case of cheques dishonored.

9.2. Local cheques:

All cheques and other Negotiable Instruments payable locally would be presented through the clearing system prevailing at the centre. Cheques deposited at branch counters and in collection boxes within the branch premises before the specified cut-off time will be presented for clearing on the same day. Cheques deposited after the cut-off time and in collection boxes outside the branch premises including off-site ATMs will be presented in the next clearing cycle. As a policy, bank would give credit to the customer account on the same day clearing settlement takes place. Withdrawal of amounts so credited would be permitted as per the cheque return schedule of the clearinghouse. Bank branches situated at centres where no clearing house exists, would present local cheques on drawee banks across the counter and it would be the bank's endeavour to credit the proceeds at the

earliest.

- The cut-off time for sending cheques for collection would be worked out for each location/branch based on cut-off time afforded by clearing house at each location. The cut-off timings would be displayed at branches/ATM drop boxes for customers
- For local cheques the time lines for local clearing will apply. The account holder is allowed to withdraw funds after the cut-off time as per return clearing norms in vogue at the centre
- For local cheques drawn on own branches of bank (Transfer cheques), the account will be credited on the same day (in case of a working day) or the next working day if the cheque had been deposited across the counter in a branch or in a cheque drop box in the branch/ on-site ATMs

9.3.Outstation Cheques:

Cheques drawn on other banks at outstation centres will normally be collected through bank's branches at those centres. Where the bank does not have a branch of its own, the instrument would be directly sent for collection to the drawee bank or collected through a correspondent bank. The bank would also use the National Clearing services offered by the Reserve Bank of India at centres where such collection services exist. Cheques drawn on bank's own branches at outstation centres will be collected using the inter-branch arrangements in vogue. Branches which are connected through a centralized processing arrangement and are offering anywhere banking services to its customers will provide same day credit to its customers in respect of outstation instruments drawn on any of its branches in the CBS network.

9.4. Providing immediate credit

9.4.1. Bank may, at its discretion, purchase local/outstation cheque tendered for collection at the specific request of the customer or as per prior arrangement. Besides satisfactory conduct of account, the standing of the drawer of the cheque will also be a factor considered while purchasing the cheque.

9.4.2. Revised Time Norms for Credit to Account (Cheques):

The previous time norms for crediting cheques to accounts, based on the location of the cheque presentation, have been revised according to CTS norms incorporated as below:

- Subject to realisation of the cheques,

Type of collection	Time norm for credit to account
Cheques deposited under CTS clearing (within cut-off time)	Will be credited on T+1 working day
Cheques deposited after cut-off time	Will be presented and credited on

Type of collection	Time norm for credit to account
	the next working day, as per clearing cycle

9.4.3. The timeframe specified above for collection shall be treated as the outer limit and credit shall be afforded earlier if the process of collection gets completed earlier.

9.4.4. The above time norms are applicable irrespective of whether cheques/instruments are drawn on the bank's own branches or branches of other banks.

9.5. Policy with regards to clearing of non-CTS-2010 Standard cheques

9.5.1. Non-CTS-2010 standard cheques (including PDC and EMI cheques) shall be sent for the next clearing session as scheduled by the CTS center, with at least a gap of 1 working day from the date of cheque deposit.

9.5.2. If the identified day for clearing non-CTS-2010 instruments falls on a holiday under the Negotiable Instruments Act, 1881, presentation session on such occasions will be conducted on the previous working day.

9.5.3. The Bank will return the non-CTS-2010 instruments, if any, presented in the regular CTS clearing. Such returned instruments will be re-presented by the Bank in the immediate next special clearing session for non-CTS-2010 instruments.

9.6. Payment of Interest for delayed Collection of Local/ Outstation Cheques

9.6.1. The Bank shall pay interest to the customer on the amount of the instrument given for collection, in case there is delay in giving credit beyond the specified time period. Such interest shall be paid without any demand from customers in all types of accounts. There shall be no distinction between instruments drawn on the Bank's own branches or on other banks for the purpose of payment of interest on delayed collection.

9.6.2 The rate of interest to be paid shall be decided based on Board-approved Compensation Policy of the Bank

9.7. Cheques/Instruments lost in transit/in clearing process or at paying bank's branch

9.7.1. In the event of a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the Bank shall immediately on coming to know about the loss, bring the same to the notice of the account holder so that the account holder can inform the drawer to record stop payment and also take care that cheques, if any, issued by him/ her are not dishonored due to non-credit of the amount of the lost cheques/ instruments. The Bank shall provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

9.7.2. The compensation to be paid, if any, shall be decided based on Board-approved Compensation Policy of the Bank

9.8. Procedure to be followed in case of cheques dishonored

A return advice shall be prepared wherein the reason for return of cheque shall be indicated. The advice along with the cheque shall be sent to the customer by registered post, local delivery or other suitable means without delay.

9.9. Service Charges

For all collection services the Bank shall recover appropriate service charges as decided by the bank from time to time and communicated to customer as indicated in the code of banks commitment to customers adopted by the bank

9.10. Force Majeure

The Bank shall not be liable to compensate the customers for delayed credit if some unforeseen event, including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other “Acts of God”, war, damage to the Bank’s facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc beyond the control of the Bank which prevents it from performing its obligations within the specified service delivery parameters.

9.11. Cheque return policy

1. RBI circular DBOD.BC.Leg.No.113/09.12.001/2002-03 dated June 26, 2003 and paragraph w11.4 (i) of RPCD.CO.RRB.BC.No.100/03.05.33/2013-14 dated May 12, 2014 advises Banks to introduce a condition for operation of accounts with cheque facility that in the event of dishonour of a cheque valuing rupees one crore and above drawn on a particular account of the drawer on four occasions during the financial year for want of sufficient funds in the account, no fresh cheque book would be issued. Also, the bank may consider closing current account at its discretion.

2. The above instructions have been reviewed by RBI and it has been decided to leave it to the discretion of the banks to determine their response to dishonour of cheques of the account holders. Banks should put in place an appropriate policy approved by the Board or its Committee taking into consideration the need to prevent misuse of the cheque drawing facility and avoid penalising customers for unintended dishonour of cheques.

3. This policy should be transparent, made known to every customer upfront and implemented fairly.

4. Savings and current accounts must be reviewed periodically and accounts identified that have high incidence of cheque return, three in a month irrespective of amounts and for financial reasons only (applicable for less than Rs.1 Crore). This includes NACH returns as well. Such accounts may be labelled as “unsatisfactory accounts”. In case of cheques of Rs. 1 crore and above, the number of bounces of four and above in a year is to be treated as unsatisfactory.

5. Operational guidelines are to be laid down by Head Banking Operations with approval of all stake holders for dealing with such accounts including closure of these accounts with adequate notice in the form of letters or e-mails or SMS to the said customers

10. Death claim policy

10.1. Given the mental and emotional stress on the family members of the deceased customer, we shall strive to ensure speedy disposal of claim petitions of deceased depositors. The Bank shall adopt the policy of efficient and hassle-free handling of claim petitions by branches, while ensuring that the money of the deceased depositor is claimed by the persons who are entitled thereto.

10.2. Nomination Facility

10.2.1. Nomination is the facility made available to depositors whereby in case of death of depositors, the nominee can easily withdraw the deposits without going through the cumbersome procedures of obtaining succession certificates or letter of administration or probate of Will etc. The nomination facility was introduced with the intention of minimizing the hardships caused to the family members on the death of depositor and nomination facility does not take away the rights of legal heirs on the estate of the deceased.

10.2.2. The Banking Company (Nomination) Rules form part of the Banking Regulation Act. The nomination facility simplifies the procedure for settlement of claims of deceased depositors as the Bank shall get a valid discharge by making payment of the balance outstanding in a depositor's account at the time of his death or delivering contents of locker or articles kept in safe custody to the nominee.

10.2.3. Nomination facility is purely voluntary and at the discretion of the depositor(s)/hirer(s). Nomination facilitates hassle-free settlement of claims in the unfortunate event of death of depositor/hirer. The nominee shall be receiving the money/stock from the bank as a trustee of the legal heirs.

10.2.4. Nomination can be made in respect of all types of deposit accounts held jointly or singly including sole proprietorship accounts. However, nomination facility is not available for the following types of deposit accounts.

- Accounts held in the representative capacity – e.g. As trustee, as liquidator, as treasurer etc.
- Accounts held in the capacity of partnership firm
- Accounts of joint stock companies/associations/clubs and such other organizations
- The facility shall be available only to individual account holders in their own capacity singly or jointly. Since an overdraft account is not a deposit account,

no nomination facility is available for credit balance held in overdraft accounts

10.2.5. Nomination facility is available for non-resident accounts also, i.e. for NRE, NRO, and the following types of accounts:

- Accounts opened by foreign nationals who are permanently resident in India
- Accounts opened by foreign nationals who are staying in India for pursuing studies, employment, business etc.
- Accounts opened by foreign nationals who are on a temporary visit to India for tour purposes

10.2.6. Who can nominate and when?

- The account holder(s) only can nominate. In the case of joint deposits with other individuals, the nomination shall be done by the depositors jointly. In the case of joint deposits, the right to the nominee arises only on the death of all the joint depositors.
- Nomination can be accepted either at the time of opening the account or at any time subsequently during the period in which the deposit is held by the Bank to the credit of the depositor.
- A nominee cannot appoint another nominee as the right to make nomination vests with the depositor(s) alone.
- If the depositor is a minor, the nomination shall be made by the natural guardian or the person who is lawfully entitled to act on behalf of the minor. When the minor attains majority a fresh nomination form or a consent letter shall be given by the depositor (erstwhile minor).

10.2.7. Who can be a Nominee?

- Nomination can be accepted in favour of an individual only. Nomination can be made in favour of only one person and nomination in favour of more than one person shall never be accepted, even if deposit is held by two or more individuals jointly. Further a nominee cannot be an Association, Society, Trustee or any other organization or Office bearer in his official capacity
- A minor can also be appointed as a nominee. However, in such cases, the depositor may appoint another individual, not being a minor, to receive the amount of deposit on behalf of the nominee in the event of death of the depositor(s) during the minority of the nominee

10.2.8. Rights of a Nominee: The Bank shall follow Banking Company (Nomination) Rules wherever applicable. As per the Banking Company (Nomination) Rules, on the death of the sole depositor or all the depositors as the case may be, the nominee shall be entitled to the following rights:-

- The nominee shall be entitled to receive the principal money along with accrued interest on account of the deposit in respect of which he is nominated.
- The nominee shall not be entitled to receive the periodical interest during the currency of deposit. However, on maturity of the deposit, the principal as well as accrued interest may be paid to the nominee at the time of settling the claim.
- The nominee shall be entitled to get the account closed prematurely, subject to identification and other procedures mentioned above. Wherever nominee has to sign, the word “Nominee” may be added beneath his signature to indicate the capacity in which he is claiming.
- The nominee shall not be entitled to raise loan on the security of deposit.

10.3. Nomination Rules In Respect Of Safe Deposit Lockers And Safe Custody Articles:

10.3.1. Types of lockers/safe custody articles

The facility is available to lockers held in individual capacity either singly or jointly. Hence lockers hired in representative capacity such as Trustee, Liquidator or in the name of Companies, Associations etc. are not eligible for this facility. In the case of Safe Custody Articles also, the facility is available to only a depositor who has deposited the article for safe custody in his individual capacity. The facility is not available if the safe custody article is deposited jointly by more than one individual.

10.3.2. Who can nominate and when?

- Only the locker hirer/depositor of safe custody article can make nomination. If locker is hired by more than one individual, the nomination shall be made jointly by all the hirers.
- Nomination can be accepted at any time as long as all the hirers are alive and the contract of locker hire is in force. So also, nomination in respect of the safe custody articles can be accepted at any time as long as the article is in Bank’s custody.
- For each locker/safe custody article, a separate nomination application shall be required. However, where there are already some lockers/safe custody articles held/deposited by an individual and no nomination has been made in respect of them, then nomination for all such lockers/articles can be exercised through a single nomination application form provided the same individual is appointed as a nominee for all the lockers/articles.

10.3.3. A nominee cannot appoint another nominee.

- Where the locker/article is hired/deposited by a minor, the nomination in such cases shall be made by a person lawfully entitled to act on behalf of the minor.
- In the case of jointly hired lockers, on the death of one of the hirers, no further operations shall be allowed. The locker shall be vacated observing the prescribed procedure and the contents of the locker shall be handed over to

the nominee and the surviving hirers jointly.

10.3.4. Who can be a nominee?

- Nomination shall be accepted in favour of individuals only. A nominee cannot be an Association, Society, Trustee or any other organization or Office bearer in his official capacity.
- In the case of lockers/safe custody articles hired/deposited by sole hirer/depositor, nomination shall be accepted in favour of one individual only.
- In the case of lockers hired jointly by two or more individuals, nomination can be made in favour of more than one person.
- A minor can also be appointed as a nominee to receive the contents of a SDL/SCA. But at the time of nomination itself, the person who is entitled to receive the contents of SDL/SCA on behalf of the minor nominee shall be specified.
- Illiterate persons can also be appointed as a nominee.

10.3.5. Survivor Clause

- A joint account opened as "Either or Survivor" or "Anyone or Survivor" or "Former or Survivor" or "Latter or Survivor" shall permit the surviving account holder(s) to have unimpeded access to the credit balance in the account for withdrawal if one of the co-account holders dies.
- If the mandate of survivorship is given/ provided, the survivor(s) can give a valid discharge to the bank in the case of "Either or Survivor"/ "Anyone or Survivors" and "Former or Survivor"/ "Latter or Survivor" joint accounts.
- In short, payment to survivor(s) can be made in the normal course subject to the only rider that there is no order from a competent court restraining the bank from making such payment.

10.4. Deposit accounts with nomination/ survivorship clause

10.4.1. In the case of deposit accounts where the depositor had utilized the nomination facility and made a valid nomination or where the account was opened with the survivorship clause ("either or survivor", or "anyone or survivor", or "former or survivor" or "latter or survivor"), the payment of the balance in the deposit account to the survivor(s)/nominee of a deceased deposit account holder represents a valid discharge of the bank's liability provided:

- the bank has exercised due care and caution in establishing the identity of the survivor(s) / nominee and the fact of death of the account holder, through appropriate documentary evidence
- there is no order from the competent court restraining the bank from making the payment from the account of the deceased
- it has been made clear to the survivor(s) / nominee that he would be receiving

the payment from the bank as a trustee of the legal heirs of the deceased depositor, i.e., such payment to him shall not affect the right or claim which any person may have against the survivor(s) / nominee to whom the payment is made

10.4.2. Payment made to the survivor(s) / nominee, subject to the foregoing conditions, would constitute a full discharge of the bank's liability. Therefore, the Bank shall not insist on production of succession certificate, letter of administration or probate, etc., or obtain any bond of indemnity or surety from the survivor(s)/nominee, irrespective of the amount standing to the credit of the deceased account holder

10.5. Joint Account with mandate “Former or Survivor”/ “Latter or Survivor” - Without Nomination:

10.5.1. Savings Account/ Current Account

- In the event of death of former/ latter as the case may be the balance outstanding shall be paid to the survivor on verification of proof of death of the depositor.
- In the event of death of both the joint account holders, the balance outstanding shall be paid to legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors.

10.5.2. Term Deposit Account

- In case of payment on maturity when both depositors are alive, Former/ Latter depositor alone can operate/ withdraw the amount
- In the event of death of Former/ Latter depositor as the case may be, the balance outstanding on maturity shall be paid to the survivor on verification of proof of death of the depositor on maturity of deposit.
- In the event of death of both the joint account holders, the balance outstanding shall be paid to legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors on maturity of deposit.

10.5.3. Premature termination of Term Deposit Account

- In case of payment before maturity when both depositors are alive, signatures of both the depositors are required
- In the event of death of former/ latter depositor as the case may be premature termination of the deposit shall be allowed against request from surviving depositor as per the terms of the contract on verification of the proof of the death of the depositor, subject to the concurrence of the legal heirs of deceased depositors.

- In the event of death of both the joint account holders, the legal heirs (or any one of them as mandated by all the legal heirs) shall have the right to seek premature termination of term deposit account as per the terms of contract on verification of authority of legal heirs and proof of death of depositors.

10.6. Joint account with mandate “Either or Survivor”/ “Anyone or Survivors” without nomination:

10.6.1. Savings Account/ Current Account

- In the event of death of one of the joint account holders the balance outstanding shall be paid jointly to survivor(s) on verification of proof of death of the depositor.
- In the event of death of both/ all the account holders, the balance outstanding shall be paid jointly to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors.

10.6.2. Term Deposit Account

- In case of payment on maturity when both depositors are alive, any one of the depositors can operate/ withdraw the amount
- In the event of death of one of the joint account holders, the payment shall be made to the survivor(s) on verification of proof of death of the depositor on maturity of deposit.
- In case of death of one of the depositors before maturity, any request by survivors to delete the name of the deceased joint depositor shall be accepted only if supported with the consent of the legal heirs of the deceased depositor
- In the event of death of both/ all the joint account holders, the balance outstanding shall be paid jointly to the legal heir(s) (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors on maturity of deposit.

10.6.3. Premature termination of Term Deposit Account

- In case of payment before maturity when both depositors are alive, signatures of both the depositors are required
- In the event of death of one of the joint account holders, premature termination shall be permitted to survivor(s) as per the terms of contract on verification of proof of death of depositor, subject to the concurrence of the legal heirs of deceased depositors.
- In the event of death of both/ all the account holders, premature termination shall be permitted against joint request by all legal heirs of the deceased (or any one of them as mandated by all the legal heirs) as per the terms of contract on verification of authority of legal heirs and proof of death of

depositors.

10.7. Deposit accounts where there is no nomination/survivorship clause.

Details required for Settlement Process: Inheritance of the assets depends on the religion of the deceased depositor and related Succession Acts. Therefore, claimants who approach the Bank for settlement of claims of deceased depositors etc. need to provide the following details to the branch.

- The religion of the deceased depositor/account holder
- Whether the deceased died intestate (i.e. without making a Will)
- If the deceased had left any Will, whether the Will has been probated (Please note that probate of Will is not mandatory in all cases)
- Who are the legal heirs of the deceased
- The age and relationship of the legal heirs to the deceased
- Details of deposits in the name of the deceased
- Any other information relevant to the case as per laid down guidelines

10.8. Minor as a claimant

A minor is incompetent to enter into any contract as per the Indian Contract Act. Guardian means a person having the care of the person of a minor or his property or both. There are different types of guardians, viz. Natural Guardian, Testamentary Guardian, Court appointed Guardian and De-Facto Guardian. If there are any minor(s) among the legal heirs of the deceased, the following guidelines shall be adhered to:

10.8.1. Hindus/ Christians:

- Father is the natural guardian of his minor sons/daughters and if the father is not alive, mother of minor is the natural guardian.
- In case both father and mother are not alive, only a person appointed by the Court can act as guardian for the minors.

10.8.2. Muslims

In the case of Muslims, the mother cannot act as guardian. The order of guardianship is as under:-

- Father
- Person appointed by Father's Will
- Father's father
- Person appointed by the Will of Father's Father.
- In the absence of above persons, only a person appointed by the Court can act as guardian of the property of minor.

10.9. Claims In Respect of Missing Persons

10.9.1. Legal Position: The settlement of claims in respect of missing persons shall be governed by the provisions of Sections 107/108 of the Indian Evidence Act, 1872. Section 107 deals with presumption of continuance and Section 108 deals with presumption of death. As per the provisions of Section 108 of Indian Evidence Act, presumption of death can be raised only after a lapse of seven years from the date of his/her being reported missing. As such, nominee/legal heirs have to raise an express presumption of death of the depositor/customer under Section 107/108 of the Indian Evidence Act before a competent Court. If the Court presumes that he/she is dead, then the claim in respect of a missing person can be settled as is done for any other accounts of the deceased.

10.9.2. Settlement of claims in such cases shall be done as per approval matrix defined and approved by COO with sign off by Compliance and Risk teams.

10.9.3. The nominee/legal heirs/survivor(s) of missing persons on production of the following documents:-

- FIR for reporting missing of a person. It should be confirmed that 7 years have elapsed since the date of reported missing.
- Non-traceable report issued by police authorities.
- Letter of Indemnity.
- Other documents applicable for Death Claims

10.9.4. For amounts above Rs.50,000/- , in addition to the documents listed above, Order issued by competent Court raising express presumption of death of the depositor/customer under Sections 107/108 of Indian Evidence Act has to be produced, so as to settle the claims to the nominee/legal heirs/survivor(s).

10.10. Safe Deposit Lockers

10.10.1. With Nomination/ Survivorship Clause

- At present Banking Regulation Act does not provide nomination facility in respect of lockers with “Either or Survivor”/ “Former or Survivor”/ “Anyone or Survivors”/ “Latter or Survivor” mandate. Hence operational instructions are not given in this regard. The claims shall be settled in terms of the survivorship mandate given by the customers.
- In cases where there is valid nomination/clear survivorship clause, the claim from the nominees/survivors shall be settled as per approval matrix duly observing the above mentioned procedure on the basis of nomination/survivorship clause. In such cases branches shall not insist for regular legal representation and also shall not obtain any bond of indemnity or surety from the survivor(s)/ nominee(s).

10.10.2. Without Nomination

- In the event of death of one (or more but not all) of the locker hirers, the surviving hirer(s) and legal heirs of the deceased hirer (or a person mandated by them) shall be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of hirer.
- In the event of death of both/ all the joint locker hirers, all the legal heirs (or any one of them as mandated by all the legal heirs) shall be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of locker hirers.

10.11. Safe Custody Articles

Generally, safe custody articles are not accepted in joint names. Even if accepted in joint names, nomination facility is not provided. Nomination facility is available only in the case of individual depositor/ sole proprietary concern.

10.12. Settlement of property documents in case of property taken as security by the Bank against borrowal accounts:

Legal heirs of the mortgagors may request for return of title deeds deposited with the Bank after ensuring settlement of dues. If the deceased property owners are not liable to the Bank in any other accounts, Competent Authority as per delegated matrix are empowered to dispose of such cases.

10.13. Splitting Of Term Deposit

10.13.1. On the death of the depositor, the Bank may, on the request from the legal heirs, split the amount of Deposit standing in the name of the deceased depositor, and issue deposit advices individually in the name of the legal heirs. Such splitting of deposits shall not be construed as premature withdrawal of the term deposit, provided the period and aggregate amount of the deposit do not undergo any change. The procedure is as under:-

10.13.2. Fresh application is not required from legal heirs/representatives. However, separate specimen signatures to be provided by all the legal heirs/representatives.

10.13.3. The legal heir(s) in possession of the split deposit advice may encash before maturity or obtain duplicate receipt or deal with deposit individually.

10.14. Treatment of flows in the name of the deceased depositor

With regard to the treatment of flows in the name of the deceased depositor, branches may open an account styled as "Estate of Sri _____, the Deceased with authorization from the survivor/nominee/legal heirs for crediting the pipeline flows in the name of the deceased depositor with a stipulation that no withdrawals shall be allowed. On completion of all the inflows into the account, the proceeds of the account may be paid to the respective survivor/nominee/legal heirs by observing all the usual procedures.

10.15. Interest payable on the deposit account of deceased depositor

In the case of a term deposit standing in the name/s of (1) a deceased individual depositor or (2) two or more joint depositor(s), where one of the depositors has died, interest shall be paid in the manner indicated below:-

- In case of premature withdrawal, interest will be paid at applicable rate with reference to the period for which the deposit has remained with the Bank without charging penalty.
- On the date of maturity interest shall be paid at the contracted rate.
- If the claim is after the date of maturity, irrespective of whether the death occurred before or after the date of maturity, the bank shall pay interest at the contracted rate till the date of maturity. From the date of maturity to the date of payment, the bank shall pay simple interest at the applicable rate operative on the date of maturity, for the period for which the deposit remained with the bank beyond the date of maturity.

10.16. Time limit for settlement of claims

10.16.1. Where there are valid nomination/ survivorship, subject to confirmation of death of depositor and identification of nominee/ survivors, branches themselves are authorized to make payment to the nominee complying with all the guidelines stipulated hereinabove, without referring to RO/HO. Payment would be made to the nominee/ survivors within a period of 15 days from the date of claim subject to the production of proof of death of the depositor and suitable identification of nominee/ survivors, to the satisfaction of the branch

10.16.2. The Bank shall report to the Customer Service Committee of the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased depositors / locker-hirers / depositors of safe custody article accounts and those pending beyond the stipulated period, giving reasons thereof.

11. Policy on Inoperative Accounts and Unclaimed Deposits

11.1. Section 26 of the Banking Regulation Act, 1949 provides, inter alia, that every banking company shall, within 30 days after close of each calendar year submit a return in the prescribed form and manner to the Reserve Bank of India as at the end of each calendar year (i.e., 31st December) of all accounts in India which have not been operated upon for 10 years.

11.2. The balance in unclaimed deposits and accounts that are not operated for 10 years and more shall be transferred to the designated account in the name of DEAF – Depositor Education & Awareness Fund) as mandated by RBI.

11.3. In view of the increase in the amount of the unclaimed deposits with banks year after

year and the inherent risk associated with such deposits, the Bank shall play a more proactive role in finding the whereabouts of the account holders whose accounts have remained inoperative

11.4. The objective of this policy is

1. To segregate and maintain in under separate GLs ,the deposit accounts which have not been operated upon over a period of two years. This segregation of the inoperative accounts is from the point of view of reducing risk of frauds, record keeping and periodic review of accounts.
2. To have a mechanism for periodic transfer of unclaimed deposits to DEAF, settlement of refund claims, complaint redressal etc.
3. To ensure KYC due diligence by identifying owners of the unclaimed deposits/inoperative accounts.

With a view to further strengthen the regulatory framework for inoperative accounts and unclaimed deposits, this policy document includes details on:

- Classification of inoperative accounts/unclaimed deposits
- Procedure for activation of eligible inoperative accounts
- Settling claims against unclaimed deposits
- Grievance redressal mechanism for quick resolution of complaints
- Record keeping
- Displaying inoperative accounts/ unclaimed deposits on bank's website
- Delegation of powers for settlement of claims for such accounts and periodic review of such accounts

11.5. Classification of Inoperative Accounts

11.5.1. For the purpose of classifying an account as 'inoperative' both the type of transactions i.e., debit as well as credit transactions induced at the instance of customers as well as third party shall be considered. However, the service charges levied by the bank or interest credited by the bank shall not be considered as specified by RBI's master circular on customer service in banks.

11.5.2. A current account/saving account shall be treated as 'Inoperative Account' if there has been no 'Customer Induced Transaction' for a continuous period of 24 months.

11.5.3. In case the customer has given a mandate for crediting the interest on Fixed Deposit account to the Savings Bank account/ Current account, since the interest on Fixed Deposit account is credited to the accounts as per the mandate of the customer, the same shall be treated as a customer induced transaction. As such, the account shall be treated as operative account as long as the interest on Fixed Deposit account is credited to the account. The account shall be treated as inoperative account only after

two years from the date of the last credit entry of the interest on Fixed Deposit account, if there are no other operations in the account

11.6. Classification of unclaimed deposits

Savings/ Current Accounts: An account shall be classified as unclaimed deposits if the same is not operated (other than interest credits and service charge debits which are bank induced transactions) for 10 years and more from the date of last operation. A term deposit account shall be classified as unclaimed deposit if the same is not renewed/withdrawn after 10 years or more from the date of maturity

11.7. Payment of interest on inoperative accounts/ unclaimed deposits

Following RBI circular no. RBI/ 2008-09/ 138 dated 22nd August 2008, the Bank shall (i) pay interest on savings accounts on regular basis whether the account is operative or not, (ii) pay interest at savings rate on the unclaimed amount if a Fixed Deposit Receipt matures and proceeds are unpaid.

11.8. Managing inoperative accounts

The Bank may, at its discretion, close zero balance accounts under this category, after serving due notice to the depositor in this regard. The depositor shall be informed of charges, if any, which the Bank shall levy on inoperative accounts.

11.9. Display of data on unclaimed deposits on the website of the bank

The Bank shall display the list of inoperative accounts/unclaimed deposits which are inactive/ inoperative for ten years or more on its website. The list so displayed shall contain only the names of the account holder(s) and his/her address. In case such accounts are not in the name of individuals, the names of individuals authorized to operate the accounts shall also to be indicated. However, the account number, its type and the name of the branch shall not be disclosed on the bank's website. The same website shall have the information on the process of claiming the unclaimed deposit/activating the inoperative account and the necessary forms and documents for claiming the same

11.10. Communication to inoperative/ unclaimed deposit holders

11.10.1. The Bank shall conduct an annual review of accounts that have no customer induced transactions in the last one year. Letters/emails/SMS/WhatsApp messages shall be sent to such customers advising them to transact in the account, failing which the account would be classified as inoperative if there are no transactions for the succeeding year.

11.10.2. In the absence of the automatic triggers, monthly communication via letters/emails/SMS/ WhatsApp is required to be sent to the customer

11.10.3. The bank shall automatically intimate the inoperative account/ unclaimed

deposit holders through SMS and registered email stating that on the basis of the KYC documents submitted by them, the inoperative status of the account has been removed. The intimation shall also mention the remedial measures available to them to report unauthorised access, if any. This would alert the account/ unclaimed deposit holder against any possible fraudulent activity in his/her inoperative account. The banks shall have in place adequate operational safeguards to ensure that the claimants in case of inoperative accounts/ unclaimed deposits are genuine. The banks shall process requests for activation of inoperative account/ unclaimed deposits within three working days from the receipt of the complete application.

11.11. Operation of inoperative/ unclaimed accounts

11.11.1. Operation in such Savings Bank / Current accounts will be allowed only after due diligence as per risk category of the customer by ascertaining genuineness of transaction, verification of signature, identity etc., in accordance with the Bank's KYC & AML Policy. Nevertheless it will be ensured that the customer is not inconvenienced as a result of extra care taken by the Bank.

11.11.2. The Bank shall have a well defined process for claiming of an unclaimed deposit by the customer / survivor / legal heir/authorised signatories, as the case may be.

11.11.3. Customers are encouraged to visit the nearest Branch, instead of home Branch for actioning all the service requests, including activation of inoperative accounts along with the documents for proof of identity and address

11.11.4. No charges shall be levied by the Bank for activation of inoperative/ unclaimed accounts

11.12. Redressal of complaints and grievances

For any complaint/ grievance with regard to services rendered by the Bank, customers shall have a right to approach authority (ies) designated by the Bank for handling customer complaint/grievances. The details of the internal set up for redressal of complaints/grievances shall be displayed in the branch premises. The branch officials shall provide all required information regarding procedure for lodging the complaint.

12. Customer Privacy Policy

12.1. The Bank recognizes that one of its fundamental responsibilities is to ensure that the Bank protects personal information entrusted to the Bank by its customers. This is critical for the maintenance of the Bank's reputation and for complying with its legal and regulatory obligations to protect the Bank's customer information. The Bank also follows a transparent policy to handle personal information of its customers.

12.2. In this Policy, personal information means any information that relates to a person,

which either directly or indirectly, in combination with other information available or likely to be available with the Bank, is capable of identifying such person (e.g., telephone number, name, address, transaction history etc.).

12.3. The Policy is in compliance with the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules 2011 (the “IT Rules”) contained in the Information Technology Act 2000.

12.4. Applicability

12.4.1. The Bank collects three types of information: personal, sensitive personal data and non-personal

12.4.2. Personal information means any information that relates to a natural person, which either directly or indirectly, in combination with other information available or likely to be available with the Bank, is capable of identifying such person (e.g., telephone number, name, address, transaction history etc.).

12.4.3. Sensitive personal data or information of a person means such personal information which consists of information relating to passwords, financial information such as Bank account or credit card or debit card or other payment instrument details, sexual orientation, physical physiological and mental health condition, medical records and history, biometric information, details of nominees and national identifiers including but not limited to: Aadhaar card, passport number, income, PAN, etc. For customers enrolled in services provided by the Bank, such as online bill payment, personal information about the transaction is collected.

12.4.4. Any information that is freely available or accessible in public domain or furnished under the Right to Information Act, 2005 or any other law for the time being in force shall not be regarded as sensitive personal data or information for the purpose of these rules.

12.4.5. The information customers provide online is held by the Bank business that maintains the account or is processing the application for a new product or service.

12.4.6. Non personal information includes the IP address of the device used to connect to the Bank’s website along with other information such as browser details, operating system used, the name of the website that redirected the visitor to the Bank’s website, etc. Also, when you browse our site or receive one of our emails, the Bank and our affiliated companies, use cookies and/or pixel tags to collect information and store your online preferences.

12.4.7. This Policy is applicable to personal information (including sensitive personal information) collected by the Bank directly from the customer or through the Bank’s online portals, electronic communications as also any information collected by the Bank’s server from the customer’s browser.

12.5. Accuracy

The Bank shall have processes in place to ensure that the personal information residing with it is complete, accurate and current. If at any point of time, there is a reason to believe that personal information residing with the Bank is incorrect, the customer should inform the Bank in this regard. The Bank shall correct the erroneous information as quickly as possible.

12.6. Purpose of collection and Usage of Personal Information

The Bank shall use the information collected to manage its business and offer an enhanced, personalized online experience on its website. Further, it shall enable the Bank to:

- Process applications, requests and transactions
- Maintain internal records as per regulatory guidelines
- Provide services to customers, including responding to customer requests
- Comply with all applicable laws and regulations
- Recognize the customer when he conducts online banking
- Understand the needs and provide relevant product and service offers
- If a customer does not wish to provide consent for usage of its sensitive personal data or information or later withdraws the consent, the Bank shall have the right not to provide services or to withdraw the services for which the information was sought from the customer.

12.7. Disclosure/ Sharing of Information

12.7.1. The Bank shall not disclose personal information of its customers without their prior consent unless such disclosure has been agreed to in a contract between the body corporate and customer, or where the disclosure is necessary for compliance of a legal obligation. In-case Bank discloses the personal information to Third Parties, such Third Parties shall be bound contractually to ensure that they protect customer personal information in accordance with applicable laws.

12.7.2. The above obligations relating to sharing of personal data or information shall not apply to information shared with government mandated under the law to obtain such information or by an order under law for the time being in force. Further, if any personal data or information is freely available or accessible in the public domain, the Bank shall not have any obligations regarding the same.

12.7.3. No specific information about customer accounts or other personally identifiable data shall be shared with nonaffiliated third parties unless any of the following conditions is met:

- To help complete a transaction initiated by the customer
- To perform support services through an outsourced entity provided it conforms to the Privacy Policy of the Bank

- The customer/ applicant has specifically authorized it
- To conform to legal requirements or comply with legal process
- The information is shared with Government agencies mandated under law
- The information is shared with any third party by an order under the law
- Enforce the terms and conditions of the products or services
- Act to protect the rights, interests or property of the Bank, or its members, constituents or of other person

12.7.4. Security Practices - The security of personal information is a priority and shall be ensured by maintaining physical, electronic, and procedural safeguards that meet applicable laws to protect customer information against loss, misuse, damage and unauthorized access, modifications or disclosures. Employees shall be trained in the proper handling of personal information. When other companies are used to provide services on behalf of the Bank, it shall ensure that such companies protect the confidentiality of personal information they receive in the same manner the Bank protects. The Bank shall continuously review and enhance its security policies and security measures to consistently maintain a high level of security.

12.7.5. Amendments

The Bank shall reserve the right to change or update this Policy or practice, at any time with reasonable notice to customers on Bank's website so that customers are always aware of the information which is collected, for what purpose Bank uses it, and under what circumstances, if any, Bank may disclose it. By virtue of this privacy policy, the customer assents to collection, use, transfer, disclosure, retention and other processing of her/his personal information, including sensitive personal information, as described in this Policy.

12.7.6. Response to Enquiries and Complaints

The Bank shall encourage customer enquiries, feedback and complaints which shall help it identify and improve the services provided to the customers.

13. Customer Grievance Redressal Policy

13.1. Being a service organization, providing quality customer service and ensuring customer satisfaction are the prime concerns of the bank. The Bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of any customer complaints and grievances that may arise despite this. The Bank's grievance redressal policy shall adhere to the following principles:

- Customers shall be treated fairly at all times
- Complaints raised by customers shall be dealt with courtesy and on time

- Customers shall 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.
- The Bank employees shall work in good faith and without prejudice to the interest of the customer
- All customers are entitled to register a complaint if dissatisfied with the services provided by the Bank through various channels/options-as follows:.

13.1.1. In person at a branch

In writing, which can either be handed over to an officer of the Bank or dropped in the complaint/ suggestion box

- In the physical/ digital complaint book
- Orally to an officer of the Bank

13.1.2. Remotely

- In writing, by post
- By calling the Customer Contact Centre on Bank's Toll free number 1800-2080 for liabilities and 18004200 for assets. While 1800-2080 is accessible 24x7, 18004200 is accessible between 7am to 10 pm
- Submit online by logging on to the home page of Bank's website www.janabank.com
- E-mail at < customercare@janabank.com >

There shall be no charge to a complainant to lodge a complaint. The Grievance Redressal policy will be made available on website

13.2. Mandatory display requirements

A complaint book shall be available with the Branch and this information will be published on the notice board.

- Complaints/ suggestions received by the Bank from the customers shall be duly recorded for monitoring of redressal/ implementation thereof.
- The name and contact particulars of the Nodal Officer of the Bank shall remain displayed in the branch premises and also on Bank's website to facilitate the customers to raise their grievances/suggestions regarding customer services rendered by the Bank.
- The Reserve Bank has integrated its three existing B.O. Schemes (B.O. Scheme 2006, B.O. Scheme for NBFCs and B.O. Scheme for Digital Transactions) and brought out Reserve Bank - Integrated Banking Ombudsman Scheme on 12.11.2021 by merging the three schemes into one and modifying some of the provisions of the scheme. The provisions of the scheme and contact details of the Centralised Receipt & Processing Centre (CRPC) shall made available at all branches and displayed on the Bank's website

- Copies of Citizen's Charter shall be made available to customers on specific request and shall be displayed on Bank's website
- This document called the Citizens Charter of Jana Small Finance Bank provides key information on various facilities/ services provided to customers in JSFB branches and ensures high standards of accountability, responsibility and transparency in Banks dealings with customers. The Charter also provides comprehensive information on Bank's transactions relating to Savings, Current, Time / Recurring deposit accounts, Locker facility, remittances and grievance redressal etc. It also specifies the obligations on the part of the customers for healthy banker-customer relationship

13.3. Resolution of Grievances:

13.3.1. The Bank shall strive to resolve the complaints at the various touch points itself, within the stipulated timelines. In addition, a complaint escalation mechanism shall be instituted that includes a Principal Nodal Officer in-charge of resolving any escalations. Customers can reach the nodal officer through any of the following channels :

*Write to: Customer Service Head

Address: Jana Small Finance Bank
DivyaSree Chambers, 5th Floor, 'A' Wing,
Off Langford Road, Bangalore – 560 025.

*Email at: Nodal.officer@janabank.com

*Call: 080-68131421 (Monday-Friday: 9.00 am to 6.00 pm)

13.3.2. The Bank will acknowledge the receipt of the complaint and will ensure that a resolution is provided within prescribed TAT depending on the category of complaint, not exceeding a period of 30 days across all levels.

13.3.3. In the unlikely event of a customer not receiving a response within one month from the date of lodgment of the initial complaint, he/she may approach the Banking Ombudsman. The details of the Banking Ombudsman are available on the Bank's website as well as on the website of RBI.

13.3.4. The Bank shall also appoint Regional Nodal Officers, as mandated by the RBI under the Integrated Banking Ombudsman Scheme, 2021. Details of Regional Nodal Officers are available on the Bank's website prominently displayed in the branches

13.3.5. The final communication sent to the customer regarding redressal of the complaint shall mention about the option to the customer to approach the concerned Banking Ombudsman in case he/she is not satisfied with the redressal of the complaint.

13.3.6. If Resolution of complaints involves payment of compensation, then the same

shall be in accordance with Bank's Compensation Policy, as published on the website.

13.3.7. Resolution timelines: The bank shall strive to resolve all customer grievances at the earliest, with the timelines indicated below being the maximum time for resolution.

- General complaints: 3 to 14 working days.
- Fraud cases and cases which need retrieval of documents and records > 3 months old: 30 working days.
- Cases involving third party / other banks : 30 working days
- Data Privacy cases: 30 working days
- Chargeback related cases: as per RBI norms.

For all the complaints received through regulator, timelines as mandated by respective regulator will be adhered to.

In case a complaint requires additional time for resolution, the Bank will proactively inform the customer/regulator about the reason for the delay and specify the additional time required for resolution before the timelines.

13.4. Tracking and reporting

13.4.1. All complaints will be registered in a central complaints management system of the Bank. Complaints will be assigned a unique reference number which will be communicated to the complainant along with an appropriate turnaround time. In case the resolution needs additional time, an interim response shall be sent to the complainant.

13.4.2. All complaints shall be monitored at appropriate levels and marked as closed only after resolution of the customer grievance and due communication to customer.

13.4.3. The complaints database, along with the acknowledgement letter and other correspondence will be preserved as per our Records Retention Policy.

13.4.4. Internal review mechanism: In line with RBI guidelines, the Bank has also set up the following committees to monitor and review customer service and grievance mechanism of the Bank. Important feedback is shared between the committees, on implementing service initiatives while assessing customer feedback on the overall quality of service rendered by the Bank.

13.5. Customer Service Committee of the Board:

This committee of the Board is responsible to oversee the implementation of service enhancement initiatives across the Bank. The Committee meets every quarter and is required to formulate policies on improved customer experience, assess the service governance structure and effect ongoing improvements in the quality of service provided by the Bank.

Customers may be invited to share their experience and feedback with the Committee.

13.6. Standing Committee on Customer Service:

The Standing Committee shall be chaired by the MD& CEO. The Committee meets every month and is responsible for understanding opportunities that may exist for service development and product enhancement, particularly towards enhancing customer experience. Customer representatives may be invited to attend the meetings of this Committee.

13.7. Branch level Customer Service Committees:

13.7.1. The Committee provides a monthly forum for direct interaction with a cross section of branch customers and they are encouraged to share their views on branch service. It shall meet once a month to study complaints/ suggestions, cases of delay, difficulties faced / reported by customers / members of the Committee and evolve ways and means of improving customer service. The meetings of this committee shall invariably include a senior citizen customer.

13.7.2. This shall be constituted by the BM/BOM/BCSDM and suggestions feedback from customer obtained in writing and communicated to HO Customer Service team through a customer service tool, which is then collated and submitted to the Standing Committee and other stake holders

13.8. Customer Experience:

13.8.1. Every complaint received shall be logged into a software driven system – CRMNext and the system shall acknowledge and generate a reference number.

13.8.2. The acknowledgment and reference number shall be sent to the customer by SMS.

13.8.3 The complaint shall be resolved for the best satisfaction of the customer as early as possible but in no case later than the TAT stipulated in this policy.

13.8.4. Responsibility towards redressal of complaint rest with operational staff from branch up to corporate office depending upon the gravity of the complaint.

13.8.5. On resolution of complaint, a communication will be sent to the customer to this effect.

13.8.6. The functional heads will be responsible to resolve customer complaint relating to services.

13.8.7. Complaints to the regulator, if any, shall be resolved by the compliance department in coordination with functional departments.

13.8.9. Report shall be generated at various stages upto CEO level to monitor the status of resolution.

13.9. Sensitizing operating staff on handling complaints:

13.9.1. The Bank shall impart training on an ongoing basis to all employees on handling complaints/ redressal of grievances/ customer counseling.

13.9.2. The Principal Nodal Officer of the Bank shall ensure that internal machinery for handling complaints/ grievances operates smoothly and efficiently at all levels.

13.9.3. Review of the policy: This policy shall be approved by the Customer Service Committee of the Board of Directors and will be reviewed annually.

14. Customer Education Policy

14.1. This policy has been designed with the following objectives

- To educate all customers on the various products and services offered by the Bank, across physical and digital channels
- To provide sufficient information and understanding to customer segments with limited understanding of formal banking services, in order to promote financial inclusion
- To generate a standard understanding of the evolving fraud scenarios to ensure safe and secure transactions by all customers across all channels

14.2.. Roles/Responsibilities and organizational structure

The Bank shall identify and involve key stakeholders in decision-making, planning, implementation and evaluation in order to get desired support for the awareness program.

14.3. Board of Directors/Senior Management

The Board of Directors/Senior Management shall be committed towards the process of consumer education initiatives by providing adequate resources, evaluating the effectiveness of the process and fine-tuning and improving customer education measures on an ongoing basis.

14.4. Working group

The working group shall do the following:

- Establish a clear goal for the endpoint, in consultation with key stakeholders
- Clearly define roles, responsibilities and accountabilities
- Communicate in an open, honest, clear and timely manner

- Allow for flexibility in approaches to suit different stakeholder needs
- Support with training and development to ensure a change in behavior and culture
- Learn from previous and ongoing experiences and celebrate achievements
- Customer education strategy: Self-serve initiatives

14.5. Customer Information

A significant part of the Bank's customers are likely to rely on self-serve channels to access information on the Bank's products and services, policies, etc. Accordingly, the following information shall be made available on the Bank's website

a) Policy / Guidelines

- Citizen's Charter
- Deposit Policy
- Deceased Depositors Policy along with Nomination Rules
- Cheque Collection Policy
- Fair Practices Code for Lenders
- Code for Collection of Dues and Repossession of Security

b) Complaints

- Grievance Redressal Mechanism
- Information relating to Banking Ombudsmen

c) Opening of Accounts

- Account Opening Forms
- Terms and Conditions

d) Service Charges for various types of services – Shall cover typical common services including courier charges – What services are available without any charges.

e) Interest rates on Deposits

f) Minimum balances – along with corresponding facilities offered.

g) Loans and Advances

- Application forms relating to loans and advances
- Copy of blank agreement to be executed by the borrower
- Terms and Conditions
- Processing fee and other charges
- Interest rates on Loans and Advances

h) Branches (Store fronts)

Details of SFs along with addresses and telephone numbers (with search engine for queries relating to SF location)

i) Details of ATMs along with addresses

14.6. Customer education strategy: Bank-assisted initiatives

14.6.1. The Bank shall consider security awareness as the basic component of its

education strategy

which tries to change the attitude, behavior and practice of its target audience (e.g. customers, general public, employees etc.).

14.6.2. Awareness activities shall be done on an ongoing basis, using a variety of delivery methods which shall focus on security aspects.

14.6.3. Objectives of the awareness program for customers

- Provide a focal point and a driving force for a range of awareness, training and educational activities
- Provide general and specific information about fraud risk trends, types or controls to people who need to know
- Help consumers identify areas vulnerable to fraud attempts and make them aware of their responsibilities in relation to fraud prevention
- Motivate individuals to adopt recommended guidelines or practices
- Create a stronger culture of security with better understanding and commitment
- Help minimize the number and extent of incidents, thus reducing costs directly (fraud losses) and indirectly (for example, reduced need to investigate)
- The Bank shall also run awareness programs for various other stakeholders, including bank employees, who can then act as resource persons for customer queries, law enforcement personnel for an effective response to customer complaints and media for dissemination of accurate and timely information.

15. Policy to avoid mis-selling

15.1. Bank strongly believes in providing appropriate and suitable products and service to all the customers. Inducing a customer for purchasing an unnecessary product or indulging in “mis-selling” for the purpose of achieving budgetary targets is an unacceptable practice that not only affects the customer adversely but also results in an erosion of the Bank’s credibility and reputation. It is, therefore, in contradiction of our objective of being a customer-centric organization.

15.2. All employees and representatives of the Bank shall help customers achieve an informed decision based upon her requirements, the products most appropriate for fulfilling those needs and the customer’s profile

15.3. Since the Bank acts in an advisory role for sale of third party products, it is imperative that we satisfy the customers’ needs by suggesting the right product mix, depending on their risk profile and financial needs. Understanding customers’ needs shall, therefore, be integral to the way we undertake business and provide service in the Bank.

15.4. In order to minimize the risk of mis-selling, the Bank shall:

- Ensure appropriate training of sales staff
- Ensure segregation of the marketing function from the

- approval/transactional process at bank branches
- Ensure that its employees do not receive cash/non-cash incentives directly from insurance companies, mutual funds and other third party product providers

16. Customer Feedback Policy

16.1. The bank shall continue to be connected to its customers across various channels in order to gather feedback on the services offered by the bank

16.2. This could span across multiple channels – both physical and digital, and would include capture of feedback through both direct and indirect interactions

16.3. Modes of gathering would be as decided by the Principle Nodal Officer of the bank

16.3.1. Modes of gathering direct feedback may include:

- Surveys and questionnaires
- In app/ call back/ online feedback requests
- Sample customer interviews
- Mystery shopping
- Other modes as required

16.3.2. Modes of gathering indirect feedback may include:

- Monitoring of customer blogs
- Social media activity tracking
- News activity tracking
- Other modes as required

17. Enhanced disclosures and cost recovery

17.1. In terms of RBI CircularRef:RBI/2020-21/87/CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21 dated January 27, 2021, the Bank is mandated to do enhanced disclosures on complaints and grievance redressal in the Annual Report. The format of reporting is annexed. The Customer Service Cell will be responsible for providing the prescribed data

17.2. OBO (Office of Banking Ombudsman) has decided to recover cost of redress of complaints from banks, given that the banker-customer relationship is the primary relationship and the main responsibility of customer grievance redress lies with banks. With a view to ensure that banks discharge this responsibility effectively, the cost of redress of complaints will be recovered from those banks against whom the maintainable complaints in the OBOs exceed their peer group average. The modalities are furnished in the said circular. Operational guidelines in this regard will be framed by Head-Customer Service.

18. Intensive Review by RBI

18.1 The Bank will be subject to an intensive review by RBI Reserve Bank through annual assessments of customer service and grievance redress based on the data and information available through the Complaint Management System, and other sources and interactions. In case the Bank is identified as having persisting issues in grievance redress, RBI will review the grievance redress mechanism to identify the underlying systemic issues and initiate corrective measures. The intensive review shall include, but will not be limited to, the following areas:

- i. Adequacy of the customer service and customer grievance redress related policies.
- ii. Functioning of the Customer Service Committee of the Board.
- iii. Level of involvement of the Top Management in customer service and customer grievance related issues.
- iv. Effectiveness of the grievance redress mechanism of banks.

18.2. Based on the review, a remedial action plan will be formulated and formally communicated to the bank by RBI for implementation within a specific time frame. In case no improvement is observed in the grievance redress mechanism within the prescribed timelines despite the measures undertaken, the bank will be subjected to corrective actions through appropriate regulatory and supervisory measures.

19. Internal Ombudsman Scheme

19.1. As per the Internal Ombudsman Scheme 2018 it is mandatory for Scheduled Commercial Banks with 10 or more banking outlets to appoint an Internal Ombudsman (IO).

The term of the previous IO ended in March 2023, thereafter we have appointed a new IO effective 1st April 2023.

Customer Grievance Redressal Management [CGRM] team, internally refers all complaints partly or wholly rejected to IO for further review and decision. Basis IO's decision, CGRM team will convey the final decision to the complainant.

IO has been facilitated with read only access to Bank's complaint management software and Reserve Bank's complaints management system to keep track of the cases forwarded by the offices of BO and the decisions by the BO thereon, including the decision of the Appellate authority, where applicable.

In case of disagreement with the IO's decision [BO/Presidential escalated complaints], team obtains approval of Chief Operating Officer (COO) of the bank and all such cases shall be subsequently reviewed by the Customer Service Standing Committee [Monthly] and Committee of the Board [Quarterly]

CGRM team submits Quarterly report on the total number of complaints received, number of partly or wholly rejected complaints and number of complaints escalated to IO. Also Annual reporting on the number of cases where the decision of IO has been rejected. IO furnishes periodical reports to the Customer Service. Committee of the Board quarterly / Bi annually.

19.2. Internal Ombudsman Scheme has been updated on 29.12.2023 by RBI

19.3. Banks ACB can seek advice from I.O. on complaints related to corporate frauds, misappropriation etc., except for any failure on the part of the bank.

19.4. New I.O. was appointed, effective 8th September 2023 with reporting line directly to the Managing Director and Chief Executive Officer of the Bank.

19.5. Any disagreement with a decision made by the Internal Ombudsman must be upheld with the approval of the Executive Director.

19.6. Complaints that are partially or wholly rejected by the Customer Grievance Redressal Mechanism (CGRM) team in CRM Next application will be automatically assigned to the Principal Nodal Officer (PNO), further flowing to the Internal Ombudsman (I.O) for review. This process was made live in January 2024 for I.O. and January 2025 for PNO.

19.7. In line with RBI Master Direction, added RBI complaint reporting formats along with the TAT of 30 days for complaint resolution.

20. Process for change of Registered Mobile Number in the case of Non- face to face opened customer account

20.1. Such a customer has to first become full KYC compliant by submitting the POI & POA along with PAN and relevant documents.

Once the process of full KYC conversion is completed, the regular approved process for mobile number change (as applicable for face to face customer) is followed with SR being raised from branch and CPC fulfilling the same, subject to all due diligence. This process is approved by COO, CIDO, CCO, CRO

21. Policy Effective Date

21.1. The policy may be reviewed annually or on an as-needed basis.

21.2. Any interim changes shall be approved by COO, CCO and CRO and put up to the Board for ratification.