

SVC Co-operative Bank Ltd

CUSTOMER SERVICE POLICY

2026-2027

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1. Objective

Banking being a service industry, customer is the most essential ingredient for its successful operation. Reserve Bank of India, over a period of time has enunciated various regulatory directives, which is based on certain principles and practices. Customer Service is an important factor for survival for the banking sector. It is the responsibility of the Bank to provide best service to our customers and any kind of inefficiency is not acceptable. The quality of customer service in the Bank has to be high, meeting the legitimate aspirations of its customers to enable the Bank to maintain its image, create confidence, build a good relationship with its customers and attract funds comparatively at low cost in a competitive environment.

The policy on Customer Service is established to achieve the following:

- a) To care for and provide complete satisfaction to customers.
- b) To gain and sustain customer confidence by ensuring high ethical standards of service to suit all levels of our customer base.
- c) To establish prudent and acceptable practices in line with the Banking law under the Negotiable Instruments Act, 1881, Banking Regulation Act 1949 and other applicable laws.
- d) To motivate and enhance customer relationship management skills amongst the staff of the Bank.

2. Introduction

The quality of customer service in Bank is set high as they are established primarily to fill the existing gaps in banking and credit needs in urban and semi urban areas. Meeting the legitimate aspirations of its customers will enable the bank to maintain its image, create confidence and attract funds comparatively at low cost in a competitive environment. Ensuring improvement in the customer service rendered by the banks has been the constant endeavour of Reserve Bank of India. The committee (established by RBI) vide RBI master circular on Customer Service had made various recommendations to ensure improvement in the customer service in the banks. The Committee on Procedures and Performance audit on Public Services (CPPAPS) had also made suggestions for improvement of customer service in banks.

3. Service at counter

Branch shall ensure that employees re available to respond to customers and facilitate them in carrying out their transactions.

3.1 Business and working hours

Bank shall ensure that employees are available to respond to customers and facilitate them in caring out their transactions during business and working hours.

All employees shall wear identity cards which displays their name along with their photo, the display of identity will lead to higher customer confidence and better quality of customer service.

3.2 Display Time Norms

Branches ensures that time norms for specified business transactions is displayed prominently in the banking hall so that it attracts the customers' attention as well as that of the employees for adherence. Branches also ensures that all customers who enter the banking hall before the close of business hours are attended to.

3.3 Extension of business hours for non-cash transaction

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

(a) Non-voucher generating transactions:

- Issue of passbook / statement of accounts
- Issue of cheque book
- Delivery of term deposit receipts / drafts
- Acceptance of share application form; and
- Acceptance of clearing cheque / bills for collection
- Acceptance of documents /papers for credit proposal
- Acceptance of stock/book debt statement

(b) Voucher generating transactions:

- Issue of term deposit receipts (TDR)
- Acceptance of individual cheque for transfer credit/Locker Rent Due

3.4 Uninterrupted Service

Branch shall ensure that employees are available to respond to customers and facilitate them in carrying out their transactions

3.5 Guidance to Customers

All branches, have "Enquiry" or "May I help you" counters. Such counters attend to enquiries or may be combined with other functions depending upon the requirement. As far as possible, such counters are near the entry point to the banking hall.

3.6 Provision of Ramps at Branches

Many Banks may also take appropriate steps including ramps at the entrance of the bank branches so that the person with disabilities/wheel chair users can enter the bank branches and conduct business without much difficulty. However, in cases where it is impracticable to provide such ramp facilities, whether permanently fixed to earth or otherwise, the requirement may be dispensed with, for reasons recorded or displayed in branches or ATMs concerned.

4. Deposit and other Accounts

4.1 Savings bank passbooks/ statement of accounts

Bank offers passbook facility to all their savings bank account-holders (individuals). The cost of providing such passbooks should not be recovered from the customers.

Passbooks are 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 passbooks on the next day.

Furnishing remitter details in pass book / account statement for credits received by customers through NEFT / NECS / ECS

Bank enables their Core Banking Solutions (CBS) to capture maximum information possible from the relevant fields in the messages/data files which can be displayed to customers when they access their accounts online or provide to them additionally when they approach the branch counters/help desks/call centers.

4.2 Term deposits

Banks have made considerable innovations in the area of term deposits. Bank ensures that various term deposit schemes are made known to the customers through proper publicity and advice. Keeping customers informed about changes/modification in interest rates, charges, terms & conditions through Bank's website/ display notice at branches

As a measure of good customer service and to protect the interest of depositors against loss of interest, the Bank is offering auto renewal facility to the customer for a term deposit account. The customers need to also be informed specifically of the provision of monthly interest on term deposits at a discounted rate and the facility of safe custody of term deposit receipts.

Issue of duplicate term deposit receipt is done, in the event the original term deposit receipt is lost, subject to Depositor(s) completing required formalities prescribed by the Bank from time to time.

4.3 Timely Issue of TDS Certificate to Customers

Branches 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.

4.4 Brochures/pamphlets for guidance of customers

The Bank has made available to the customers brochures/ pamphlets giving details of various schemes available and terms and conditions thereof.

4.5 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 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.

Bank has a formulated a policy, which would enable it to 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 keeping in view their risk management systems, has a threshold limit, up to which claims in respect of missing persons could be settled without insisting on production of any documentation other than (i) FIR and the non-traceable report issued by police authorities and (ii) letter of indemnity

5. Safe Deposit Lockers

The facility of safe deposit lockers is an ancillary service offered by the Bank.

5.1 Allotment and operation of Lockers

The following guidelines supersede all the guidelines issued earlier in this regard.

a. Linking of Allotment of Lockers to placement of Fixed Deposits

Bank should not link the provisions of lockers facility with placement of fixed or any

other deposit beyond what is specifically permitted.

b. Fixed Deposit as Security for Lockers

Branches may obtain a Fixed Deposit which would cover 3 year's rent and the charges for breaking open the locker in case of an eventuality. However, banks should not insist on such Fixed Deposit from the existing locker hirers.

c. Wait List of Lockers

Branches maintains a wait list for the purpose of allotment of lockers and ensure transparency in allotment of lockers. All applications received for allotment of locker should be acknowledged and given a wait list number.

d. Security aspects relating to Safe Deposit Lockers

(i) Operations of Safe Deposit Vaults/Lockers

Bank exercises due care and necessary precaution for the protection of the lockers provided to the customer.

(ii) Customer due diligence for allotment of lockers

Bank carries out due diligence for both new and existing customers at least to the levels prescribed for customers classified as medium risk. If the customer is classified in a higher risk category, customer due diligence as per KYC norms applicable to such higher risk category should be carried out

Where the lockers have not been operated for more than seven years, bank immediately contact the locker hirer and advise him to either operate the locker or surrender it. This exercise is carried out even if the locker hirer is paying the rent regularly.

Further, the bank ask the locker hirer to give in writing, the reasons why he / she did not operate the locker. In case the locker hirer has some genuine reasons as in the case of NRIs or persons who are out of town due to a transferable job etc., banks may allow the locker hirer to continue with the locker. In case the locker hirer does not respond nor operate the locker, banks should consider opening the lockers after giving due notice to him. In this context, banks should incorporate a clause in the locker agreement that in case the locker is not operated for more than seven years, the bank would have the right to cancel the allotment of the locker and open the locker, even if the rent is paid regularly. Bank has a procedure in consultation with legal advisers for breaking open the lockers and taking stock of inventory.

In order to facilitate identifying the ownership of the locker keys, banks has introduced a system whereby the locker keys could be embossed with the Identification Code of the bank/branch.

e. Access to the safe deposit lockers/ return of safe custody articles to Survivor(s)/ Nominee(s)/ Legal heir(s)

If the sole locker hirer nominates a person the branch should give to such nominee access of the locker and liberty to remove the contents of the locker in the event of the death of the sole locker hirer.

In case the locker was hired jointly with the instructions to operate it under joint signatures, and the locker hirer(s) nominates a person, in the event of death of any of the locker hirers, the branch should give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s).

In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the locker should be given over to 'either or survivor', 'anyone or survivor'

or 'former or survivor' or according to any other survivorship clause, the branch should follow the mandate in the event of the death of one or more of the locker-hirers. However, the branch takes the following precautions before handing over the contents:

(i) Due care and caution should be exercised in establishing the identity of the survivor(s)/ nominee(s) and the fact of death of the locker hirer by obtaining appropriate documentary evidence.

(ii) Diligent effort should be made to find out if there is any order from a competent court restraining the bank from giving access to the locker of the deceased.

(iii) It should be made clear to the survivor(s) / nominee(s) that access to locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer; i.e. such access given to them shall not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.

f. Access to the safe deposit lockers / return of safe custody articles (without survivor/nominee clause)

In case where the deceased locker hirer had not made any nomination or where the joint hirers had not given any mandate that the access may be given to one or more of the survivors by a clear survivorship clause, bank have adopted a customer-friendly procedure drawn up in consultation with their legal advisers for giving access to legal heir(s) / legal representative of the deceased locker hirer.

Bank is guided by the provisions of Sections 45 ZC to 45 ZF of the Banking Regulation Act, 1949 (As Applicable to Cooperative Societies (AACCS)) and the Co-operative Banks (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act.

Branches should prepare an inventory before returning articles left in safe custody / before permitting removal of the contents of a safe deposit locker. The inventory shall be in the appropriate Forms or as near thereto as circumstances require.

5.2 Customer Guidance and Publicity

a. Benefits of nomination / survivorship clause

Bank provide guidance to locker-hirers / depositors of safe custody articles on the benefits of the nomination facility and the survivorship clause.

b. IT enabled Financial Inclusion

Bank has scaled up IT initiatives for financial inclusion speedily while ensuring that solutions are highly secure, amenable to audit, and follow widely accepted open standards to ensure eventual inter-operability among the different systems.

6. (a) Banking facilities to the visually challenged

All the banking facilities such as cheque book facility including third party cheques, ATM facility, Net banking facility, locker facility, retail loans, credit cards etc. are invariably offered to the visually challenged without any discrimination. Bank has advised their branches to render all possible assistance to the visually challenged for availing the various banking facilities.

Banks should make at least one third of new ATMs installed as talking ATMs with Braille keypads and place them strategically in consultation with other banks to ensure that at least one talking ATM with Braille keypad is generally available in each locality

for catering to the needs of visually impaired persons. Banks may also bring the location of such talking ATMs to the notice of their visually impaired customers. Banks should make all new ATMs installed from July 1, 2014 as talking ATMs with Braille keypads and lay down a road map for converting existing ATMs as talking ATMs with Braille keypads and the same may be reviewed from time to time by the Board of Directors/Customer Service Committee of the Board.

(b) Banking facilities to the physically challenged

Bank takes its best effort for providing of ramps at the entrance of the branches wherever feasible, so that the persons with disabilities/wheel chair users can enter branches and conduct banking with minimum difficulty.

In addition to the above, magnifying glasses are provided in all branches for the use of persons with low vision, wherever they require, for carrying out banking transactions with ease. Branches have displayed at a prominent place notice about the availability of magnifying glasses and other facilities available for persons with disabilities.

7. Collection of Cheques

7.1 Collection of account payee cheques – Prohibition on crediting proceeds to third party account

Bank does not collect 'account payee' cheque for any person other than the payee constituent. Where the drawer/ payee instructs the bank to credit the proceeds of collection to any account other than that of the payee, the instruction being contrary to the intended inherent character of the 'account payee' cheque, banks should ask the drawer/ payee to have the cheque or the account payee mandate thereon withdrawn by the drawer. This instruction will also apply with respect to the cheque drawn by a bank payable to another bank.

7.2 Rounding off cheques to the nearest rupee

Branches are advised to ensure that cheques / drafts issued by clients containing fractions of a rupee are not rejected or dishonored by them. Branch Managers to ensure that the concerned staff are well versed with these instructions so that the general public does not suffer. Branch Managers should also ensure that appropriate action is taken against members of their staff who are found to have refused to accept cheques / drafts containing fractions of a rupee.

7.3 Dishonored instruments

Branches ensure that dishonored instrument is returned / dispatched to the customer promptly without delay on the same day but in any case within 24-48 hours or inform the customer that their cheque has been dishonored and can be collected from the branch as per customer's convenience.

7.4 Cheque Related Fraud Cases - Preventive Measures

Banks have been advised to review and strengthen the controls in the cheque presenting / passing and account monitoring processes and to ensure that all procedural guidelines including preventive measures are followed meticulously by the dealing staff / officials.

Given below are some of the preventive measures UCBs may follow in this regard.

The list is only indicative.

- I. Ensuring the use of 100% CTS - 2010 compliant cheques.
- II. Strengthening the infrastructure at the cheque handling Service Branches and bestowing special attention on the quality of equipment and personnel posted for CTS based clearing, so that it is not merely a mechanical process.
- III. Ensuring that the beneficiary is KYC compliant so that the bank has recourse to him / her as long as he / she remains a customer of the bank.
- IV. Examination under UV lamp for all cheques beyond a threshold of say, Rs.2 lakh.
- V. Checking at multiple levels, of cheques above a threshold of say, Rs.5 lakh.
- VI. Close monitoring of credits and debits in newly opened transaction accounts based on risk categorization.
- VII. Sending an SMS alert to payer / drawer when cheques are received in clearing. The threshold limits mentioned above can be reduced or increased at a later stage with the approval of the Board depending on the volume of cheques handled by the UCBs or its risk appetite.

Banks have also been advised to take appropriate precautionary measures to ensure that the confidential information viz., customer name / 31 account number / signature, cheque serial numbers and other related information are neither compromised nor misused either from the bank or from the vendors' (printers, couriers etc.) side. Due care and secure handling is also to be exercised in the movement of cheques from the time they are tendered over the counters or dropped in the collection boxes by customers.

7.5 Issue of Cheque Books

- I. Fresh cheque books should be issued only against production of duly signed requisition slips from previous cheque book issued to the customer.
- II. In case the cheque book is issued against a requisition letter, the drawer/customer should be asked to come personally to the Bank or cheque book should be sent to him/her under registered post directly without being delivered to the bearer.
- III. Withdrawal Slip (our Bank does not issue Loose Cheques) shall be issued to account holder only when they come personally with a requisition letter and on production of passbooks.
- IV. Bank shall do due-diligence to ensure that any unusually large demand by any account holder for cheque books is looked into carefully to make sure that the cheque leaves are needed for genuine short-term business requirements.
- V. Banking facilities shall not be allowed to be misused by any person/ customer for mobilising resources by giving people a false sense of assurance through issue of long duration post dated cheques.

7.6 Cheque drop Facility and Facility for Acknowledgement of cheques

- I. Cheque drop facility is made available to the customers, in addition to the facility for acknowledgement of cheques at the regular collection counters. This service if collecting cheques at regular counters should not be denied to customers at any cost.
- II. No branch shall refuse to give an acknowledgement on cheques being tendered by customers at its counters.
- III. Customers shall be made aware of both options available to them i.e. dropping cheques in the drop box or tendering them at the counters so that they can take an informed decision in this regard.
- IV. Bank has displayed on the Cheque Drop-Box itself that "Customers can also tender the cheques at the counter and obtain acknowledgement on the pay-in-slips".

7.7 Rounding off cheques to the nearest rupee

I. Bank ensures that cheques / drafts issued by clients containing fractions of a Rupee are not rejected or dishonoured by it.

II. Bank ensures that it is periodically being reviewed that the practice of rounding off cheques to the nearest rupee is being followed and necessary steps, including through issue of internal circulars, etc., are carried out. This ensures that the concerned staff are well versed with these instructions and the general public does not suffer.

III. Bank also ensures that appropriate action is taken against members of its staff who are found to have refused to accept cheques / drafts containing fractions of a Rupee.

8. Miscellaneous

8.1 Identity badges

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

8.2 Training

As it is essential to align the training programs to the needs in various areas with an eye on customer service. The employees are trained to develop the right kind of attitude towards customer service, and empathy towards customer needs and expectations. Training programs are devised as to bring about positive attitudinal changes compatible to customer orientation. Technical. All newly joined goes through induction program after recruitment.

8.3 Suggestion box and book

Suggestion Box are kept in branch premises at a prominent place. Every branch may also maintain a Complaint register to record Customer grievance if any.

8.4 Inspection/Audit reports

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

8.5 Periodical visits by senior officials

Senior officials while visiting the branches gives priority to the customer service aspects. Senior official counter checks the actual 'branch atmosphere' by having in hand a report on customer service submitted by the branch.

8.6 Infrastructure provision

Branches bestows utmost attention to providing adequate space, proper furniture, drinking water facilities, clean environment, (which include keeping the walls free of posters) etc., in their premises to enable conduct of banking transactions smoothly and more comfortably.

8.7 Monthly customer service meeting at all our branches.

As per RBI incognito Visits report, Branches should hold periodical Customer Meet, inviting prominent customers of their branch including some senior citizens on a monthly basis for updating the customers on the latest products and services of the Bank. At this meeting, customers should be requested to give their feedback on services rendered by our Bank and invite suggestions if any to improve customer service levels. Minutes of such meetings, should be recorded in a separate Register maintained for the purpose. The same will be reviewed by Reporting Authority of the branch during his /her branch visit.

Bank has already initiated monthly customer service meeting at all our branches.

8.8 Security arrangement at branches

Security arrangements In view of the incidents involving terrorists/dacoits, banks should review and improve upon the existing security system in branches so as to install confidence amongst the employees and the public. Regular drill/ training to the security staff should be ensured.

9. Fair Practices Code - Display of Bank/ Service Charges

Our total commitment to integrity, ethics, meritocracy, transparency and abiding concern for stakeholders are at the heart of SVC Co-operative Bank value system.

The Bank's current schedule of charges approved by the Board is reasonable and not out of line with the average cost of providing these services. Branches are advised to display the schedule of charges on its notice boards.

10. Display of information – Comprehensive Notice Board

Branch notice board have important aspects or indicators on 'customer service information', 'service charges', 'grievance redressal' and 'others'. The notice board is updated on a periodical basis.

Branches display information relating to interest rates and service charges in their premises as well as post it on their websites, to enable the customer to obtain the desired information at a glance.

Further, Branches display at their offices/ branches the service charges relating to the following services in the local languages:

A. Services rendered free of charge

B. Others

- (i) Minimum balances to be maintained in the SB account
- (ii) Charges for non-maintenance of minimum balance in SB account
- (iii) Charges for collection of outstation cheques
- (iv) Charges for issue of Demand Draft
- (v) Charges for issue of cheques books, if any
- (vi) Charges for account statement
- (vii) Charges for account closure, if any
- (viii) Charges for deposit/withdrawal at ATM locations, if any
- (ix) I/W and O/W cheque return charges etc

Electronic products -

- a) Inward RTGS / NEFT / ECS transactions – Free, no charge to be levied
- b) Outward transactions –
 - i) RTGS – as specified in Schedule of charges
 - ii) NEFT – as specified in Schedule of charges

11. ATM transactions

11.1 Customer charges for use of ATMs for cash withdrawal and balance enquiry

Banks have been deploying ATMs to increase their reach to increase the usage of ATMs as a delivery channel. Bank have also entered into bilateral or multilateral arrangements with other banks to have inter-bank ATM networks. While ATMs facilitate a variety of banking transactions for customers, their main utility has been for cash withdrawal and balance enquiry.

Customer is not aware beforehand of the charges that will be levied for a particular ATM transaction, while using an ATM of another bank. This generally discourages the customer from using the ATMs of other banks. It is, therefore, essential to ensure greater transparency. In view of this, it has been decided that the following schedule of service charges would be implemented as under:

For use of own ATMs for any purpose – Free

For the use of other bank ATMs -

Metro -three free transactions (inclusive of financial and non-financial transactions) per month

Non- Metro -five free transactions (inclusive of financial and non-financial transactions) per month

Charges levied by banks for sending SMS alerts are levied on all customers on actual usage basis.

11.2 Enhancement of Customer Service

To improve the customer service through enhancement of efficiency in ATM operations, branches are advised to initiate action as below:

- a) The message regarding non-availability of cash in ATMs is to be displayed before the transaction is initiated by the customer.
- b) The ATM ID is displayed clearly in the ATM premises to enable a customer to quote the same while making a complaint / suggestion.
- d) Bank has made available sufficient toll-free phone numbers for lodging complaints/

reporting and blocking lost cards to avoid delays and also attend the requests on priority. They are displayed in the ATM premises / banks' web-site.

e) Bank proactively register the mobile numbers / e-mail IDs of their customers for sending alerts and also educate their customers to intimate changes, if any.

f) To prevent fraudulent withdrawal at ATMs, RBI has mandated requirement of PIN entry for each and every transaction, including balance enquiry transactions and time out sessions is enabled for all screens / stages of ATM transaction keeping in view the time required for such functions in normal course. Bank has ensured that no time extensions are allowed beyond a reasonable limit at any stage of the transaction.

g) Banks, in collaboration with Indian Banks' Association, may run advertisement campaign in both, print and electronic media at regular intervals for creating awareness about electronic banking products.

Bank reimburse to the customers the amount wrongfully debited, if any, due to ATMs failure to dispense cash within a maximum period of T+5 days from the date of transaction.

12. E-Payment Products (RTGS, NEFT, NECS, ECS Variants)

Processing inward transactions based solely on account number information:

In terms of the extant Procedural Guidelines for RTGS/NEFT/NECS/ECS Credit, Banks are generally expected to match the name and account number information of the beneficiary before affording credit to the account. In the Indian context, however, given the many different ways in which beneficiary names can be written, it becomes extremely challenging for the banks to perfectly match the name field contained in the electronic transfer instructions with the name on record in the books of the destination bank. This leads to manual intervention hindering the straight through-processing (STP) environment causing delay in credit or due return of uncredited instructions. The manual intervention also provides scope for error and fraudulent intent. Being essentially credit-push in nature, responsibility for accurate input and successful credit lies with the remitting customers and the originating banks. The role of destination banks is limited to affording credit to beneficiary's account based on details furnished by the remitter/originating bank. Instructions for processing such inward transactions based solely on account number information will be followed as per RBI guidelines.

NEFT - Customer Service and Charges:

i) Educate all staff / officials about the NEFT process in general and extension of the facility to walk-in customers and customer charges applicable on NEFT, in particular, as outlined in the Procedural Guidelines for NEFT and instructions issued by the Reserve Bank from time to time on NEFT.

ii) NEFT applications forms with proper instructions are made available at all branches. The extant charges applicable on NEFT transactions are displayed at all branches / locations of the bank where NEFT transactions are conducted.

iii) Charges levied on customers for inter-bank NEFT transactions at branches are at par.

13. Facilities at Extension Counters, wherever applicable

Branches are allowed to undertake following limited transactions at the Extension Counters:

- (i) Deposit / withdrawal transactions,
- (ii) Issue and encashment of drafts,
- (iii) Issue and encashment of travellers' cheque,
- (iv) Collection of bills,
- (v) Advances against fixed deposits of their customers (within the sanctioning power of the official concerned at the Extension Counter)
- (vi) Disbursement of other loans (only for individuals) sanctioned by the Head Office/ base branch up to the limit of 10 lakh only.

14. Other Instructions

14.1 Issue of Cheque Books

Banks cheque books are printed with due care and the perforation in the cheque leaves as also binding of cheque books are up to the mark so as to avoid any inconvenience to the customers. All CBS enabled banks are advised to issue only "payable at par"/"multi city"/ CTS 2010 standard cheque to all eligible customers.

14.2 Cheque Drop Facility and the Facility for Acknowledgement of cheques

While the cheque drop facility may be made available to the customers, the facility for acknowledgement of cheques at the regular collection counters should not be denied to them. No branch will refuse to give an acknowledgement on cheques being tendered by customers at their counters. Further, customers have both options available to them i.e., dropping cheques in the drop box or tendering them at the counters so that they can take an informed decision in this regard.

15. Nomination facilities

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 non-compliance.

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.

Statutory provisions for Nomination Facility of The Banking Regulation Act, 1949 (AACS) has been amended by incorporating among others, new sections 45 ZA to 45 ZF, which provide, inter alia, for the following matters:

- (i) to enable a bank to make payment to the nominee of a deceased depositor, of the amount standing to the credit of the depositor
- (ii) to enable a bank to return the articles left by a deceased person in its safe custody to his nominee, after making an inventory of the articles in the manner directed by Reserve Bank

(iii) to enable a bank to release the contents of a safety locker to the nominee of the hirer of such locker, in the event of the death of the hirer after making an inventory of the contents of the safety locker in the manner directed by Reserve Bank.

15.1 Nomination Rules

Since such nomination has to be made in the prescribed manner, the Central Government has framed Co-operative Banks (Nomination) Rules, 1985 in consultation with the Reserve Bank. These Rules, together with the provisions of new Sections 45 ZA to 45 ZF, of Banking Regulation Act, 1949 (AACS) regarding nomination facilities have been brought into force with effect from March 29, 1985.

The Co-operative Banks (Nomination) Rules, 1985, provide for:

- (i) Nomination forms for deposit accounts, articles kept in safe custody and the contents of safety lockers,
- (ii) Forms of cancellation and variation of the nomination,
- (iii) Registration of nominations and cancellation and variation of nominations, and
- (iv) Matters related to the above.

For the various Forms (DA1, DA2, and DA3 for Bank Deposits, Forms SC1, SC2 and SC3 for articles in safe custody and Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers) prescribed under the Co-operative Banks (Nomination) Rules, 1985 only Thumb-impression(s) shall be attested by two witnesses. The signatures of the account holders need not be attested by witnesses.

15.2 Nomination of articles in safe custody

In the matter of returning articles left in safe custody by the deceased depositor to the nominee or allowing the nominee/s to have access to the locker and permitting him/them to remove the contents of the locker, the Reserve Bank, in pursuance of Sections 45 ZC (3) and 45 ZE (4) of Banking Regulation Act, 1949 (AACS), has specified the formats for the purpose. In order to ensure that the amount of deposits, articles left in safe custody and contents of lockers are returned to the genuine nominee, as also to verify the proof of death, bank may devise to follow the procedure, if any, suggested for the purpose either by their own Federation/Association or by the Indian Banks Association.

15.3 Registration of nomination in banks' books

In terms of Rules 2(10), 3(9) and 4(10) a co-operative bank 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. Government of India has issued the notification bringing into force the provisions relating to nomination facilities, from March 29, 1985. Bank should therefore, ensure that the nomination facilities are made available to customers.

15.4 Incorporation of legend 'Nominations Registered' in pass book, deposit receipt etc.

Banks should incorporate the legend 'Nominations Registered' on every pass book or deposit receipt so as to enable the relatives to know the availment of the nomination facility by the deceased depositor.

16. Customer Service – Redressal of Grievances

(i) Bank has a robust grievance redressal structure and processes to ensure prompt in-house redressal of all customer complaints. Bank ensures 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 have a system of acknowledging the complaints, where the complaints are received through letters / forms. Banks prominently display at the branches and its website the names of officials, who can be contacted for redressal of complaints together with their telephone number and e-mail address etc. for proper and timely contact by the customers and for enhancing the effectiveness of the redressal machinery.

17. The Mental Health Act, 1987 provides for a law relating to the treatment and care of mentally ill persons and to make better provision with respect to their property and affairs.

According to the said Act, "mentally ill person" means a person who is in need of treatment by reason of any mental disorder other than mental retardation. Sections 53 and 54 of this Act provide for the appointment of guardians for mentally ill persons and in certain cases, managers in respect of their property. The prescribed appointing authorities are the district courts and collectors of districts under the Mental Health Act, 1987.

The National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 provides for a law relating to certain specified disabilities. Clause (j) of Section 2 of that Act defines a "person with disability" to mean a person suffering from any of the conditions relating to autism, cerebral palsy, mental retardation or a combination of any two or more of such conditions and includes a person suffering from severe multiple disabilities. This Act empowers a Local Level Committee to appoint a guardian to a person with disabilities, who shall take care of the person and property of the disabled person. Banks are advised to take note of the legal position mentioned above and may rely on and be guided by the orders / certificates issued by the competent authority, under the respective Acts, appointing guardians / managers for the purposes of opening / operating bank accounts. In case of doubt, care may be taken to obtain proper legal advice. Banks may also ensure that their branches give proper guidance to their customers so that the guardians / managers of the disabled persons do not face any difficulties in this regard.

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