



The Nasik Merchants Co-op Bank Ltd.

Customer Service Policy 2026-27

By _____
Accounts Department



Accounts Department

CUSTOMER SERVICE POLICY

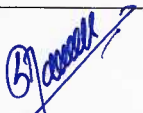
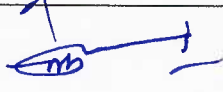
I. POLICY APPROVAL.

Resolved in BoD Meeting.	
Date	Resolution No
27/03/2026	32

II. PERIOD OF POLICY.

Period of Policy.
With effective from 01/04/2026 and will be reviewed every year in the month of March. However, will be modified, changed as & when needed.

III. SIGN OFF.

Shri. Gurappa Savkar Assistant General Manager Chief Accountant	
Shri. Santosh Jadhav Chief Compliance Officer	
Shri. Trigun Kulkarni, Chief Executive Officer	

IV. Distribution.

01	All Branches
02	All HODs at HO

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CUSTOMER SERVICE POLICY: FY 2026-27

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01. INTRODUCTION.

- 01.01. The quality of customer service has to be high in the co-operative Bank as they are established primarily to fill the gaps in Banking and credit needs in urban and semi-urban areas.
- 01.02. There is a close relation between "customer service & business development". Therefore, so as to enhance the Bank's image, to create confidence and to attract funds comparatively at a low cost in a competitive environment, Bank will ensure high-quality customer service.
- 01.03. The Bank will ensure the improvement in customer service because the Banking system is serving as an important channel for the delivery of financial services.
- 01.04. The coverage of customer service has been expanding day by day mainly owing to the increasing demands and expectations of the customers.
- 01.05. Reserve Bank of India is also actively taking review, examination and evaluation of customer service on an ongoing basis through various instructions/guidelines.
- 01.06. A customer can be defined as a user or a potential user of Bank services. Thus, 'Customer' will include:-
 - 01.06.01. Person or entity that maintains an account and/or has a business relationship with the Bank;
 - 01.06.02. One on whose behalf the account is maintained;
 - 01.06.03. Beneficiaries of transactions conducted by professional intermediaries, such as Stock Brokers, Chartered Accountants, Solicitors, etc., as permitted by the law;
 - 01.06.04. Any person or entity which can pose significant reputational or other risks to the Bank, e.g. online transfer of funds or issue of a high value demand draft as a single transaction etc.
- 01.07. Taking into consideration all the above mentioned aspects, this document viz. "Customer Service Policy" has been prepared, duly prescribing the various instructions.

02. SERVICE AT THE COUNTERS.

02.01. Business and working hours.

- 02.01.01. The working hours of all the employees of the Bank will be 15 minutes before the commencement of business hours in all the branches and offices of the Bank.
- 02.01.02. The employees will be at their seats at the commencement of business hours and attend to all the customers who are in the branch prior to the close of business hours.
- 02.01.03. The Branch Manager and other supervising officials will ensure that the staff members are available at their respective counters right from the commencement of Banking hours and throughout the prescribed business hours so that there will not be any grounds for customers to make complaints.
- 02.01.04. The Bank will ensure that no counter remains unattended during business hours and uninterrupted service is rendered to the customers.
- 02.01.05. The Branch Manager will allocate the work amongst the staff in such a way that no counter will remain closed during Banking hours.
- 02.01.06. The work of all the customers entering the Banking hall before the close of business hours will be done.

02.02. DISPLAY OF TIME NORMS.

The Bank will display time norms for specified business transactions prominently in the Banking hall so that it attracts the customers' attention as well as that of the employees for adherence.

02.03. CLOSING OF BRANCH DAILY WORKING.

Branches will not close the counters at the end of business hours, without disposing of all the customers. In another words, who enter the Banking hall before the close of business hours will be attended.

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02.04. **EXTENSION OF BUSINESS HOURS FOR NON-CASH TRANSACTIONS.**

Branch will undertake the following transactions during the extended business hours by indicating the timings.

02.04.01. Non-voucher generating transactions:- issue of passbook/ statement of accounts, issue of chequebook, delivery of term deposit receipts/ drafts, acceptance of share application form; and acceptance of clearing cheques/ bills for collection.

02.04.02. Voucher generating transactions: - Issue of term deposit receipts (TDR), acceptance of cheques for locker rent due, and acceptance of individual cheques for transfer credit, issue of traveller's cheques, issue of gift cheques.

02.05. **UNINTERRUPTED SERVICE.**

The branches will render uninterrupted service; hence no counter will remain unattended during the business hours.

02.06. **GUIDANCE TO CUSTOMERS.**

"Enquiry" or "May I help you" counter will be established in all the branches, combined with other functions. As far as possible, such counter will be placed near the entry point to the Banking Hall.

02.07. Provision of ultraviolet lamps for detecting forged note Bank equip its branches with ultraviolet lamps so that detection of fake currency is made easy.

02.08. **PROVISION OF NOTE COUNTING MACHINES ON COUNTERS.**

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

02.09. **FACILITIES AT EXTENSION COUNTERS.**

Bank does not have any Extension Counter.

03. **DEPOSIT AND OTHER ACCOUNTS.**

03.01. **RIGHTS OF TRANSGENDER PERSONS-CHANGES IN BANK FORMS/APPLICATIONS.**

Bank included 'third gender' in all forms/ applications etc.

03.02. **SAVINGS BANK PASS BOOKS/ STATEMENT OF ACCOUNTS.**

- Bank will ensure that full address / telephone number of the branch is invariably mentioned in the Passbook / Statement of Accounts issued to account holders.
- Bank will provide IFSC Code of the branch in all passbook/ statement of account to their account holders.
- Bank will invariably offer passbook facility to all the savings Bank account holders and the cost of providing such passbooks will not be recovered from the customers.
- Bank will ensure that the passbooks are updated on an ongoing basis, and complete and correct particulars are written.
- Bank will educate the customers to submit the passbooks regularly for updating in arranging customer meets.
- Bank will also educate the staff in various training.
- As far as possible, passbooks will be updated immediately on submission.
- If updating is not possible immediately due to a large number of entries, then paper tokens will be issued for collection of passbooks on the next day.

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03.02.01. **Furnishing remitter details in passbook/ account statement for credits received by customers through NEFT/ NECS/ ECS**

The minimum meaningful information will be provided to customers about the details of credit received through NEFT/NECS/ECS.

Bank will see that Core Banking Solutions(CBS)to capture complete information 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/helpdesks/call centres.

03.02.02. **TERM DEPOSITS.**

03.02.03. The Bank will initiate various term deposit schemes made known to the customers through proper publicity and advice. The information will be displayed on the notice board that monthly interest on term deposits at a discounted rate and the facility of safe custody of term deposit receipts.

03.02.04. Term deposit application forms will be so devised as to contain a direction for the disposal-off deposits on maturity. In those cases where the customer does not indicate the course of action by the Bank on the maturity of deposits, Bank will send intimation of the impending due date of the deposit well in advance.

03.03. **ADVISORY SERVICES ON DEPOSIT SCHEMES.**

Branch Manager / Staff handling the deposit tables will guide customers in making proper decisions for investment in various deposit schemes having regard to their particular needs and expectations.

03.04. **BROCHURES/ PAMPHLETS FOR GUIDANCE OF CUSTOMERS.**

The Bank will print brochures/ pamphlets in regional language/ Hindi /English giving details of various schemes available and terms and conditions thereof. If possible, the information about 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 e.g. third/fourth week, advantages of maintaining joint accounts and nomination, keeping the term deposit receipts in safe custody with the Bank with instructions for disposal on maturity etc. will be given in brochures/ pamphlets.

03.05. **CLAIMS IN RESPECT OF MISSING PERSONS.**

This is separately covered under Deceased Claim Policy.

04. **SAFE DEPOSIT LOCKERS.**

04.01. The Bank will make efforts to provide more and more lockers, especially in residential areas, while keeping in view the commercial viability. Separate policy has been formulated.

04.02. **Customer Guidance and Publicity.**

04.02.01. **Benefit of Nomination / Survivorship clause.**

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

04.03. **IT enabled Financial Inclusion.**

The Bank will gear up IT initiatives for financial inclusion duly ensuring that solutions are highly secure, amenable to audit, and follow widely accepted open standards to ensure eventual interoperability among the different systems.

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05. BANKING FACILITIES TO THE VISUALLY CHALLENGED.

- 05.01. All the Banking facilities such as chequebook facilities including third-party cheques, ATM facility, Net Banking facility, locker facility, retail loans, credit cards etc. will be invariably offered to the visually challenged without any discrimination.
- 05.01.01. Each staff will render all possible assistance to the visually challenged for availing the various Banking facilities.
- 05.02. Bank installed all ATMs as talking ATMs with Braille keypads.
- 05.03. All the branches will provide magnifying glasses for the use of persons with low vision to carry out Banking transactions with ease.
- 05.03.01. Branches will display at a prominent place notice about the availability of magnifying glasses and other facilities available for persons with disabilities.

06. IDENTITY BADGES.

All the staff members have been provided identity cards with their photograph and name prominently displayed on them and instructed to wear them in person to give an official touch and to create better rapport with the customers.

07. JOB ENRICHMENT.

The Branch Manager will change duties and will carry job rotation among employees periodically every six months or earlier when needed.

08. TRAINING.

- 08.01. The staff training programs will be designed by taking into consideration the aspects of customer service.
- 08.02. The employees will be trained to develop a positive attitude towards customer service and empathy towards customer needs & expectations.

09. INDUCTION TRAINING.

- 09.01. The Bank will impart induction training immediately after recruitment to all new recruits, i.e. sub-staffs /clerks/officers.

10. REWARD AND RECOGNITION.

- 10.01. The system of reward/ recognition will be implemented so that an indifferent employee will be motivated to perform better.
- 10.02. The employees carrying an indifferent and casual approach towards customer service will be warned and Good work will be rewarded as decided from time to time.

11. SYSTEMS AND PROCEDURES.

Since Systems and procedures are necessary for effective functioning in an efficient manner and to ensure the safety of customers' money, the Bank will continue introducing new systems and procedures so as to implement correct aspects and do away with unwanted ones.

12. CUSTOMER SERVICE AUDIT.

Concerning customer service, the Bank will review the various related aspects, introduce more avenues, and implement an audit approach at grassroots levels and policy prescription and macro levels in the matter of extension of customer service.

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13. COMPLAINT BOX AND COMPLAINT BOOK.

- 13.01. A Complaint cum Suggestion Box will be placed on the branch premises at a prominent place.
- 13.01.01. The Branch Manager will open it every day and will also keep a record thereof.
- 13.01.02. If found, any complaint the Branch Manager will take action as per the "Customer Grievance Redressal Policy"
- 13.02. Every branch will also maintain a Complaint Book with an adequate number of perforated copies in each set, so designed as to instantly provide the complainant with an acknowledged copy of the complaint. Accordingly, all the branches have been provided the complaint book.
- 13.02.01. The Branch Manager will take further action as per the "Customer Grievance Redressal Policy".

14. INSPECTION/AUDIT REPORTS.

- 14.01. The internal inspectors/ concurrent auditors during their inspection/audit of branches will examine the various customer service aspects including the efficacy of the complaints handling and grievance redressal machinery; and
- 14.02. Based on their observations, necessary changes will be made accordingly.

15. COMPLAINT PRONE EMPLOYEES.

- 15.01. The Bank will place the employees in customer contact on a selective basis and will bring up more employees by training.
- 15.02. The Bank will put adverse remarks in the service record of the employees, apart from taking other actions, which are neutral and disregard customer service.

16. PERIODICAL VISITS BY SENIOR OFFICIALS.

Senior officials while visiting the branches will also give priority to the customer service aspects, since it will be a great advantage of counterchecking the actual branch atmosphere.

17. INFRASTRUCTURE PROVISION.

The Bank will pay more attention to providing adequate space, proper furniture, drinking water facilities, clean environment, which includes keeping the walls free of posters etc., in the branch premises to enable to conduct of Banking transactions smoothly and more comfortably.

18. CUSTOMER EDUCATION.

- 18.01. The Bank will initiate customer education both in regard to rights and responsibility, as a fundamental issue to improve customer service.
- 18.02. Customers will be made aware not only of the various schemes and services offered by the Bank but also of the formalities, procedures, legal requirements and limitations in the matter of providing services by the Bank, through a proper mix of advertisements, literature, interface, seminars, etc.
- 18.03. The Bank will also involve the employees, in all customer education programs.

19. SECURITY ARRANGEMENTS.

- 19.01. In view of the incidents involving terrorists/ dacoits, the Bank will review and improve upon the existing security system in branches to build confidence amongst the employees and the public.
- 19.02. Regular drills/ training for the security staff will be ensured.

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20. FAIR PRACTICES CODE-DISPLAY OF BANK/ SERVICE CHARGES.

20.01. Though the Bank has the freedom to fix service charges, the Bank will ensure that they are reasonable and are not out of line with the average cost of providing these services.

20.02. The Bank will also take care to ensure that customers with a low volume of activities are not penalized.

20.03. Display of information—Comprehensive Notice Board.

20.04. The Bank will place a notice board duly displaying important aspects or indicators of customer service information, service charges, grievance redressal and others and it will be updated on a periodical basis.

20.05. The Bank will also display information relating to interest rates and service charges on their premises as well as post it on their websites, to enable the customer to obtain the desired information at a glance and this will be treated as sufficient communication.

20.02. Though The Bank will use the technology available so that the charges levied for sending SMS alerts are levied on all customers on an actual usage basis.

The Bank will display at all the branches, in the vernacular languages, the information about services rendered free of charge and other services, such as

20.02.01. Minimum balance to be maintained in the SB account.

20.02.02. Charges leviable for non-maintenance of minimum balance in SB account.

20.02.03. Charges for collection of outstation cheques.

20.02.04. Charges for issue of Demand Draft.

20.02.05. Charges for issue of chequebooks, if any.

20.02.06. Charges for account statement.

20.02.07. Charges for account closure, if any.

20.02.08. Charges for deposit/ withdrawal at ATM locations, if any.

20.03. The Bank will ensure that the charges levied for offering various electronic products and for outstation cheque collection services do not exceed the framework of charges prescribed by the Reserve Bank of India.

20.03.01. Bank may prescribe charges not higher than cheque return charges for ECS debit returns.

20.03.02. Bank is free to fix charges for the collection of instruments separately for credit to savings and other types of accounts.

20.04. While fixing service charges not mandated herein, the Bank will follow the following:

20.04.01. The service charge structure will be put in place on approval of the Board of Directors.

20.04.02. Charges will be reasonable and computed on a cost-plus-basis and not as an arbitrary percentage of the value of the instrument.

20.04.03. The service charge structure will not be open-ended and specify the maximum charges that would be levied on customers including charges, if any, payable to another Bank.

20.04.04. The Bank will review the service charges and fix them on a cost-plus basis.

20.04.05. The Bank will place the service charges on the Bank's website.

20.04.06. The service charges mandated/fixed will be inclusive of all charges, such as postal, courier, handling, etc., other than service tax.

20.04.07. However, the above provisions do not apply to cash handling charges.

20.04.08. Bank is ensuring that any change in the service charges is affected only with prior notification to the customers of at least 30 days.

20.04.09. Banks provide an option to the customer to accept the changes and of not accepted to exit from relationship with the Bank within the above 30 days without any cost.

20.04.10. Cheque return charges will be levied only in cases where the customer is at fault and is responsible for such returns. The illustrative, but not exhaustive, list of returns, where the customers are not at fault is given here under-

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Code	Reason for Return
33	Instrument mutilated; requires Bank's guarantee.
35	Clearing House stamp/date required.
36	Wrongly delivered/not drawn on us.
37	Present in proper zone.
38	Instrument contains extraneous matter.
39	Image not clear; present again with paper.
40	Present with document.
41	Item listed twice.
42	Paper not received.
60	Crossed to two Banks.
61	Crossing stamp not cancelled.
62	Clearing stamp not cancelled.
63	Instrument specially crossed to another Bank.
67	Payee's endorsement irregular / requires collecting Bank' confirmation.
68	Endorsement by mark/thumb impression requires attestation by Magistrate with seal
70	Advice not received.
71	Amount/Name differs on advice.
72	Drawee Bank's fund with sponsor Bank insufficient (applicable to sub-members)
73	Payee's separate discharge to Bank required.
74	Not payable till 1 st proximo.
75	Pay order requires counter signature.
76	Required information not legible/correct.
80	Bank's certificate ambiguous/incomplete/required.
81	Draft lost by issuing office; confirmation required from issuing office.
82	Bank/Branch blocked.
83	Digital Certificate validation failure.
84	Other reasons-connectivity failure.
87	'Payee's/credited'-Stamp required.
92	Bank excluded.

20.04.11. Cheques that need to be re-presented without any recourse to the payee, shall be made in the immediate next presentation clearing not later than 24 hours (excluding holidays) with due notification to the customers of such re-presentation through SMS alert, email etc.

21. ATM TRANSACTIONS.

21.01. Customer charges for use of ATMs for cash withdrawal and balance enquiry.

- 21.01.01. The Bank will deploy ATMs to increase its usage as a delivery channel, mainly with utility for cash withdrawal and balance enquiry.
- 21.01.02. The Bank will also enter into bilateral or multilateral arrangements with other Bank to expand inter-Bank ATM networks.
- 21.01.03. To enhance the customer convenience in using the plastic money, the Bank will take steps to permit cash withdrawals at POS terminals.
- 21.01.04. For the use of our ATMs, the Bank is allowing all transactions free of cost.
- 21.01.05. For use of other Bank ATMs, the Bank will allow the first 5 ATM transactions in the calendar month, free of cost at non-metro centres. Beyond this, the Bank will charge not more than Rs.20.00 per transaction excluding service tax.
- 21.01.06. For use of other Bank ATMs, the Bank will allow the first 3 ATM transactions in the calendar month, free of cost at metro centres. Beyond this, the Bank will charge not more than Rs.20.00 per transaction excluding service tax.

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- 21.01.07. All the ATMs will indicate their location by sticker/poster, etc. so that the customer can identify the status of the ATM to availability of the facility of free transactions and further charges.
- 21.01.08. The Bank has ensured that the "ATM location identifiers" in the ATM database are done accurately and will be up-to-date from time to time to track the location of the transactions so as to minimise disputes.
- 21.01.09. The charge structure on ATM transactions will be displayed on the branch premises.
- 21.02. **ENHANCEMENT OF CUSTOMER SERVICE.**
- 21.02.01. The message regarding the non-availability of cash in ATMs will be displayed before the transaction is initiated by the customer either on screen or in some other way.
- 21.02.02. The ATM ID will be displayed clearly on the ATM premises to enable a customer to quote the same while making a complaint/suggestion.
- 21.02.03. The forms for lodging ATM complaints will be made available within the ATM premises and display the name and phone number of the officials with whom the complaint can be lodged.
- 21.02.04. The Bank will take steps to make available sufficient toll-free phone numbers for lodging complaints/reporting and blocking lost cards to avoid delays and also attend to the requests on priority. Local helpline numbers (city-wise / centre-wise) will also be prominently displayed on the ATM premises/ Bank' website.
- 21.02.05. Bank will proactively register the mobile numbers/e-mail IDs of the customers for sending alerts and also educate them to intimate changes, if any. These details will be updated periodically along with KYC details.
- 21.02.06. To prevent fraudulent withdrawals at ATMs, the Bank will mandate PIN entry for every transaction, including balance enquiry transactions. The time-out sessions will be available for all screens/stages of ATM transactions keeping in view the time required for such functions in normal course. The Bank will ensure that no time extensions are allowed beyond a reasonable limit at any stage of the transaction.
- 21.03. The Bank will reimburse the customers the amount wrongfully debited, if any, due to ATMs' failure to dispense cash within a maximum period of 10 working days from the date of receipt of customer complaints.
- 21.04. Provision of ramps at Automated Teller Machines (ATMs)/branches.
- 21.04.01. The Bank will take the necessary steps to provide all existing ATMs/ future ATMs with ramps so that wheelchair users/persons with disabilities can easily access them.
- 21.04.02. The height of the ATM will be such that it will be convenient for its use by a wheelchair user.
- 21.04.03. The Bank will also take appropriate steps including ramps at the entrance of the branches so that the person with disabilities/wheelchair users can enter the branches and conduct business without much difficulty and report the progress made in this regard periodically to the Board of Directors / Customer Service Committee of the Board and ensure compliance.
- 21.04.04. However, in cases where it is impracticable to provide such ramp facilities, whether permanently fixed to earth or otherwise, the Bank will dispense with by reasons recorded or displayed in branches or ATMs concerned.
22. **ELECTRONIC PAYMENT PRODUCTS (RTGS, NEFT, NECS AND ECS VARIANTS)**
- 22.01. **Processing inward transactions based solely on account number information.**
- 22.01.01. Bank will uniquely identify account holders by their account numbers across branches to credit the inward remittances, since it is the responsibility for accurate input by the remitter/originator.
- 22.01.02. This is applicable both for transaction requests emanating at branches and those originating through the online/ internet delivery channel.
- 22.01.03. Bank will put suitable disclaimers on the funds' transfer screens in the online / internet Banking platform and funds transfer request forms advising customers that credit will be effected based

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solely on the beneficiary account number information and the beneficiary name particulars will not be used.

- 22.01.04. The Bank will implement the system of providing mobile/e-mail alerts to customers for debit/credit to all customers for all funds transfer transactions irrespective of value.

22.02. **NEFT-Customer Service and Charges.**

- 22.02.01. The dealing officials/staff will be educated/made known of the NEFT process in general and the actual charges for NEFT.
- 22.02.02. Board or material showing the NEFT charges for customers wanting to remit funds will be displayed in the branch.
- 22.02.03. All the walk-in-customers/non-accountholders / non-home branch customers will be entertained.
- 22.02.04. The Bank will ensure NEFT application forms with proper instructions and will be made available at all branches.
- 22.02.05. Bank will send confirmation of credit to beneficiary account invariably for all inward remittance transactions.
- 22.02.06. In case of originating NEFT transactions, confirmation will be sent to all remitting customers, including walk-in customers who provide their mobile number/e-mail id.
- 22.02.07. Intimation of failed / returned transactions will also be brought to the notice of the remitting customer and funds will be credited to the account immediately/returned to the remitted at the earliest.
- 22.02.01. **In case of delayed credits or delayed returns, the penal interest as applicable will be paid suo-moto to the customer without necessitating a request for the same by the customer.**

23. **MOBILE BANKING TRANSACTIONS.**

- 23.01. **The Bank has implemented standardization in relating to on-boarding of customers for mobile Banking for new customers, existing account holders whose mobile numbers are available with the Bank but not registered for mobile Banking, and existing account holders where mobile number is not available with the Bank, as also the subsequent processes for authentication, including accessible options for generation of MPIN by customers.**
- 23.02. **Bank will provide options for easy registration for mobile Banking services to the customers, through multiple channels, thereby minimizing the need for the customer to visit the branch for such services. The time taken between registration of customers for mobile Banking services and activation of the service will be minimal.**
- 23.03. **Bank will implement following points in due course of time-**
- 23.03.01. Account opening form will clearly indicate the option for mobile Banking and distinct from the contact details of the customer where mobile number will be accepted and alerts will be sent to this registered mobile number.
- 23.03.02. The account opening form will clearly indicate that opting for mobile Banking services will provide an alternate delivery channel to the customer and related inputs / materials / booklet etc. will be provided to the interested customers outlining the features of mobile Banking services offered by the Bank, the process involved, roles and responsibilities etc.
- 23.03.03. Where mobile numbers are registered with the Bank but not active, Bank will contact them by sending SMS / e-mails on registered mobile numbers / e-mail ids about activating mobile Banking.
- 23.03.04. Social media and website also be used by the Bank to build awareness and encourage customers to register on mobile Banking;
- 23.03.05. In case of existing customer whose mobile number are not registered will be contacted to obtain mobile numbers for further mobile Banking registration by all possible way.

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- 23.04. So as to quicken the process of MPIN generation and also widen the accessibility of this process to the mobile Banking registered customers, Bank will consider adopting various channels/methods such as-
- 23.04.01. Through the ATM channels, similar to option available for change of PIN on their own ATMs as well as in inter-operable ATM networks.
- 23.04.02. Through an option provided in the USSD menu for mobile Banking, both their own USSD platform, if any, as well as under the inter-operable USSD Platform for mobile Banking.
- 23.04.03. Bank' own internet Banking website, with necessary safeguards.
- 23.04.04. Use of MPIN mailers, like PIN mailers for cards.
- 23.04.05. Common website.
- 23.05. Bank will undertake customer education and awareness programme in multiple languages through different channels of communication to popularise the process of mobile Banking registration / activation and its usage etc.

24. CARD PAYMENTS.

24.01. **No system of "Card Not Present" (CNP) transactions in the Bank.**

24.02. **Bank-issued EMV chip and pin-based cards.**

24.03. **The Bank will not give relaxation in the requirement of "Additional Factor of Authentication" for Small Value Card Present Transactions.**

25. Reporting of unauthorised transactions by customers to Banks

A Bank shall ask its 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. The customers shall be advised to notify their Bank of any unauthorized 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. To facilitate this, a Bank shall provide customers with 24x7 access through multiple channels (at a minimum, via website, phone Banking, SMS, e-mail, IVR, a dedicated toll-free helpline, reporting to home branch, etc.) for reporting unauthorized transactions that have taken place and/ or loss or theft of payment instrument such as card, etc. A Bank shall also enable customers to instantly respond by "Reply" to the SMS and e-mail alerts and the customers shall not be required to search for a web page or an e-mail address to notify the objection, if any. As an alternative, the Bank shall prove and alternate number in the transaction alert SMS itself, to which the customer can immediately send a reply. Further, a direct link for lodging the complaints, with specific option to report unauthorised electronic transactions shall be provided by Banks on home page of their website. The loss/ fraud reporting system shall also ensure that immediate response (including auto 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 thereto shall record the time and date of delivery of the message and receipt of customer's response, if any, to them. This shall be important in determining the extent of a customer's liability. A Bank shall not offer facility of electronic transactions, other than ATM cash withdrawals, to customers who do not 23 provide mobile numbers to it. On receipt of report of an unauthorised transaction from the customer, a Bank shall take immediate steps to prevent further unauthorised transactions in the account.

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26. CHEQUE BOOKS / CHEQUE COLLECTION ETC.

26.01. Issue of Cheque Books.

26.01.01. Bank ensured that the chequebooks were printed with due care and the perforation in the cheque leaves as also binding of chequebooks up to the mark to avoid any inconvenience to the customers.

26.02. Cheque Drop Facility and the Facility for Acknowledgement of cheques.

26.02.01. The Bank will take the necessary steps for a "Cheque drop facility" for the customers.

26.02.02. The facility for acknowledgement of cheques at the regular collection counters will be continued.

26.02.03. No branch will refuse to give an acknowledgement on cheques being tendered by customers at the counters.

26.02.04. The 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 make an informed decision in this regard.

26.03. Immediate Credit of Outstation Cheques.

Bank has implemented CTS clearing, and Bank will give credit and or debit on the same day or at the most the next day of their presentation in clearing.

26.04. Time frame for collection of cheques.

Separate "Cheque Collection Policy" formulated covering this point.

26.05. Implementation and Accountability.

26.05.01. In order to ensure that the above time schedule is scrupulously followed by the branches, clear-cut staff accountability will be fixed for the delay. For this purpose, a special register will be maintained to record the delayed collections for necessary action.

26.05.02. Senior Officials while visiting branches will make it a point to check the implementation of the above instructions.

26.06. Measures for quicker collection of outstation cheques.

26.06.01. Branches will maintain separate register for local cheques and outstation cheques and it will be verified during branch inspection.

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

Separate "Cheque Collection Policy" formulated covering this point.

26.08. Dishonoured instruments.

Separate "Cheque Collection Policy" formulated covering this point.

26.09. Reimbursement of interest by paying Bank.

26.10. Cheque Related Fraud Cases-Preventive Measures.

26.10.01. The Bank will strengthen the controls in the cheque presenting / passing and account monitoring processes and ensure that all procedural guidelines including preventive measures are followed meticulously by the dealing staff/officials. The Bank will follow some of the preventive measures by ensuring the 100% use of CTS-2010 compliant cheques, strengthening the infrastructure at the cheque handling Branches / HO department and paying special attention to the quality of equipment and personnel posted for CTS-based clearing, 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, examination under UV lamp for all cheques, checking at multiple levels, close monitoring of credits and debits in newly opened transaction accounts based on risk categorization and sending an SMS alert to payer/drawer when cheques are received in clearing.

26.10.02. In addition to the above, the Bank will take preventive measures for dealing with suspicious or large value cheques by alerting the customer by a phone call and getting the confirmation from the payer/drawer, contacting the base branch in case of non-home cheques.

26.10.03. The Bank will take appropriate precautionary measures to ensure that no one can misuse the confidential information viz., customer name /Account number/signature, cheque serial numbers

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and other related information. Due care and secure handling will be exercised in the movement of cheques from the time they are tendered over the counters or dropped in the collection boxes by customers.

26.11. **ROUNDING OFF CHEQUES TO THE NEAREST RUPEE.**

- 26.11.01. The Bank will ensure that cheques/drafts issued by clients containing fractions of a rupee are not rejected or dishonoured.
- 26.11.02. The Bank will review the practice being followed in this regard and take necessary steps, including through the issue of internal circulars, etc., to ensure that the concerned staff are well versed with these instructions so that the general public does not suffer.
- 26.11.03. The Bank will take appropriate action against the staff if refuse to accept cheques/drafts containing fractions of a Rupee.

26. **OTHER INSTRUCTIONS.**

26.01. **Customer Service-Periodical Review and Monitoring.**

- 26.01.01. With a view to constantly upgrading the quality of customer satisfaction and also identifying more avenues for customer service, Bank will undertake periodical evaluation of the position in regard to the extent of actual implementation at the branches.
- 26.01.02. Bank will evolve an appropriate monitoring system in respect of implementation of various instructions issued through internal inspection and concurrent audit.
- 26.01.03. Bank will undertake periodical evaluation on customer service on half yearly basis, as of March in the BoD meeting of May and as of September in the BoD meeting of November, with a view to ensuring their implementation at all branches of the Bank as also upgrading the quality of services to achieve higher satisfaction among the Bank's customers.

26.02. **Issue of Duplicate Demand Draft.**

26.02.01. **Issue of Duplicate Demand Draft without receipt of Non-Payment Advice.**

The duplicate draft amounting to Rs. 5,000 or less; will be issued on the basis of adequate indemnity and without obtaining Non-Payment Advice (NPA) from the drawee branch.

26.02.02. **Fixation of time-frame for issue of duplicate demand draft.**

The Bank will ensure that a duplicate demand draft is issued within a fortnight from the receipt of such requests. For delay in issuing duplicate demand draft beyond the above stipulated period, the Bank will pay interest at the rate applicable for fixed deposit of corresponding maturity in order to

Compensate the customer for such delay. The request for a duplicate demand draft made by the purchaser or the beneficiary will be entertained and not by third-party endorsements. Senior Officials, while visiting branches, will make it appointment to check the implementation of the above instructions.

27. **NOMINATION FACILITIES.**

- 27.01. The statutorily prescribed nomination form is incorporated in the account opening form and will be preserved with the account opening forms.
- 27.01.01. The Bank will take steps to widely publicize about availability of the nomination facility by printing compatible messages on chequebooks/passbooks and any other literature reaching the customers.
- 27.01.02. The nomination will be a rule, rather than an exception and the Bank will endeavour to cover all accounts, existing as well as new, under nomination, the exception being the ones where the customer himself/herself does not prefer to nominate and this fact will be recorded rather than left to the conjecture of non-compliance.
- 27.02. The Bank will make Nomination facilities available not only for deposit accounts but also for safe custody articles and safe deposit lockers.
- 27.02.01. Bank will publicize about availability of nomination facility for deposit accounts, safe custody articles and safe deposit lockers.

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27.03. **STATUTORY PROVISIONS FOR NOMINATION FACILITY.**

Bank will follow for registration of nomination, since it is beneficial-

27.03.01. To make payment to the nominee of a deceased depositor.

27.03.02. To return the articles left by a deceased person in its safe custody to his nominee, after making an inventory of the articles.

27.03.03. To release the contents of a locker to the nominee of the hirer, in the event of the death of the hirer after making an inventory of the contents of the locker.

27.04. **Nomination Rules.**

27.04.01. Bank will register the nomination in the prescribed format under the Co-operative Bank (Nomination) Rules, 1985 for deposit accounts, articles kept in safe custody and the contents of safety lockers, cancellation and variation of the nomination, Registration of nominations and cancellation and variation of nominations, and Matters related to the above.

27.04.02. As such, form No, 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.

27.04.03. Thumb-impression(s) will be attested by one witness. The signatures of the account holders need not be attested by witnesses.

27.05. **Nomination of articles in safe custody.**

27.05.01. A separate "Locker policy" is formulated covering the various aspects.

27.05.02. To ensure that the amount of deposits, articles left in safe custody and contents of lockers are returned to the genuine nominee, as well as to verify the proof of death, the Bank devised claim formats.

27.06. **Registration of nomination in Bank' books.**

27.06.01. Bank will register in books the nomination, cancellation and/or variation of the nomination.

27.07. **Incorporation of legend 'Nominations Registered' in passbook, deposit receipt etc.**

27.07.01. The Bank will incorporate the legend 'Nominations Registered' on every passbook or deposit receipt to enable the relatives to know the ailment of the nomination facility by the deceased depositor.

28. **TIMELY ISSUE OF TDS CERTIFICATE TO CUSTOMERS.**

28.01. The Bank will provide a TDS Certificate in Form 16A to the customers from whose deposit accounts income tax has been deducted at source, within the time -frame prescribed under the Income Tax Rules.

29. **MONITORING SYSTEM OF IMPLEMENTATION OF VARIOUS INSTRUCTIONS ON CUSTOMER SERVICE.**

29.01. The Bank will evolve an appropriate monitoring system for evaluating the position regarding the extent of actual implementation at the branch level of the various instructions issued.

29.02. The Bank will undertake a periodical evaluation of customer service on half yearly basis, every six months as of March in the month of May and as of September in the month of November, to ensure the implementation at all branches of the Bank as well as upgrade the quality of services to achieve higher satisfaction among the Bank's customers.

As such, the Bank developed a Customer Service framework as an under-

29.03. **Branch Level Customer Service Committees.**

29.03.01. The Branch Manager will form Customer Service Committees at the branch level to encourage communication between the customers and the branch.

29.03.02. Since the Branch Manager is aware of the local status of the customers, he/she will select minimum 5 and maximum 7 prominent depositors as members of "Branch level Customer Service committees"

29.03.03. The Branch Manager will select all types of customers duly consisting of senior citizens, ladies and persons with disability.

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- 29.03.04. The Branch Manager may continue/change/add them, whenever needed.
- 29.03.05. The Branch Manager will conduct a customer Service Committee meeting every month and study complaints/ suggestions, reasons for delays in services and difficulties faced or reported by customers/members of the Committee and evolve ways and means of improving customer service.
- 29.03.06. The Branch Manager follows all the norms and protocols of the meeting, such as sending call letters, attendance register, smooth way of discussions, keeping record of discussion etc.
- 29.03.07. The Branch Manager will submit its reports giving inputs/suggestions to the "HO Level Committee on Customer Service" with in next 3 days.
- 29.04. **"HO Level Committee on Customer Service".**
- 29.04.01. "HO Level Committee on Customer Service" will assess, and monitor the implementation of the guidelines given in this policy document with a view to strengthening the corporate governance structure and also bringing about ongoing improvements in the quality of customer service, and will examine the nature of complaints lodged so as to initiate prompt corrective action wherever service quality/skill gaps have been noticed.
- 29.04.02. The Committee will resolve the complaints/grievances lodged with the Banking Ombudsmen and will also ensure that the awards of the Banking Ombudsmen are implemented expeditiously, examine the existing issues of deficiencies in the Bank brought out by the awards given by the Banking Ombudsman and review of unimplemented awards given by the Banking Ombudsman for more than three months with the reasons and will report to the Board for such delays in implementation without valid reasons and for initiating necessary remedial action.
- 29.04.03. This Committee will submit a detailed report to the Executive Committee / Board of Directors, every six months as of March in the meeting of May and as of September in the meeting of November.
- 29.04.04. **"HO Level Committee on Customer Service"** will be chaired by the CEO and HOD of Resources Management & Operations, HOD of Audit, HOD of Accounts.
- 30. CUSTOMER SERVICE-REDRESSAL OF GRIEVANCES.**
- 30.01. A separate "Customer Grievance Redressal" policy has been formulated, covering grievance redressal structure and processes to ensure prompt in-house redressal.
- 30.02. The Bank will prominently display at the branches the names of officials, who can be contacted for redressal of complaints together with their direct telephone number, complete address, e-mail address etc. for proper and timely contact by the customers and for enhancing the effectiveness of the redressal machinery.
- 30.03. In the case of fraudulent encashment of third-party instruments by unscrupulous persons, by opening deposit accounts in the name/s similar to already established concern/s resulting in erroneous and unwanted debit of drawers' accounts and where the Bank is at fault, the Bank will compensate the customers without demur; and
- 30.03.01. In cases where neither the Bank is at fault nor the customer is at fault but the fault lies elsewhere in the system, then also the Bank will compensate the customer as resolved in BoD.
- 31. Legal Guardianship Certificate issued under Mental Health Act, 1987 and National Trust for the welfare of persons with autism, cerebral palsy, mental retardation and multiple disabilities Act, 1999.**
- 31.01. "Mentally ill person" means a person who needs treatment because of any mental disorder other than mental retardation.
- 31.01.01. The district courts and collectors of districts are empowered to appoint the guardians for mentally ill persons and in certain cases, managers in respect of their property.
- 31.02. A "person with a disability" means 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.

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- 31.02.01. Local Level Committee is empowered to appoint a guardian to a person with disabilities, who shall have the care of the person and property of the disabled person.
- 31.02.02. The Bank will rely on the orders/certificates issued by the competent authority duly appointing guardians/managers for opening/operating Bank accounts.
- 31.02.03. In case of doubt, will be taken to obtain proper legal advice. The Bank will also ensure that the branches give proper guidance to their customers so that the guardians/managers of disabled persons do not face any difficulties in this regard.

Limited Liability of a Customer

Zero Liability of a Customer

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

- (1) Contributory fraud/ negligence/ deficiency on the part of the BANK (irrespective of whether the transaction is reported by the customer or not).
- (2) 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.

Limited Liability of a Customer

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

- (1) In cases where the loss is due to negligence by a customer, such as where he/ she has shared the payment credentials, the customer will bear the entire loss until he/ she reports the unauthorised transaction to the BANK. Any loss occurring after the reporting of the unauthorised transaction shall be borne by the BANK.
- (2) 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 the customer notifies the BANK of such a transaction within four to seven working days of receiving a communication of the transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned in Table 2, whichever is lower.

Table 2
Maximum Liability of a Customer under paragraph 57(2)

Type of Accounts	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 Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to ₹25 lakh • Credit cards with limit up to ₹5 lakh	10,000
• All other Current/ Cash Credit/ Overdraft Accounts • Credit cards with limit above ₹5 lakh	25,000

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Further, if the delay in reporting is beyond seven working days, the customer liability shall be determined as per the BANK's Board approved policy. A BANK shall provide the details of their policy regarding customers' liability formulated in pursuance of these directions at the time of opening the accounts. A BANK shall also display their approved policy in public domain for wider dissemination. The existing customers shall also be individually informed about a BANK's policy.

Overall liability of the customer in third party breaches, as detailed in paragraphs 56(2) and 57(2) above, where the deficiency lies neither with the BANK nor with the customer but lies elsewhere in the system, is summarized in the Table 3:

Table 3
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	As per BANK's Board approved policy

The number of working days mentioned in Table 2 shall be counted as per the working schedule of the home branch of the customer excluding the date of receiving the communication.

32. VALIDITY & REVIEW OF THE POLICY.

- 32.01. The policy shall be reviewed annually in tune with the regulatory guidelines issued from time to time or internal requirements or as and when considered necessary.
- 32.02. This Policy shall be valid up to 31st March, 2027.

33. APPLICABILITY AND CONTROLLING AUTHORITY.

- 33.01. This policy is applicable to all branches and concerned HOD at HO and to all staff members.
- 33.02. HOD, Resources Management & Operations will be controlling authority.
- 33.03. There has been no change in the deposit policy this year compared to last year.

END***END*****END*****END.**