


CUSTOMER SERVICE POLICY FOR 2023-24

The main objective of Co-operative Banks is to fulfill the Government aim of financial inclusion along with the retail financial requirements of middle and lower class people, small businessman, vendors etc. in the society. Hence, it is inevitable for the banks to retain the customer by providing the excellent customer services.

Objectives of Customer Service

- Attract large no. of customers
- Retain the existing customer
- Increase the business
- Maximize the profits
- Carry out social responsibility

Responsibility of the Board

- The BOD shall frame the Customer Service policy for the branches of the bank.
 - The Chief Executive Officer shall regularly supervise and check the execution of the policy.
 - The BOD shall take annual review of the policy.
 - The Branch Managers shall report to Chief Executive Officer and CEO shall report to the Board.
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1.Services at the counter

- **Business & Working hours –**

At Branch- Business hours of the bank to be disclosed in the bold letters. At HO the working hours should be synchronized with Branch business hours.

The employees are expected to be at their seats 15 minutes before the commencement of the business hours and attend the customers who are in branch prior to the close of business hours.

- **Display of time norms**

Time norms for specified business transactions should be displayed.

- **Extension of business hours for non-cash transaction:**

Staff at the counters shall undertake the following transactions during the extended business hours (branches to indicate timings)

(a) non-voucher generating transactions:

- Issue of passbook/statement of accounts(immediate)
- Issue of cheque book
- Delivery of term deposit receipts/drafts
- Issue of ATM cards

(b) Voucher generating transactions:

- Issue of term deposit receipts (TDR)
- Acceptance of cheques for locker rent due
- Acceptance of individual cheques for transfer credit

- **Uninterrupted Service**

Banks shall devise appropriate procedures to ensure that no counter remains unattended during the business hours and uninterrupted service is rendered to customers by making adequate relief arrangements as may be necessary.

- **Provision of Note Counting Machines on Counters**

Banks should install dual display note counting machines at the payment counters of their branches for the use of their customers towards building confidence in the minds of the public to accept note packets secured with paper bands.

2. Deposit and Other Accounts

- Rights of Transgender Persons-Changes in Bank Forms/Applications

Banks are directed to include 'third gender' in all forms/applications etc. prescribed by the Reserve Bank or the banks themselves, wherein any gender classification is envisaged.

- **Savings bank passbooks/ statement of accounts**

- (a) Banks should ensure that full address/telephone number of the branch is invariably mentioned in the Pass Book/ statement of accounts issued to account holders.
- (b) Banks should provide MICR code and IFSC Code of the branch in all passbook/statement of account to their holders.

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- (c) Banks should invariably offer passbook facility to all their savings bank account holders (individuals). The cost of providing such passbooks should not be recovered from the customers.
- (d) Banks shall devise controls to ensure that the passbooks are updated on an ongoing basis, and complete and correct particulars are written in a legible hand
- (e) Customers also need to be educated to submit the passbooks regularly for updating.
- (f) Banks shall take the following steps to provide customer satisfaction in these areas:
 - (i) Customer education drives may be launched to bring home the advantages of getting the passbooks updated regularly/periodically.
 - (ii) Employees may be exhorted to attach importance to this area to provide customer satisfaction.
- (g) As a rule, passbook shall be updated immediately on submission. If updating is not possible immediately due to a large number of entries then paper tokens be issued for collection of passbook on the next day.

- **Furnishing remitter details in passbook/ pass sheet/ account statement for credits received through NEFT/NCES/ECS.**

The procedural guidelines on NEFT/NECS/ECS and various circulars issued from time to time by the Reserve


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Bank clearly highlights the minimum information that should be provided to customers about the details of credit received through NEFT/NECS/ECS. Bank enable Core Banking Solutions (CBS) to capture complete information from the relevant fields in the messages/data files can be displayed to customers when they access their accounts online or provide to them additionally when they access their accounts online or provide to them additionally when they approach the branch counters/help desks.

- **Term deposits**

(a) Various innovative schemes have been introduced to suit customer requirements. However, customers awareness of the different schemes and facilities there under is actually lacking. Bank staff shall properly advice the customer to understand various term deposit schemes. The customers shall also be informed specifically of the facility of safe custody of term deposit receipts.

(b) Term deposit application forms shall be devised as to contain a direction for disposal of deposits on maturity. The bank shall as a rule send intimation of impending due date of the deposit well in advance other than the deposits under auto renewals.



- **Advisory Services on deposit schemes**

Branch staff shall assist the customers in taking proper decision for investment in various deposit schemes having regard to their particular needs and expectations.

- **Brochures/pamphlets for guidance of customers**

Bank may make available to the customers brochures/pamphlets in regional language/Hindi/English giving details of various schemes available and terms and conditions thereof. Such brochures shall also contain, among others, dos and don'ts for smooth handling of day-to-day banking transactions, e.g. updating of passbooks, preferably in the leaner weeks of the month, say, third/fourth week, advantages of maintaining joint accounts and nomination, keeping the term deposit receipts in safe custody with the banks with instructions for disposal on maturity ,etc.

- **Claims in respect of missing persons**

The settlement of claims in respect of missing persons would be governed by the provisions of section 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 the 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, the

nominee/legal heirs have to raise an express presumption of death of the subscriber under the 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 on the basis of the same.

As per the above provisions, Bank shall settle the claims of a missing person after considering the legal opinion and taking into account the facts and circumstances of each case. Further, keeping in view the imperative need to avoid inconvenience and undue hardship to the common person, bank shall fix a threshold limit of --- depending on the amount, up to which claims in respect of missing persons could be settled without insisting on production of any documentation other than (i) FIR and non-traceable report issued by police authorities and (ii) Letter of indemnity.

3. Banking facilities to the visually challenged

(i) All banking facilities such as cheque book facility including ATM facility, locker facility, retail loans etc. are required to be invariably offered to the visually challenged without any discrimination. Banks shall also advise their branches to render all possible assistance to the visually challenged for availing the various banking facilities.

(ii) In addition to the above, magnifying glasses should be provided in all bank branches for the use of persons

with low vision, wherever they require, for carrying out banking transaction with ease. Branches should display at a prominent place notice about the availability of magnifying glasses and other facilities available for persons with disabilities.

4. Identity Badges

Each employee shall wear on his person, identity, badge with photograph and name prominently displayed on it. Besides giving an official touch, will create a better rapport with the customers.

5. Job Enrichment

Bank shall make periodic change of duties and job rotation among employees. Elementary checking functions such as authentication of pass books/ issuance of receipts for cheques deposited for credit to the customers' accounts etc. to make useful contribution towards customer service and give a boost to the morale and self image of the employee.

6. Induction training

Bank shall allocate Induction training program for new recruits with other external training entity. All new recruits, i.e. clerks/officers should be necessarily exposed to induction programme immediately after recruitment with co-ordinated approach.

7. Reward and recognition

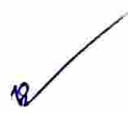
The system of reward and recognition should be such that it puts an indifferent employee to a considerable disadvantage- psychological and even financially. Only if the rewarded scheme is objectively enunciated, employees will be motivated to perform better. Indifferent and casual approach to work (customer service) should not go unnoticed, giving such employees wrong signals. Banks should evolve a fair system whereby employees are gauged or rated in the area of customer service and good work is rewarded.

8. Systems and procedures

System and procedures are necessary to assist banks in functioning in an effective and efficient manner and to ensure safety of customer's money. Banks may keep their system and procedure in trim, by a continuous process of introduction of new procedures that may be required and by doing away with unwanted ones

9. Complaint box and book

A Complaint cum Suggestion Box may be kept in the bank premises at a prominent place. Every bank branch may also maintain a Complaint Book with adequate number of perforated copies in each set, so designed as to instantly provide the complaint book with adequate number of perforated copies prepared by the Indian Banks Association is given at **Annex I**.



Banks should take appropriate steps to introduce the same for ensuring uniformity at all offices of the banks.

10. Inspection/Audit Reports

The internal inspectors/auditors including audit firms engaged for the purpose during the course of their inspection/audit of branches should examine the various customer service aspects including the efficiency of the complaints handling and grievances redressal machinery; and based on their observations, record the improvements and deficiencies in various areas.

11. Complaint prone employees

Placement of employees in customer contact slots should be on a selective basis. By imaginative and innovative approaches, enough number of employees can be brought-up by training. Cases of deliberate recalcitrance and disregard of customer service spirit should be taken note of and kept in concern employees' service records apart from taking other action against such employees.

12. Periodical visits by Chief Executive Officer/Senior officials

Senior officials/Ceo while visiting the branches should also give priority to the customer service aspects. It will be great advantage if senior official counter checks the actual 'branch atmosphere' by having in hand a report on customer service submitted by the branch. They must

also comment upon the branch's customer service in the visitors book maintained at branch.

13. Infrastructure provision

Banks may bestow attention to providing adequate space, proper furniture, drinking, water facilities, clean environment, (which including keeping the walls free of poster) etc. in their premises to enable conduct of banking transactions smoothly and more comfortably.

14. Customer Education

Customer education both in regard to rights and responsibilities in dealing with banks should be viewed as a fundamental issue in any attempt to improve customer service. Customer should be made aware not only of the various schemes and services offered by banks, but also about the formalities, procedures, legal requirements and limitations in the matter of providing services by the banks, through a proper mix of advertisements, literature, interface, seminars etc. Banks should involve their employees in all customer education programs.

15. Security arrangements

In view of the incidents involving terrorists /dacoits, banks should review and improve upon the existing the



security system in branches so as to instill confidence amongst the employees and the public. Regular drill/training to the security staff should be ensured.

16. Nomination facilities

Banks may get the account opening forms amended to incorporate a space to mention the name and address of the nominee and statutorily prescribed nomination forms may be obtained and preserved with the account opening forms. Availability of nomination facility needs to be widely publicized by printing compatible messages on cheque books/pass books and any other literature reaching the customers. Nomination should be a rule (rather than an exception) and banks should endeavor to cover all accounts, existing as well as new, under nomination, exception being the ones where the customer himself would prefer not to nominate; this fact may be recorded rather than left to the conjecture of noncompliance

Nomination facilities are available not only for deposit accounts but also for safe custody articles and safe deposit lockers. As nomination facility for deposit accounts is more known to the customers, compared to the one available for safe custody articles and safe deposit lockers, publicizing availability of the facility for these two services also may be effectively done.

Registration of nomination in banks' books In terms of co-operative bank rules is required to register in its books the

nomination, cancellation and/or variation of the nomination. The co-operative banks should accordingly take action to register nominations or changes therein, if any, made by their depositor(s)/hirer(s) of lockers.

17. TDS Certificate

Timely Issue of TDS Certificate to Customers UCBs are advised to put in place a system that will enable them to provide TDS Certificate in Form 16A to their customers from whose deposit accounts income tax has been deducted at source, within the time –frame prescribed under the Income Tax Rules.

18. Customer Service – Redressal of Grievances

(i) Banks should have a robust grievance redressal structure and processes to ensure prompt in-house redressal of all their customer complaints. Banks are advised to ensure that a suitable mechanism exists for receiving and addressing complaints received from their customers with specific emphasis on resolving such complaints fairly and expeditiously regardless of the source of the complaints.

(ii) Banks should have a system of acknowledging the complaints, where the complaints are received through letters / forms. Banks should prominently display at the branches the names of officials, who can be contacted for redressal of complaints together with their direct telephone number and e-mail address etc. for proper and timely

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contact by the customers and for enhancing the effectiveness of the redressal machinery.

(iii) In the case of scheduled banks, where the complaints are not redressed within one month, the branch concerned / Head Office of the bank should forward a copy of the same to the Nodal Officer concerned .

Annexure I (Vide paragraph 13)

Complainant's copy/Branch copy/H.O.copy

_____Urban Co-operative Bank

_____Branch COMPLAINT BOOK

Serial No._____ Date_____

Shri/Smt./Kum._____ Address

_____ Nature of Account, if

applicable/maintained_____

Complaint in brief

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